

NBP ISLAMIC DAILY DIVIDEND FUND



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 Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

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

Trustee

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

Bankers to the Fund

Askari Bank Limited
Bank Alhabib Limited
United Bank Limited
Meezan Bank Limited
Habib Bank Limited
Dubai Islamic Bank Limited
Allied Bank Limited
National Bank Of Pakistan
JS Bank Limited



Auditors

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

Legal Advisor

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

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

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

The Board of Directors of NBP Fund Management Limited is pleased to present the First Annual Report of NBP Islamic Daily Dividend Fund (NIDDF) for the year ended June 30, 2020.

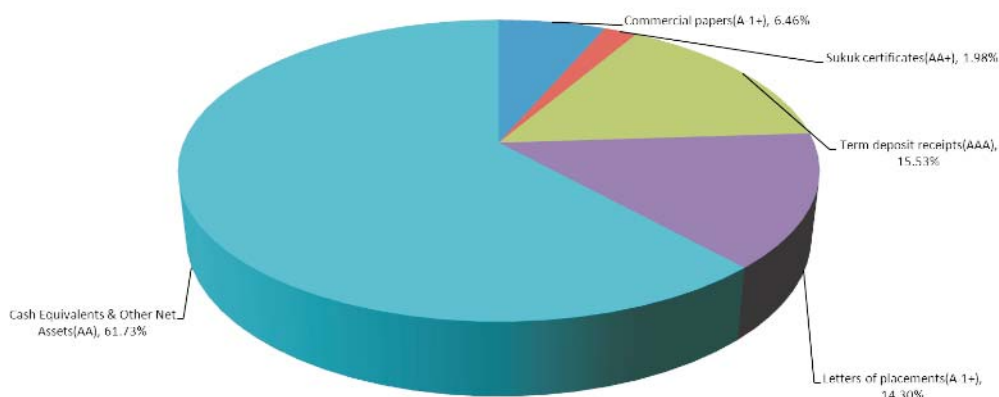
Fund's Performance

The size of NBP Islamic Daily Dividend Fund is Rs. 8,243 million as at June 30, 2020. The Fund has earned an annualized return of 11.3% p.a. since its inception (November 01, 2019) as compared to its benchmark return of 5.3% p.a. The performance of the Fund is net of management fee and all other expenses.

NIDDF is categorized as a Shariah Compliant Money Market Fund. The fund aims to consistently provide better return than the profit rates offered by Islamic Banks / Islamic windows of commercial banks. Minimum eligible rating is AA, while the Fund is not allowed to invest in any security exceeding six months maturity. The weighted average time to maturity of the Fund cannot exceed 90 days, thereby providing easy liquidity along with a high-quality credit profile.

During the period under review, the market witnessed a surge in issuance of short-term corporate sukuk and commercial papers to meet the increasing funding need for working capital and also to bridge the fixed capital investments. Building on the ongoing economic stabilization policies and to counter the upside risks to inflation from the exchange rate depreciation, increase in utility prices, and 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.

The Fund has earned a total income of Rs. 249.522 million during the year. After deducting total expenses of Rs. 21.355 million, the net income is Rs. 228.167 million. The asset allocation of NBP Islamic Daily Dividend 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 7.23% of the opening ex-NAV (7.23% of the par value) for the period 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 A.F. Ferguson & Co., Chartered Accountants, retire 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 30 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 26 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 Management 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. 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

NBP فنڈ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 جون 2020ء کو ختم ہونے والے سال کے لئے NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ (NIDDF) کی سالانہ رپورٹ پیش کرتے ہیں۔

فنڈ کی کارکردگی

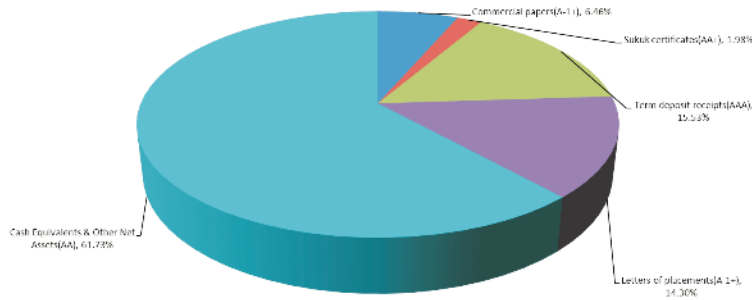
30 جون 2020 کو NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ کا سائز 8,243 ملین روپے ہے۔ فنڈ نے اپنے آغاز (یکم نومبر 2019) سے اپنے بیچ مارک منافع 5.3% کے مقابلے 11.3% کا سالانہ منافع درج کیا۔ فنڈ کی یہ کارکردگی منیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NIDDF کی شریعہ کمپلیٹ منی مارکیٹ فنڈ کے طور پر درجہ بندی کی گئی ہے۔ فنڈ کا مقصد اسلامی بینکوں / کمرشل بینکوں کی اسلامی وٹڈوز کی پیش کردہ منافع کی شرحوں کے مقابلے تو اترا سے بہتر منافع فراہم کرنا ہے، کم از کم اہل ریٹنگ AA ہے، جب کہ فنڈ چھ ماہ سے زائد میچورٹی کی کسی سیکورٹی میں سرمایہ کاری کی اجازت نہیں دیتا ہے۔ فنڈ کی میچورٹی کی اوسط مدت 90 دنوں سے تجاوز نہیں کر سکتی، لہذا اعلیٰ کوالٹی کے کریڈٹ پروفائل کے ساتھ آسان لیکویڈیٹی بھی مہیا کرتا ہے۔

اقتصادی استحکام کی جاری پالیسیوں کی تشکیل اور افراط زر جسکی وجہ (i) زر مبادلہ کی شرح گراؤ، (ii) یوٹی لٹی قیمتوں میں اضافہ، اور (iii) وفاقی بجٹ مالی سال 20 میں کئے گئے دیگر اقدامات، کے باعث پیدا ہونے والے خطرات کا مقابلہ کرنے کیلئے اسٹیٹ بینک آف پاکستان نے جولائی 2019 میں پالیسی کی شرح 100bps سے بڑھا کر 13.25% فیصد کر دی۔ طویل وقفے کے بعد، اسٹیٹ بینک آف پاکستان نے 17 مارچ، 2020 کو منعقدہ اپنے IMPC اجلاس میں پالیسی کی شرح کو 25bps سے کم کر دیا۔ معیشت کو کورونا وائرس کے اثرات سے نجات دلانے کے لئے، اسٹیٹ بینک آف پاکستان نے جارحانہ مائٹری پالیسی میں آسانی پیدا کی اور مختصر مدت میں پالیسی کی شرح میں 625bps سے کم کر کے 7 فیصد کر دی۔

سال کے دوران فنڈ کو 249,522 ملین روپے کی مجموعی آمدنی ہوئی۔ 21,355 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 228,167 ملین روپے ہے۔

30 جون 2020 کو NIDDF کی ایسٹ ایلوکیٹیشن درج ذیل ہے:



آمدنی کی تقسیم

منیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2020ء کو ختم ہونے والی مدت کے لئے اوپننگ ex-NAV کا 7.23% (7.23% par value) عبوری نقد ڈیویڈنڈ منظور کیا۔

ٹیکسیشن

چونکہ مذکورہ بالا فنڈ 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 فنڈ پر انکم ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شرح 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔



آڈیٹرز

موجودہ آڈیٹرز، میسرز اے ایف فرگوسن 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 پیروی میں ڈائریکٹرز اسٹیٹمنٹ

- 1 مینجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کمپنی فلواور 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 پیروی 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 پیروی 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 ٹیمیل / 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 30 میں کی گئی ہے۔
- 11 پونٹ ہولڈنگ کا تفصیلی پیرن مالیاتی گوشواروں کے نوٹ 26 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 کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدارانہ ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطہ کوئی منارٹی اکثریٹ نہیں رکھتی۔ 30 جون 2020 کو بورڈ آف ڈائریکٹرز درج ذیل ارکان پر مشتمل ہیں

نام	کیٹگری
<ol style="list-style-type: none"> •1 جناب خالد منصور •2 جناب سعد امان اللہ خان •3 جناب ہمایوں بشیر 	غیر جانبدار ڈائریکٹرز
ڈاکٹر امجد وحید (چیف ایگزیکٹو آفیسر)	ایگزیکٹو ڈائریکٹر
<ol style="list-style-type: none"> •1 شیخ محمد عبدالواحد سیٹھی (چیرمین) •2 جناب سعد الرحمان خان •3 جناب سید حسن ارتضیٰ کاظمی •4 جناب علی سیدگل •5 جناب عمران ظفر 	نان ایگزیکٹو ڈائریکٹرز



اظہار تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز

NBP منجمنٹ 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 NBP Islamic Daily Dividend Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the period from October 29, 2019 to 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

NBP Islamic Daily Dividend Fund

NBP Islamic Daily Dividend Fund (NIDDF) is an Open-End Shariah Compliant Money Market Fund.

Investment Objective of the Fund

To provide competitive return along with daily dividend by investing in Shariah Compliant money market instruments.

Benchmark

Three months average deposit rates of three (3) AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP.

Fund Performance Review

This is the First Annual report since the launch of the Fund on November 01, 2019. The size of the NBP Islamic Daily Dividend Fund is Rs. 8,243 million as of June 30, 2020. Since its inception, the Fund has earned an annualized return of 11.3% versus the benchmark return of 5.3%, thus registering an outperformance of 6.0% p.a. This outperformance is net of management fee and other expenses.

NIDDF is an Islamic Money Market Scheme with no direct or indirect exposure to the stock market. The fund aims to consistently provide better return than the profit rates offered by Islamic Banks/Islamic windows of commercial banks. Minimum eligible rating is AA, while the Fund is not allowed to invest in any security exceeding six months maturity. The weighted average time to maturity of the Fund cannot exceed 90 days, thereby providing easy liquidity along with a high-quality credit profile.

During the period under review, the market witnessed a surge in issuance of short-term corporate sukuks and commercial papers to meet the increasing funding need for working capital and also to bridge the fixed capital investments. Building on the ongoing economic stabilization policies and to counter the upside risks to inflation from the exchange rate depreciation, increase in utility prices, and 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.

Asset Allocation of Fund (% of NAV)

Particulars	30-Jun-20
Placements with Banks & DFIs	6.46%
Commercial Paper	1.98%
TFC/Sukuk	29.83%
Cash, Bank Placements & Other Assets	61.73%
Total	100%

Distribution for the Financial Year 2020

Interim Period/Quarter	Dividend as % of Par Value (Rs.10)	Cumulative Div. Price/Unit	Ex- Div. Price
From November 2, 2019 to June 30, 2020	7.234%	10.7234	10

Unit Holding Pattern of NBP Government Securities Savings Fund as on June 30, 2020

Size of Unit Holding (Units)	# of Unit Holders
1-1000	12
1001-5000	16
5001-10000	9
10001-50000	32
50001-100000	21
100001-500000	33
500001-1000000	9
1000001-5000000	21
5000001-10000000	5
10000001-100000000	9
100000001-1000000000	3
Total	170

During the period under question

There has been no significant change in the state of affairs of the Fund, other than stated above. NBP Islamic Daily Dividend Fund does not have any soft commission arrangement with any broker in the industry.

Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 4.656 million. If the same were not made the NAV per unit/FY20 return of scheme would be higher by Rs. 0.006. For details, investors are advised to read note 12.1 of the Financial Statement of the Scheme for the year ended June 30, 2020.

STATEMENT OF COMPLIANCE WITH THE SHARI'AH PRINCIPLES

NBP Islamic Daily Dividend Fund (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 period from November 01, 2019 to 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 SHARI'AH SUPERVISORY BOARD

August 31, 2020/ Muharram 11, 1442

Alhamdulillah, the period from July November 1, 2019 to June 30, 2020 was the First year of the operations of NBP Islamic Daily Dividend Fund (NIDDF). 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 NIDDF in light of Shari'ah guidelines.
- ii. All the provisions of the scheme and investments made on account of NIDDF by NBP Funds are Shari'ah Compliant and are in accordance with the criteria established.

On the basis of information provided by the management, nothing has come to our attention that causes us to believe that all the operations of NIDDF for the year ended June 30, 2020 are not in compliance with the 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 AUDITORS' REPORT TO THE UNIT HOLDERS

To the Unit holders of NBP Islamic Daily Dividend Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NBP Islamic Daily Dividend Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2020, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the period from November 1, 2019 to June 30, 2020, and notes to the financial statements, including a summary of significant accounting policies. In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2020, and of its financial performance and its cash flows for the period from November 1, 2019 to June 30, 2020 in accordance with the 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 Auditor's 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 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. This matter was 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 this matter. Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 4 and 5 to the annexed financial statements)	Our audit procedures included the following:
	<p>The bank balances and investments constitute the most significant component of the net asset value (NAV). The bank balances and investments of the Fund as at June 30, 2020 amounted to Rs. 2,300.436 million and Rs. 229.418 million respectively.</p> <p>The existence of bank balances and the existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2020 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<ul style="list-style-type: none"> tested the design and operating effectiveness of the key controls for valuation of investments. obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2020 and traced balances in these confirmations with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed. re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies. obtained approval of the Board of Directors of the Management Company in relation to opening of bank accounts. obtained bank reconciliation statements and tested reconciling items on a sample basis.



Other Matter

The financial statements of the Fund for the year ended June 30, 2019 were audited by another firm of Chartered Accountants who had expressed an unqualified opinion thereon vide their report dated September 27, 2019.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's 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 Board of Directors of the Management Company 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.

Board of directors of the management company is responsible for overseeing the Fund's financial reporting process.

Auditor's 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 auditor's 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 auditor's 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 auditor's 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 board of directors of the management company 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 board of directors of the management company 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 board of directors of the management company, 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 auditor's 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

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Noman Abbas Sheikh.

A.F. Ferguson & Co.

Chartered Accountants

Karachi

Date: September 29, 2020.



STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2020

	Note	June 30, 2020 Rupees in '000
ASSETS		
Bank balances	4	5,063,693
Investments	5	3,154,524
Profit receivable	6	53,477
Prepayments, deposits and other receivables	7	826
Preliminary expenses and floatation costs	8	1,024
Total assets		8,273,544
 LIABILITIES		
Payable to NBP Fund Management Limited - Management Company	9	11,127
Payable to Central Depository Company of Pakistan Limited - Trustee	10	514
Payable to the Securities and Exchange Commission of Pakistan	11	491
Payable against redemption of units		10,164
Accrued expenses and other liabilities	12	8,101
Total liabilities		30,397
NET ASSETS		8,243,147
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		8,243,147
CONTINGENCIES AND COMMITMENTS	13	
		Number of units
NUMBER OF UNITS IN ISSUE	14	824,318,625
		Rupees
NET ASSET VALUE PER UNIT		10.0000

The annexed notes 1 to 32 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 PERIOD FROM NOVEMBER 1, 2019 TO JUNE 30, 2020

	Note	For the period from November 01, 2019 to June 30, 2020
		Rupees in '000
INCOME		
Income on sukuk certificates		5,205
Income on term deposit receipts		12,319
Income on commercial papers		32,124
Income on letter of placements		4,266
Profit on bank deposits		195,849
Loss on sale of investments - net		(241)
Total income		249,522
EXPENSES		
Remuneration of NBP Fund Management Limited - Management Company	9.1	2,679
Sindh Sales Tax on remuneration of the Management Company	9.2	348
Allocated expenses	9.3	2,453
Selling and marketing expenses	9.4	7,589
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	1,594
Sindh Sales Tax on remuneration of the Trustee	10.2	207
Annual fee to the Securities and Exchange Commission of Pakistan	11.1	491
Amortisation of preliminary expenses and floatation costs	8	162
Auditors' remuneration	15	483
Legal and professional charges		39
Listing fee		28
Shariah advisory fee		317
Settlement and bank charges		195
Printing expenses		15
Rating fee		99
Total operating expenses		16,699
Net income from operating activities		232,823
Provision against Sindh Workers' Welfare Fund	12.1	(4,656)
Net income for the period before taxation		228,167
Taxation	16	-
Net income for the period after taxation		228,167
Earnings per unit	17	
Allocation of net income for the period		
- Net income for the period after taxation		228,167
- Income already paid on units redeemed		-
		228,167
Accounting income available for distribution:		
- Relating to capital gains		-
- Excluding capital gains		228,167
		228,167

The annexed notes 1 to 32 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 PERIOD FROM NOVEMBER 1, 2019 TO JUNE 30, 2020

For the period
from November
01, 2019 to June
30, 2020

Rupees in '000

Net income for the period after taxation

228,167

Other comprehensive income for the period

-

Total comprehensive income for the period

228,167

The annexed notes 1 to 32 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 PERIOD FROM NOVEMBER 1, 2019 TO JUNE 30, 2020

For the period from November 01, 2019 to June 30, 2020		
Capital value	Undistributed income	Total

Note ----- Rupees in '000 -----

Issuance of 1,325,096,635 units

- Capital value (at net asset value per unit at the commencement of fund)
- Element of income

Total proceeds on issuance of units

13,250,966	-	13,250,966
-	-	-
13,250,966	-	13,250,966

Redemption of 500,778,010 units

- Capital value (at net asset value per unit at the commencement of fund)
- Element of loss

Total payments on redemption of units

(5,007,819)	-	(5,007,819)
-	-	-
(5,007,819)	-	(5,007,819)

Total comprehensive income for the period

Total distribution during the period

Net income for the period less distribution

19

-	228,167	-
-	(228,167)	-
-	-	-

Net assets at end of the period

8,243,147	-	8,243,147
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Accounting income available for distribution:

- Relating to capital gains
- Excluding capital gains

-
228,167
228,167

Distribution for the period

(228,167)

Undistributed income carried forward

-

Undistributed income carried forward:

- Realised income
- Unrealised income

-
-
-

(Rupees)

Net assets value per unit at end of the period

10.0000

The annexed notes 1 to 32 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 PERIOD FROM NOVEMBER 1, 2019 TO JUNE 30, 2020

	Note	For the period from November 01, 2019 to June 30, 2020
		Rupees in '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation		228,167
Adjustments for:		
Income on sukuk certificates		(5,205)
Income on term deposit receipts		(12,319)
Income on commercial papers		(32,124)
Income on letter of placements		(4,266)
Profit on bank deposits		(195,849)
Amortisation of preliminary expenses and floatation costs		162
		(249,601)
Increase in assets		
Prepayments, deposits and other receivables		(826)
Investments - net		(1,874,524)
Preliminary expenses and floatation costs		(1,186)
		(1,876,536)
Increase in liabilities		
Payable to NBP Fund Management Limited - Management company		11,127
Payable to Central Depository Company of Pakistan Limited - Trustee		514
Payable to the Securities and Exchange Commission of Pakistan		491
Accrued expenses and other liabilities		8,101
		20,233
Profit received		196,286
Net cash used in operating activities		(1,681,451)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units		13,250,966
Net payments against redemption of units		(4,997,655)
Distributions paid		(228,167)
Net cash flows generated from financing activities		8,025,144
Net increase in cash and cash equivalents		6,343,693
Cash and cash equivalents at the commencement of the Fund		-
Cash and cash equivalents at the end of the period	21	<u><u>6,343,693</u></u>

The annexed notes 1 to 32 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 ENDED JUNE 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Daily Dividend Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on September 23, 2019 between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee.

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

The Fund has been categorised as an open ended 'Shariah compliant money market fund' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from November 2, 2019 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to provide competitive return along with daily dividend by investing in Shariah compliant money market instruments.

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

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

As per the offering document approved by the SECP, the accounting period, in case of the first such period, shall commence from the date on which the trust property is first paid or transferred to the Trustee. Accordingly, these financial statements have been prepared for the period from November 1, 2019 to June 30, 2020.

This is the first accounting period of the Fund and hence there are no comparative figures.

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 VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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



2.3 Standards, interpretations and amendments to published accounting and standards that are not yet effective:

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

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

The Management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

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

2.3 Critical accounting estimates and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The estimates and judgments that have a significant effect on these financial statements of the Fund relate to classification and valuation of financial assets (note 3.2 and 5), provision against Sindh Workers' Welfare Fund (note 12.1) and provision for taxation (notes 3.14 and 16).

2.4 Accounting convention

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

2.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

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



3.2 Financial assets

3.2.1 Initial recognition and measurement

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

3.2.2 Classification and subsequent measurement

Debt instruments

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

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

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

3.2.3 Impairment

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

3.2.4 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on the management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

3.2.5 Regular way contracts

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

3.2.6 Derecognition

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

3.3 Financial liabilities

3.3.1 Classification and subsequent measurement

Financial liabilities are classified and subsequently measured at amortised cost.



3.3.2 Derecognition

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

3.4 Offsetting of financial assets and financial liabilities

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

3.5 Provisions

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

3.6 Net Asset Value per unit

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

3.7 Issue and redemption of units

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

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

3.8 Distributions to unit holders

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

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

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

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the net asset value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.



3.10 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise.
- Profit on bank balances, term deposit receipts and letters of placement is recognised on an accrual basis.
- Income from investments in sukuks and commercial papers is recognised on an accrual basis using effective interest rate method.

3.11 Expenses

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

3.12 Preliminary expenses and floatation costs

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

3.13 Foreign currency translation

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

3.14 Taxation

The income of the Fund is exempt from income tax 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 in cash.

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

3.15 Earnings per unit

Earnings per unit is calculated by dividing the net income of the period before taxation of the Fund by the weighted average number of units outstanding during the period. The determination of earnings per unit is not practicable as disclosed in note 17.

4 BANK BALANCES	Note	June 30, 2020
		Rupees in '000
Balances with banks in:		
Savings accounts	4.1	5,057,324
Current accounts		6,369
		<u>5,063,693</u>
4.1	These include a balance of Rs 0.118 million maintained with National Bank of Pakistan, (a related party), that carries profit at the rate of 4.5% per annum. Other savings accounts carry profit at the rate of 6.65% to 7.5% per annum.	



5	INVESTMENTS	Note	June 30, 2020 Rupees in '000
	At fair value through profit or loss		
	Commercial papers	5.1	532,787
	Sukuk certificates	5.2	163,000
	Term deposit receipts	5.3	1,280,000
	Letters of placement	5.4	1,178,737
			<u>3,154,524</u>

5.1 Commercial papers

Name of Investee Company	Face value (Rupees in '000)				Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets
	As at November 1, 2019	Purchased during the period	Disposed of / matured during the period	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020		
K-Electric Limited CP-A (A-1+, VIS)	-	40,000	40,000	-	-	-	-	-
K-Electric Limited CP-3 (A-1+, VIS)	-	178,000	178,000	-	-	-	-	-
K-Electric Limited CP-5 (A-1+, VIS)	-	312,000	-	312,000	306,862	306,862	9.73%	3.72%
K-Electric Limited CP-6 (A-1+, VIS)	-	206,000	-	206,000	201,688	201,688	6.39%	2.45%
K-Electric Limited CP-8 (A-1+, VIS)	-	25,000	-	25,000	24,237	24,237	0.77%	0.29%
Total as at June 30, 2020					532,787	532,787	16.89%	6.46%

5.1.1 These carry yield ranging from 12.18% to 14.64% per annum and are due to mature latest by October 6, 2020.

5.2 Sukuk certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at November 1, 2019	Purchases during the period	Sales / redemptions during the period	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020	Unrealised appreciation / (diminution)	Percentage in relation to	
											Net assets of the Fund	Total market value of the investment
							Number of certificates	(Rupees in '000)		%		
Hub Power Company Limited (Face value of 100,000 per certificate)	Semi-annually	November 19, 2020	6 months KIBOR plus base rate of 1.50%	-	1,630	-	1,630	163,000	163,000	-	1.98%	5.17%
Hub Power Company Limited (Face value of 100,000 per certificate)	Semi-annually	May 21, 2020	6 months KIBOR plus base rate of 1.50%	-	450	450	-	-	-	-	-	-
Total as at June 30, 2020								163,000	163,000	-	1.98%	5.17%



5.3 Term deposit receipts

Name of the security	Issue date	Profit rate	As at November 1, 2019	Purchased during the period	Matured during the period	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020	Market value as a percentage of	
									total investments	Market value as a percentage of net assets
							Rupees in '000		Percentage	
Askari Bank Limited	February 7, 2020	12.55%	-	527,000	527,000	-	-	-	-	-
UBL Ameen Islamic Banking	June 5, 2020	7.35%	-	500,000	-	500,000	500,000	500,000	15.85%	6.07%
UBL Ameen Islamic Banking	June 5, 2020	7.35%	-	500,000	-	500,000	500,000	500,000	15.85%	6.07%
UBL Ameen Islamic Banking	June 5, 2020	7.35%	-	280,000	-	280,000	280,000	280,000	8.88%	3.40%
Total as at June 30, 2020							1,280,000	1,280,000	40.58%	15.53%

5.3.1 These carry profit at the rate of 7.35% per annum and are due to mature latest by July 4, 2020.

5.4 Letters of placement

Name of the investee companies	Amount placed (Rupees in '000)				As at June 30, 2020		Market value as a percentage of			
	As at November 1, 2019	Purchased during the period	Matured during the period	As at June 30, 2020	Carrying value	Market value	Net assets	Total investments		
							(Rupees in '000)		(%)	
Pak Brunei Investment Company Limited	-	228,236	-	228,236	228,236	228,236	2.77%	7.24%		
Pak Brunei Investment Company Limited	-	103,425	-	103,425	103,425	103,425	1.25%	3.28%		
Pak Brunei Investment Company Limited	-	97,570	-	97,570	97,570	97,570	1.18%	3.09%		
Pak Brunei Investment Company Limited	-	370,364	-	370,364	370,364	370,364	4.49%	11.74%		
Pak Brunei Investment Company Limited	-	275,316	-	275,316	275,316	275,316	3.34%	8.73%		
Pak Brunei Investment Company Limited	-	103,826	-	103,826	103,826	103,826	1.26%	3.29%		
Total as at June 30, 2020							1,178,737	1,178,737	14.29%	37.37%

5.4.1 These carry profit at the rate of 7.85% per annum and are due to mature latest by December 21, 2020.

	Note	June 30, 2020 Rupees in '000
6 PROFIT RECEIVABLE		
Profit receivable on:		
Bank balances		40,667
Letters of placement		4,266
Term deposit receipts		6,702
Sukuk certificates		1,842
		<u>53,477</u>
7 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES		
Advance tax	7.1	656
Prepaid mutual fund rating fee		70
Security deposit Central Depository Company of Pakistan Limited *		100
		<u>826</u>

* related party balance



- 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 profit on bank deposits to the Fund was 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 May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholder. The tax withheld on profit on bank deposits amounts to Rs 0.542 million.

For this purpose, 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 Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund on bank deposits has been shown as other receivable as at June 30, 2020 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

8 PRELIMINARY EXPENSES AND FLOATATION COSTS	Note	June 30, 2020 Rupees in '000
Preliminary expenses and floatation costs incurred		1,186
Less: amortisation during the period	8.1	(162)
At the end of the period		<u>1,024</u>

- 8.1** Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are paid by NBP Fund Management Limited (a related party). These costs are being amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

9 PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	June 30, 2020 Rupees in '000
Management fee payable	9.1	701
Sindh Sales Tax payable on remuneration of the Management Company	9.2	91
Allocated expenses payable	9.3	1,644
Selling and marketing expenses payable	9.4	5,973
Sales load payable		1,218
Sindh Sales Tax payable on sales load		159
Other payable		<u>1,341</u>
		<u>11,127</u>

- 9.1** As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% on net income, subject to floor and capping of 0.1% and 1% per annum of the average net assets of the Fund during the period ended June 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

- 9.2** During the period, an amount of Rs. 0.348 million was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011. During the period Sindh sales tax has been charged at the rate of 13%.



- 9.3** In accordance with Regulation 60 of the NBFC Regulations 2008, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

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

- 9.4** During the period, the Management Company has charged selling and marketing expenses at the rate of 0.4% per annum from November 1, 2019 till November 15, 2019, of the average annual net assets. Thereafter, the management discontinued to charge the same. On February 25, 2020 the Management Company started to charge selling and marketing expense at the rate of 0.4% of average annual net assets till June 17, 2020 and from June 18, 2020 till June 30, 2020 at the rate of 0.2% of average annual net assets. This has been duly approved by the Board of Directors of the Management Company.

	Note	June 30, 2020
10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE - RELATED PARTY		Rupees in '000
Trustee fee payable	10.1	455
Sindh Sales Tax payable on the trustee fee	10.2	59
		<u>514</u>

- 10.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.065% per annum of net assets.

- 10.2** During the period, an amount of Rs. 0.207 million was charged on account of sales tax at the rate of 13% on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011.

	Note	June 30, 2020
11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		Rupees in '000
Annual fee payable	11.1	<u>491</u>

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

	Note	June 30, 2020
12 ACCRUED EXPENSES AND OTHER LIABILITIES		Rupees in '000
Provision for Sindh Workers' Welfare Fund	12.1	4,656
Auditors' remuneration		388
Shariah advisory fee		317
Legal fee		39
Withholding tax payable		2,569
Payable against printing charges		9
Bank and settlement charges payable		123
		<u>8,101</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 MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that, as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014.

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from November 1, 2019 to June 30, 2020, the net asset value per unit of the Fund as at June 30, 2020 would have been higher by Re 0.006 per unit.

13 CONTINGENCIES AND COMMITMENTS

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

14 NUMBER OF UNITS IN ISSUE

June 30, 2020
Number of units

Total units in issue at the beginning of the period	-
Units issued during the period	1,325,096,635
Less: units redeemed during the period	<u>500,778,010</u>
Total units in issue at the end of the period	<u><u>824,318,625</u></u>

June 30, 2020
Rupees in '000

15 AUDITORS' REMUNERATION

Annual audit fee	294
Other certification	81
Half yearly review	80
Out of pocket expenses	<u>28</u>
	<u><u>483</u></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 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the period ended June 30, 2020 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these financial statements during the period.

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.



17 EARNINGS PER UNIT

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

18 TOTAL EXPENSE RATIO

The Total Expense ratio (TER) of the Fund as at June 30, 2020 is 0.87% which includes 0.23% representing government levies on the Fund such as provision against Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

19 TOTAL DISTRIBUTION

The Fund makes distribution on daily basis as per clause 12.1 of the Trust Deed and clause 1.4 of the Offering Document and re-invests the distributed dividend as per clause 1.4 of the Offering Document. During the period ended June 30, 2020, the Management Company on behalf of the Fund, has distributed total profit earned during the period amounting to Rs 228.167 million as dividend after deducting applicable taxes.

Payout Date	Payout Per Unit Rupees	Payout Date	Payout Per Unit Rupees	Payout Date	Payout Per Unit Rupees
November 2, 2019	0.0067	November 24, 2019	0.0034	December 16, 2019	0.0035
November 3, 2019	0.0032	November 25, 2019	0.0034	December 17, 2019	0.0034
November 4, 2019	0.0032	November 26, 2019	0.0034	December 18, 2019	0.0034
November 5, 2019	0.0032	November 27, 2019	0.0034	December 19, 2019	0.0037
November 6, 2019	0.0032	November 28, 2019	0.0034	December 20, 2019	0.0037
November 7, 2019	0.0031	November 29, 2019	0.0034	December 21, 2019	0.0036
November 8, 2019	0.0032	November 30, 2019	0.0034	December 22, 2019	0.0037
November 9, 2019	0.0032	December 1, 2019	0.0035	December 23, 2019	0.0037
November 10, 2019	0.0032	December 2, 2019	0.0034	December 24, 2019	0.0037
November 11, 2019	0.0032	December 3, 2019	0.0034	December 25, 2019	0.0037
November 12, 2019	0.0033	December 4, 2019	0.0034	December 26, 2019	0.0037
November 13, 2019	0.0032	December 5, 2019	0.0034	December 27, 2019	0.0038
November 14, 2019	0.0032	December 6, 2019	0.0034	December 28, 2019	0.0037
November 15, 2019	0.0033	December 7, 2019	0.0034	December 29, 2019	0.0038
November 16, 2019	0.0033	December 8, 2019	0.0035	December 30, 2019	0.0037
November 17, 2019	0.0033	December 9, 2019	0.0034	December 31, 2019	0.0038
November 18, 2019	0.0034	December 10, 2019	0.0034	January 1, 2020	0.0037
November 19, 2019	0.0033	December 11, 2019	0.0034	January 2, 2020	0.0049
November 20, 2019	0.0033	December 12, 2019	0.0034	January 3, 2020	0.0048
November 21, 2019	0.0034	December 13, 2019	0.0034	January 4, 2020	0.0048
November 22, 2019	0.0034	December 14, 2019	0.0034	January 5, 2020	0.0047
November 23, 2019	0.0034	December 15, 2019	0.0034	January 6, 2020	0.0038

NBP Islamic Daily Dividend Fund



NBP FUNDS
Managing Your Savings

Payout Date	Payout Per Unit Rupees	Payout Date	Payout Per Unit Rupees	Payout Date	Payout Per Unit Rupees
January 7, 2020	0.0037	February 11, 2020	0.0033	March 17, 2020	0.0032
January 8, 2020	0.0037	February 12, 2020	0.0034	March 18, 2020	0.0033
January 9, 2020	0.0037	February 13, 2020	0.0033	March 19, 2020	0.0033
January 10, 2020	0.0038	February 14, 2020	0.0034	March 20, 2020	0.0032
January 11, 2020	0.0038	February 15, 2020	0.0034	March 21, 2020	0.0033
January 12, 2020	0.0037	February 16, 2020	0.0034	March 22, 2020	0.0032
January 13, 2020	0.0036	February 17, 2020	0.0033	March 23, 2020	0.0033
January 14, 2020	0.0034	February 18, 2020	0.0034	March 24, 2020	0.0032
January 15, 2020	0.0037	February 19, 2020	0.0034	March 25, 2020	0.0032
January 16, 2020	0.0038	February 20, 2020	0.0034	March 26, 2020	0.0031
January 17, 2020	0.0038	February 21, 2020	0.0034	March 27, 2020	0.0033
January 18, 2020	0.0031	February 22, 2020	0.0033	March 28, 2020	0.0032
January 19, 2020	0.0031	February 23, 2020	0.0034	March 29, 2020	0.0032
January 20, 2020	0.0034	February 24, 2020	0.0034	March 30, 2020	0.0033
January 21, 2020	0.0035	February 25, 2020	0.0033	March 31, 2020	0.0032
January 22, 2020	0.0035	February 26, 2020	0.0033	April 1, 2020	0.0027
January 23, 2020	0.0034	February 27, 2020	0.0033	April 2, 2020	0.0028
January 24, 2020	0.0035	February 28, 2020	0.0032	April 3, 2020	0.0027
January 25, 2020	0.0035	February 29, 2020	0.0033	April 4, 2020	0.0027
January 26, 2020	0.0034	March 1, 2020	0.0034	April 5, 2020	0.0027
January 27, 2020	0.0033	March 2, 2020	0.0033	April 6, 2020	0.0027
January 28, 2020	0.0033	March 3, 2020	0.0033	April 7, 2020	0.0026
January 29, 2020	0.0035	March 4, 2020	0.0033	April 8, 2020	0.0027
January 30, 2020	0.0034	March 5, 2020	0.0032	April 9, 2020	0.0026
January 31, 2020	0.0035	March 6, 2020	0.0033	April 10, 2020	0.0027
February 1, 2020	0.0034	March 7, 2020	0.0033	April 11, 2020	0.0027
February 2, 2020	0.0034	March 8, 2020	0.0032	April 12, 2020	0.0027
February 3, 2020	0.0034	March 9, 2020	0.0033	April 13, 2020	0.0027
February 4, 2020	0.0034	March 10, 2020	0.0033	April 14, 2020	0.0027
February 5, 2020	0.0034	March 11, 2020	0.0033	April 15, 2020	0.0027
February 6, 2020	0.0034	March 12, 2020	0.0032	April 16, 2020	0.0027
February 7, 2020	0.0034	March 13, 2020	0.0033	April 17, 2020	0.0027
February 8, 2020	0.0033	March 14, 2020	0.0033	April 18, 2020	0.0027
February 9, 2020	0.0033	March 15, 2020	0.0032	April 19, 2020	0.0027
February 10, 2020	0.0034	March 16, 2020	0.0033	April 20, 2020	0.0027



Payout Date	Payout Per Unit Rupees	Payout Date	Payout Per Unit Rupees	Payout Date	Payout Per Unit Rupees
April 21, 2020	0.0027	May 15, 2020	0.0021	June 8, 2020	0.0019
April 22, 2020	0.0027	May 16, 2020	0.0021	June 9, 2020	0.0019
April 23, 2020	0.0020	May 17, 2020	0.0021	June 10, 2020	0.0017
April 24, 2020	0.0021	May 18, 2020	0.0022	June 11, 2020	0.0017
April 25, 2020	0.0020	May 19, 2020	0.0021	June 12, 2020	0.0019
April 26, 2020	0.0021	May 20, 2020	0.0020	June 13, 2020	0.0019
April 27, 2020	0.0020	May 21, 2020	0.0020	June 14, 2020	0.0019
April 28, 2020	0.0027	May 22, 2020	0.0019	June 15, 2020	0.0019
April 29, 2020	0.0027	May 23, 2020	0.0020	June 16, 2020	0.0020
April 30, 2020	0.0027	May 24, 2020	0.0020	June 17, 2020	0.0019
May 1, 2020	0.0026	May 25, 2020	0.0020	June 18, 2020	0.0020
May 2, 2020	0.0027	May 26, 2020	0.0020	June 19, 2020	0.0020
May 3, 2020	0.0026	May 27, 2020	0.0020	June 20, 2020	0.0019
May 4, 2020	0.0022	May 28, 2020	0.0019	June 21, 2020	0.0020
May 5, 2020	0.0022	May 29, 2020	0.0019	June 22, 2020	0.0019
May 6, 2020	0.0023	May 30, 2020	0.0019	June 23, 2020	0.0020
May 7, 2020	0.0022	May 31, 2020	0.0019	June 24, 2020	0.0020
May 8, 2020	0.0022	June 1, 2020	0.0018	June 25, 2020	0.0020
May 9, 2020	0.0022	June 2, 2020	0.0019	June 26, 2020	0.0019
May 10, 2020	0.0023	June 3, 2020	0.0019	June 27, 2020	0.0019
May 11, 2020	0.0022	June 4, 2020	0.0019	June 28, 2020	0.0019
May 12, 2020	0.0022	June 5, 2020	0.0019	June 29, 2020	0.0020
May 13, 2020	0.0022	June 6, 2020	0.0019	June 30, 2020	0.0020
May 14, 2020	0.0022	June 7, 2020	0.0019		

20 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

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



- 20.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 20.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 20.5** Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 20.6** The details of transactions with related parties / connected persons during the period are as follows:

For the period
from November
01, 2019 to June
30, 2020

Rupees in '000

NBP Fund Management Limited - Management Company

Remuneration of the Management Company	2,679
Sindh Sales Tax on remuneration of the Management Company	348
Allocated expenses	2,453
Sales and transfer load during the year/period	1,218
Sindh sale tax on sale load	159
Selling and marketing expense	7,589
Preliminary expenses and floatation costs borne by the Management Company	1,186

Central Depository Company of Pakistan Limited - the Trustee

Remuneration of the Trustee	1,594
Sindh Sales Tax on remuneration of the Trustee	207

Key management personnel of the Management Company

Dividend re-invest units issued - 4,582	46
Units issued - 578,909	5,789
Units redeemed - 499,040	4,990

Yunus Textile Mills Limited - unit holder with more than 10% holding

Dividend re-invest units issued - 1,379,926	13,799
Units issued - 200,000,000	2,000,000

Pakistan Defence Officers Housing Authority - unit holder with more than 10% holding

Dividend re-invest units issued - 1,299,290	12,993
Units issued - 162,500,000	1,625,000

Artistic Milliners Private Limited - unit holder with more than 10% holding

Dividend re-invest units issued - 1,889,520	18,895
Units issued - 125,000,000	1,250,000
Units redeemed - 26,855,437	268,554

National Bank of Pakistan - parent company

Profit on bank balances	14
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For the period
from November
01, 2019 to June
30, 2020

Rupees in '000

Baltoro Partners (Private) Limited - sponsor

Dividend re-invest units issued - 25,856	259
Units issued - 701,000	7,010
Units redeemed - 650,000	6,500

**Bosch Pharmaceuticals (Private) Limited Employees Provident Fund -
entity managed by the Management Company**

Dividend re-invest units issued - 120,054	1,201
Units issued - 10,500,000	105,000

Hub Power Company Limited - common directorship

Purchase of sukuk certificates	208,000
Profit on sukuk certificates	5,205

NBP Riba Free Savings Fund

Purchase of commercial paper (K-Electric Limited)	157,638
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NBP Active Allocation Riba Free Savings Fund

Purchase of commercial paper (K-Electric Limited)	29,395
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NBP Money Market Fund

Purchase of commercial paper (K-Electric Limited)	24,457
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NBP Islamic Mahana Amdani Fund

Sale of commercial paper (K-Electric Limited)	99,147
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Pakistan Stock Exchange Limited - common directorship

Listing fee paid	25
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June 30, 2020

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

Rupees in '000

NBP Fund Management Limited - Management Company

Remuneration payable to the Management Company	701
Sindh Sales Tax on remuneration of the Management Company	91
Allocated expenses payable	1,644
Selling and marketing expenses payable	5,973
Sales load payable to Management Company	1,218
Sindh Sales Tax payable on sales load	159
Other payable to Management Company	1,341

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable to the Trustee	455
Sindh Sales Tax payable on Trustee remuneration	59

Key management personnel of the Management Company

Units outstanding - 84,451	845
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June 30, 2020

Note Rupees in '000

Baltoro Partners (Private) Limited - sponsor		
Units outstanding - 76,856		769
Bosch Pharmaceuticals (Private) Limited Employees Provident Fund - entity managed by the Management Company		
Units outstanding - 10,620,054		106,201
Yunus Textile Mills Limited - unit holders with more than 10% holding		
units outstanding - 201,379,926		2,013,799
Pakistan Defence Officers Housing Authority - unit holders with more than 10% holding		
units outstanding - 163,799,290		1,637,993
Artistic Milliners Private Limited - unit holders with more than 10% holding		
units outstanding - 100,034,083		1,000,341
National Bank of Pakistan - parent company		
Bank balance		118
Hub Power Company Limited - common directorship		
Sukuk certificates		163,000
Profit receivable on sukuk certificates		1,842

21 CASH AND CASH EQUIVALENTS

Bank balances	4	5,063,693
Term deposit receipts	5.3	1,280,000
		<u>6,343,693</u>

22 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

	June 30, 2020		
	At fair value through profit or loss	At amortised cost	Total
Bank balances	-	5,063,693	5,063,693
Investments	3,154,524	-	3,154,524
Profit receivable	-	53,477	53,477
Deposits	-	100	100
	<u>3,154,524</u>	<u>5,117,270</u>	<u>8,271,794</u>

Financial liabilities

	June 30, 2020		
	At fair value through profit or loss	At amortised cost	Total
Payable to NBP Fund Management Limited - the Management Company	-	11,127	11,127
Payable to Central Depository Company of Pakistan Limited - the Trustee	-	514	514
Payable against redemption of units	-	10,164	10,164
Accrued expenses and other liabilities	-	876	876
	<u>-</u>	<u>22,681</u>	<u>22,681</u>



23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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 primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

23.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: yield / interest rate risk, currency risk, and price risk.

(i) Profit rate risk

Yield / interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2020, the Fund is exposed to such risk on bank deposits, sukuk certificates, term deposit receipts, letters of placement and commercial papers. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks and KIBOR based sukuk certificates 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 for the year and net assets of the Fund would have been higher / lower by Rs. 52.203 million.

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2020, the Fund holds fixed rate term deposit receipts, commercial papers and letters of placement that may expose the Fund to profit rate risk. However, the same is insignificant due to the short term value of the term deposit receipts. However, commercial papers and letters of placement value might fluctuate due to change in market rate. In case of 100 basis points increase / decrease in rates announced by the Financial Markets Association of Pakistan with all other variables held constant, the net income for the period and net assets of the Fund would have been higher / lower by Rs. 17.115 million.

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2020 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

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

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2020 can be determined as follows:



June 30, 2020					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

Rupees in '000

Financial assets

Bank balances	4.50%-7.50%	5,057,324	-	-	6,369	5,063,693
Investments	7.35%-14.64%	1,788,550	1,365,974	-	-	3,154,524
Profit receivable		-	-	-	53,477	53,477
Deposits and other receivables		-	-	-	100	100
		6,845,874	1,365,974	-	59,946	8,271,794

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company		-	-	-	11,127	11,127
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	514	514
Payable against redemption of units		-	-	-	10,164	10,164
Accrued expenses and other liabilities		-	-	-	876	876
		-	-	-	22,681	22,681

On-balance sheet gap

	6,845,874	1,365,974	-	37,265
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Total profit rate sensitivity gap

	6,845,874	1,365,974	-
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Cumulative profit rate sensitivity gap

	6,845,874	8,211,848	8,211,848
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(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not have any investment in equity securities as of June 30, 2020.

23.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily 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. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of and are considered readily realisable.

As per the NBFC Regulations 2008, the Fund can borrow in the short-term to ensure settlement subject to the maximum limit which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the current period.



In order to manage the Fund's overall liquidity, the Fund may also 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 redemptions during the period.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, liabilities that are payable on demand have been included in the maturity grouping of one month:

June 30, 2020						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total

----- Rupees in '000 -----

Financial assets

Bank balances	5,063,693	-	-	-	-	5,063,693
Investments	1,280,000	508,550	1,365,974	-	-	3,154,524
Profit receivable	47,369	-	6,108	-	-	53,477
Deposits and other receivables	-	-	-	-	100	100
	6,391,062	508,550	1,372,082	-	100	8,271,794

Financial liabilities

Payable to NBP Fund Management Limited the Management Company	11,127	-	-	-	-	11,127
Payable to Central Depository Company of Pakistan Limited - the Trustee	514	-	-	-	-	514
Payable against redemption of units	10,164	-	-	-	-	10,164
Accrued expenses and other liabilities	488	388	-	-	-	876
	22,293	388	-	-	-	22,681

Net financial assets

	6,368,769	508,162	1,372,082	-	-	100	8,249,113
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23.3 Credit risk

23.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

June 30, 2020	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk

----- Rupees in '000 -----

Bank balances	5,063,693	5,063,693
Investments	3,154,524	3,154,524
Profit receivable	53,477	53,477
Deposits and other receivables	100	100
	<u>8,271,794</u>	<u>8,271,794</u>

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



23.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks, its profit accrued thereon and investments in sukuk certificates, commercial papers, term deposit receipts and letters of placement. The credit rating profile of banks, sukuk certificates, commercial papers, term deposit receipts and letters of placement are as follows:

Rating	June 30, 2020 % of financial assets exposed to credit risk
Bank balances	
AAA	8.20%
AA+	-
AA	53.42%
AA-	0.08%
Commercial papers	
A-1+	6.44%
Sukuk certificates	
AA+	1.99%
Term deposit receipts	
AAA	15.56%
Letters of placement	
AA+	14.31%
	100.00%

24 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

24.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).



As at 30 June 2020, the Fund held the following financial instruments measured at fair values:

June 30, 2020			
Level 1	Level 2	Level 3	Total

----- Rupees in '000 -----

ASSETS

Financial assets at fair value through profit or loss

Investment in:

Term deposit receipts**	-	1,280,000	-	1,280,000
Letters of Placement**	-	1,178,737	-	1,178,737
Commercial papers*	-	532,787	-	532,787
Sukuk certificates**	-	163,000	-	163,000
	-	<u>3,154,524</u>	-	<u>3,154,524</u>

* The valuation of commercial papers have been done based on amortisation to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of these investments are less than six months and are placed with counterparties which have high credit rating.

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

25 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. They 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 restriction on the subscription and redemption of units. As required under the NBFC Regulations 2008, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

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 the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 23, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

26 UNIT HOLDING PATTERN OF THE FUND

Category	June 30, 2020		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	119	233,315	2.83%
Banks and DFIs	1	515,174	6.25%
Retirement Funds	11	204,653	2.48%
Public Limited Companies	2	1,163,739	14.12%
Others	37	6,126,266	74.32%
	<u>170</u>	<u>8,243,147</u>	<u>100.00%</u>



27 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

June 30, 2020	
Name of broker	Percentage of commission paid
Paramount Capital (Private) Limited	100.00%

27.1 The Fund has traded with only the above mentioned 1 broker / dealer during the period ended June 30, 2020.

28 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Name	Designation	Qualification	Overall experience in years
Dr. Amjad Waheed	Chief Executive Officer	MBA / Doctorate in Business Administration / CFA	32
Mr. Sajjad Anwar	Chief Investment Officer	CFA / MBA	20
Mr. Asim Wahab Khan	Deputy Chief Investment Officer	CFA	14
Mr. Muhammad Ali Bhabha	Head of Fixed Income	CFA / MBA / FRM / MS	25
Mr. Hassan Raza	Head of Research	ACCA / BSC / CFA	9

29 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Muhammad Ali Bhabha	Head of Fixed Income	CFA / MBA / FRM / MS	NAARFSF, NFSIF, NGSLF, NGSSF, NGSP I, NIOF, NIMAF, NIMMF, NISF, NMAF, NMMF, NRSFSF and NSF

30 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 72nd, 73rd, 74th, 75th Board meetings were held on August 30, 2019, October 24, 2019, February 27, 2020, April 27, 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	Attended	Leave granted	
Shaikh Muhammad Abdul Wahid Sethi	4	4	-	-
Mr. Saad ur Rahman Khan [note 30.1]	3	2	1	74th
Syed Hasan Irtiza Kazmi [note 30.2]	3	3	-	-
Mr. Nasir Husain [note 30.3]	1	-	1	72nd
Mr. Abdul Hadi Palekar [note 30.4]	1	-	1	72nd
Mr. Ali Saigol	4	4	-	-
Mr. Imran Zaffar	4	4	-	-
Mr. Kamal Amir Chinoy [note 30.5]	1	1	-	-
Mr. Khalid Mansoor [note 30.6]	3	3	-	-
Mr. Humayun Bashir	4	4	-	-
Mr. Shehryar Faruque [note 30.7]	1	1	-	-
Mr. Saad Amanullah Khan [note 30.8]	3	3	-	-
Dr. Amjad Waheed	4	4	-	-

30.1 Mr. Saad ur Rahman Khan opted as Director on the Board with effect from October 04, 2019.

30.2 Syed Hasan Irtiza Kazmi opted as Director on the Board with effect from October 04, 2019.

30.3 Mr. Nasir Husain retired from the Board with effect from October 04, 2019.

30.4 Mr. Abdul Hadi Palekar retired from the Board with effect from October 04, 2019.



- 30.5** Mr. Kamal Amir Chinoy retired from the Board with effect from October 04, 2019.
- 30.6** Mr. Khalid Mansoor opted as Director on the Board with effect from October 04, 2019.
- 30.7** Mr. Shehryar Faruque retired from the Board with effect from October 04, 2019.
- 30.8** Mr. Saad Amanullah Khan opted as Director on the Board with effect from October 04, 2019.

31 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.

32 GENERAL

32.1 Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

32.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on 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) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) 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;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

32.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security 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 an assessment of COVID-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

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

Chief Financial Officer

Chief Executive Officer

Director



PERFORMANCE TABLE

Particulars	For the Period ended June 30, 2020
Net assets (Rs. '000')	8,243,147
Net Income / (loss) (Rs. '000')	228,167
Net Asset Value per units (Rs.)	10.0000
Offer price per unit	10.0565
Redemption price per unit	10.0000
Ex - Highest offer price per unit (Rs.)	10.0565
Ex - Lowest offer price per unit (Rs.)	9.3548
Ex - Highest redemption price per unit (Rs.)	10.0000
Ex - Lowest redemption price per unit (Rs.)	9.3023
Fiscal Year Opening Ex Nav	9.3023
Total return of the fund Since Inception	7.50%
Capital growth	0.27%
Income distribution as a % of e x nav	7.23%
Income distribution as a % of par value	7.23%
Interim distribution per unit	0.7234
Final distribution per unit	-
Distribution dates	
Interim	Daily
Final	
Average annual return (launch date 01-11-19) (Since inception to June 30, 2020)	11.31%
Portfolio Composition (Please see Fund Manager Report)	
Weighted average portfolio duration	31 Days

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

Head Office

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

UAN: 021-111-111-632

Toll Free: 0800-20002

Sms: INVEST to 9995

Fax: 021-35825335

Email: info@nbpfunds.com

Website: www.nbpfunds.com

 /nbpfunds