

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



ANNUAL REPORT
JUNE 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 Murataz Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

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

Trustee

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

Bankers to the Fund

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



Auditor

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

Legal Advisor

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

Head Office

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

Lahore Office

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

Islamabad Office

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

Peshawar Office

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

Multan Office

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

Board of Directors



Dr. Amjad Waheed, CFA
Chief Executive Office



Shaikh Muhammad Abdul Wahid Sethi
Chairman



Mr. Khalid Mansoor
Director



Mr. Humayun Bashir
Director



Syed Hasan Irtiza Kazmi
Director



Mr. Ali Saigol
Director



Mr. Saad Amanullah Khan
Director



Mr. Saad ur Rehman
Director



Mr. Imran Zaffar
Director

Senior Management



Mr. Sajjad Anwar, CFA
Chief Investment Officer



Dr. Amjad Waheed, CFA
Chief Executive Officer



Mr. Muhammad Murtaza Ali
Chief Operating Officer &
Company Secretary



Mr. Khalid Mehmood
Chief Financial Officer



Mr. Samiuddin Ahmed
Country Head Corporate Marketing



Mr. Ozair Khan
Chief Technology Officer



Mr. Salim S Mehdi
Chief Innovation & Strategy Officer



Mr. Asim Wahab Khan, CFA
Deputy Chief Investment Officer



Mr. Muhammad Ali, CFA, FRM
Head Of Fixed Income



Mr. Hassan Raza, CFA
Head Of Research



Mr. Waheed Abidi
Head Of Internal Audit



Mr. Zaheer Iqbal, ACA FPFA
Head Of Operations



Mr. Salman Ahmed, CFA
Head Of Product Development



Mr. Saadat Saeed, ACA, CFA
Head Of Investment Risk.



Mr. Shahid Javed
Head Of Operational Risk



Mr. Shahbaz Umer
Head Of Human Resource



DIRECTORS' REPORT

This is the fourth Annual Report for the period ended June 30, 2020, since launch of NAFA Islamic Active Allocation Fund-II (NIAAF-II) on May 26, 2017.

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income/Money Market Funds.

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

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

Amid high volatility, FY2019-20 remained a lackluster year for the stock market as the benchmark KMI-30 Index rose by a meagre 1.6% on a year-on-year basis. The market started off the year on a negative note despite positive news-flow surrounding the signing of USD 6 billion Extended Fund Facility (EFF) with the IMF, commencement of Saudi oil facility worth USD 3.3 billion, and USD 500 million inflow from Qatar. The market sentiment was soured by deteriorating Pakistan-India relations over the repeal of article 370 in the Indian-occupied Kashmir. The ensuing panic selling sent the Index to a low of 44,929 points on August 16th that in the process opened-up valuation gap in the broader part of the market. Based on attractive valuations, improving Current Account Deficit (CAD), and expectation of monetary easing by the SBP, the stock market rebounded sharply afterwards. The current account balance turned into surplus in Oct-19 and CAD for FY20 clocked in at USD 3 billion, down by 78% on a YoY basis. Likewise, capital flows from the multilateral agencies and portfolio inflows in the government securities also instilled confidence amongst investors. As a result, the KMI-30 Index surged by a massive 58% from August 16th, 2019 to its recent peak on January 10th, 2020.

Subsequently, concerns over delay of 3rd tranche from the IMF over noncompliance of Performance Criteria under EFF, fear of a mini budget to meet expected revenue shortfalls, and some outflow of hot money from T-Bills weighed on the market sentiments. It was, however, the spread of Coronavirus and the ensuing lockdown/shutdown of the business activity that caused indiscriminate selling in the stock market and within a span of 2 months, the stock market tumbled by 42% from its previous peak. To cushion the economy from the impact of the Coronavirus pandemic, policymakers responded with unprecedented fiscal and monetary policy actions. SBP slashed the Policy Rate by a cumulative 6.25% and to support businesses and keep credit flowing, amendments were made in the prudential regulations for corporates / commercial banks related to loan repayments. The government announced a Rs. 1.2 trillion stimulus package, equivalent to 2.8% of the GDP, which included relief for all sectors of the society including the under privileged, businesses, and the industries. The country received an emergency loan of USD 1.39 billion from the IMF under Rapid Financing Instrument (RFI) and the G20 countries announced relief for debt repayment. Notwithstanding poor and inadequate healthcare infrastructure, relatively low fatality rates and higher recovery rates raised hopes that Pakistan may be spared from the worst as earlier feared. As a result, the market staged a sharp rebound thenceforth and covered almost all the lost ground and managed to close the year with a paltry gain of 1.6% on a YoY basis.

In terms of sector-wise performance during the year, Automobile Parts & Accessories, Cements, Chemicals, Engineering, Fertilizers, Pharmaceuticals, Paper & Board, Technology and Glass & Ceramics sectors performed better than the market, while Commercial Banks, Oil & Gas Exploration, Oil & Gas Marketing, Power Generation & Distribution, and Textile Composite sectors lagged behind. Regarding the market participant-wise activity, Individuals remained major buyers with net inflows of USD 213 million, along with Insurance Companies that accumulated positions worth USD 128 million. On the other hand, Foreign investors were major sellers in the market, offloading positions worth USD 285 million. Similarly, Banks/DFIs and Mutual Funds were also sellers with net outflows of USD 55 million, and USD 50 million, respectively.

Trading activity in Corporate Sukuks witnessed a notable increase of 127% with a cumulative traded value of around Rs. 27 billion in FY2020 compared to Rs. 12 billion in FY2019. Fresh issuance of Ijara Sukuk coupled with the issuance of government-guaranteed energy sector Sukuk and Shariah Compliant Commercial Papers helped the undersupplied market for long-term and short-term shariah-compliant debt instruments. Building on the ongoing economic stabilization policies and to counter the upside risks to inflation stemming from (i) exchange rate depreciation; (ii) increase in utility prices; and (iii) other measures taken in the federal budget FY20, the SBP increased the Policy Rate by 100 bps to 13.25% in July 2019. After taking a long pause, the State Bank slashed the Policy Rate by 25 bps in its MPC meeting held on March 17th, 2020. To cushion the economy from the Coronavirus-induced disruption, the SBP embarked on aggressive monetary easing, slashing the Policy Rate by a cumulative 625 bps to 7% in a short span of time. Sovereign



yields responded to this decrease in the Policy Rate as the yields on T-Bills for 3-month, 6-month, and 12-month decreased by 566 basis points, 580 basis points, and 608 basis points, respectively. SBP held twenty-seven (27) T-Bill auctions during the period under review, realizing a total of Rs. 14,317 billion.

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

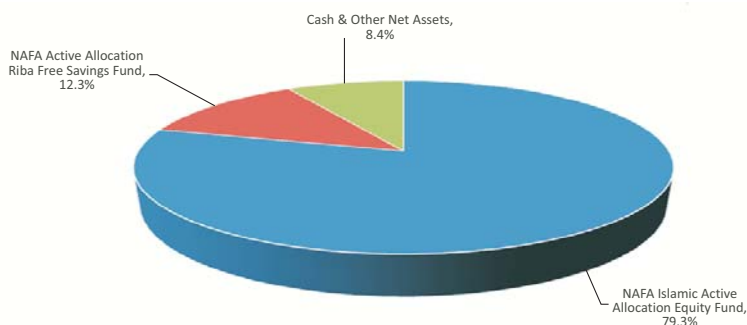
This is the fourth annual report for the period ended June 30, 2020, since launch of NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) on May 26, 2017. The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income Fund.

Plan's Performance

During the fiscal year, NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) increased by 13.5% as against the benchmark which increased by 11.5%, thus, the Fund outperformed the benchmark by 2.0% during the year. Since launch of the plan, the unit price of NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) has decreased from Rs.89.3334 on May 26, 2017 to Rs. 80.2002 on June 30, 2020, thus showing a decrease of 10.2%. The Benchmark return during the same period decreased by 11.3%. Thus, the Fund has outperformed its Benchmark by 1.1% since its inception on May 26, 2017. This performance is net of management fee and all other expenses. The size of the Fund is Rs. 140 million.

The Plan has earned a total income of Rs. 22.567 million during the year. After deducting total expenses of Rs. 1.276 million, the net income is Rs. 21.291 million.

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



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 12.04% of the opening ex-NAV (9.52% of the par value) in NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) for the year ended June 30, 2020.

Taxation

As the above cash dividend is more than 90% of the income earned during the year, excluding realized and unrealized capital gains on investments, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

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

This is the fourth annual report for the period ended June 30, 2020, since launch of NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) on June 29, 2017. The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income Fund.

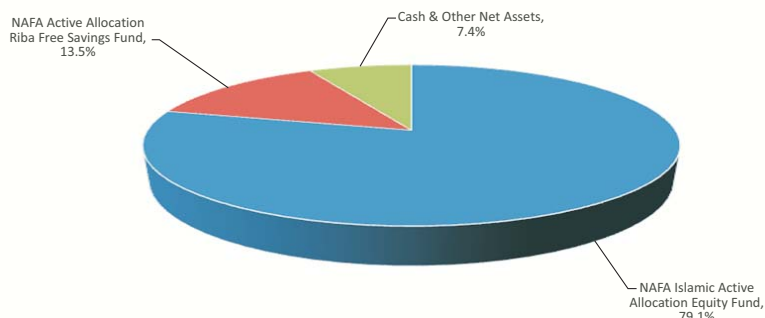
Plan's Performance

During the fiscal year, NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) increased by 7.1% as against the benchmark which increased by 5.8%, thus, the Fund outperformed the benchmark by 1.3% during the year. Since launch of the plan, the unit price of NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) has decreased from Rs.93.2102 June 29, 2017 to Rs. 84.6286 on June 30, 2020, thus showing a decrease of 9.2%. The Benchmark return during the same period decreased by 8.9%. Thus, the Fund has underperformed its Benchmark by 0.3% since its inception on January 29, 2017. This performance is net of management fee and all other expenses. The size of the Fund is Rs. 35 million.



The Plan has earned a total income of Rs. 3.176 million during the year. After deducting total expenses of Rs. 0.462 million, the net income is Rs. 2.714 million.

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



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 7.24% of the opening ex-NAV (6.13% of the par value) in NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) for the year ended June 30, 2020.

Taxation

As the above cash dividend is more than 90% of the income earned during the year, excluding realized and unrealized capital gains on investments, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

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

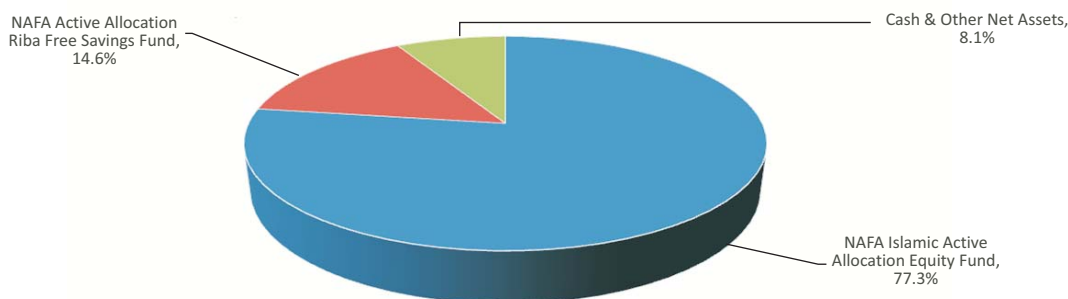
This is the third annual report for the period ended June 30, 2020, since launch of NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) on November 03, 2017. The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shariah Compliant Equity Fund and Income Fund.

Plan's Performance

During the fiscal year, NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) increased by 8.1% as against the benchmark which increased by 4.7%, thus, the Fund outperformed the benchmark by 3.4% during the year. Since launch of the plan, the unit price of NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) has increased from Rs. 93.2660 on November 03, 2017 to Rs.96.9868 on June 30, 2020, thus showing an increase of 4.0%. The Benchmark return during the same period increased by 0.9%. Thus, the Fund has outperformed its Benchmark by 3.1% since its inception on November 03, 2017. This performance is net of management fee and all other expenses. The size of the Fund is Rs.121 million.

The Plan has earned a total income of Rs. 18.457 million during the year. After deducting total expenses of Rs. 1.279 million, the net income is Rs. 17.178 million.

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





Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 7.24% of the opening ex-NAV (6.96% of the par value) in NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) for the year ended June 30, 2020.

Taxation

As the above cash dividend is more than 90% of the income earned during the year, excluding realized and unrealized capital gains on investments, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

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

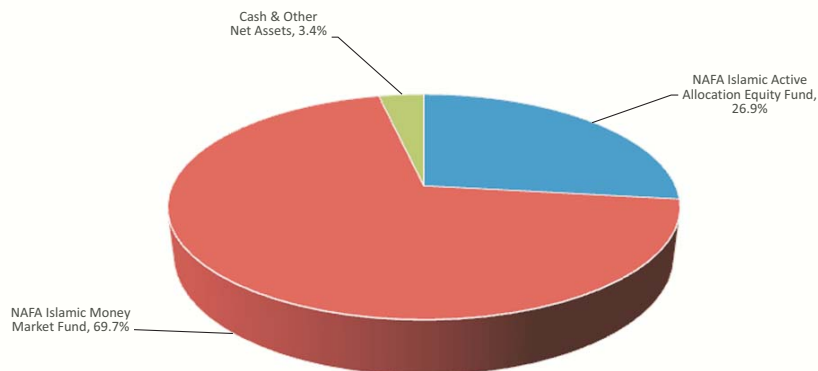
This is the third annual report for the period ended June 30, 2020, since launch of NAFA Islamic Capital Preservation Plan-I (NICPP-I) on February 28, 2018. The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income Fund.

Plan's Performance

During the fiscal year, NAFA Islamic Capital Preservation Plan-I (NICPP I) increased by 6.6% as against the benchmark which increased by 5.0%, thus, the Fund outperformed the benchmark by 1.6% during the year. Since launch of the plan, the unit price of NAFA Islamic Capital Preservation Plan-I (NICPP I) has increased from Rs.92.0190 (Ex-Div) on February 28, 2018 to Rs.100.2984 on June 30, 2020, thus showing an increase of 9.0%. The Benchmark return during the same period was increased by 4.3%. Thus, the Fund has outperformed its Benchmark by 4.7% since its inception on February 28, 2018. This performance is net of management fee and all other expenses. The size of the Fund is Rs 190 million.

The Plan has earned a total income of Rs. 38.948 million during the year. After deducting total expenses of Rs. 2.513 million, the net income is Rs. 36.435 million.

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



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 6.56% of the opening ex-NAV (6.57% of the par value) in NAFA Islamic Capital Preservation Plan I (NICPP-I) for the year ended June 30, 2020.

Taxation

As the above cash dividend is more than 90% of the income earned during the year, excluding realized and unrealized capital gains on investments, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

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

This is the third annual report for the period ended June 30, 2020, since launch of NAFA Islamic Capital Preservation Plan-II (NICPP-II) on April 27, 2018. The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income Fund.

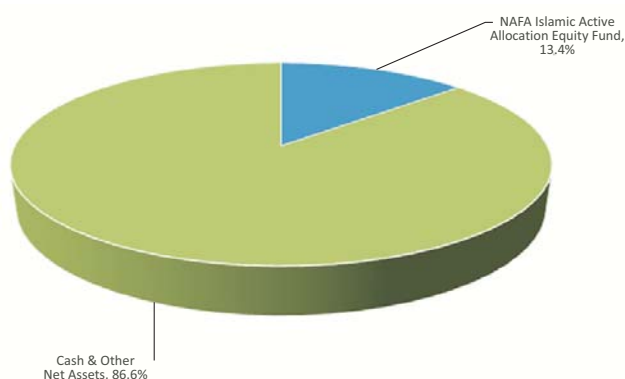


Plan's Performance

During the fiscal year, NAFA Islamic Capital Preservation Plan-II (NICPP II) increased by 5.7% as against the benchmark which increased by 3.6%, thus, the Fund outperformed the benchmark by 2.1% during the year. Since launch of the plan, the unit price of NAFA Islamic Capital Preservation Plan-II (NICPP II) has increased from Rs.94.0762 (Ex-Div) on April 27, 2018 to Rs.100.1578 on June 30, 2020, thus showing an increase of 6.5%. The Benchmark return during the same period was increased by 1.3%. Thus, the Fund has outperformed its Benchmark by 5.2% since its inception on April 27, 2018. This performance is net of management fee and all other expenses. The size of the Fund is Rs.163 million.

The Plan has earned a total income of Rs. 21.721 million during the year. After deducting total expenses of Rs. 3.627 million, the net income is Rs. 18.094 million.

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



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 5.69% of the opening ex-NAV (5.69% of the par value) in NAFA Islamic Capital Preservation Plan II (NICPP-II) for the year ended June 30, 2020.

Taxation

As the above cash dividend is more than 90% of the income earned during the year, excluding realized and unrealized capital gains on investments, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

Auditors

The present auditors, Messrs KPMG Taseer Hadi & Co., Chartered Accountants, retired and, being eligible, offer themselves for re-appointment for the year ending June 30, 2021.

Directors' Statement in Compliance with best practices contained in the Listed Companies (Code of Corporate Governance) Regulations, 2017

1. The financial statements, prepared by the management company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and statement of movement in unit holders' funds.
2. Proper books of account of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the Fund's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance.
8. A performance table/ key financial data is given in this annual report.
9. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements.
10. The Board of Directors of the Management Company held four meetings during the year. The attendance of



- all directors is disclosed in the note 23 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 22 to these financial statements.
 12. All trades in the units of the Fund, carried out by directors, CEO, CFO, Company Secretary and their spouses and minor children are disclosed in note 20 to these financial statements.
 13. The Management Company encourages representation of independent non-executive directors on its Board. The Company, being an un-listed company, does not have any minority interest. As at June 30, 2020, the Board included:

Category	Names
Independent Directors	<ol style="list-style-type: none"> 1. Mr. Khalid Mansoor 2. Mr. Saad Amanullah Khan 3. Mr. Humayun Bashir
Executive Director	Dr. Amjad Waheed - Chief Executive Officer
Non-Executive Directors	<ol style="list-style-type: none"> 1. Mr. Shaikh Muhammad Abdul Wahid Sethi (Chairman) 2. Mr. Saad ur Rahman Khan 3. Syed Hasan Irtiza Kazmi 4. Mr. Ali Saigol 5. Mr. Imran Zaffar

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: September 17, 2020
Place: Karachi.

ڈائریکٹرز رپورٹ

26 مئی 2017 کو قائم ہونے والے NAFA اسلامک ایکٹو ایلوکیشن فنڈ-II (NIAAF-II) کی 30 جون 2020 ختم شدہ سال کے لئے یہ چوتھی سالانہ رپورٹ ہے۔

فنڈ کا مقصد شریعہ مکملیت کی یونٹی فنڈ اور اہم / منی مارکیٹ فنڈز کی فعال طور منظم پورٹ فولیو سے انویسٹرز متاثر کن منافع کمانے کا موقع فراہم کرنا ہے۔

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

اسلامک اہم فنڈ: NBP ایکٹو ایلوکیشن ریفری سیونگ فنڈ

اسلامک ایکٹیو فنڈ: NBP اسلامک ایکٹو ایلوکیشن ایکٹیو فنڈ

اسلامک منی مارکیٹ فنڈ: NBP اسلامک منی مارکیٹ فنڈ

مالی سال 2019-20، اسٹاک مارکیٹ میں انتہائی اتار چڑھاؤ کے باعث مایوس کن سال رہا جیسا کہ KMI-30 انڈیکس میں سالانہ بنیادوں پر 1.6% کا معمولی اضافہ ہوا۔ IMF کے ساتھ 6 بلین ڈالر کی توسیعی فنڈسہولت (EFF) معاہدہ، 3.3 بلین امریکی ڈالر مالیت کی سعودی تیل کی سہولت کا آغاز، اور قطر سے 500 بلین امریکی ڈالر کی آمد جیسی مثبت خبروں کے باوجود مارکیٹ کا آغاز منفی خطوط سے ہوا۔ بھارت کے مقبوضہ کشمیر میں آرمیکل 370 کی منسوختی پر پاک بھارت تعلقات میں کشیدگی پیدا ہونے سے مارکیٹ کے جذبات میں انتشار پیدا ہوا جو پریشانی کے باعث فروخت کا حامل بنا اور انڈیکس کو 16 اگست کو کم ترین سطح 44,929 پر لے آیا جس نے مارکیٹ کے وسیع حصے میں تھکن کی مالیت کو واضح کر دیا۔ پرکشش مالیت، کرنٹ اکاؤنٹ خسارہ (CAD) میں بہتری اور اسٹیٹ بینک کی مانیٹری میں آسانی کی توقع کی بنا پر اسٹاک مارکیٹ میں تیزی سے بہتری واقع ہوئی۔ کرنٹ اکاؤنٹ بیلنس اکتوبر 2019 میں سرپلس میں تبدیل ہوا اور مالی سال 20 کے لئے کرنٹ اکاؤنٹ خسارہ (CAD) 3 ارب ڈالر رہ گیا، جو سالانہ بنیادوں پر 78 فیصد کم ہوا۔ اسی طرح، کثیرالجہتی ایجنسیوں سے سرمائے کی آمد اور سرکاری سیکورٹیز میں پورٹ فولیو کی آمد نے بھی سرمایہ کاروں میں اعتماد پیدا کیا۔ اس کے نتیجے میں، KMI-30 انڈیکس میں 16 اگست، 2019 سے خلیفہ 58 فیصد اضافے کے ساتھ سے 13 جنوری 2020 کی بلند ترین سطح پر پہنچا۔

اس کے بعد، EFF کے تحت کارکردگی کے معیار پر عمل پیرا نہ ہونے کے باعث آئی ایم ایف سے تیسری قسط میں تاخیر، متوقع محصولات کی کمی کو پورا کرنے کے لئے منی بجٹ کے اندیشہ اور T-Bills سے ہاٹ منی کے اخراج کے خدشہ کے باعث مارکیٹ کے جذبات معدوم ہو گئے۔ تاہم، کورونا وائرس کے پھیلاؤ اور کاروباری سرگرمیوں میں لاک ڈاؤن / شٹ ڈاؤن کے باعث اسٹاک مارکیٹ میں آزادانہ فروخت ہوئی اور 2 ماہ کے عرصے میں، اسٹاک مارکیٹ اپنے عروج سے 42 فیصد گر گئی۔ معیشت کو کورونا وائرس و بائی مرض کے اثرات سے نجات دلانے کے لئے، پالیسی سازوں نے غیر معمولی مالی اور مالیاتی پالیسی اقدامات اٹھائے۔ اسٹیٹ بینک آف پاکستان نے پالیسی شرح کو مجموعی طور پر 6.25 فیصد تک کم کیا اور کاروباری اداروں کی مدد اور قرضہ جاری رکھنے کے لئے، قرضوں کی ادائیگی سے متعلق کارپوریٹس / تجارتی بینکوں کے انضباطی ضوابط میں ترمیم کی گئی۔ حکومت نے 1.2 ٹریلین روپے کا امدادی پیکج دینے کا اعلان کیا، جو بی ڈی پی کے 2.8 فیصد کے برابر ہے، جس میں معاشرے کے تمام طبقوں کے لئے ریلیف شامل ہے جن میں غیر مراعات یافتہ افراد، کاروبار اور صنعتیں شامل ہیں۔ ریپڈ فنانسنگ انسرومنٹ (RFI) کے تحت ملک کو آئی ایم ایف سے 1.39 بلین امریکی ڈالر کا ہنگامی قرض ملا اور G20 ممالک نے قرضوں کی ادائیگی میں ریلیف کا اعلان کیا۔ صحت کی دیکھ بھال کے ناقص اور نا کافی انفراسٹرکچر کے باوجود نسبتاً کم اموات کی شرح اور صحت یابی کی اعلیٰ شرحوں نے امیدوں کو بڑھایا کہ پاکستان کو بدترین خطرہ سے بچایا جاسکتا ہے جس کا پہلے خدشہ تھا۔ نتیجتاً مارکیٹ نے واضح بہتری دیکھائی اور تقریباً تمام نقصان والے شعبوں کا احاطہ کیا اور سالانہ بنیاد پر 1.6 فیصد کی معمولی اضافے کے ساتھ سال کا اختتام کرنے میں کامیاب رہی۔

زیر جائزہ مالی سال کے دوران شعبہ دار کارکردگی کے لحاظ سے، آٹوموبائل پارٹس اینڈ ایکسیسیزیر، سیمنٹ، کیمیکلز، انجینئرنگ، کھاد، دواسازی، کاغذ اور بورڈ، بیکنگ اور جی اور گلاس اینڈ سٹریکچرل کے شعبوں نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا جبکہ کمرشل بینک، آئل اینڈ گیس، ایکسپلوریشن، آئل اینڈ گیس مارکیٹنگ، پاور جنریشن اینڈ ڈسٹری بیوشن، اور ٹیکسٹائل کمپوزٹ کے شعبے مارکیٹ سے پیچھے رہے۔ سرمایہ کار کارکردگی کے تناظر میں، انفرادی سرمایہ کار (ریٹیل) 213 بلین امریکی ڈالر کے خالص ان فلو کے ساتھ بڑے خریدار رہے، جبکہ انشورنس کمپنیوں نے 128 بلین امریکی ڈالر کے ساتھ پوزیشن مستحکم کی دوسری جانب غیر ملکی سرمایہ کار 285 بلین ڈالر کے ساتھ بڑے فروخت کنندہ رہے، اسی طرح، بینک / DFIs اور میچل فنڈز بھی بالترتیب 55 بلین امریکی ڈالر اور 50 بلین امریکی ڈالر کے خالص آؤٹ فلو کے ساتھ نمایاں فروخت کنندہ رہے۔

کارپوریت سکوک میں تجارتی سرگرمی مالی سال 2019 میں 12 بلین روپے کے مقابلے مالی سال 2020 میں تقریباً 27 بلین روپے کے مجموعی تجارتی قیمت کے ساتھ قابل ذکر 127% زیادہ رہی۔ نئے اجارہ سکوک کے ساتھ بجلی کے شعبہ کو حکومت کے گارنٹی شدہ سکوک اور شریعہ کمپلیٹ کمرشل پیپر کے اجراء نے طویل مدتی اور قلیل مدتی شریعہ کمپلیٹ ڈیٹ آلات کے زیر اثر مارکیٹ کی مدد کی۔ اقتصادی استحکام کی جاری پالیسیوں کی تعمیر اور (i) زرمبادلہ کی شرح گراؤ، (ii) پوٹی لیٹی قیمتوں میں اضافہ، اور (iii) وفاقی بجٹ مالی سال 20 میں کئے گئے دیگر اقدامات سے افراط زر کے بڑے اثرات کا مقابلہ کرتے ہوئے، اسٹیٹ بینک پاکستان نے جولائی 2019 میں پالیسی شرح 100bps بڑھا کر 13.25 فیصد کردی۔ طویل وقفے کے بعد، اسٹیٹ بینک نے 17 مارچ، 2020 کو منعقدہ اپنے ایم پی سی اجلاس میں پالیسی شرح 25bps کم کردی۔ معیشت کو کورونا وائرس کے اثرات سے نجات دلانے کے لئے، اسٹیٹ بینک نے جارحانہ مانیٹری میں آسانی پیدا کی اور مختصر مدت میں پالیسی شرح 7 فیصد تک کمی کر کے مجموعی طور پر 625bps کردی۔ پالیسی شرح میں اس کمی کے اثرات سورجین ہیلڈ پر پڑے کیونکہ 3 ماہ، 6 ماہ اور 12 ماہ کی ٹی بلز پیداوار بالترتیب 566 ہیسز پوائنٹس، 580 ہیسز پوائنٹس اور 608 ہیسز پوائنٹس تک کم ہوئی۔ SBP نے زبرد جائزہ مدت کے دوران سٹائٹس (27) ٹی بلز نیلامیاں منعقد کیں اور کل 14,317 بلین روپے جمع کئے۔

NAFA اسلامک ایکٹو ایلوکیشن پلان (NIAAP-VI) VI

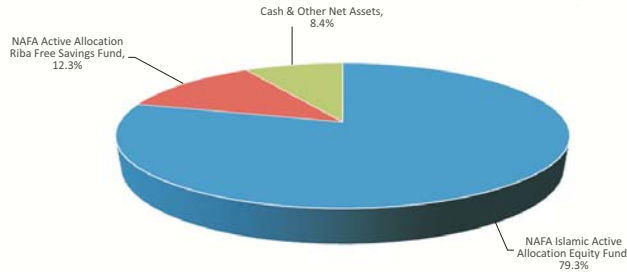
26 مئی 2017 کو قائم ہونے والے NAFA اسلامک ایکٹو ایلوکیشن پلان (NIAAP-VI) VI کی 30 جون 2020 مختتمہ سال کے لئے یہ چوتھی سالانہ رپورٹ ہے۔ پلان کا مقصد شریعہ کمپلیٹ ایکٹیو فنڈ اور انکم مارکیٹ فنڈ کی فعال طور منظم پورٹ فولیو سے انویسٹرز کو متاثر کن منافع کمانے کا موقع فراہم کرنا ہے۔

پلان کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹو ایلوکیشن پلان (NIAAP-VI) VI کے بیچ مارک جو 11.5% زیادہ ہوا کے مقابلے 13.5% زیادہ ہوا، لہذا، پلان نے سال کے دوران 2.0% بیچ مارک کی بہتر کارکردگی دکھائی۔ 26 مئی 2017 کو اپنے قیام سے NAFA اسلامک ایکٹو ایلوکیشن پلان (NIAAP-VI) VI کے پونٹ کی قیمت 89.3334 روپے سے کم ہو کر 30 جون 2020 کو 80.2002 روپے ہو گئی، لہذا 10.2% کی کمی دکھائی۔ اس مدت کے دوران بیچ مارک منافع میں 11.3% کمی ہوئی۔ لہذا پلان کی کارکردگی اپنے بیچ مارک سے 1.1% بہتر رہی۔ پلان کی یہ کارکردگی ٹیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ پلان کا سائز 140 بلین روپے ہے۔

NAFA اسلامک ایکٹو ایلوکیشن پلان (NIAAP-VI) VI کو اس مدت کے دوران 22.567 بلین روپے کی کل آمدنی ہوئی۔ 1.276 بلین روپے کے اخراجات منہا کرنے کے بعد کل آمدنی 21.291 بلین روپے ہے۔

30 جون 2020 کو پلان کی ایسٹ ایلوکیشن درج ذیل ہے:



آمدنی کی تقسیم

ٹیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے سال 30 جون 2020 کے اختتام کے بعد NAFA اسلامک ایکٹو ایلوکیشن پلان (NIAAP-VI) VI میں اوپننگ ex-NAV کا 12.04% (بنیادی قدر کا 9.52%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

ٹیکسیشن

چونکہ مذکورہ بالا نقد منافع منقسمہ سال کے دوران حاصل ہونے والی آمدنی میں سے سرمایہ کاری پر حاصل ہونے والے محصول شدہ اور غیر محصول شدہ کیپٹل گین منہا کرنے کے بعد 90 فیصد ہے، اس لئے پلان پرائم ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔

NAFA اسلامک ایکٹو ایلوکیشن پلان (NIAAP-VII) VII

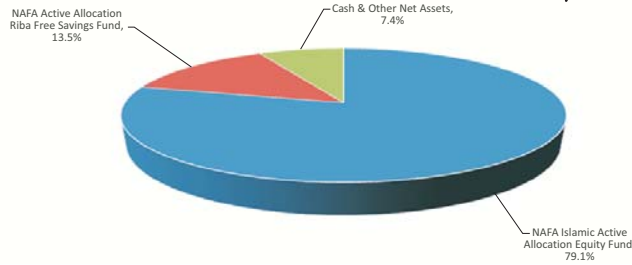
26 مئی 2017 کو قائم ہونے والے NAFA اسلامک ایکٹو ایلوکیشن پلان (NIAAP-VII) VII کی 30 جون 2020 مختتمہ سال کے لئے یہ تیسری سالانہ رپورٹ ہے۔ پلان کا مقصد شریعہ کمپلیٹ ایکٹیو فنڈ اور انکم مارکیٹ فنڈ کی فعال طور منظم پورٹ فولیو سے انویسٹرز کو متاثر کن منافع کمانے کا موقع فراہم کرنا ہے۔

پلان کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹو ایلوکیشن پلان-VII (NIAAP-VII) کے بیچ مارک جو 5.8% زیادہ ہوا کے مقابلے میں 7.1% زیادہ ہوا، لہذا، پلان نے سال کے دوران 1.3% بیچ مارک کی بہتر کارکردگی دکھائی۔ 26 مئی 2017 کو اپنے قیام سے NAFA اسلامک ایکٹو ایلوکیشن پلان-VII (NIAAP-VII) کے پونٹ کی قیمت 93.2102 روپے سے کم ہو کر 30 جون 2020 کو 84.6286 روپے ہو گئی، لہذا 9.2% کی کمی دکھائی۔ اس مدت کے دوران بیچ مارک منافع میں 8.9% کمی ہوئی۔ لہذا 29 جنوری 2017 کو اپنے آغاز سے پلان کی کارکردگی اپنے بیچ مارک سے 10.3% برتری۔ پلان کی یہ کارکردگی بیچ مارک منافع اور دیگر تمام اخراجات کے بعد خالص ہے۔ پلان کا سائز 35 ملین روپے ہے۔

NAFA اسلامک ایکٹو ایلوکیشن پلان-VII کو اس مدت کے دوران 3.176 ملین روپے کی کل آمدنی ہوئی۔ 0.462 ملین روپے کے اخراجات منہا کرنے کے بعد کل آمدنی 2.714 ملین روپے ہے۔

30 جون 2020 کو پلان کی ایسٹ ایلوکیشن درج ذیل ہے:



آمدنی کی تقسیم

بیچ مارک منافع کی تقسیم کے بورڈ آف ڈائریکٹرز نے سال 30 جون 2020 کے اختتام کے بعد NAFA اسلامک ایکٹو ایلوکیشن پلان-VII (NIAAP-VII) میں اوپننگ ex-NAV کا 7.24% (بنیادی قدر کا 6.13%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

ٹیکسیشن

چونکہ مذکورہ بالا نقد منافع منقسمہ سال کے دوران حاصل ہونے والی آمدنی میں سے سرمایہ کاری پر حاصل ہونے والے محصول شدہ اور غیر محصول شدہ کیپٹل گین منہا کرنے کے بعد 90 فیصد ہے، اس لئے پلان پر آکرم ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔

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

30 نومبر 2017 کو قائم ہونے والے NAFA اسلامک ایکٹو ایلوکیشن پلان-VIII (NIAAP-VIII) کی 30 جون 2020 مختتمہ سال کے لئے یہ تیسری سالانہ رپورٹ ہے۔ پلان کا مقصد شریعہ کیپلیٹ ایسٹ کیٹیگری اور اکرم مارکیٹ فنڈز کی فعال طور منظم پورٹ فولیو سے انویسٹرز کو متاثر کن منافع کمانے کا موقع فراہم کرنا ہے۔

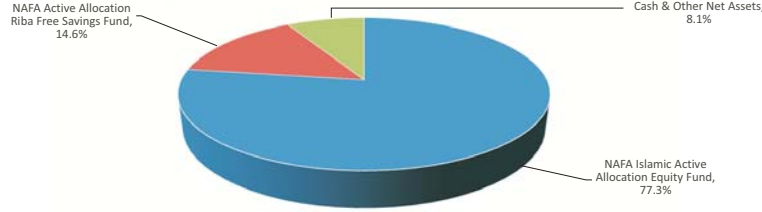
پلان کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹو ایلوکیشن پلان-VIII (NIAAP-VIII) کے بیچ مارک جو 4.7% زیادہ ہوا کے مقابلے میں 8.1% زیادہ ہوا، لہذا، پلان نے سال کے دوران 3.4% بیچ مارک کی بہتر کارکردگی دکھائی۔ 30 نومبر 2017 کو اپنے قیام سے NAFA اسلامک ایکٹو ایلوکیشن پلان-VIII (NIAAP-VIII) کے پونٹ کی قیمت 93.2660 روپے سے بڑھ کر 30 جون 2020 کو 96.9868 روپے ہو گئی، لہذا 4.0% کا اضافہ ظاہر کیا۔ اس مدت کے دوران بیچ مارک منافع میں 0.9% کا اضافہ ہوا۔ لہذا پلان کی کارکردگی اپنے بیچ مارک سے 3.1% بہتر رہی۔ پلان کی یہ کارکردگی بیچ مارک منافع اور دیگر تمام اخراجات کے بعد خالص ہے۔ پلان کا سائز 121 ملین روپے ہے۔

NAFA اسلامک ایکٹو ایلوکیشن پلان-VIII کو اس مدت کے دوران 18.457 ملین روپے کی کل آمدنی ہوئی۔ 1.279 ملین روپے کے اخراجات منہا کرنے کے بعد کل آمدنی 17.178 ملین روپے ہے۔



30 جون 2020 کو پلان کی ایسٹ ایلوکیشن درج ذیل ہے:



آمدنی کی تقسیم

بینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے سال 30 جون 2020 کے اختتام کے بعد NAFA اسلامک ایکٹو ایلوکیشن پلان VIII (NIAAP-VIII) میں اوپننگ ex-NAV کا 7.24% (بنیادی قدر کا 6.96%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

ٹیکسیشن

چونکہ مذکورہ بالا نقد منافع منقسمہ سال کے دوران حاصل ہونے والی آمدنی میں سے سرمایہ کاری پر حاصل ہونے والے محصول شدہ اور غیر محصول شدہ کیپٹل گین منہا کرنے کے بعد 90 فیصد ہے، اس لئے پلان پرائم ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔

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

28 فروری 2018 کو قائم ہونے والے NAFA اسلامک کیپٹل پریزرویشن پلان-I (NICPP-I) کی 30 جون 2020 مختتمہ سال کے لئے یہ دوسری سالانہ رپورٹ ہے۔ پلان کا مقصد مشریجہ کمپلیٹٹ ایکٹیو فنڈ اور منی مارکیٹ فنڈز کی فعال طور منظم پورٹ فولیو سے انویسٹرز کو متاثر کن منافع کمانے کا موقع فراہم کرنا ہے۔

پلان کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک کیپٹل پریزرویشن پلان-I (NICPP-I) کے بیچ مارک جو 5.0% زیادہ ہوا کے مقابلے 1.8% زیادہ ہوا، لہذا، پلان نے سال کے دوران 1.6% بیچ مارک کی بہتر کارکردگی دکھائی۔ 28 فروری 2018 کو اپنے قیام سے NAFA اسلامک کیپٹل پریزرویشن پلان-I (NICPP-I) کے یونٹ کی قیمت 92.0190 روپے سے بڑھ کر 30 جون 2020 کو 100.2984 روپے ہو گئی، لہذا 9.0% کا اضافہ ظاہر کیا۔ اس مدت کے دوران بیچ مارک منافع میں 4.3% کا اضافہ ہوا۔ لہذا پلان کی کارکردگی اپنے بیچ مارک سے 4.7% بہتر رہی۔ پلان کی یہ کارکردگی بینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ پلان کا سائز 190 ملین روپے ہے۔

NAFA اسلامک کیپٹل پریزرویشن پلان-I (NICPP-I) کو اس مدت کے دوران 38.948 ملین روپے کی آمدنی ہوئی۔ 2.513 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 36.435 ملین روپے ہے۔

30 جون 2020 کو پلان کی ایسٹ ایلوکیشن درج ذیل ہے:





آمدنی کی تقسیم

مینیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے سال 30 جون 2019 کے اختتام کے بعد NAFA اسلامک کیپٹل پریزیرویشن پلان-II (NICPP-II) میں اوپننگ ex-NAV کا 6.56% (بنیادی قدر کا 6.57%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

ٹیکسیشن

چونکہ مذکورہ بالا نقد منافع منقسمہ سال کے دوران حاصل ہونے والی آمدنی میں سے سرمایہ کاری پر حاصل ہونے والے محصول شدہ اور غیر محصول شدہ کیپٹل گین منہا کرنے کے بعد 90 فیصد ہے، اس لئے پلان پرائم ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔

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

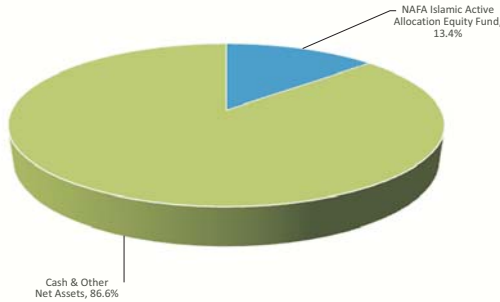
27 اپریل 2018 کو قائم ہونے والے NAFA اسلامک کیپٹل پریزیرویشن پلان-II (NICPP-II) کی 30 جون 2020 مختتمہ سال کے لئے تیسری سالانہ رپورٹ ہے۔ پلان کا مقصد شریعہ کمپلیینٹ ایکٹیو فنڈ اور مٹنی مارکیٹ فنڈز کی فعال طور منظم پورٹ فولیو سے انویسٹرز کو متاثر کن منافع کمانے کا موقع فراہم کرنا ہے۔

پلان کی کارکردگی

مالی سال کے دوران NAFA اسلامک کیپٹل پریزیرویشن پلان-II (NICPP-II) کے بیچ مارک جو 3.6% زیادہ ہوا کے مقابلے میں 5.7% زیادہ ہوا، لہذا، پلان نے سال کے دوران 2.1% بیچ مارک کی بہتر کارکردگی دکھائی۔ 27 اپریل 2018 کو اپنے قیام سے NAFA اسلامک کیپٹل پریزیرویشن پلان-II (NICPP-II) کے یونٹ کی قیمت 94.0762 روپے (Ex-Div) سے بڑھ کر 30 جون 2020 کو 100.1578 روپے ہو گئی، لہذا 6.5% کا اضافہ ظاہر کیا۔ اس مدت کے دوران بیچ مارک منافع میں 1.3% کا اضافہ ہوا۔ لہذا پلان کی کارکردگی اپنے بیچ مارک سے 5.2% بہتر رہی۔ پلان کی یہ کارکردگی مینیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ پلان کا سائز 163 ملین روپے ہے۔

NAFA اسلامک کیپٹل پریزیرویشن پلان-II (NICPP-II) کو اس مدت کے دوران 21.721 ملین روپے کی آمدنی ہوئی۔ 3.627 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 18.094 ملین روپے ہے۔

30 جون 2020 کو پلان کی ایسٹ ایلیکیشن درج ذیل ہے:



آمدنی کی تقسیم

مینیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے سال 30 جون 2020 کے اختتام کے بعد NAFA اسلامک کیپٹل پریزیرویشن پلان-II (NICPP-II) میں اوپننگ ex-NAV کا 5.69% (بنیادی قدر کا 5.69%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

ٹیکسیشن

چونکہ مذکورہ بالا نقد منافع منقسمہ سال کے دوران حاصل ہونے والی آمدنی میں سے سرمایہ کاری پر حاصل ہونے والے محصول شدہ اور غیر محصول شدہ کیپٹل گین منہا کرنے کے بعد 90 فیصد ہے، اس لئے پلان پرائم ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔



آڈیٹرز

موجودہ آڈیٹرز، میسرز KPMG تا شیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر 30 جون 2021 کو ختم ہونے والے سال کے لئے اپنے آپ کو دوبارہ تقرری کے لئے پیش کرتے ہیں۔

لسٹڈ کمپنیوں کے کوڈ آف کارپوریٹ گورننس ریگولیشنز 2017 ("CCG") کی بیرونی میں ڈائریکٹرز اسٹیٹمنٹ

1. مینجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کمپنیشن فلوار پونٹ ہولڈرز فنڈز میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔
2. فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
3. مالی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل بیرونی کی گئی ہے۔ شہریاتی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔
4. ان مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی، معیاروں، جہاں تک وہ پاکستان میں قابل اطلاق ہیں، کی بیرونی کی گئی ہے۔
5. انٹرنل کنٹرول کا نظام مستحکم اور موثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
6. فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔
7. کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔
8. پرفارمنس ٹیبل / اہم مالیاتی ڈیٹا اس سالانہ رپورٹ میں شامل ہیں۔
9. ٹیکسوں، ڈیوٹیوں، محصولات اور چارجز کی مد میں واجب الادا سرکاری ادائیگیاں مالیاتی گوشواروں میں پوری طرح ظاہر کر دی گئی ہیں۔
10. اس مدت کے دوران مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے چار اجلاس منعقد ہوئے۔ تمام ڈائریکٹرز کی حاضری ان مالیاتی گوشواروں کے نوٹ 23 میں کی گئی ہے۔
11. پونٹ ہولڈنگ کا تفصیلی پیٹرن مالیاتی گوشواروں کے نوٹ 22 میں ظاہر کیا گیا ہے۔
12. ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور کم عمر بچوں کی طرف سے کی جانے والی فنڈ کے یونٹس کی تمام خرید و فروخت ان مالیاتی گوشواروں کے نوٹ 20 میں ظاہر کی گئی ہے۔
13. مینجمنٹ کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدارانہ ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ مینجمنٹ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطہ کوئی منارٹی انٹریسٹ نہیں رکھتی۔

30 جون 2020 کو بورڈ آف ڈائریکٹرز درج ذیل ارکان پر مشتمل ہیں:

نام	کیٹگری
1. جناب خالد منصور	غیر جانبدار ڈائریکٹرز
2. جناب سعد امان اللہ خان	
3. جناب ہمایوں بشیر	
ڈاکٹر امجد وحید (چیف ایگزیکٹو آفیسر)	ایگزیکٹو ڈائریکٹر
1. شیخ محمد عبدالواحد سیٹھی (چیئرمین)	نان ایگزیکٹو ڈائریکٹرز
2. جناب سعد الرحمان خان	
3. سید حسن القسبی کاظمی	
4. جناب علی سیگل	
5. جناب عمران ظفر	



اظہار تشکر

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

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 17 ستمبر 2020ء

مقام: کراچی



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NAFA Islamic Active Allocation Fund-II (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 during the year ended June 30, 2020 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.

Abdul Samad

Chief Operating Officer

Central Depository Company of Pakistan Limited

Karachi, September 28, 2020



FUND MANAGER REPORT

NAFA Islamic Active Allocation Fund - II

NAFA Islamic Asset Allocation Fund -II (NIAAF-II) is an Open-ended Shariah Compliant Fund of Funds.

Investment Objective of the Fund

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income/Money Market Funds.

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

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

Fund performance review

Plans	Launch Date	Fund Size (Million)	Cumulative Performance Since Inception	
			Plans Return	Benchmark* Return
NIAAP-VI	26-May-17	140	(10.2%)	(11.3%)
NIAAP-VII	29-June-17	35	(9.2%)	(8.9%)
NIAAP-VIII	03-Nov-17	121	4.0%	0.9%
NICPP-I	28-Feb-18	190	9.0%	4.3%
NICPP-II	27-Apr-18	163	6.5%	1.3%

Amid high volatility, FY2019-20 remained a lackluster year for the stock market as the benchmark KMI-30 Index rose by a meagre 1.6% on a year-on-year basis. The market started off the year on a negative note despite positive news-flow surrounding the signing of USD 6 billion Extended Fund Facility (EFF) with the IMF, commencement of Saudi oil facility worth USD 3.3 billion, and USD 500 million inflow from Qatar. The market sentiment was soured by deteriorating Pakistan-India relations over the repeal of article 370 in the Indian-occupied Kashmir. The ensuing panic selling sent the Index to a low of 44,929 points on August 16th that in the process opened-up valuation gap in the broader part of the market. Based on attractive valuations, improving Current Account Deficit (CAD), and expectation of monetary easing by the SBP, the stock market rebounded sharply afterwards. The current account balance turned into surplus in Oct-19 and CAD for FY20 clocked in at USD 3 billion, down by 78% on a YoY basis. Likewise, capital flows from the multilateral agencies and portfolio inflows in the government securities also instilled confidence amongst investors. As a result, the KMI-30 Index surged by a massive 58% from August 16th, 2019 to its recent peak on January 10th, 2020.

Subsequently, concerns over delay of 3rd tranche from the IMF over noncompliance of Performance Criteria under EFF, fear of a mini budget to meet expected revenue shortfalls, and some outflow of hot money from T-Bills weighed on the market sentiments. It was, however, the spread of Coronavirus and the ensuing lockdown/shutdown of the business activity that caused indiscriminate selling in the stock market and within a span of 2 months, the stock market tumbled by 42% from its previous peak. To cushion the economy from the impact of the Coronavirus pandemic, policymakers responded with unprecedented fiscal and monetary policy actions. SBP slashed the Policy Rate by a cumulative 6.25% and to support businesses and keep credit flowing, amendments were made in the prudential regulations for corporates/commercial banks related to loan repayments. The government announced a Rs. 1.2 trillion stimulus package, equivalent to 2.8% of the GDP, which included relief for all sectors of the society including the under privileged, businesses, and the industries. The country received an emergency loan of USD 1.39 billion from the IMF under Rapid Financing Instrument (RFI) and the G20 countries announced relief for debt repayment. Notwithstanding poor and inadequate healthcare infrastructure, relatively low fatality rates and higher recovery rates raised hopes that Pakistan may be spared



from the worst as earlier feared. As a result, the market staged a sharp rebound thenceforth and covered almost all the lost ground and managed to close the year with a paltry gain of 1.6% on a YoY basis.

In terms of sector-wise performance during the year, Automobile Parts & Accessories, Cements, Chemicals, Engineering, Fertilizers, Pharmaceuticals, Paper & Board, Technology and Glass & Ceramics sectors performed better than the market, while Commercial Banks, Oil & Gas Exploration, Oil & Gas Marketing, Power Generation & Distribution, and Textile Composite sectors lagged behind. Regarding the market participant-wise activity, Individuals remained major buyers with net inflows of USD 213 million, along with Insurance Companies that accumulated positions worth USD 128 million. On the other hand, Foreign investors were major sellers in the market, offloading positions worth USD 285 million. Similarly, Banks/DFIs and Mutual Funds were also sellers with net outflows of USD 55 million, and USD 50 million, respectively.

Trading activity in Corporate Sukuks witnessed a notable increase of 127% with a cumulative traded value of around Rs. 27 billion in FY2020 compared to Rs. 12 billion in FY2019. Fresh issuance of Ijara Sukuk coupled with the issuance of government-guaranteed energy sector Sukuk and Shariah Compliant Commercial Papers helped the undersupplied market for long-term and short-term shariah-compliant debt instruments. Building on the ongoing economic stabilization policies and to counter the upside risks to inflation stemming from (i) exchange rate depreciation; (ii) increase in utility prices; and (iii) other measures taken in the federal budget FY20, the SBP increased the Policy Rate by 100 bps to 13.25% in July 2019. After taking a long pause, the State Bank slashed the Policy Rate by 25 bps in its MPC meeting held on March 17th, 2020. To cushion the economy from the Coronavirus-induced disruption, the SBP embarked on aggressive monetary easing, slashing the Policy Rate by a cumulative 625 bps to 7% in a short span of time. Sovereign yields responded to this decrease in the Policy Rate as the yields on T-Bills for 3-month, 6-month, and 12-month decreased by 566 basis points, 580 basis points, and 608 basis points, respectively. SBP held twenty-seven (27) T-Bill auctions during the period under review, realizing a total of Rs. 14,317 billion.

Plans	Asset Allocation of Plans		
	NAFA Islamic Active Allocation Funds		Cash & Other Net Assets/Liabilities
	Equity	Riba Free Savings/Islamic Money Market Fund	
NIAAP-VI	79.3%	12.3%	8.4%
NIAAP-VII	79.1%	13.5%	7.4%
NIAAP-VIII	77.3%	14.6%	8.1%
NICPP-I	26.9%	69.7%	3.4%
NICPP-II	13.4%	-	86.6%

NAFA Islamic Active Allocation Plan -VI

NAFA launched its NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) in May, 2017 which is the sixth plan under NAFA Islamic Active Allocation Fund-II. The Active Allocation Plan will be dynamically managed between dedicated equity and Income schemes managed by NAFA based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NIAAP-VI has an initial maturity of two years.

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shariah Compliant Equity Fund and Income Fund.

Plan's Performance

During the fiscal year, NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) increased by 13.5% as against the benchmark which increased by 11.5%, thus, the Fund outperformed the benchmark by 2.0% during the year. Since launch of the plan, the unit price of NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) has decreased from Rs.89.3334 on May 26, 2017 to Rs. 80.2002 on June 30, 2020, thus showing a decrease of 10.2%. The Benchmark return during the same period decreased by 11.3%. Thus, the Fund has outperformed its Benchmark by 1.1% since its inception on May 26, 2017. This performance is net of management fee and all other expenses. The size of the Fund is Rs. 140 million.



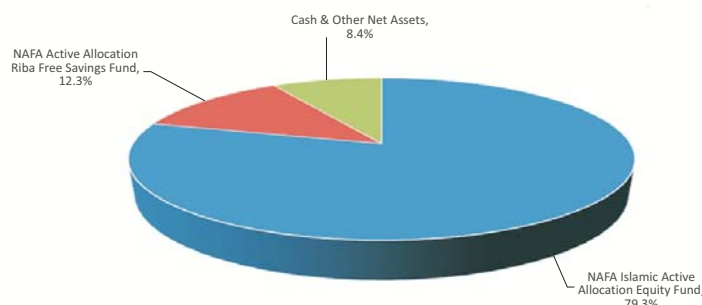
Sindh Workers' Welfare Funds (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.435 Millions. If the same were not made the NAV per unit/FY20 return of scheme would be higher by Rs. 0.2489/.36%. For details, investors are advised to read note 12.1 of the Financial Statement of the Scheme for the year ended June 30, 2020.

During the period under question

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. The Fund does not have any soft commission arrangement with any broker in the industry.

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



Distribution for the Financial Year 2020

The Board of Directors of the Management Company has approved cash dividend of 12.04% of the opening ex-NAV (9.52% of the par value) in NAFA Islamic Active Allocation Plan -VI (NIAAP-VI) for the period ended June 30, 2020.

Unit Holding Pattern of NAFA Islamic Active Allocation Plan -VI as on June 30, 2020

Size of Unit Holding (Units)	# of Unit Holders
0-0.99	1
1-1000	11
1001-5000	34
5001-10000	10
10001-50000	24
50001-100000	2
100001-500000	4
Total	86

NAFA Islamic Active Allocation Plan -VII

NAFA launched its NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) in June 2017 which is the seventh plan under NAFA Islamic Active Allocation Fund-II. The Active Allocation Plan will be dynamically managed between dedicated equity and Income schemes managed by NAFA based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NIAAP-VII has an initial maturity of two years.

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income Fund.

Plan's Performance

During the fiscal year, NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) increased by 7.1% as against the benchmark



which increased by 5.8%, thus, the Fund outperformed the benchmark by 1.3% during the year. Since launch of the plan, the unit price of NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) has decreased from Rs.93.2102 June 29, 2017 to Rs. 84.6286 on June 30, 2020, thus showing a decrease of 9.2%. The Benchmark return during the same period decreased by 8.9%. Thus, the Fund has underperformed its Benchmark by 0.3% since its inception on June 29, 2017. This performance is net of management fee and all other expenses. The size of the Fund is Rs. 35 million.

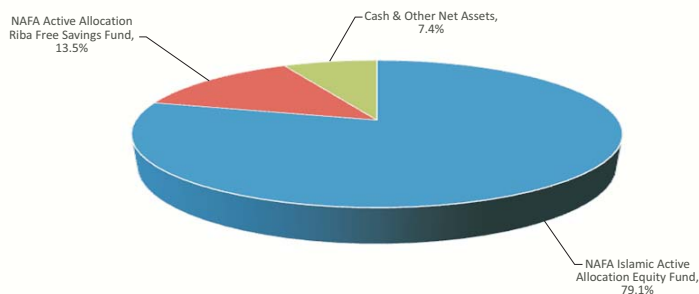
Sindh Workers' Welfare Funds (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.055 Millions. If the same were not made the NAV per unit/FY20 return of scheme would be higher by Rs. 0.1350/.17%. For details, investors are advised to read note 12.1 of the Financial Statement of the Scheme for the year ended June 30, 2020.

During the period under question

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. The Fund does not have any soft commission arrangement with any broker in the industry.

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



Distribution for the Financial Year 2020

The Board of Directors of the Management Company has approved cash dividend of 7.24% of the opening ex-NAV (6.13% of the par value) in NAFA Islamic Active Allocation Plan -VII (NIAAP II) for the period ended June 30, 2020.

Unit Holding Pattern of NAFA Islamic Active Allocation Plan -VII as on June 30, 2020

Size of Unit Holding (Units)	# of Unit Holders
0-0.99	1
1-1000	10
1001-5000	8
5001-10000	5
10001-50000	7
50001-100000	1
100001-500000	-
Total	32

NAFA Islamic Active Allocation Plan -VIII

NAFA launched its NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) in November 2017 which is the eight plan under NAFA Islamic Active Allocation Fund-II. The Active Allocation Plan will be dynamically managed between dedicated equity and Income schemes managed by NAFA based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NIAAP-VIII has an initial maturity of two years.

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income Fund.



Plan's Performance

During the fiscal year, NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) increased by 8.1% as against the benchmark which increased by 4.7%, thus, the Fund outperformed the benchmark by 3.4% during the year. Since launch of the plan, the unit price of NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) has increased from Rs. 93.2660 on November 03, 2017 to Rs.96.9868 on June 30, 2020, thus showing an increase of 4.0%. The Benchmark return during the same period was increased by 0.9%. Thus, the Fund has outperformed its Benchmark by 3.1% since its inception on November 03, 2017. This performance is net of management fee and all other expenses. The size of the Fund is Rs.121 million.

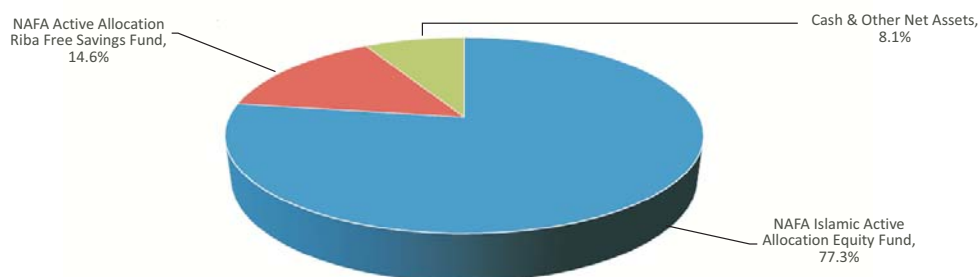
Sindh Workers' Welfare Funds (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.452 Millions. If the same were not made the NAV per unit/FY20 return of scheme would be higher by Rs. 0.3607/.4%. For details, investors are advised to read note 12.1 of the Financial Statement of the Scheme for the year ended June 30, 2020.

During the period under question

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. The Fund does not have any soft commission arrangement with any broker in the industry.

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



Distribution for the Financial Year 2020

The Board of Directors of the Management Company has approved cash dividend of 7.24% of the opening ex-NAV (6.96% of the par value) in NAFA Islamic Active Allocation Plan -VIII (NIAAP III) for the period ended June 30, 2020.

Unit Holding Pattern of NAFA Islamic Active Allocation Plan -VIII as on June 30, 2020

Size of Unit Holding (Units)	# of Unit Holders
0-0.99	-
1-1000	57
1001-5000	71
5001-10000	20
10001-50000	19
50001-100000	1
100001-500000	3
Total	171

NAFA Islamic Capital Preservation Plan-I (NICPP I)

NAFA launched its NAFA Islamic Capital Preservation Plan-I (NICPP I) in February 2018 which is the ninth plan under NAFA Islamic Active Allocation Fund-II. The Active Allocation Plan will be dynamically managed between dedicated equity & Money Market schemes managed by NAFA based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NICPP-I has an initial maturity of two years.



The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shariah Compliant Equity Fund and Money Market Fund.

Plan's Performance

During the fiscal year, NAFA Islamic Capital Preservation Plan-I (NICPP I) increased by 6.6% as against the benchmark which increased by 5.0%, thus, the Fund outperformed the benchmark by 1.6% during the year. Since launch of the plan, the unit price of NAFA Islamic Capital Preservation Plan-I (NICPP I) has increased from Rs.92.0190 (Ex-Div) on February 28, 2018 to Rs.100.2984 on June 30, 2020, thus showing an increase of 9.0%. The Benchmark return during the same period was increased by 4.3%. Thus, the Fund has outperformed its Benchmark by 4.7% since its inception on February 28, 2018. This performance is net of management fee and all other expenses. The size of the Fund is Rs 190 million.

Sindh Workers' Welfare Funds (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 1.467 Millions. If the same were not made the NAV per unit/FY20 return of scheme would be higher by Rs. 0.7752/.82%.. For details, investors are advised to read note 12.1 of the Financial Statement of the Scheme for the year ended June 30, 2020.

During the period under question

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. The Fund does not have any soft commission arrangement with any broker in the industry.

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



Distribution for the Financial Year 2020

The Board of Directors of the Management Company has approved cash dividend of 6.56% of the opening ex-NAV (6.57% of the par value) in NAFA Islamic Capital Preservation Plan - II (NICPP I) for the period ended June 30, 2020.

Unit Holding Pattern of NAFA Islamic Capital Preservation Plan I as on June 30, 2020

Size of Unit Holding (Units)	# of Unit Holders
0-0.99	1
1-1000	69
1001-5000	78
5001-10000	30
10001-50000	32
50001-100000	6
100001-500000	4
Total	220

NAFA Islamic Capital Preservation Plan-II (NICPP II)

NAFA launched its NAFA Islamic Capital Preservation Plan-II (NICPP II) in April 2018 which is the tenth plan under NAFA Islamic Active Allocation Fund-II. The Active Allocation Plan will be dynamically managed between dedicated



equity & Money Market schemes managed by NAFA based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NICPP-II has an initial maturity of two years.

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shariah Compliant Equity Fund and Money Market Fund.

Plan's Performance

During the fiscal year, NAFA Islamic Capital Preservation Plan-II (NICPP II) increased by 5.7% as against the benchmark which increased by 3.6%, thus, the Fund outperformed the benchmark by 2.1% during the year. Since launch of the plan, the unit price of NAFA Islamic Capital Preservation Plan-II (NICPP II) has increased from Rs.94.0762 (Ex-Div) on April 27, 2018 to Rs.100.1578 on June 30, 2020, thus showing an increase of 6.5%. The Benchmark return during the same period was increased by 1.3%. Thus, the Fund has outperformed its Benchmark by 5.2% since its inception on April 27, 2018. This performance is net of management fee and all other expenses. The size of the Fund is Rs.163 million.

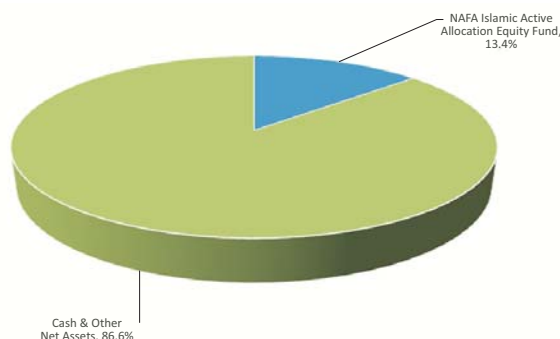
Sindh Workers' Welfare Funds (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 0.599 Millions. If the same were not made the NAV per unit/FY20 return of scheme would be higher by Rs. 0.3679/.39%. For details, investors are advised to read note 12.1 of the Financial Statement of the Scheme for the year ended June 30, 2020.

During the period under question

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. The Fund does not have any soft commission arrangement with any broker in the industry.

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



Distribution for the Financial Year 2020

The Board of Directors of the Management Company has approved cash dividend of 5.69% of the opening ex-NAV (5.69% of the par value) in NAFA Islamic Capital Preservation Plan - II (NICPP II) for the period ended June 30, 2020.

Unit Holding Pattern of NAFA Islamic Capital Preservation Plan II as on June 30, 2020

Size of Unit Holding (Units)	# of Unit Holders
0-0.99	02
1-1000	96
1001-5000	93
5001-10000	53
10001-50000	38
50001-100000	1
100001-500000	2
Total	285



STATEMENT OF COMPLIANCE WITH THE SHARI'AH PRINCIPLES

NAFA Islamic Active Allocation Fund - II (the Fund) has fully complied with the Shari'ah principles specified in the Trust Deed and in the guidelines issued by the Shari'ah Advisor for its operations, investments and placements made during the year ended June 30, 2020. This has been duly confirmed by the Shari'ah Supervisory Board of the Fund.

For and behalf of the board

Date: **September 17, 2020**
Karachi

Dr. Amjad Waheed, CFA
Chief Executive Officer



REPORT OF THE SHARIAH SUPERVISORY BOARD

Report of the Shari'ah Supervisory Board - NAFA Islamic Active Allocation Fund-II

August 31, 2020/ Muharram 11, 1442

Alhamdulillah, it was the Four year of the operations of NAFA Islamic Active Allocation Fund-II (NIAAF-II). Under this fund, NBP Funds launched its NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) on May 26, 2017, NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) on June 29, 2017, NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) on November 03, 2017, NAFA Islamic Capital Preservation Plan-I (NICPP-I) on February 28, 2018 and NAFA Islamic Capital Preservation Plan-II (NICPP-II) on April 27, 2018. This report is being issued in accordance with clause 3.7 of the Offering Document of the Fund. The scope of the report is to express an opinion on the Shari'ah Compliance of the Fund's activity.

In the capacity of Shari'ah Supervisory Board, we have prescribed criteria and procedure to be followed in ensuring Shari'ah Compliance in every investment.

It is the responsibility of the management company of the fund to establish and maintain a system of internal controls to ensure Shari'ah compliance with the Shari'ah policies & guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the management company's personnel and review of various documents prepared by the management company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- i. We have reviewed and approved the modes of investments of NIAAF-II in light of Shari'ah guidelines.
- ii. All the provisions of the scheme and investments made on account of NIAAF-II by NBP Funds are Shari'ah Compliant and are in accordance with the criteria established.
- iii. On the basis of information provided by the management, nothing has come to our attention that cause us to believe that all the operations of NIAAF-II for the year ended June 30, 2020 are not in compliance with Shari'ah principles.

May Allah bless us with best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and On Behalf of Meezan Bank Limited
Shari'ah Technical Services and Support Provider

Mufti Muhammad Naveed Alam
Member
Shariah Supervisory Board

Mufti Ehsan Waqar
Shariah Advisor & Member
Shariah Supervisory Board

Dr. Imran Ashraf Usmani
Chairman
Shariah Supervisory Board



Independent Reasonable Assurance Report to the Unit Holders on the Statement of Compliance with the Shariah Principles

We were engaged by the Board of Directors of NBP Fund Management Limited, Management Company of NAFA Islamic Active Allocation Fund - II (the Fund), to report on Fund's Compliance with the Shariah principles as set out in the annexed statement prepared by the management company for the year ended 30 June 2020, in the form of an independent reasonable assurance conclusion about whether the annexed statement presents fairly the status of the Fund's compliance with Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects.

Applicable Criteria

The criteria against which the subject matter information (the Statement) is assessed comprise of Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor.

The above criteria were evaluated for their implementation on the financial statements of the Fund for the year ended 30 June 2020.

Responsibilities of the Management Company

The Management Company of the Fund is responsible for preparation of the annexed statement that is free from material misstatement and for the information contained therein.

This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation of the annexed statement that is free from material misstatement, whether due to fraud or error. The management company is also responsible to ensure that the financial arrangements and transactions having Shariah implications entered into by the Fund in substance and in their legal form are in compliance with the Shariah principles specified in the Trust Deed and guidelines issued by the Shariah Advisor.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The Firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibilities

Our responsibility is to examine the annexed statement and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the annexed statement presents fairly the status of the Fund's compliance with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects.



The procedures selected depend on our judgment, including the assessment of the risks of material non-compliances with Shariah principles and guidelines whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to financial arrangements and transactions having Shariah implications, in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Fund's internal control. Reasonable assurance is less than absolute assurance.

The procedures performed included performing tests of controls for making investments and maintaining bank accounts in accordance with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor.
Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In our opinion, the annexed statement, for the year ended 30 June 2020, presents fairly the status of the Fund's compliance with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects.

Date: 30 September 2020
Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants



INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of the NAFA Islamic Active Allocation Fund - II Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the NAFA Islamic Active Allocation Fund - II ("the Fund"), which comprise the statement of assets and liabilities as at 30 June 2020, income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Fund's Annual Report for 2020, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from



material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation Rules, 2003) and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditors' report is **Muhammad Nadeem**.

STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2020

Note	2020						2019					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
(Rupees in '000)												
Assets												
5	15,513	3,636	12,118	10,730	145,111	187,108	9,125	5,631	34,159	44,806	305,472	399,193
6	128,235	32,135	111,587	183,312	21,796	477,065	206,575	67,915	362,971	750,404	71,652	1,459,517
	141	37	159	144	891	1,372	199	91	313	457	3,230	4,290
7	40	8	6	115	1,523	1,692	40	8	6	115	1,523	1,692
8	-	-	-	-	-	-	-	-	36	157	108	301
	-	-	-	-	-	-	8,500	3,000	-	-	-	11,500
Total assets	143,929	35,816	123,870	194,301	169,321	667,237	224,439	76,645	397,485	795,939	381,985	1,876,493
Liabilities												
9	557	380	109	413	1,103	2,562	626	416	268	781	1,328	3,419
10	9	2	9	14	10	44	19	5	33	66	37	160
11	36	9	38	83	51	217	340	131	480	1,243	612	2,806
12	-	-	-	-	2,065	2,065	-	-	-	-	-	-
	3,323	708	2391	4,009	3,011	13,442	360	250	425	1178	690	2,903
Total liabilities	3,925	1,099	2,547	4,519	6,240	18,330	1,345	802	1,206	3,268	2,667	9,288
Net assets	140,004	34,717	121,323	189,782	163,081	648,907	223,094	75,843	396,279	792,671	379,318	1,867,205
Unit holders' fund (as per statement attached)	140,004	34,717	121,323	189,782	163,081	648,907	223,094	75,843	396,279	792,671	379,318	1,867,205
Contingency and commitment												
13	(Number of units)											
14	1,745,686	410,231	1,250,919	1,892,169	1,628,237		2,819,908	894,604	4,119,257	7,784,210	3,788,904	
(Rupees)												
Net assets value per unit	80.2002	84.6286	96.9868	100.2984	100.1578		79.1139	84.7782	96.2016	101.8306	100.1129	

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

INCOME STATEMENT FOR THE YEAR / PERIOD ENDED 30 JUNE 2020

Note	2020					Total	2019					Total
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	(Rupees in '000)	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	
Income												
Profit on bank deposits	1,857	439	1,865	3,718	23,667	31,546	2,299	1,066	3,431	5,214	47,853	59,863
Dividend income	10,721	2,660	10,421	6,561	670	31,033	4,397	1,878	11,777	72,176	-	90,228
Capital gain / (loss) on sale of investments at fair value through profit or loss (FVTPL) - net	12,245	(79)	12,142	23,775	(2,532)	45,551	(7,000)	(3,091)	(35,026)	(24,797)	(22,474)	(92,388)
Net unrealised (diminution) / appreciation on re-measurement of investments at FVTPL	(2,256)	156	(5,971)	4,894	(84)	(3,261)	(26,538)	(9,345)	1,832	(19,364)	(10,551)	(63,966)
Total income / (loss)	22,567	3,176	18,457	38,948	21,721	104,869	(26,842)	(9,492)	(17,986)	33,229	14,828	(6,263)
Expenses												
Remuneration to NBP Fund Management Limited - Management Company	9.1	179	36	166	305	1,972	2,658	308	128	444	547	5,372
Sindh Sales Tax on remuneration to Management Company	9.2	23	5	22	40	256	346	40	17	58	71	698
Remuneration to Central Depository Company of Pakistan Limited - Trustee	10.1	124	29	134	291	179	757	299	113	423	1,092	537
Sindh Sales Tax on remuneration to Trustee	10.2	16	4	17	38	23	98	39	15	55	142	70
Allocation of expenses related to registrar services, accounting, operation and valuation services	9.3	177	41	192	416	256	1,082	358	138	506	1,308	643
Annual fee - Securities and Exchange Commission of Pakistan	11	35	8	38	83	51	215	340	131	480	1,243	611
Auditors' remuneration	15	175	196	198	213	208	990	224	195	179	284	236
Amortisation of preliminary expenses and flotation cost	8	-	-	36	157	108	301	149	23	66	217	89
Legal fee		36	47	48	47	82	260	80	75	76	46	78
Shariah advisor fee		32	9	38	94	44	217	68	104	93	223	111
Settlement and bank charges		9	9	1	46	43	108	35	23	23	127	110
Annual listing fee		5	5	5	5	5	25	6	6	6	6	5
Printing charges		30	18	33	34	31	146	9	10	3	6	47
Total expenses		841	407	928	1,769	3,258	7,203	1,955	978	2,412	5,312	8,607
Net income / (loss) from operating activities		21,726	2,769	17,529	37,179	18,463	97,666	(28,797)	(10,470)	(20,398)	27,917	6,221
Provision for Sindh Workers' Welfare Fund	12.1	(435)	(55)	(351)	(744)	(369)	(1,954)	-	-	-	(558)	(125)
Net income / (loss) for the year before taxation		21,291	2,714	17,178	36,435	18,094	95,712	(28,797)	(10,470)	(20,398)	27,359	6,096
Taxation	16	-	-	-	-	-	-	-	-	-	-	-
Net income / (loss) for the year		21,291	2,714	17,178	36,435	18,094	95,712	(28,797)	(10,470)	(20,398)	27,359	6,096
Allocation of net income for the year												
Net income for the year		21,291	2,714	17,178	36,435	18,094					27,359	6,096
Income already paid on units redeemed		(325)	(76)	(2,260)	(24,472)	(9,214)					(13,837)	(6,047)
		20,966	2,638	14,918	11,963	8,880					13,522	49
Accounting income available for distribution:												
- Relating to capital gains		11,995	88	11,535	5,316	-					-	-
- Excluding capital gains		8,971	2,550	3,383	6,647	8,880					13,522	49
		20,966	2,638	14,918	11,963	8,880					13,522	49

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR / PERIOD ENDED 30 JUNE 2020

	2020					Total	2019					Total
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II		NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	
	----- (Rupees in '000) -----											
Net Income / (loss) for the year	21,291	2,714	17,178	36,435	18,094	95,712	(28,797)	(10,470)	(20,398)	27,359	6,096	(26,210)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive Income / (loss) for the year	21,291	2,714	17,178	36,435	18,094	95,712	(28,797)	(10,470)	(20,398)	27,359	6,096	(26,210)

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE YEAR ENDED 30 JUNE 2020

Note	2020																	
	NIAAP-VI			NIAAP-VII			NIAAP-VIII			NICPP-I			NICPP-II			Total		
	Value	Accumulated (Loss)	Total	value	Accumulated (Loss)	Total	Value	Accumulated (Loss)	Total	Value	Undistributed income (Rupees in '000)	Total	Value	Undistributed income	Total	Value	Accumulated (Loss)	Total
Net assets at beginning of the year	369,150	(146,056)	223,094	100,645	(24,802)	75,843	415,380	(19,101)	396,279	779,107	13,564	792,671	379,249	69	379,318	2,043,531	(176,326)	1,867,205
Issue of 156,376 units (NIAAP-VI), 23,126 units (NIAAP-VII), 69,165 units (NIAAP-VIII), 188,158 units (NICPP-I), 81,507 units (NICPP-II)	12,372	-	12,372	1,961	-	1,961	6,654	-	6,654	19,160	-	19,160	8,160	-	8,160	48,307	-	48,307
- Capital value	180	-	180	(2)	-	(2)	60	-	60	(289)	-	(289)	3	-	3	(48)	-	(48)
- Element of income	12,552	-	12,552	1,959	-	1,959	6,714	-	6,714	18,871	-	18,871	8,163	-	8,163	48,259	-	48,259
Total proceeds on issuance of units																		
Redemption of 1,230,598 units (NIAAP-VI) 507,499 units (NIAAP-VII) 2,937,503 units (NIAAP-VIII) 6,080,199 units (NICPP-I) 2,242,174 units (NICPP-II)	(97,357)	-	(97,357)	(43,025)	-	(43,025)	(282,592)	-	(282,592)	(619,150)	-	(619,150)	(224,470)	-	(224,470)	(1,266,594)	-	(1,266,594)
- Capital value	(4,118)	(325)	(4,443)	(323)	(76)	(399)	(5,550)	(2,260)	(7,810)	9,259	(24,472)	(15,213)	112	(9,214)	(9,102)	(620)	(36,347)	(36,967)
- Element of loss	(101,475)	(325)	(101,800)	(43,348)	(76)	(43,424)	(288,142)	(2,260)	(290,402)	(609,891)	(24,472)	(634,363)	(224,358)	(9,214)	(233,572)	(1,267,214)	(36,347)	(1,303,561)
Total payments on redemption of units																		
Total comprehensive income for the year	-	21,291	21,291	-	2,714	2,714	-	17,178	17,178	-	36,435	36,435	-	18,094	18,094	-	95,712	95,712
Final distribution for the year ended 30 June 2020	14.1	-	-	-	-	-	-	-	-	-	(12,000)	(12,000)	-	-	-	-	(12,000)	(12,000)
Interim Distribution for the year ended 30 June 2020																		
- Cash distribution	14.2	-	(15,133)	(15,133)	-	(2,375)	(2,375)	-	(8,446)	(8,446)	-	(11,832)	(11,832)	-	(8,922)	(8,922)	-	(46,708)
Net assets at end of the year	280,227	(140,223)	140,004	59,256	(24,539)	34,717	133,952	(12,629)	121,323	188,087	1,695	189,782	163,054	27	163,081	824,576	(175,669)	648,907
Undistributed income / (loss) brought forward																		
- Realised		(119,518)			(15,457)			(20,933)			32,928			10,620			(112,360)	
- Unrealised		(26,538)			(9,345)			1,832			(19,364)			(10,551)			(63,966)	
		(146,056)			(24,802)			(19,101)			13,564			69			(176,326)	
Accounting income available for distribution:																		
- Relating to capital gains		11,995			88			11,535			5,316			-			28,934	
- Excluding capital gains		8,971			2,550			3,383			6,647			8,880			30,431	
		20,966			2,638			14,918			11,963			8,880			59,365	
Final distribution for the year ended 30 June 2020	14.1	-	-	-	-	-	-	-	-	-	(12,000)	-	-	-	-	-	(12,000)	-
Interim Distribution for the year ended 30 June 2020																		
- Cash distribution	14.2	(15,133)			(2,375)			(8,446)			(11,832)			(8,922)			(46,708)	
Undistributed loss carried forward		(140,223)			(24,539)			(12,629)			1,695			27			(175,669)	
Undistributed (loss) / income carried forward																		
- Realised		(137,967)			(24,695)			(6,658)			(3,199)			111			(172,408)	
- Unrealised		(2,256)			156			(5,971)			4,894			(84)			(3,261)	
		(140,223)			(24,539)			(12,629)			1,695			27			(175,669)	
			(Rupees)		(Rupees)			(Rupees)			(Rupees)			(Rupees)				
Net assets value per unit at beginning of the year			79.1139			84.7782			96.2016			101.8306			100.1129			
Net assets value per unit at end of the year			80.2002			84.6286			96.9868			100.2984			100.1578			

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE YEAR / PERIOD ENDED 30 JUNE 2019

	2019																	
	NIAAP-VI			NIAAP-VII			NIAAP-VIII			NICPP-I			NICPP-II			Total		
	Value	Undistributed income	Total	value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total
Net assets at beginning of the year	565,565	(117,259)	448,306	209,801	(14,332)	195,469	587,207	1,297	588,504	1,756,151	6,438	1,762,589	848,098	4,894	852,992	3,966,822	(118,962)	3,847,860
Issue of Nil units (NIAAP-VI), (NIAAP-VII) (NIAAP-VIII), 51,446 units (NICPP-I), 41,311 units (NICPP-II) (NICPP-II)	-	-	-	-	-	-	-	-	-	5,142	-	5,142	4,131	-	4,131	9,273	-	9,273
- Capital value	-	-	-	-	-	-	-	-	-	5,142	-	5,142	4,131	-	4,131	9,273	-	9,273
- Element of income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	-	-	-	-	-	5,142	-	5,142	4,131	-	4,131	9,273	-	9,273
Redemption of 2,329,210 units (NIAAP-VI) 1,196,307 units (NIAAP-VII) 1,747,711 units (NIAAP-VIII) 9,828,629 units (NICPP-I) 4,733,396 units (NICPP-II)	(202,792)	-	(202,792)	(111,837)	-	(111,837)	(175,310)	-	(175,310)	(982,186)	-	(982,186)	(472,980)	-	(472,980)	(1,945,105)	-	(1,945,105)
- Capital value	(202,792)	-	(202,792)	(111,837)	-	(111,837)	(175,310)	-	(175,310)	(982,186)	-	(982,186)	(472,980)	-	(472,980)	(1,945,105)	-	(1,945,105)
- Element of income	6,377	-	6,377	2,681	-	2,681	3,483	-	3,483	-	(13,837)	(13,837)	-	(6,047)	(6,047)	12,541	(19,884)	(7,343)
Total payments on redemption of units	(196,415)	-	(196,415)	(109,156)	-	(109,156)	(171,827)	-	(171,827)	(982,186)	(13,837)	(996,023)	(472,980)	(6,047)	(479,027)	(1,932,564)	(19,884)	(1,952,448)
Total comprehensive (loss) / income for the year	-	(28,797)	(28,797)	-	(10,470)	(10,470)	-	(20,398)	(20,398)	-	27,359	27,359	-	6,096	6,096	-	(26,210)	(26,210)
Cash distribution	-	-	-	-	-	-	-	-	-	-	(6,396)	(6,396)	-	(4,874)	(4,874)	-	(11,270)	(11,270)
Net assets at end of the year	369,150	(146,056)	223,094	100,645	(24,802)	75,843	415,380	(19,101)	396,279	779,107	13,564	792,671	379,249	69	379,318	2,043,531	(176,326)	1,867,205
Undistributed loss brought forward	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Realised	-	(92,713)	-	-	(4,988)	-	-	(727)	-	-	(4,137)	-	-	6,823	-	-	(95,742)	-
- Unrealised	-	(24,546)	-	-	(9,344)	-	-	2,024	-	-	10,575	-	-	(1,929)	-	-	(23,220)	-
	-	(117,259)	-	-	(14,332)	-	-	1,297	-	-	6,438	-	-	4,894	-	-	(118,962)	-
Accounting income available for distribution:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Relating to capital gains	-	-	-	-	-	-	-	-	-	-	13,522	-	-	49	-	-	13,571	-
- Excluding capital gains	-	-	-	-	-	-	-	-	-	-	13,522	-	-	49	-	-	13,571	-
Net loss for the year	-	(28,797)	-	-	(10,470)	-	-	(20,398)	-	-	-	-	-	-	-	-	(59,665)	-
Final Distribution for the year ended 30 June 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Cash distribution	-	-	-	-	-	-	-	-	-	-	(6,396)	-	-	(4,874)	-	-	(11,270)	-
Undistributed loss carried forward	-	(146,056)	-	-	(24,802)	-	-	(19,101)	-	-	13,564	-	-	69	-	-	(176,326)	-
Undistributed (loss) / income carried forward	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Realised	-	(119,518)	-	-	(15,457)	-	-	(20,933)	-	-	32,928	-	-	10,620	-	-	(112,360)	-
- Unrealised	-	(26,538)	-	-	(9,345)	-	-	1,832	-	-	(19,364)	-	-	(10,551)	-	-	(63,966)	-
	-	(146,056)	-	-	(24,802)	-	-	(19,101)	-	-	13,564	-	-	69	-	-	(176,326)	-
Net assets value per unit at beginning of the year			(Rupees) 87.0647			(Rupees) 93.4852			(Rupees) 100.3081			(Rupees) 100.3672			(Rupees) 100.5789			
Net assets value per unit at end of the year			79.1139			84.7782			96.2016			101.8306			100.1129			

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT FOR THE YEAR / PERIOD ENDED 30 JUNE 2020

Note	2020					2019					Total	
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II		
(Rupees in '000)												
CASH FLOWS FROM OPERATING ACTIVITIES												
Net profit / (loss) for the year	21,291	2,714	17,178	36,435	18,094	95,712	(28,797)	(10,470)	(20,398)	27,359	6,096	(26,210)
Adjustments:												
Net unrealised diminution / (appreciation) on re-measurement of investments of investments at FVTPL	2,256	(156)	5,971	(4,894)	84	3,261	26,538	9,345	(1,832)	19,364	10,551	63,966
Capital (gain) / loss on sale of investments - net	(12,245)	79	(12,142)	(23,775)	2,532	(45,551)	7,000	3,091	35,026	24,797	22,474	92,388
Amortisation of preliminary expenses and flotation costs	-	-	36	157	108	301	149	23	66	217	89	544
	11,302	2,637	11,043	7,923	20,818	53,723	4,890	1,989	12,862	71,737	39,210	130,688
Decrease / (increase) in assets												
Investments	88,329	35,857	257,555	595,761	47,240	1,024,742	182,209	104,423	155,281	864,152	(57,763)	1,248,302
Profit receivable on bank deposits	58	54	154	313	2,339	2,918	(31)	(17)	(99)	142	1,311	1,306
Advance and other receivable	-	-	-	-	-	-	-	-	-	(76)	(816)	(892)
Preliminary expenses and flotation costs	-	-	-	-	-	-	-	-	-	-	-	-
Receivable against sale of investments	8,500	3,000	-	-	-	11,500	(8,500)	(3,000)	-	-	-	(11,500)
	96,887	38,911	257,709	596,074	49,579	1,039,160	173,678	101,406	155,182	864,218	(57,268)	1,237,216
(Decrease) / increase in liabilities												
Payable to NBP Fund Management Limited - Management Company	(69)	(36)	(159)	(368)	(225)	(857)	(795)	(149)	(311)	(710)	(605)	(2,570)
Payable to Central Depository Company of Pakistan Limited - Trustee	(10)	(3)	(24)	(52)	(27)	(116)	(16)	(10)	(12)	(83)	(30)	(151)
Payable to Securities and Exchange Commission of Pakistan	(304)	(122)	(442)	(1,160)	(561)	(2,589)	(223)	(73)	63	587	463	817
Payable against purchase of investment	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	2,963	458	1,966	2,831	2,321	10,539	(22)	(23)	(4)	784	413	1,148
	2,580	297	1,341	1,251	1,508	6,977	(1,056)	(255)	(264)	578	241	(756)
Net cash generated from / (used in) operating activities	110,769	41,845	270,093	605,248	71,905	1,099,860	177,512	103,140	167,780	936,533	(17,817)	1,367,148
CASH FLOWS FROM FINANCING ACTIVITIES												
Amount received against issuance of units	12,552	1,959	6,714	18,871	8,163	48,259	-	-	-	-	-	-
Amount paid against redemption of units	(101,800)	(43,424)	(290,402)	(634,363)	(231,507)	(1,301,496)	(196,415)	(109,156)	(171,827)	(996,023)	(479,027)	(1,952,448)
Distribution paid	(15,133)	(2,375)	(8,446)	(23,832)	(8,922)	(58,708)	-	-	-	(1,254)	(743)	(1,997)
Net cash (used in) financing activities	(104,381)	(43,840)	(292,134)	(639,324)	(232,266)	(1,311,945)	(196,415)	(109,156)	(171,827)	(997,277)	(479,770)	(1,954,445)
Net increase / (decrease) in cash and cash equivalents	6,388	(1,995)	(22,041)	(34,076)	(160,361)	(212,085)	(18,903)	(6,016)	(4,047)	(60,744)	(497,587)	(587,297)
Cash and cash equivalents at beginning of the year	9,125	5,631	34,159	44,806	305,472	399,193	28,028	11,647	38,206	105,550	803,059	986,490
Cash and cash equivalents at end of the year	15,513	3,636	12,118	10,730	145,111	187,108	9,125	5,631	34,159	44,806	305,472	399,193

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR / PERIOD ENDED 30 JUNE 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NAFA Islamic Active Allocation Fund - II (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on 24 March 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 20 March 2017 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations 2008).
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).
- 1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange. By the year ended 30 June 2018 the Fund has offered all five plans and the offer of units was discontinued after the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the SECP after intimation to the Trustee. The maturity of NIAAP - VI, NIAAP - VII, NIAAP - VIII, NICPP - I and NICPP - II is 27 April 2019, 29 June 2019, 04 November 2019, 28 February 2020 and 27 April 2020 respectively. During the year 30 June 2019 NIAAP VI and NIAAP VII has completed the initial maturity of two years on 27 April 2019 and 29 June 2019 respectively. However, the management has decided to continue the allocation plans after their initial maturity as the duration of allocation plans is perpetual. The units of the plans are transferable and can be categorised as an Open-End "Shariah Compliant Fund of Funds" as per the criteria laid down by the SECP for categorisation of Collective Investment Schemes (CIS).
- 1.4 The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of shariah compliant equity fund, income fund and money market fund. The allocation plan intends to dynamically switch between equity asset class (NBP Islamic Active Allocation Equity Fund (Formerly; NAFA Islamic Active Allocation Equity Fund)) and moderate risk income asset class (NBP Active Allocation Riba Free Savings Fund (Formerly; NAFA Active Allocation Riba Free Savings Fund)) and low risk asset class (NBP Islamic Money Market Fund (Formerly; NAFA Islamic Money Market Fund)) and Bank Deposits. Investors of the Fund may hold different types of Allocation Plans and may invest in any one or more of the available allocation plans. The Management Company may also invest in any other Collective Investment Schemes available to it with the prior approval of the SECP.
- 1.5 Each allocation plan under the Fund announces separate NAV which ranks pari passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.
- 1.6 The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company. The Fund has not yet been rated.
- 1.7 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as a Trustee of the Fund. The Fund property of different types of allocations plans shall be accounted for and maintained separately in books of accounts which shall collectively constitute the Fund property of the Scheme.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS standards) 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 and the requirements VIII A of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations).

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 differ from the IFRS Standards, 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 have been followed.

2.2 Accounting convention

These financial statements are prepared under the historical cost convention except for investments which are carried at fair values.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded to the nearest thousand rupees, except otherwise stated.

2.4 Critical accounting estimates and judgments

In preparing these financial statements, management has made judgement, estimates and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively. Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements to the carrying amount of the assets and liabilities and assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment in the subsequent year relates to;

- (a) Valuation of Investment (Note 4.2.4)
- (b) Provisions (Note 4.5)
- (c) Element of income (Note 4.8)
- (d) Classification and Impairment of financial assets (4.2.1 and 4.2.5)

3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2020:

- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements. The application of amendments are not likely to have an impact on the Fund's financial statements.

- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards. The application of amendments are not likely to have an impact on the Fund's financial statements.
- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallize. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs. The application of amendments are not likely to have an impact on the Fund's financial statements.
- Interest Rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after 1 January 2020.

The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rates. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has in turn led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform. The amendments are not likely to affect the financial statements of the Company. The application of amendments are not likely to have an impact on the Fund's financial statements.

- Amendments to IFRS-16- IASB has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:
 - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
 - there is no substantive change to the other terms and conditions of the lease.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification

of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8. The application of amendments are not likely to have an impact on the Fund's financial statements.

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application. The application of amendments are not likely to have an impact on the Fund's financial statements.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc, are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period present. The application of amendments are not likely to have an impact on the Fund's financial statements.

Annual Improvements to IFRS standards 2018-2020:

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022.

- IFRS 9 - The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 - The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- IAS 41 - The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique

The application of above amendments are not likely to have an impact on the Fund's financial statements.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements have been consistently applied to all periods presented.

4.1 New, Amended And Revised Standards And Interpretations Of Ifrss

There are new and amended standards and interpretations that are mandatory for accounting periods beginning 01 July 2019 but are considered not to be relevant or do not have any significant effect on the the Funds' financial statements and are therefore not stated in these financial statements.

4.2 Financial Assets

4.2.1 Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;

- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

The Fund has determined that it has two business models.

- Held-to-collect business model: this include cash and cash equivalents and recevables, if any. These financial assets are held to collect contractual cash flow.
- Other business model: this includes investment in mutual funds. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

4.2.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.3 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

4.2.4 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Profit / markup income, foreign exchange gains and losses and impairment are recognised in income statement.

The fair value of financial assets are determined as follows:

The investment of the Fund in the units of mutual funds is valued by reference to the net asset values (redemption prices) declared by the respective funds.

4.2.5 Impairment of financial assets

Financial assets at amortised cost

The Fund applies simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all financial assets at amortized costs other than debts securities. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Funds' historical experience and informed credit assessment and including forward-looking information.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets and are present separately in the income statement. The gross carrying amount of a financial asset is written off when the Fund has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof.

4.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and where the Fund has transferred substantially all risks and rewards of ownership.

4.2.7 Offsetting of financial assets and liabilities

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

4.2.8 Cash and cash equivalents

Cash and cash equivalents comprise of deposits and current accounts maintained with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short

4.2.9 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

4.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognised at fair value and subsequently stated at amortised cost. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.4 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs (formation cost) represent expenditure incurred prior to the commencement of operations of the Fund and include underwriting commission, commission to the bankers to the issue, brokerage paid to the members of the stock exchanges and other expenses. These costs are being amortised over a period of two years starting from the end of the initial offering period as per the requirements set out in the Trust Deed of the Fund and NBFC regulations.

4.5 Provisions

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

4.6 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 period, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the period, the income distributed through bonus units shall not be taken into account.

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.

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilised tax losses to the extent that it is no longer probable that the related tax benefit will be realised. However, the Management Company has not recognised any amount in respect of taxation in these financial statements where respective plans are in loss and in case of income the respective plans distributes more than ninety percent of its accounting income for the current period and intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year.

4.7 Issue and redemption of units

Units issued are recorded at the offer price of each allocation plan, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price of each allocation plan represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price of each allocation plan, as per the constitutive documents, applicable to units for which the Management Company/ distributors receive redemption requests during business hours of that day. The redemption price represents daily Net Asset Value (NAV) announced as of the close of the business day less any back-end load, provisions for transaction costs and any provision for duties and charges, if applicable.

4.8 Element of income

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year.

The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

4.9 Earnings per unit

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

4.10 Net assets value per unit

The net asset value per unit as disclosed on the Statement of Assets and Liabilities is calculated by dividing the net assets of each allocated Plan by the number of units in circulation of the respective Plans at the period end.

4.11 Revenue recognition

- Dividend income is recognised in the income statement when the right to receive the dividend is established.
- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.

- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Profit on bank deposits is recognised using the effective yield method.

4.12 Distribution

Distributions declared are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

5	BANK BALANCES	Note	2020					2019						
			NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP-I	NICPP-II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP-I	NICPP-II	Total
----- (Rupees in '000) -----														
	In current account		6	1	27	218	137	389	198	1	112	839	841	1,991
	In savings accounts	5.1 & 5.2	15,507	3,635	12,091	10,512	144,974	186,719	8,927	5,630	34,047	43,967	304,631	397,202
			<u>15,513</u>	<u>3,636</u>	<u>12,118</u>	<u>10,730</u>	<u>145,111</u>	<u>187,108</u>	<u>9,125</u>	<u>5,631</u>	<u>34,159</u>	<u>44,806</u>	<u>305,472</u>	<u>399,193</u>

5.1 These carry profit at the rates ranging from 7.50% to 12.50% (2019: 6.50% to 13.50%) per annum.

5.2 This includes cheques amounting to Rs. 3.0200 million, Rs. 0.3401 million, and Rs. 0.1431 million of NIAAP VIII, NICPP - I, and NICPP - II respectively (30 June 2019: Rs. 0.3442 million, Rs. 0.2460 million, Rs. 0.2058 million, and Rs. 0.4942 million of NIAAP VI NIAAP VII, NIAAP VIII, and NICPP - I respectively), issued on account of redemption of units as at year end.

6	INVESTMENTS	2020					2019							
		NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	
----- (Rupees in '000) -----														
	At fair value through profit or loss													
	Investment in mutual funds													
	- related parties	6.1	<u>128,235</u>	<u>32,135</u>	<u>111,587</u>	<u>183,312</u>	<u>21,796</u>	<u>477,065</u>	<u>206,575</u>	<u>67,915</u>	<u>362,971</u>	<u>750,404</u>	<u>71,652</u>	<u>1,459,517</u>

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

6.1 Investment in mutual funds - related parties

6.1.1 NAFA Islamic Active Allocation Plan VI

Name of Fund	As at 01 July 2019	Purchased during the year	Redeemed during the year	As at 30 June 2020	Market value / carrying value as at 30 June 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	----- (Number of units) -----				(Rupees in '000)	----- (%) -----	
NBP Islamic Active Allocation Equity Fund	14,631,427	6,634,097	8,513,442	12,752,082	111,016	79.29	86.57
NBP Active Allocation Riba Free Savings Fund	7,350,156	6,558,027	12,192,607	1,715,576	17,219	12.30	13.43
Total	21,981,583	13,192,124	20,706,049	14,467,658	128,235	91.59	100.00

6.1.2 NAFA Islamic Active Allocation Plan VII

Name of Fund	As at 01 July 2019	Purchased during the year	Redeemed during the year	As at 30 June 2020	Market value / carrying value as at 30 June 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	----- (Number of units) -----				(Rupees in '000)	----- (%) -----	
NBP Islamic Active Allocation Equity Fund	5,002,192	2,091,611	3,940,270	3,153,533	27,453	79.08	85.43
NBP Active Allocation Riba Free Savings Fund	2,242,637	1,695,628	3,471,810	466,455	4,682	13.49	14.57
Total	7,244,829	3,787,239	7,412,080	3,619,988	32,135	92.56	100.00

6.1.3 NAFA Islamic Active Allocation Plan VIII

Name of Fund	As at 01 July 2019	Purchased during the year	Redeemed during the year	As at 30 June 2020	Market value / carrying value as at 30 June 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	----- (Number of units) -----				(Rupees in '000)	----- (%) -----	
NBP Islamic Active Allocation Equity Fund	-	17,332,638	6,554,958	10,777,680	93,828	77.34	84.09
NBP Active Allocation Riba Free Savings Fund	36,204,464	3,477,121	37,912,215	1,769,370	17,759	14.64	15.91
Total	36,204,464	20,809,759	44,467,173	12,547,050	111,587	91.98	100.00

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



6.1.4 NAFA Islamic Capital Preservation Plan I

Name of Fund	As at 01 July 2019	Purchased during the year	Redeemed during the year	As at 30 June 2020	Market value / carrying value as at 30 June 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	----- (Number of units) -----				(Rupees in '000)	----- (%) -----	
NBP Islamic Active Allocation Equity Fund	8,065,113	22,582,899	24,792,114	5,855,898	50,980	26.86	27.81
NBP Islamic Money Market Fund	67,562,848	12,239,877	66,616,328	13,186,397	132,332	69.73	72.19
Total	75,627,961	34,822,776	91,408,442	19,042,295	183,312	96.59	100.00

6.1.5 NAFA Islamic Capital Preservation Plan II

Name of Fund	As at 01 July 2019	Purchased during the year	Redeemed during the year	As at 30 June 2020	Market value / carrying value as at 30 June 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	----- (Number of units) -----				(Rupees in '000)	----- (%) -----	
NBP Islamic Active Allocation Equity Fund	7,889,326	11,232,997	16,618,654	2,503,669	21,796	13.37	100.00

7 ADVANCE AND OTHER RECEIVABLE

	2020						2019					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
----- (Rupees in '000) -----												
Advance tax	40	-	-	76	1,523	1,639	40	-	-	76	1,523	1,639
Other receivable	-	8	6	39	-	53	-	8	6	39	-	53
	40	8	6	115	1,523	1,692	40	8	6	115	1,523	1,692

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on dividend and profit on bank deposit paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008- VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at the applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of

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Inland Revenue (CIR) is not produced before him by the withholders. The tax withheld on profit on bank deposits as at 30 June 2020 amounts to Rs. 0.04 million, Rs. 0.076 million, and Rs. 1.523 million for NIAAP -VI, NICPP - I, and NICPP - II respectively (2019: Rs. 0.04 million, Rs. 0.076 million, and Rs. 1.523 million for NIAAP -VI, NICPP - I, and NICPP - II respectively).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable High Court of Sindh (HCS) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by HCS in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court (HSC) through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the HSC by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the HSC granted the petitioners leave to appeal from the initial judgement of HCS. Pending resolution of the matter, the amount of withholding tax so deducted has been shown as Advance tax as at 30 June 2020 as in the opinion of the management, the amount of tax deducted at source will be refunded.

8	PRELIMINARY EXPENSES AND FLOTATION COSTS	2020					2019						
		NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
(Rupees in '000)													
	Opening Balance	-	-	36	157	108	301	149	23	102	374	197	845
	Less: Amortisation for the year	-	-	(36)	(157)	(108)	(301)	(149)	(23)	(66)	(217)	(89)	(544)
	Balance at end of the year	-	-	-	-	-	-	-	-	36	157	108	301

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

9 PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY

		2020					2019							
		NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	
(Rupees in '000)														
	Remuneration to Management Company	9.1	14	3	17	14	127	175	15	5	22	31	265	338
	Sindh Sales Tax on management remuneration	9.2	2	1	2	2	14	21	2	1	3	4	34	44
	Allocation of expenses related to registrar services, accounting, operation and valuation services	9.3	79	18	75	145	187	504	147	52	228	494	254	1,175
	Sales and transfer load		391	304	-	201	668	1,564	391	304	-	201	668	1,564
	Sindh Sales Tax on sales load		51	39	-	26	87	203	51	39	-	26	87	203
	Other payable		20	15	15	25	20	95	20	15	15	25	20	95
			557	380	109	413	1,103	2,562	626	416	268	781	1,328	3,419

- 9.1** Under the revised Non-Banking Finance Companies & Notified Entities Regulations 2008, notified on 25 November 2015, the Management Company of the Fund is entitled to a remuneration of an amount not exceeding 1.5 percent of average annual net assets. The Management Company charged remuneration at the rate of 1.25% per annum in NIAAP - VI, NIAAP - VII and NIAAP - VIII and 1% per annum in NICPP - I and NICPP - II based on the average daily net assets of the allocation plans after deducting the market value of investment in collective investments, managed by the Management Company of the Fund. The amount of remuneration is being paid monthly in arrears.
- 9.2** The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Management Company and sales load through Sindh Sales Tax on Services Act, 2011, effective from 01 July 2011. During the year, Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) was charged on management remuneration and sales load.
- 9.3** In accordance with clause 60(s) of Non-Banking Finance Companies and Notified Entities Regulations, 2008 the management company is allowed to charge "fees and expenses related to registrar services, accounting, operation and valuation services related to CIS maximum up to 0.1% of average annual net assets of the Fund or actual whichever is less" from the mutual funds managed by it. On 20 June 2019 SECP vide S.R.O. 639 (I)/2019, has substituted clause (s) of sub regulation 3 of regulation 60 and accordingly has removed cap of charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services. However, the Management Company is charging 0.1% of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services.

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	2020						2019						
	NIAAP - VI	NIAAP - VII	NIAAP - VII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VII	NICPP - I	NICPP - II	Total	
	----- (Rupees in '000) -----												
Trustee remuneration	10.1	8	2	8	12	7	37	17	4	29	58	33	141
Sindh Sales Tax on Trustee remuneration	10.2	1	-	1	2	3	7	2	1	4	8	4	19
		<u>9</u>	<u>2</u>	<u>9</u>	<u>14</u>	<u>10</u>	<u>44</u>	<u>19</u>	<u>5</u>	<u>33</u>	<u>66</u>	<u>37</u>	<u>160</u>

- 10.1** Upto 30 June 2020, The Trustee is entitled to a monthly remuneration for services rendered to the Fund as stated below under the provisions of the Trust Deed as per the tariff specified therein, based on their daily net assets value of the fund.

Net assets

Tariff per annum

Upto Rs. 1,000 million

0.10% of net assets per annum assets

On an amount exceeding Rs 1,000 million

Rs. 1 million plus 0.075% per annum of net assets, exceeding Rs. 1,000 million.

With effective from 1 July 2019 the Trustee has revised its remuneration to 0.07% per annum of Net Assts of the each respective plan. The remuneration is paid to the Trustee monthly in arrears.

- 10.2** The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011, effective from 01 July 2015. During the year, Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) was charged on Trustee remuneration.

11 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Under the provisions of the NBFC Regulations, a collective investment scheme categorized as an Shariah Compliant Fund of Funds is required to pay an annual fee to Securities and Exchange Commission of Pakistan, an amount equal to 0.095 percent of the average annual net assets of each respective plan til 30 June 2019 and with effect from 1 July 2019 SECP has revised its fee rate to 0.02 percent per annum of the average annual net assets of each respective plan. The fee is paid annually in arrears.

12 ACCRUED EXPENSES AND OTHER LIABILITIES

Note	2020						2019					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
	(Rupees in '000)											
Provision for Sindh Workers' Welfare Fund 12.1	435	55	452	1,467	599	3,008	-	-	101	723	230	1,054
Auditors' remuneration	154	136	142	171	140	743	194	154	158	171	145	822
Bank charges	38	29	20	5	88	180	56	40	38	3	91	228
Printing charges	34	14	26	30	54	158	19	11	13	26	40	109
Legal fee	36	43	48	48	111	286	22	18	21	22	50	133
Shariah advisor fee	39	12	45	96	37	229	68	27	93	224	111	523
Withholding tax	2,587	419	1,625	2,167	1,887	8,685	1	-	1	2	22	26
Capital gain tax	-	-	33	25	95	153	-	-	-	7	1	8
	<u>3,323</u>	<u>708</u>	<u>2,391</u>	<u>4,009</u>	<u>3,011</u>	<u>13,442</u>	<u>360</u>	<u>250</u>	<u>425</u>	<u>1,178</u>	<u>690</u>	<u>2,903</u>

12.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the 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.

In the repealed Companies Ordinance, 1984 and the now applicable Companies Act, 2017, mutual funds have not been included in the definition of financial institutions. The MUFAP has held the view that SWWF is applicable on asset management companies and not on mutual funds. 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, the 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.

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Had the provision for SWWF not been recorded in the financial statements of each respective plan for the current period the net asset value per unit of the each respective plan as at 30 June 2020 would have been higher by Rs. 0.2489, Rs.0.1350, Rs. 0.3607, Rs. 0.7752, Rs. 0.3679 (30 June 2019: Rs. 0.0245, Rs. 0.0929, Rs. 0.060 of NIAAF - VIII, NICPP - I and NICPP - II respectively) NIAAF - VI, NIAAF - VII NIAAF - VIII, NICPP - I, NICPP - II respectively.

13 CONTINGENCY AND COMMITMENT

There was no contingency and commitment as at 30 June 2020 (2019: Nil).

14 NUMBER OF UNITS IN ISSUE

	2020						2019					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
	(Number of units)											
Opening	2,819,908	894,604	4,119,257	7,784,210	3,788,904	19,406,883	5,149,118	2,090,911	5,866,968	17,561,393	8,480,989	39,149,379
Units issued	156,376	23,126	69,165	188,158	81,507	518,332	-	-	-	51,446	41,311	92,757
Less: units redeemed	(1,230,598)	(507,499)	(2,937,503)	(6,080,199)	(2,242,174)	(12,997,973)	(2,329,210)	(1,196,307)	(1,747,711)	(9,828,629)	(4,733,396)	(19,835,253)
Total units in issue at end of the year	<u>1,745,686</u>	<u>410,231</u>	<u>1,250,919</u>	<u>1,892,169</u>	<u>1,628,237</u>	<u>6,927,242</u>	<u>2,819,908</u>	<u>894,604</u>	<u>4,119,257</u>	<u>7,784,210</u>	<u>3,788,904</u>	<u>19,406,883</u>

- 14.1** The Management Company on 19 July 2019 has declared distribution of Rs. 1.6178 per unit for NAFA - Islamic Capital Preservation Plan I (NICPP - I) (for full year). The aggregate cash distribution is Rs. 12 million for NAFA - Islamic Capital Preservation Plan I (NICPP - I).
- 14.2** The Management Company on 29 June 2020 has declared distribution of Rs. 9.5218 per unit for NAFA - Islamic Active Allocation Plan VI (NIAAP - VI), Rs. 6.130 per unit for NAFA Islamic Active Allocation Plan VII, Rs. 6.9649 per unit for NAFA Islamic Active Allocation Plan VIII, Rs. 6.5739 per unit for NAFA - Islamic Capital Preservation Plan I (NICPP - I), Rs. 5.6922 per unit for NAFA - Islamic Capital Preservation Plan II (NICPP - II) (for full year). The aggregate cash distribution is Rs. 15.133 m NAFA - Islamic Active Allocation Plan VI (NIAAP - VI), Rs. 2.375 million for NAFA Islamic Active Allocation Plan VII (NIAAP - VII), Rs. 8.446 million for NAFA - Islamic Active Allocation Plan VIII, Rs. 11.832 million for NAFA - Islamic Capital Preservation Plan I (NICPP - I), Rs. 8.922 million for NAFA - Islamic Capital Preservation Plan II (NICPP - II).
- 14.3** This includes 156,376 units of NIAAP-VI, 23,126 units of NIAAP-VII, 69,165 units of NIAAP-VIII, 188,158 units of NICPP-I and 71,273 units of NICCP-II issued against Dividend Reinvestment Plan amounting to Rs. 12.552 million (NIAAP-VI), Rs. 1.959 million (NIAAP-VII), Rs. 6.714 million (NIAAP-VIII), Rs. 18.871 million (NICPP-I) and Rs. 7.139 million (NICPP-II), net of taxation.

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15 AUDITORS' REMUNERATION

	2020					2019						
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
	----- (Number of units) -----											
Annual audit fee	116	110	116	116	112	570	135	115	105	170	150	675
Half yearly fee	46	44	46	46	46	228	44	44	44	44	44	220
Out of pocket expenses and others including government levy	13	42	36	51	50	192	45	36	30	70	42	223
	<u>175</u>	<u>196</u>	<u>198</u>	<u>213</u>	<u>208</u>	<u>990</u>	<u>224</u>	<u>195</u>	<u>179</u>	<u>284</u>	<u>236</u>	<u>1,118</u>

16 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 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% of the 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 has distributed the income earned by NIAAP-VI, NIAAP-VII, NIAAP-VIII, NICPP-I and NICPP-II during the year to the unit holders as per distribution policy (refer note 4.12 and 14.2), no provision for taxation has been made in these financial statements.

17 RECONCILIATION OF RECEIVABLE AND LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

	NIAAP - VI			Total
	Receivable against sale of units	Payable against redemption of units	Dividend Payable	
	----- (Rupees in '000) -----			
Balance as at 01 July 2019	-	-	-	-
Receivable against issuance of units	12,552	-	-	12,552
Payable against redemption of units	-	101,800	-	101,800
Dividend Announced	-	-	15,133	15,133
	<u>12,552</u>	<u>101,800</u>	<u>15,133</u>	<u>129,485</u>
Dividend re-invested	(12,552)	-	(15,133)	(27,685)
Amount paid on redemption of units	-	(101,800)	-	(101,800)
	<u>(12,552)</u>	<u>(101,800)</u>	<u>(15,133)</u>	<u>(129,485)</u>
Balance as at 30 June 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	NIAAP - VII			
	Receivable against sale of units	Payable against redemption of units	Dividend Payable	Total
	----- (Rupees in '000) -----			
Balance as at 01 July 2019	-	-	-	-
Receivable against issuance of units	1,959	-	-	1,959
Payable against redemption of units	-	43,424	-	43,424
Dividend Announced	-	-	2,375	2,375
	1,959	43,424	2,375	47,758
Dividend re-invested	(1,959)	-	(2,372)	(4,331)
Amount paid on redemption of units	-	(43,424)	-	(43,424)
Dividend paid	-	-	(3)	(3)
	(1,959)	(43,424)	(2,375)	(47,758)
Balance as at 30 June 2020	-	-	-	-

	NIAAP - VIII			
	Receivable against sale of units	Payable against redemption of units	Dividend Payable	Total
	----- (Rupees in '000) -----			
Balance as at 01 July 2019	-	-	-	-
Receivable against issuance of units	6,714	-	-	6,714
Payable against redemption of units	-	(290,402)	-	(290,402)
Dividend Announced	-	-	8,446	8,446
	6,714	(290,402)	8,446	(275,242)
Dividend re-invested	(6,714)	-	(8,298)	(15,012)
Amount paid on redemption of units	-	290,402	-	290,402
Dividend paid	-	-	(148)	(148)
	(6,714)	290,402	(8,446)	275,242
Balance as at 30 June 2020	-	-	-	-

	NICPP - I			
	Receivable against sale of units	Payable against redemption of units	Dividend Payable	Total
	----- (Rupees in '000) -----			
Balance as at 1 July 2019	-	-	-	-
Receivable against issuance of units	18,871	-	-	18,871
Payable against redemption of units	-	634,363	-	634,363
Dividend Payable	-	-	23,832	23,832
	18,871	634,363	23,832	677,066
Dividend re-invested	(18,871)	-	(23,058)	(41,929)
Amount paid on redemption of units	-	(634,363)	-	(634,363)
Dividend paid	-	-	(774)	(774)
	(18,871)	(634,363)	(23,832)	(677,066)
Balance as at 30 June 2020	-	-	-	-

	NICPP - II			
	Receivable against sale of units	Payable against redemption of units	Dividend Payable	Total
	----- (Rupees in '000) -----			
Balance as at 1 July 2019	-	-	-	-
Receivable against issuance of units	8,163	-	-	8,163
Payable against redemption of units	-	(233,572)	-	(233,572)
Dividend Payable	-	-	8,922	8,922
	8,163	(233,572)	8,922	(216,487)
Amount received on issuance of units	(1,024)	-	-	(1,024)
Amount paid on redemption of units	-	231,507	-	231,507
Dividend re-invested	(7,139)	-	(8,892)	(16,031)
Dividend Paid	-	-	(30)	(30)
	(8,163)	231,507	(8,922)	214,422
Balance as at 30 June 2020	-	(2,065)	-	(2,065)

18 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses, including government levies, incurred during the year divided by average net asset value for the year) is 0.72%, 1.12%, 0.67%, 0.61% and 1.42% per annum of NIAAP-VI, NIAAP-VII, NIAAP-VIII, NICPP-I and NICPP-II respectively. Total expense ratio (excluding government levies) is 0.43%, 0.95%, 0.44%, 0.39% and 1.14% per annum of NIAAP-VI, NIAAP-VII, NIAAP-VIII, NICPP-I and NICPP-II respectively.

19 FINANCIAL INSTRUMENTS BY CATEGORY

19.1

	As at 30 June 2020			As at 30 June 2019		
	NIAAP - VI			NIAAP - VI		
	At Amortised cost	At fair value through profit or loss	Total	At Amortised cost	Mandatorily at fair value through profit or loss	Total
----- (Rupees in '000) -----						
Assets						
Bank balances	15,513	-	15,513	9,125	-	9,125
Investments	-	128,235	128,235	-	206,575	206,575
Profit receivable on bank deposits	141	-	141	199	-	199
Receivable against sale of investments	-	-	-	8,500	-	8,500
	<u>15,654</u>	<u>128,235</u>	<u>143,889</u>	<u>17,824</u>	<u>206,575</u>	<u>224,399</u>
	As at 30 June 2020			As at 30 June 2019		
	NIAAP - VI			NIAAP - VI		
	At fair value through profit or loss	At amortised cost	Total	Mandatorily at fair value through profit or loss	At amortised cost	Total
----- (Rupees in '000) -----						
Liabilities						
Payable to NBP Fund Management Limited - Management Company	-	557	557	-	626	626
Payable to Central Depository Company of Pakistan Limited - Limited - Trustee	-	9	9	-	19	19
Accrued expenses and other liabilities	-	301	301	-	359	359
	<u>-</u>	<u>867</u>	<u>867</u>	<u>-</u>	<u>1,004</u>	<u>1,004</u>

19.2

	As at 30 June 2020			As at 30 June 2019		
	NIAAP - VII					
	At Amortised cost	At fair value through profit or loss	Total	At Amortised cost	Mandatorily at fair value through profit or loss	Total
----- (Rupees in '000) -----						
Assets						
Bank balances	3,636	-	3,636	5,631	-	5,631
Investments	-	32,135	32,135	-	67,915	67,915
Profit receivable on bank deposits	37	-	37	91	-	91
Other receivable	8	-	8	8	-	8
Receivable against sale of investments	-	-	-	3,000	-	3,000
	3,681	32,135	35,816	8,730	67,915	76,645

	As at 30 June 2020			As at 30 June 2019		
	NIAAP - VII					
	At fair value through profit or loss	At amortised cost	Total	Mandatorily at fair value through profit or loss	At amortised cost	Total
----- (Rupees in '000) -----						
Liabilities						
Payable to NBP Fund Management Limited - Management Company	-	380	380	-	416	416
Payable to Central Depository Company of Pakistan Limited - Limited - Trustee	-	2	2	-	5	5
Accrued expenses and other liabilities	-	234	234	-	250	250
	-	616	616	-	671	671

19.3

	As at 30 June 2020			As at 30 June 2019		
	NIAAP - VIII			NIAAP - VIII		
	At Amortised cost	At fair value through profit or loss	Total	At Amortised cost	Mandatorily at fair value through profit or loss	Total
----- (Rupees in '000) -----						
Assets						
Bank balances	12,118	-	12,118	34,159	-	34,159
Investments	-	111,587	111,587	-	362,971	362,971
Profit receivable on bank deposits	159	-	159	313	-	313
Other receivable	6	-	6	6	-	6
	<u>12,283</u>	<u>111,587</u>	<u>123,870</u>	<u>34,478</u>	<u>362,971</u>	<u>397,449</u>
	NIAAP - VIII			NIAAP - VIII		
	At fair value through profit or loss	At amortised cost	Total	Mandatorily at fair value through profit or loss	At amortised cost	Total
----- (Rupees in '000) -----						
Liabilities						
Payable to NBP Fund Management Company	-	109	109	-	268	268
Payable to Central Depository Company of Limited - Trustee	-	9	9	-	33	33
Accrued expenses and other liabilities	-	281	281	-	323	323
		<u>399</u>	<u>399</u>		<u>624</u>	<u>624</u>

19.4

	As at 30 June 2020			As at 30 June 2019		
	NICPP - I			NICPP - I		
	At Amortised cost	At fair value through profit or loss	Total	At Amortised cost	Mandatorily at fair value through profit or loss	Total
----- (Rupees in '000) -----						
Assets						
Bank balances	10,730	-	10,730	44,806	-	44,806
Investments	-	183,312	183,312	-	750,404	750,404
Profit receivable on bank deposits	144	-	144	457	-	457
Other receivable	39	-	39	39	-	39
	<u>10,913</u>	<u>183,312</u>	<u>194,225</u>	<u>45,302</u>	<u>750,404</u>	<u>795,706</u>

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



	NICPP - I			NICPP - I		
	At fair value through profit or loss	At amortised cost	Total	Mandatorily at fair value through profit or loss	At amortised cost	Total
----- (Rupees in '000) -----						
Liabilities						
Payable to NBP Fund Management Company	-	413	413	-	781	781
Payable to Central Depository Company of Limited - Trustee	-	14	14	-	66	66
Accrued expenses and other liabilities	-	350	350	-	446	446
	-	777	777	-	1,293	1,293

19.5

	As at 30 June 2020			As at 30 June 2019		
	NICPP - II			NICPP - II		
	At Amortised cost	At fair value through profit or loss	Total	At Amortised cost	Mandatorily at fair value through profit or loss	Total
----- (Rupees in '000) -----						
Assets						
Bank balances	145,111	-	145,111	305,472	-	305,472
Investments	-	21,796	21,796	-	71,652	71,652
Profit receivable on bank deposits	891	-	891	3,230	-	3,230
	146,002	21,796	167,798	308,702	71,652	380,354

	NICPP - II			NICPP - II		
	At fair value through profit or loss	At amortised cost	Total	Mandatorily at fair value through profit or loss	At amortised cost	Total
----- (Rupees in '000) -----						
Liabilities						
Payable to NBP Fund Management Company	-	1,103	1,103	-	1,328	1,328
Payable to Central Depository Company of Limited - Trustee	-	10	10	-	37	37
Accrued expenses and other liabilities	-	430	430	-	437	437
Payable against redemption of units	-	2,065	2,065	-	-	-
	-	3,608	3,608	-	1,802	1,802

20 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

20.1 Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the sponsors, NAFA Pension Fund, NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and unit holders holding 10 percent or more units of the Fund.

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

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

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

20.5 Transactions during the year

	2020						2019					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
(Rupees in '000)												
NBP Fund Management Limited- Management Company												
Remuneration to Management Company	179	36	166	305	1,972	2,658	308	128	444	547	5,372	6,799
Sindh Sales Tax on remuneration of Management Company	23	5	22	40	256	346	40	17	58	71	698	884
Allocation of expenses related to registrar services, accounting, operation and valuation services	177	41	192	416	256	1,082	358	138	506	1,308	643	2,953
Preliminary expenses and floatation costs	-	-	36	157	108	301	149	23	66	217	89	544
Units Redeemed : Nil units (NIAAP VII) [2019: 499,812 units (NIAAP VII)]	-	-	-	-	-	-	-	46,807	-	-	-	-
Central Depository Company of Pakistan Limited - Trustee												
Remuneration to the Trustee	124	29	134	291	179	757	299	113	423	1,092	537	2,464
Sindh Sales Tax on remuneration to Trustee	16	4	17	38	23	98	39	15	55	142	70	321
Employees of the Management Company												
Dividend reinvestment: 10 units [2019: Nil units] (NIAAP VI)	1	-	-	-	-	1	-	-	-	-	-	-
Units redeemed: 1,935 units [2019: Nil units] (NIAAP-VI)	143	-	-	-	-	143	-	-	-	-	-	-
Units redeemed: Nil units [2019: 103 units] (NIAAP-VII)	-	-	-	-	-	-	-	9	-	-	-	9
Units redeemed: 1,940 units [2019: Nil units] (NIAAP-VIII)	-	-	186	-	-	186	-	-	-	-	-	-
Units redeemed: 11,106 units [2019: 4,680 units] (NICPP - I)	-	-	-	1,192	-	1,192	-	-	-	471	-	471
Dividend reinvestment : 147 units [2019: 45 units] (NICPP - I)	-	-	-	15	-	15	-	-	-	4	-	4
Units redeemed: 2,725 units [2019: Nil units] (NICPP - II)	-	-	-	-	286	286	-	-	-	-	1	1

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



	2020						2019					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
Investment in NBP Islamic Active Allocation Equity Fund												
Dividend Income	10,378	2,566	9,996	1,478	670	25,088	-	-	-	-	-	-
Units purchased: 6,634,097 units [2019: 17,180,647 units] (NIAAP-VI)	57,158	-	-	-	-	57,158	187,021	-	-	-	-	187,021
Units purchased: 2,091,611 units [2019: 5,952,215 units] (NIAAP-VII)	-	17,670	-	-	-	17,670	-	64,957	-	-	-	64,957
Units purchased 17,332,638 [2019: 23,186,475 units] (NIAAP - VIII)	-	-	163,426	-	-	163,426	-	-	254,316	-	-	254,316
Units purchased: 22,582,899 Units [2019: 39,309,965 units] (NICPP - I)	-	-	-	208,674	-	208,674	-	-	-	441,491	-	441,491
Units purchased: 11,232,997 Units [2019: 26,688,487 units] (NICPP - II)	-	-	-	-	104,917	104,917	-	-	-	-	292,644	292,644
Units Sold:												
Units sold: 8,513,442 units [2019: 21,964,005 units] (NIAAP - VI)	76,522	-	-	-	-	76,522	233,531	-	-	-	-	233,531
Units sold: 3,940,270 units [2019: 9,407,712 units] (NIAAP - VII)	-	35,654	-	-	-	35,654	-	100,418	-	-	-	100,418
Units sold: 6,554,958 units [2019: 48,505,244 units] (NIAAP - VIII)	-	-	63,098	-	-	63,098	-	-	500,267	-	-	500,267
Units sold: 24,792,114 units [2019: 45,258,985 units] (NICPP - I)	-	-	-	231,204	-	231,204	-	-	-	477,044	-	477,044
Units sold: 16,618,654 units [2019: 22,935,279 units] (NICPP - II)	-	-	-	-	154,689	154,689	-	-	-	-	234,880	234,880
Investment in NBP Islamic Active Allocation Riba Free Savings Fund												
Dividend Income	343	94	424	-	-	861	4,397	1,878	11,777	-	-	18,052
Units purchased: 6,558,027 units [2019: 16,686,039 units] (NIAAP VI)	68,604	-	-	-	-	68,604	162,168	-	-	-	-	162,168
Units purchased: 1,695,628 units [2019: 7,339,444 units] (NIAAP - VII)	-	17,187	-	-	-	17,187	-	72,011	-	-	-	72,011
Units purchased: 3,477,121 units [2019: 46,475,005 units] (NIAAP - VIII)	-	-	35,966	-	-	35,966	-	-	459,882	-	-	459,882

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



	2020					2019						
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
Units Sold:												
Units sold: 12,192,607 units [2019: 28,726,100 units] (NIAAP - VI)	125,324	-	-	-	-	125,324	297,867	-	-	-	-	297,867
Units sold: 3,471,810 units [2019: 13,620,270 units] (NIAAP - VII)	-	35,138	-	-	-	35,138	-	140,975	-	-	-	140,975
Units sold: 37,912,215 units [2019: 35,624,159 units] (NIAAP - VIII)	-	-	381,708	-	-	381,708	-	-	369,212	-	-	369,212
Investment in NBP Islamic Money Market Fund												
Dividend Income	-	-	-	5,083	-	5,083	-	-	-	72,176	-	72,176
Units Purchased: 12,239,877 units [2019: 37,459,678 units] (NICPP - I)	-	-	-	121,516	-	121,516	-	-	-	372,011	-	372,011
Units sold: 66,616,328 units [2019: 117,630,430 units] (NICPP - I)	-	-	-	670,972	-	670,972	-	-	-	1,200,611	-	1,200,611
BankIslami Pakistan Limited												
Mark-up on balances	585	152	431	-	-	1,168	2238	1,049	3,371	-	-	6,658
PITC Employees Trust (Pension) Fund												
Dividend reinvestment : 3,999 units [2019: Nil units] (NICPP - I)	-	-	-	401	-	401	-	-	-	-	-	-
Units redeemed: 295,627 units [2019: Nil units] (NICPP - I)	-	-	-	32,747	-	32,747	-	-	-	-	-	-

20.6 Amounts outstanding as at year end:

NBP Fund Management

Limited - Management Company

Management remuneration payable	14	3	17	14	127	175	15	5	22	31	265	338
Sindh Sales Tax payable	2	1	2	2	14	21	2	1	3	4	34	44
Allocation of expenses related to registrar services, accounting, operation and valuation services	79	18	75	145	187	504	147	52	228	494	254	1,175
Sales load and transfer load payable	391	304	-	201	668	1,564	391	304	-	201	668	1,564
Sindh Sales Tax on sales load	51	39	-	26	87	203	51	39	-	26	87	203
Other payable	20	15	15	25	20	95	20	15	15	25	20	95

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



	2020						2019					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
(Rupees in '000)												
Employees of the Management Company												
Units held: 110 units [2019: 1,935 units] (NIAAP-VI)	9	-	-	-	-	9	153	-	-	-	-	153
Units held: Nil units [2019: 1,940 units] (NIAAP VIII)	-	-	-	-	-	-	-	-	187	-	-	187
Units held: Nil units [2019: 9,506 units] (NICPP - I)	-	-	-	-	-	-	-	-	-	968	-	968
Units held: Nil units [2019: 2,412 units] (NICPP - II)	-	-	-	-	-	-	-	-	-	-	242	242
Central Depository Company of Pakistan Limited - Trustee												
Remuneration payable	8	2	8	12	7	37	17	4	29	58	33	141
Sindh Sales Tax payable on remuneration to Trustee	1	-	1	2	3	7	2	1	4	8	4	19
NBP Islamic Active Allocation Equity Fund												
Units held: 12,752,082 units [2019: 14,631,427 units] (NIAAP-VI)	111,016	-	-	-	-	111,016	132,885	-	-	-	-	132,885
Units held: 3,153,533 units [2019: 5,002,192 units] (NIAAP-VII)	-	27,453	-	-	-	27,453	-	45,430	-	-	-	45,430
Units held: 10,777,680 units [2019: Nil units] (NIAAP - VIII)	-	-	93,828	-	-	93,828	-	-	-	-	-	-
Units held: 5,855,898 units [2019: 8,065,113 units] (NICPP - I)	-	-	-	50,980	-	50,980	-	-	-	73,250	-	73,250
Units held: 2,503,669 units [2019: 7,889,326 units] (NICPP - II)	-	-	-	-	21,796	21,796	-	-	-	-	71,652	71,652
Receivable against sale of investment (NIAAP-VI)	-	-	-	-	-	-	8,500	-	-	-	-	8,500
NBP Islamic Active Allocation Riba Free Savings Fund												
Units held: 1,715,576 units [2019: 7,350,156 units] (NIAAP-VI)	17,219	-	-	-	-	17,219	73,690	-	-	-	-	73,690
Units held: 466,455 units [2019: 2,242,637 units] (NIAAP - VII)	-	4,682	-	-	-	4,682	-	22,485	-	-	-	22,485
Units held: 1,769,370 units [2019: 36,204,464 units] (NIAAP - VIII)	-	-	17,759	-	-	17,759	-	-	362,971	-	-	362,971
Receivable against sale of investment (NIAAP-VII)	-	-	-	-	-	-	-	3,000	-	-	-	3,000
NBP Islamic Money Market Fund												
Units held: 13,186,397 units [2019: 67,562,848 units] (NICPP - I)	-	-	-	132,332	-	132,332	-	-	-	677,154	-	677,154
BankIslami Pakistan Limited												
Bank balances	8,808	647	10,293	-	-	19,748	8,839	5,437	33,940	-	-	48,216
Profit receivable	115	12	34	-	-	161	198	88	313	-	-	599
Hamdard Laboratories (Waqf) Pakistan												
Units held : Nil units [2019: 992,789 Units]	-	-	-	-	-	-	-	-	-	101,096	-	101,096
Global Technologies & Services												
Units held : 324,787 units [2019: Nil Units]	26,048	-	-	-	-	26,048	-	-	-	-	-	-

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



	2020						2019					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
Rashida Raza Kazim Units held : 273,434 units [2019: Nil Units]	21,929	-	-	-	-	21,929	-	-	-	-	-	-
Muhammad Naeem Units held : 216,475 units [2019: Nil Units]	17,361	-	-	-	-	17,361	-	-	-	-	-	-
Mrs Saba Haleem Siddiqui Units held : 215,302 units [2019: Nil Units]	-	18,221	-	-	-	18,221	-	-	-	-	-	-
Brookes Pharma Lab.Staff Provident Fund Units held : 300,445 units [2019: Nil Units]	-	-	29,139	-	-	29,139	-	-	-	-	-	-
Haseeb Iqbal Units held : 176,082 units [2019: Nil Units]	-	-	17,078	-	-	17,078	-	-	-	-	-	-
Battalion Fund 4 Baloch Regiment Units held : 242,289 units [2019: Nil Units]	-	-	-	24,301	-	24,301	-	-	-	-	-	-
The Eisaar Trust Units held : 189,722 units [2019: Nil Units]	-	-	-	19,029	-	19,029	-	-	-	-	-	-
Ms Parveen Muzaffar Units held : 260,181 units [2019: Nil Units]	-	-	-	-	26,059	26,059	-	-	-	-	-	-

21 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of the Investment Committee of the Fund are as follows:

S.No	Name	Qualifications	Experience in years
1	Dr. Amjad Waheed	Doctorate in Business Administration / CFA	32
2	Mr. Sajjad Anwar*	CFA / MBA Finance	20
3	Mr. Muhammad Ali Bhabha	MBA / MS / CFA / FRM	25
4	Mr. Hassan Raza	ACCA / BSC / CFA	9
5	Asim Wahab Khan	CFA	14

*Mr.Sajjad Anwar is the Fund Manager. He is also managing NAFA Islamic Active Allocation Fund I, NAFA Islamic Active Allocation Fund III, NBP Islamic Stock Fund (Formerly NAFA Islamic Stock Fund), NAFA Pension Fund, NAFA Islamic Pension Fund and NAFA Islamic Principal Protected Fund II.

22 PATTERN OF UNIT HOLDING

	2020			2019		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of investment ---- (%) ---	Number of unit holders	Investment amount (Rupees in '000)	Percentage of investment ---- (%) ---
NIAAP - VI						
Category						
Individuals	78	79,866	57.05	156	148,346	66.50
Insurance Companies	2	11,354	8.11			
Retirement Funds	-	-	-	2	3,134	1.40
Corporates	-	-	-	2	10,174	4.56
Others	6	48,784	34.84	8	61,439	27.54
	86	140,004	100.00	168	223,094	100.00
NIAAP - VII						
Category						
Individuals	32	34,717	100.00	71	66,736	87.99
Retirement Funds	-	-	-	2	7,439	9.81
Others	-	-	-	1	1,667	2.20
	32	34,717	100.00	74	75,843	100.00
NIAAP - VIII						
Category						
Individuals	167	78,489	64.69	344	195,838	49.42
Retirement Funds	3	32,777	27.02	6	168,810	42.60
Others	1	10,057	8.29	5	31,631	7.98
	171	121,323	100.00	355	396,279	100.00
NICPP - I						
Category						
Individuals	210	100,934	53.18	533	362,787	45.77
Retirement Funds	4	19,186	10.11	10	97,106	12.25
Others	6	69,661	36.71	11	332,778	41.98
	220	189,782	100.00	554	792,671	100.00
NICPP - II						
Category						
Individuals	275	147,533	90.47	557	338,227	89.17
Retirement Funds	3	1,717	1.05	6	16,484	4.35
Others	7	13,831	8.47	10	24,607	6.48
	285	163,081	99.99	573	379,318	100.00

23 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The 72nd, 73rd, 74th, 75th Board meetings were held on 30 August 2019, 24 October 2019, 27 February 2020, 27 April 2020, respectively. Information in respect of attendance by directors in the meetings is given below:

Name of Director

	Number of Meetings			Meetings not attended
	Held during tenure of directorship	Attended	Leave granted	
Shaikh Muhammad Abdul Wahid Sethi	4	4	-	-
Mr. Saad ur Rahman Khan (Note 23.2)	3	2	1	74th meeting
Syed Hasan Irtiza Kazmi (Note 23.2)	3	3	-	-
Mr. Nasir Husain (Note 23.1)	1	-	1	72nd meeting
Mr. Abdul Hadi Palekar (Note 23.1)	1	-	1	72nd meeting
Mr. Ali Saigol	4	4	-	-
Mr. Imran Zaffar	4	4	-	-
Mr. Kamal Amir Chinoy (Note 23.1)	1	1	-	-
Mr. Khalid Mansoor (Note 23.2)	3	3	-	-
Mr. Humayun Bashir	4	4	-	-
Mr. Shehryar Faruque (Note 23.1)	1	1	-	-
Mr. Saad Amanullah Khan (Note 23.2)	3	3	-	-
Dr. Amjad Waheed	4	4	-	-

23.1 Mr. Nasir Husain, Mr Abdul Hadi Palekar, Mr. Kamal Amir Chinoy and Mr. Shehryar Faruque retired from the Board with effect from 04 October 2019.

23.2 Mr. Saad ur Rahman Khan, Mr. Syed Hasan Irtiza Khan, Mr. Khalid Mansoor and Mr. Saad Amanullah Khan opted as director on the Board with effect from 04 October 2019.

24 FINANCIAL RISK MANAGEMENT

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of change in market accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by Board of Directors and Audit Committee regularly to reflect changes in market conditions and the Fund's activities.

The management of these risks is carried out by the Investment Committee (IC) under policies approved by the Board of Directors of the Management Company. The IC is constituted and approved by the Board of Directors of the Management Company. IC is responsible to devise the investment strategy and manage the investment portfolio of the Fund in accordance with limits prescribed in the Non Banking Finance Companies and Notified Entities Regulations, 2008, offering document of the Fund in addition to Fund's internal risk management policies.

The Fund primarily invests in a portfolio of shariah compliant equity funds and income funds. Such investments are subject to varying degrees of risk. These risks emanate from various factors that include, but are not limited to market risk, credit risk and liquidity risk.

24.1 Market risk

Market risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate as a result of changes in market interest rates or the market price of securities due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk (equity price risk).

Management of market risk

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board of Directors and regulations laid down by SECP.

24.1.1 Currency risk

Currency risk is that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as all transactions are carried out in Pakistani Rupees.

24.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(a) Sensitivity analysis for variable rate instruments

Presently, the fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income / loss for the year and net assets of the Fund would have been lower / higher by Rs. 0.1551 million, Rs. 0.0364, Rs. 0.1209, Rs. 0.1051, and Rs. 1.4497 of NIAAP - VI, NIAAP - VII, NIAAP - VIII, NICPP - I, and NICPP - II respectively (2019: Rs. 0.0893 million, Rs. 0.0563 million, Rs. 3405 million, Rs. 0.4397 million, and Rs. 3.0463 million of NIAAP - VI, NIAAP - VII, NIAAP - VIII, NICPP - I, and NICPP - II respectively).

(b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that exposes the Fund to any material profit rate risk.

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on settlement date.

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



24.1.2.1

	As At 30 June 2020					As At 30 June 2019						
	NIAAP-VI					NIAAP-VI						
	Exposed to yield / interest rate risk					Exposed to yield / interest rate risk						
	Yield / interest rate	Upto three months	More than three months and up to one year	More than one year	Not exposed to Yield / Interest risk	Total	Yield / interest rate	Upto three months	More than three months and up to one year	More than one year	Not exposed to Yield / Interest risk	Total
	----- (Rupees in '000) -----					----- (Rupees in '000) -----						
On-balance sheet financial instruments												
Financial assets												
Bank balances	7.5% - 12.5%	15,507	-	-	6	15,513	6.5% - 13.5%	8,927	-	-	198	9,125
Investments		-	-	-	128,235	128,235		-	-	-	206,575	206,575
Profit receivable on bank deposits		-	-	-	141	141		-	-	-	199	199
Receivable against sale of investments		-	-	-	-	-		-	-	-	8,500	8,500
		15,507	-	-	128,382	143,889		215,502	-	-	8,897	224,399
Financial liabilities												
Payable to NBP Fund Management Limited - Management Company		-	-	-	557	557		-	-	-	626	626
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	9	9		-	-	-	19	19
Accrued expenses and other liabilities		-	-	-	301	301		-	-	-	359	359
		-	-	-	867	867		-	-	-	1,004	1,004
On-balance sheet gap		15,507	-	-	127,515	143,022		215,502	-	-	7,893	223,395
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-
Total interest rate sensitivity gap		15,507	-	-	127,515	143,022		215,502	-	-	7,893	223,395
Cumulative interest rate sensitivity gap		15,507	15,507	15,507				215,502	215,502	215,502		

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



24.1.2.2

	As At 30 June 2020					As At 30 June 2019						
	NIAAP-VII					NIAAP-VII						
	Exposed to yield / interest rate risk					Exposed to yield / interest rate risk						
Yield / interest rate	Upto three months	More than three months and up to one year	More than one year	Not exposed to Yield / Interest risk	Total	Yield / interest rate	Upto three months	More than three months and up to one year	More than one year	Not exposed to Yield / Interest risk	Total	
----- (Rupees in '000) -----												
On-balance sheet financial instruments												
Financial assets												
Bank balances	7.5% - 12.5%	3,635	-	-	1	3,636	6.5% - 13.5%	5,630	-	-	1	5,631
Investments		-	-	-	32,135	32,135		-	-	-	67,915	67,915
Profit receivable on bank deposits		-	-	-	37	37		-	-	-	91	91
Other receivable		-	-	-	8	8		-	-	-	8	8
Receivable against sale of investment		-	-	-	-	-		-	-	-	3,000	3,000
		<u>3,635</u>	<u>-</u>	<u>-</u>	<u>32,181</u>	<u>35,816</u>		<u>5,630</u>	<u>-</u>	<u>-</u>	<u>71,015</u>	<u>76,645</u>
Financial liabilities												
Payable to NBP Fund Management Limited - Management Company		-	-	-	380	380		-	-	-	416	416
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	2	2		-	-	-	5	5
Accrued expenses and other liabilities		-	-	-	234	234		-	-	-	250	250
		<u>-</u>	<u>-</u>	<u>-</u>	<u>616</u>	<u>616</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>671</u>	<u>671</u>
On-balance sheet gap		<u>3,635</u>	<u>-</u>	<u>-</u>	<u>31,565</u>	<u>35,200</u>		<u>73,545</u>	<u>-</u>	<u>-</u>	<u>2,429</u>	<u>75,974</u>
Off-balance sheet financial instruments		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Off-balance sheet gap		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total interest rate sensitivity gap		<u>3,635</u>	<u>-</u>	<u>-</u>	<u>31,565</u>	<u>35,200</u>		<u>73,545</u>	<u>-</u>	<u>-</u>	<u>2,429</u>	<u>75,974</u>
Cumulative interest rate sensitivity gap		<u>3,635</u>	<u>3,635</u>	<u>3,635</u>				<u>73,545</u>	<u>73,545</u>	<u>73,545</u>		

24.1.2.3

	As At 30 June 2020					As At 30 June 2019						
	NIAAP-VIII					NIAAP-VIII						
	Exposed to yield / interest rate risk					Exposed to yield / interest rate risk						
Yield / interest rate	Upto three months	More than three months and up to one year	More than one year	Not exposed to Yield / Interest risk	Total	Yield / interest rate	Upto three months	More than three months and up to one year	More than one year	Not exposed to Yield / Interest risk	Total	
	----- (Rupees in '000) -----					----- (Rupees in '000) -----						
On-balance sheet financial instruments												
Financial assets												
Bank balances	7.5% - 12.5%	12,091	-	-	27	12,118	6.5% - 13.5%	34,047	-	-	112	34,159
Investments		-	-	-	111,587	111,587		-	-	-	362,971	362,971
Profit receivable on bank deposits		-	-	-	159	159		-	-	-	313	313
Other receivable		-	-	-	6	6		-	-	-	6	6
		<u>12,091</u>	<u>-</u>	<u>-</u>	<u>111,779</u>	<u>123,870</u>		<u>397,018</u>	<u>-</u>	<u>-</u>	<u>431</u>	<u>397,449</u>
Financial liabilities												
Payable to NBP Fund Management Limited - Management Company		-	-	-	109	109		-	-	-	268	268
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	9	9		-	-	-	33	33
Accrued expenses and other liabilities		-	-	-	281	281		-	-	-	323	323
		<u>-</u>	<u>-</u>	<u>-</u>	<u>399</u>	<u>399</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>624</u>	<u>624</u>
On-balance sheet gap		<u>12,091</u>	<u>-</u>	<u>-</u>	<u>111,380</u>	<u>123,471</u>		<u>397,018</u>	<u>-</u>	<u>-</u>	<u>(193)</u>	<u>396,825</u>
Off-balance sheet financial instruments												
		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total interest rate sensitivity gap		<u>12,091</u>	<u>-</u>	<u>-</u>	<u>111,380</u>	<u>123,471</u>		<u>397,018</u>	<u>-</u>	<u>-</u>	<u>(193)</u>	<u>396,825</u>
Cumulative interest rate sensitivity gap		<u>12,091</u>	<u>12,091</u>	<u>12,091</u>				<u>397,018</u>	<u>397,018</u>	<u>397,018</u>		

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



24.1.2.4

	As At 30 June 2020					As At 30 June 2019						
	NICPP - I					NICPP - I						
	Exposed to yield / interest rate risk					Exposed to yield / interest rate risk						
Yield / interest rate	Upto three months	More than three months and up to one year	More than one year	Not exposed to Yield / Interest risk	Total	Yield / interest rate	Upto three months	More than three months and up to one year	More than one year	Not exposed to Yield / Interest risk	Total	
----- (Rupees in '000) -----					----- (Rupees in '000) -----							
On-balance sheet financial instruments												
Financial assets												
Bank balances	7.5% - 12.5%	10,512	-	-	218	10,730	6.5% - 13.25%	43,967	-	-	839	44,806
Investments		-	-	-	183,312	183,312		-	-	-	750,404	750,404
Profit receivable on bank deposits		-	-	-	144	144		-	-	-	457	457
Other receivable		-	-	-	39	39		-	-	-	39	39
		<u>10,512</u>	<u>-</u>	<u>-</u>	<u>183,713</u>	<u>194,225</u>		<u>794,371</u>	<u>-</u>	<u>-</u>	<u>1,335</u>	<u>795,706</u>
Financial liabilities												
Payable to NBP Fund Management Limited - Management Company		-	-	-	413	413		-	-	-	781	781
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	14	14		-	-	-	66	66
Accrued expenses and other liabilities		-	-	-	350	350		-	-	-	446	446
		<u>-</u>	<u>-</u>	<u>-</u>	<u>777</u>	<u>777</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,293</u>	<u>1,293</u>
On-balance sheet gap		<u>10,512</u>	<u>-</u>	<u>-</u>	<u>182,936</u>	<u>193,448</u>		<u>794,371</u>	<u>-</u>	<u>-</u>	<u>42</u>	<u>794,413</u>
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-
Total interest rate sensitivity gap		<u>10,512</u>	<u>-</u>	<u>-</u>	<u>182,936</u>	<u>193,448</u>		<u>794,371</u>	<u>-</u>	<u>-</u>	<u>42</u>	<u>794,413</u>
Cumulative interest rate sensitivity gap		<u>10,512</u>	<u>10,512</u>	<u>10,512</u>				<u>794,371</u>	<u>794,371</u>	<u>794,371</u>		

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



24.1.2.5

	As at 30 June 2020					As at 30 June 2019						
	NICPP - II					NICPP - II						
	Yield / interest rate	Exposed to yield / interest rate risk				Total	Yield / interest rate	Exposed to yield / interest rate risk				Total
		Upto three months	More than three months and up to one year	More than one year	Not exposed to Yield / Interest risk			Upto three months	More than three months and up to one year	More than one year	Not exposed to Yield / Interest risk	
(Rupees in '000)					(Rupees in '000)							
On-balance sheet financial instruments												
Financial assets												
Bank balances	7.5% - 12.5%	144,974	-	-	137	145,111	6.5% - 13.25%	304,631	-	-	841	305,472
Investments		-	-	-	21,796	21,796		-	-	-	71,652	71,652
Profit receivable on bank deposits		-	-	-	891	891		-	-	-	3,230	3,230
		144,974	-	-	22,824	167,798		376,283	-	-	4,071	380,354
Financial liabilities												
Payable to NBP Fund Management Limited - Management Company		-	-	-	1,103	1,103		-	-	-	1,328	1,328
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	10	10		-	-	-	37	37
Payable against redemption of units		-	-	-	2,065	2,065		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	430	430		-	-	-	437	437
		-	-	-	3,608	3,608		-	-	-	1,802	1,802
On-balance sheet gap		144,974	-	-	19,216	164,190		376,283	-	-	2,269	378,552
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-
Total interest rate sensitivity gap		144,974	-	-	19,216	164,190		376,283	-	-	2,269	378,552
Cumulative interest rate sensitivity gap		144,974	144,974	144,974				376,283	376,283	376,283		

24.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of change in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Presently allocation plans are exposed to price risk due to their investment in the units of mutual funds. In case of 5% increase / (decrease) in the Net Asset Value per unit of the funds i.e. NBP Islamic Active Allocation Equity Fund, NBP Active Allocation Riba Free Savings Fund and NBP Money Market Fund, the net income of the NIAAP - VI, NIAAP - VII, NIAAP - VIII, NICPP - I and NICPP - II would increase / (decrease) by Rs. 6.4118 million, Rs. 1.6068 million, Rs. 5.5793 million, Rs. 9.1656 million and Rs. 1.0898 million [2019: Rs. 10.3288 million, Rs. 3.3957 million, Rs. 18.1486 million, Rs. 37.5202 million, Rs. 3.5826 million] respectively and net asset NIAAP - VI, NIAAP - VII, NIAAP - VIII, NICPP - I and NICPP - II (decrease) by the same amount as a result of gains / (losses) on these securities at 'fair value through profit and loss.

24.2 Credit risk

Credit risk represents the risk of a loss if counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its bank balances. Risks attributable to bank balances are maintained with banks with a reasonably high credit rating.

The analysis below summarises the credit quality of the Fund's bank balances. The bank ratings are based on The Pakistan Credit Rating Agency Limited (PACRA) and VIS Credit Rating Company Limited as at 30 June 2020 and 30 June 2019.

Bank Balances	As at 30 June 2020					
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP - I	NICPP - II	Total
	----- (Rupees in '000) -----					
AAA	6,227	2,609	1,237	2,650	141,003	153,726
AA+	-	-	-	-	5	5
AA	472	379	561	7,859	3,963	13,234
AA-	6	1	27	221	140	395
A+	8,808	647	10,293	-	-	19,748
	15,513	3,636	12,118	10,730	145,111	187,108

Bank Balances	As at 30 June 2019					
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP - I	NICPP - II	Total
	----- (Rupees in '000) -----					
AAA	28	13	13	1,673	547	2,274
AA+	-	-	-	-	5	5
AA	60	180	93	42,291	304,076	346,700
AA-	198	1	112	842	844	1,997
A+	8,839	5,437	33,941	-	-	48,217
	9,125	5,631	34,159	44,806	305,472	399,193

The maximum exposure to credit risk before any credit enhancement as at 30 June 2020 is the carrying amount of the financial assets.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is broadly diversified and transactions are entered into with diverse creditworthy counterparties thereby mitigating any significant concentration of credit risk.

24.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund.

Management of liquidity risk

The Fund is exposed to daily cash redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in the market and can be readily disposed and are considered readily realisable.

The Fund has the ability to borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to ten percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, during the current period, no borrowing was obtained by the Fund.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any significant redemptions during the period.

Maturity analysis for financial liabilities

The table below analyses the Fund's liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows:

The maturity profile of the Fund's liabilities based on contractual maturities is given below:

	As At 30 June 2020				As At 30 June 2019			
	NIAAP - VI				NIAAP - VI			
	Upto three months	Over three months and upto one year	Over one year	Total	Upto three months	Over three months and upto one year	Over one year	Total
----- (Rupees in '000) -----								
Financial Liabilities								
Payable to NBP Fund Management Limited - Management Company	557	-	-	557	626	-	-	626
Payable to Central Depository Company of Pakistan Limited - Pakistan Limited - Trustee	9	-	-	9	19	-	-	19
Accrued expenses and other liabilities	301	-	-	301	359	-	-	359
	867	-	-	867	1,004	-	-	1,004
Unit holders' fund	140,004	-	-	140,004	223,094	-	-	223,094

	As At 30 June 2020				As At 30 June 2019			
	NIAAP - VII				NIAAP - VII			
	Upto three months	Over three months and upto one year	Over one year	Total	Upto three months	Over three months and upto one year	Over one year	Total
----- (Rupees in '000) -----								
Financial Liabilities								
Payable to NBP Fund Management Limited - Management Limited	380	-	-	380	416	-	-	416
Payable to Central Depository Company of Pakistan Limited - Pakistan Limited - Trustee	2	-	-	2	5	-	-	5
Accrued expenses and other liabilities	234	-	-	234	250	-	-	250
	616	-	-	616	671	-	-	671
Unit holders' fund	34,717	-	-	34,717	75,843	-	-	75,843

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



	As At 30 June 2020				As At 30 June 2019			
	NIAAP - VIII				NIAAP - VIII			
	Upto three months	Over three months and upto one year	Over one year	Total	Upto three months	Over three months and upto one year	Over one year	Total
----- (Rupees in '000) -----								
Financial Liabilities								
Payable to NBP Fund Management Limited - Management Company	109	-	-	109	268	-	-	268
Payable to Central Depository Company of Pakistan Limited - Trustee	9	-	-	9	33	-	-	33
Accrued expenses and other liabilities	281	-	-	281	323	-	-	323
	399	-	-	399	624	-	-	624
Unit holders' fund	121,323	-	-	121,323	396,279	-	-	396,279

	As At 30 June 2020				As At 30 June 2019			
	NICPP - I				NICPP - I			
	Upto three months	Over three months and upto one year	Over one year	Total	Upto three months	Over three months and upto one year	Over one year	Total
----- (Rupees in '000) -----								
Financial Liabilities								
Payable to NBP Fund Management Limited - Management Company	413	-	-	413	781	-	-	781
Payable to Central Depository Company of Pakistan Limited - Trustee	14	-	-	14	66	-	-	66
Accrued expenses and other liabilities	350	-	-	350	446	-	-	446
	777	-	-	777	1,293	-	-	1,293
Unit holders' fund	189,782	-	-	189,782	792,671	-	-	792,671

	As At 30 June 2020				As At 30 June 2019			
	NICPP - II				NICPP - II			
	Upto three months	Over three months and upto one year	Over one year	Total	Upto three months	Over three months and upto one year	Over one year	Total
----- (Rupees in '000) -----								
Financial Liabilities								
Payable to NBP Fund Management Limited - Management Company	1,103	-	-	1,103	1,328	-	-	1,328
Payable to Central Depository Company of Pakistan Limited - Trustee	10	-	-	10	37	-	-	37
Payable against redemption of units	2,065	-	-	2,065	-	-	-	-
Accrued expenses and other liabilities	430	-	-	430	437	-	-	437
	3,608	-	-	3,608	1,802	-	-	1,802
Unit holders' fund	163,081	-	-	163,081	379,318	-	-	379,318

25 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.

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.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund in current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Quoted prices (unadjusted) in active markets for identical assets or Liabilities (level 1).

IFRS 13, 'Fair Value Measurement' requires the Fund to classify fair value measurements 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in fair value hierarchy.

		30 June 2020						
		NIAAP-VI						
		Carrying value			Fair value			
		At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								
On-balance sheet financial instruments								
Financial assets measured at fair value								
<i>Investments</i>								
	Mutual funds - related parties	128,235	-	128,235	-	128,235	-	128,235
Financial assets not measured at fair value								
25.1	Bank balances	-	15,513	15,513				
	Profit receivable on bank deposits	-	141	141				
		-	15,654	15,654				
Financial liabilities not measured at fair value								
25.1	Payable to NBP Fund Management Limited - Management Company	-	557	557				
	Payable to Central Depository Company of Pakistan Limited - Pakistan Limited - Trustee	-	9	9				
	Accrued expenses and other liabilities	-	301	301				
		-	867	867				
		30 June 2019						
		NIAAP-VI						
		Carrying value			Fair value			
		At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								
On-balance sheet financial instruments								
Financial assets measured at fair value								
<i>Investments</i>								
	Mutual funds - related parties	206,575	-	206,575	-	206,575	-	206,575
Financial assets not measured at fair value								
25.1	Bank balances	-	9,125	9,125				
	Profit receivable on bank deposits	-	199	199				
	Receivable against sale of investments	-	8,500	8,500				
		-	17,824	17,824				

		30 June 2019						
		NIAAP-VI						
		Carrying value			Fair value			
		At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								
Financial liabilities not measured at fair value	25.1	-						
Payable to NBP Fund Management Company		-	626	626				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	19	19				
Accrued expenses and other liabilities		-	359	359				
		-	1,004	1,004				

		----- (Rupees in '000) -----						

		As at 30 June 2020						
		NIAAP-VII						
		Carrying value			Fair value			
		At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								

On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments								
Mutual funds - related parties		32,135	-	32,135	-	32,135	-	32,135
Financial assets not measured at fair value	25.1							
Bank balances		-	3,636	3,636				
Profit receivable on bank deposits		-	37	37				
Other receivable		-	8	8				
		-	3,681	3,681				
Financial liabilities not measured at fair value	25.1							
Payable to NBP Fund Management Limited - Management Company		-	380	380				
Payable to Central Depository Company of Pakistan Limited - Pakistan Limited - Trustee		-	2	2				
Accrued expenses and other liabilities		-	234	234				
		-	616	616				

		As at 30 June 2020						
		NIAAP-VIII						
		Carrying value			Fair value			
		At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----						
Financial liabilities not measured at fair value	25.1							
Payable to NBP Fund Management Company		-	109	109				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	9	9				
Accrued expenses and other liabilities		-	281	281				
		-	399	399				

		As at 30 June 2019						
		NIAAP-VIII						
		Carrying value			Fair value			
		At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----						
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments								
Mutual funds - related parties		362,971	-	362,971	-	362,971	-	362,971

Financial assets not measured at fair value	25.1							
Bank balances		-	34,159	34,159				
Profit receivable on bank deposits		-	313	313				
Other receivable		-	6	6				
		-	34,478	34,478				

Financial liabilities not measured at fair value	25.1							
Payable to NBP Fund Management Company		-	268	268				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	33	33				
Accrued expenses and other liabilities		-	323	323				
		-	624	624				

		As at 30 June 2020						
		NICPP - I						
		Carrying value			Fair value			
		At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)						
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments								
Mutual funds - related parties		183,312	-	183,312	-	183,312	-	183,312
Financial assets not measured at fair value								
25.1	Bank balances	-	10,730	10,730				
	Profit receivable on bank deposits	-	144	144				
	Other receivable	-	39	39				
		-	10,913	10,913				
Financial liabilities not measured at fair value								
25.1	Payable to NBP Fund Management Company	-	413	413				
	Payable to Central Depository Company of Pakistan Limited - Trustee	-	14	14				
	Accrued expenses and other liabilities	-	350	350				
		-	777	777				
		As at 30 June 2019						
		NICPP - I						
		Carrying value			Fair value			
		At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)						
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments								
Mutual funds - related parties		750,404	-	750,404	-	750,404	-	750,404
Financial assets not measured at fair value								
25.1	Bank balances	-	44,806	44,806				
	Profit receivable on bank deposits	-	457	457				
	Other receivable	-	39	39				
		-	45,302	45,302				

		As at 30 June 2019						
		NICPP - I						
		Carrying value		Fair value				
	At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----								
Financial liabilities not measured at fair value		25.1						
	Payable to NBP Fund Management Company	-	781	781				
	Payable to Central Depository Company of Pakistan Limited - Trustee	-	66	66				
	Accrued expenses and other liabilities	-	446	446				
		-	1,293	1,293				

		As at 30 June 2020						
		NICPP - II						
		Carrying value		Fair value				
	At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----								
On-balance sheet financial instruments								
Financial assets measured at fair value								
	Investments							
	Mutual funds - related parties	21,796	-	21,796	-	21,796	-	21,796

Financial assets not measured at fair value		25.1						
	Bank balances	-	145,111	145,111				
	Profit receivable on bank deposits	-	891	891				
		-	146,002	146,002				

Financial liabilities not measured at fair value		25.1						
	Payable to NBP Fund Management Company	-	1,103	1,103				
	Payable to Central Depository Company of Pakistan Limited - Trustee	-	10	10				
	Payable against redemption of units	-	2,065	2,065				
	Accrued expenses and other liabilities	-	430	430				
		-	3,608	3,608				

As at 30 June 2019						
NICPP - II						
Carrying value			Fair value			
At fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----						
On-balance sheet financial instruments						
Financial assets measured at fair value						
Investments						
Mutual funds - related parties	71,652	-	71,652	-	71,652	-
						71,652
Financial assets not measured at fair value						
Bank balances		305,472				305,472
Profit receivable on bank deposits	-	3,230				3,230
		-				308,702
						-
Financial liabilities not measured at fair value						
Payable to NBP Fund Management Company		1,328				1,328
Payable to Central Depository Company of Pakistan Limited - Trustee		37				37
Accrued expenses and other liabilities		437				437
		-				1,802

- 25.1** The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.
- 25.2** Net assets attributable to unitholders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of each respective plan at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to unitholders of each respective plan approximates their fair value. The units are categorized into Level 2 of the fair value hierarchy.

26 UNIT HOLDERS' FUND RISK MANAGEMENT

The units holders' fund is represented by redeemable units. These units are entitled to distributions and to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund.

The Fund has no restrictions on the subscription and redemption of units.

As at 30 June 2020, The Fund meets the requirement of sub-regulation 54 (3a) which requires that the minimum size of an Open End Scheme shall be one hundred million rupees at all time during the life of the scheme.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to unit holders and to maintain a strong base of assets under management.

In accordance with the risk management policies stated in note 24, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short term borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

27 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerges as a contagion risk around the globe, including Pakistan. To reduce the impact on the businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularize the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Time period to ensure compliance with the minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- c) Time for announcement of daily NAV as per the regulatory requirements is extended from 18:30 pm to the start of the next working day.

Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and securities of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made assessment for Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on September 17, 2020.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

PERFORMANCE TABLE

Particulars	2020					2019					2018					2017	
	NIAAP VI For the year ended June 30, 2020	NIAAP VII For the year ended June 30, 2020	NIAAP VIII For the year ended June 30, 2020	NICPP-I For the year ended June 30, 2020	NICPP-II For the year ended June 30, 2020	NIAAP VI For the year ended June 30, 2019	NIAAP VII For the year ended June 30, 2019	NIAAP VIII For the year ended June 30, 2019	NICPP-I For the year ended June 30, 2019	NICPP-II For the year ended June 30, 2019	NIAAP VI For the year ended June 30, 2018	NIAAP VII For the year ended June 30, 2018	NIAAP VIII For the period ended June 30, 2018	NICPP-I For the period ended June 30, 2018	NICPP-II For the period ended June 30, 2018	NIAAP VI For the period ended June 30, 2017	NIAAP VII For the period ended June 30, 2017
Net assets at the year / period ended (Rs '000)	140,004	34,717	121,323	189,782	163,081	223,094	75,843	396,279	792,671	379,318	448,306	195,469	588,504	1,762,589	852,992	893,904	174,577
Net income / (Loss) for the year / period ended (Rs '000)	21,291	2,714	17,178	36,435	18,094	(28,797)	(10,470)	(20,398)	27,359	6,096	(64,783)	(14,291)	4,925	8,082	5,161	(52,476)	(41)
Net Asset Value per unit at the year / period ended (Rs)	80.2002	84.6286	96.9868	100.2984	100.1578	79.1139	84.7782	96.2016	101.8306	100.1129	87.0647	93.4852	100.3081	100.3672	100.5769	94.4551	99.9773
Offer Price per unit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Redemption Price per unit	80.2002	84.6286	96.9868	100.2984	100.1578	79.1139	84.7782	96.2016	101.8306	100.1129	87.0647	93.4852	100.3081	100.3672	100.5769	94.4551	99.9773
Ex - Highest offer price per unit (Rs.)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ex - Lowest offer price per unit (Rs.)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ex - Highest redemption price per unit (Rs.)	87.1148	91.2221	104.8229	108.7747	108.0773	89.5347	96.1950	103.2221	101.4888	103.6082	95.8903	100.9567	105.6002	100.7581	100.6673	100.0068	100.0000
Ex - Lowest redemption price per unit (Rs.)	62.9397	66.4146	76.0014	93.7044	93.8695	77.9638	83.5841	94.7363	98.0093	99.3634	82.6638	89.1658	98.3967	99.4565	100.0000	92.8764	99.9773
Opening Nav of Fiscal Year	70.6783	79.0219	89.7234	94.0447	94.7237	87.0647	93.4852	100.3081	98.4138	100.5769	94.4551	99.9773	100.0000	99.6371	100.0000	100.0000	100.0000
Total return of the fund	13.47%	7.10%	8.10%	6.65%	5.74%	-9.13%	-9.31%	-4.09%	1.83%	0.11%	-7.82%	-6.49%	0.31%	0.37%	0.56%	-5.54%	-0.02%
Capital growth	1.54%	-0.19%	0.88%	0.09%	0.05%	-9.13%	-9.31%	-4.09%	0.21%	0.11%				0.00%	0.00%	-	-
Income distribution as % of Ex nav	11.94%	7.24%	7.24%	6.56%	5.69%				1.61%					0.36%	0.57%	-	-
Income distribution as % of Par nav	9.52%	6.13%	6.96%	6.57%	5.69%				1.62%					0.36%	0.57%	-	-
Distribution																	
Interim distribution per unit	9.5218	6.1340	6.9649	6.5739	5.6922												
Final distribution per unit									1.6178					0.3642	0.5747	-	-
Distribution Dates																	
Interim	29-Jun-20	29-Jun-20	29-Jun-20	29-Jun-20	29-Jun-20											-	-
Final									19-Jul-19					4-Jul-18	4-Jul-18	-	-
Average annual return of the fund (launch date May 26, 2015)																	
(Since inception to June 30, 2020)	-3.4%	-3.2%	1.5%	3.8%	2.9%												
(Since inception to June 30, 2019)						-10.58%	-7.91%	-2.31%	1.65%	0.59%							
(Since inception to June 30, 2018)											-11.87%	-6.50%	0.31%	0.37%	0.56%		
(Since inception to June 30, 2017)																-5.54%	-0.02%
(Since inception to June 30, 2016)																	
Portfolio Composition (Please see Fund Manager Report)																	

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up

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