



NBP FUNDS

Managing Your Savings

AM1

Rated by PACRA

NAFA INCOME OPPORTUNITY FUND

**QUARTERLY
REPORT**
March 31, 2018



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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NAFA INCOME OPPORTUNITY FUND

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Formerly: NBP Fullerton Asset Management Limited (NAFA)

Board of Directors of the Management Company

Mr. Mudassir Husain Khan	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Tariq Jamali	Director
Mr. Abdul Hadi Palekar	Director
Mr. Kamal Amir Chinoy	Director
Mr. Shehryar Faruque	Director
Dr. Foo Chiah Shiung (Kelvin Foo)	Director
Mr. Humayun Bashir	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Shehryar Faruque	Chairman
Mr. Tariq Jamali	Member
Dr. Foo Chiah Shiung (Kelvin Foo)	Member
Mr. Humayun Bashir	Member

Human Resource and Remuneration Committee

Mr. Kamal Amir Chinoy	Chairman
Mr. Abdul Hadi Palekar	Member
Mr. Humayun Bashir	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Tariq Jamali	Member
Mr. Shehryar Faruque	Member
Dr. Foo Chiah Shiung (Kelvin Foo)	Member

Trustee

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

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
KASB Bank Limited
MCB Bank Limited
National Bank of Pakistan
SILK Bank Limited
Soneri Bank Limited
The Bank of Punjab
Summit Bank Limited

NAFA INCOME OPPORTUNITY FUND

Bankers to the Fund

United Bank Limited
Samba Bank Limited
Al Baraka Bank Limited
Meezan Bank Limited
Sindh Bank Limited
Dubai Islamic Bank Pakistan Limited
Khushhali Bank Limited
Bankislami Pakistan Limited
Zarai Taraqiat Bank Limited
Summit Bank Limited
NRSP Microfinance Bank Limited

Auditors

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

Legal Advisor

M/s Jooma Law Associates
205, E.I. Lines, Dr. Daudpota Road,
Karachi.

Head Office:

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

Lahore Office:

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

Islamabad Office:

Plot No. 395, 396
Industrial Area, I-9/3 Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

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

Multan Office:

NBP City Branch, Hussain-a-Gah, Multan.
Phone No: 061-4502204
Fax No: 061-4502203

NAFA INCOME OPPORTUNITY FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited (Formerly; NBP Fullerton Asset Management Limited) is pleased to present the unaudited financial statements of **NAFA Income Opportunity Fund (NIOF)** for the period ended March 31, 2018.

Fund's Performance

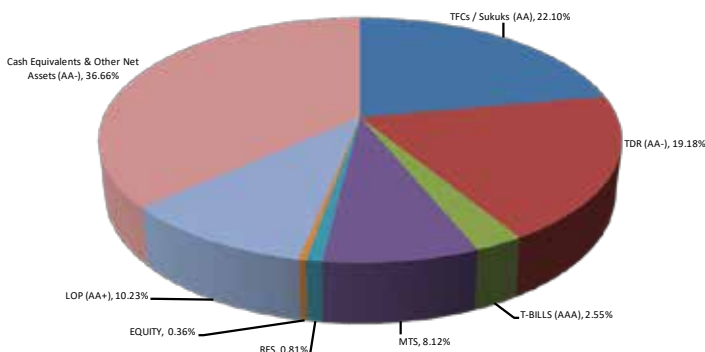
The size of NAFA Income Opportunity Fund has decreased from Rs. 8,199 million to Rs. 7,822 million during the period (i.e. a decline of 5%). During the period, the unit price of the Fund has increased from Rs. 10.6964 on June 30, 2017 to Rs. 11.1159 on March 31, 2018, thus showing a return of 5.2% as compared to the benchmark return of 6.2% for the same period. The performance of the Fund is net of management fee and all other expenses.

NIOF is categorized as an Income Scheme and has been awarded stability rating of 'A (f)' by PACRA.

During the period under review, in its bi-monthly monetary policy review in January 2018, State Bank of Pakistan (SBP) increased the policy rate and discount rate by 25 basis points to 6.00% and 6.50%, respectively. After remaining range bound, sovereign yields responded to the recent increase in the policy rates and expectation of more to come in the near future. During the period under review, yields on T-bills for 3-month, 6-month, and 12-month, tenors increased by 41 basis points, 57 basis points and 71 basis points respectively. Expecting upside risks to inflation and interest rates, investors' preference remained tilted toward short tenors.

After remaining relatively dormant, the market witnessed some issuances in the primary corporate debt market. Trading activity in corporate debt securities remains thin and was recorded at Rs. 16.1 billion. The trades were primarily concentrated in Banking sector TFCs. Expecting upside risks to interest rates the trading activity in the long tenor sovereign bonds (PIBs) remained subdued. PIB yields saw an increase of 142 basis points, 145 basis points, 69 basis points and 44 basis points for the 3-year, 5-year, 10 year, and 20 year tenors, respectively.

The Fund has earned total income of Rs.437.11 million during the period. After accounting for expenses of Rs.103.86 million, the net income is Rs.333.25 million. The chart below presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIOF:



NAFA INCOME OPPORTUNITY FUND

Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited
(Formerly; NBP Fullerton Asset Management Limited)

Chief Executive Officer

Director

Date: April 30, 2018
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ منیجمنٹ لمیٹڈ سابقہ (NBP) پٹرولن ایسیٹ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصدِ مسرت 31 مارچ 2018 کو ختم ہونے والی مدت کے لئے NAFA انکم آپرچونٹی فنڈ (NIOF) کے کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

NAFA انکم آپرچونٹی فنڈ (NIOF) کا فنڈ سائز اس مدت کے دوران 8,199 ملین روپے سے کم ہو کر 7,822 ملین روپے ہو گیا ہے۔ اس مدت کے دوران فنڈ کے پینٹ کی قیمت 30 جون 2017 کو 10.6964 روپے سے بڑھ کر 31 مارچ 2018 کو 11.1159 روپے ہو چکی ہے اور اس طرح اس مدت کے دوران فنڈ نے اپنے بیچ مارک منافع 6.2% کے مقابلے میں 5.2% کا منافع دیا۔ فنڈ کی یہ کارکردگی منیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NIOF کی درجہ بندی بطور ایک انکم ایکسیم کی گئی ہے اور اسے PACRA کی طرف سے A(f) کی اسٹیبلٹی ریٹنگ دی گئی ہے۔

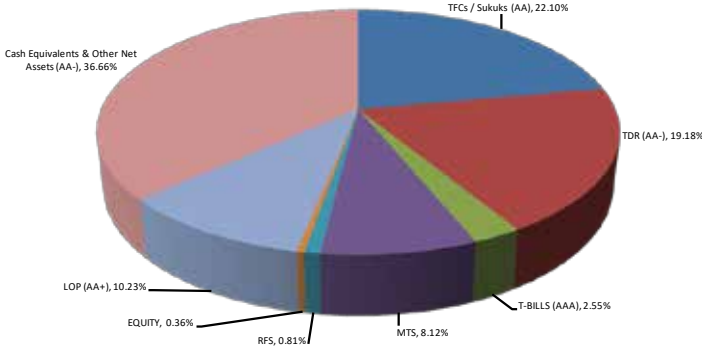
زیر جائزہ مدت میں اسٹیٹ بینک آف پاکستان (SBP) نے جنوری 2018 میں اپنی دو ماہ کی مانیٹری پالیسی میں پالیسی ریٹ اور ڈسکاؤنٹ ریٹ میں 25 پیس پوائنٹس کے اضافے سے انھیں بالترتیب 6.00% اور 6.50% تک پہنچا دیا ہے۔ بقیہ ریٹ کے محدود ہونے کے بعد (Sovereign) منافع نے حالیہ پالیسی ریٹس میں اضافے اور مستقبل قریب میں مزید اضافے کی توقع کا رد عمل ظاہر کیا۔ زیر جائزہ مدت کے دوران میں 3 ماہ، 6 ماہ اور 12 ماہ کیلئے T-Bills کے منافع میں بالترتیب 41 پیس پوائنٹس، 57 پیس پوائنٹس اور 71 پیس پوائنٹس کا اضافہ ہوا۔ افراط زر اور شرح سود سے متعلقہ بڑھتے ہوئے خدشات کی بنا پر سرمایہ کاروں کی ترجیح کا جھکاؤ مختصر مدت کی طرف رہا۔

نسبتاً غیر فعال رہنے کے بعد مارکیٹ میں بنیادی کارپوریٹ Debt کے کچھ اہزاء دیکھنے میں آئے۔ کارپوریٹ Debt سیکورٹیز میں تجارتی سرگرمیاں مختصر ہیں جو 16.1 ملین روپے کی حد تک محدود ہیں۔ تجارت کا عمومی رجحان بینکنگ کے شعبہ TFCs کی طرف رہا۔ شرح سود میں اضافہ کے خدشات کی توقع کے باعث طویل مدت کے Sovereign بونڈز (PIBs) میں تجارتی سرگرمیاں محدود ہیں۔ PIB کے نتائج میں 3 سال، 5 سال، 10 سال اور 20 سال کی مدت کے لئے بالترتیب 142 پیس پوائنٹس، 145 پیس پوائنٹس، 69 پیس پوائنٹس اور 44 پیس پوائنٹس کا اضافہ دیکھنے میں آیا۔

فنڈ نے اس مدت کے دوران 437.111 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 103.859 ملین روپے اخراجات منہا کرنے کے بعد خالص آمدنی 333.252 ملین روپے ہے۔

درج ذیل چارٹ NIOF کی ایسیٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیکاش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:-

NAFA INCOME OPPORTUNITY FUND



اظہار تشکر

بورڈ اس موقع کا فائدہ اٹھاتے ہوئے منجھٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان سے بھی ان کی سرپرستی اور رہنمائی کے لیے پُر خلوص اظہار تشکر کرتا ہے۔ بورڈ اپنے اسٹاف اور ڈسٹری بیوٹرز کی طرف سے محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ مینجمنٹ لمیٹڈ

(سابقہ: NBP فلٹرن ایسیٹ مینجمنٹ لمیٹڈ)

ڈائریکٹر

چیف ایگزیکٹو آفیسر

بتاریخ

30 اپریل 2018

بمقام: کراچی

NAFA INCOME OPPORTUNITY FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2018

	Note	(Un- Audited) March 31' 2018	Audited June 30, 2017
(Rupees in '000)			
ASSETS			
Bank balances		4,194,938	2,174,206
Investments	4	2,819,915	2,231,513
Receivable against margin trading system	5	634,850	87,869
Mark-up accrued		39,509	56,609
Receivable against sale of investments		204,946	3,203,158
Deposits, prepayments and other receivables		10,309	619,115
Total assets		7,904,467	8,372,470
LIABILITIES			
Payable to the Management Company		16,387	24,056
Payable to Trustee		688	1,910
Payable to the Securities and Exchange Commission of Pakistan		4,776	9,406
Accrued expenses and other liabilities		60,562	137,970
Total liabilities		82,413	173,342
NET ASSETS		7,822,054	8,199,128
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		7,822,054	8,199,128
Contingencies and commitments	7		
-----Number of units-----			
Number of units in issue		703,682,868	766,529,674
------(Rupees)-----			
Net asset value per unit		11.1159	10.6964

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information

**For NBP Fund Management Limited
(Formerly;NBP Fullerton Asset Management Limited)
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

NAFA INCOME OPPORTUNITY FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTH AND QUARTER ENDED MARCH 31, 2018

INCOME	Note	Nine months ended		Quarter Ended	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		(Rupees in '000)			
Return / mark-up on:					
- bank balances and term deposits		316,203	512,299	82,103	165,524
- term finance certificates and sukuks		70,078	44,858	30,712	15,573
- government securities		20,703	43,112	3,076	22,466
- letter of placement and commercial paper		7,338	-	-	-
- certificate of investment		12,964	5,510	12,252	5,510
- margin trading system		12,511	37,822	6,565	12,198
Net (loss) / gain on spread transactions		(5,248)	13,750	402	34,435
Dividend income on spread transactions		12,816	57,889	2,708	16,879
Net (loss) / gain on sale of investments		(3,280)	423	(51)	423
Net unrealised (loss) on re-measurement of investments at fair value through profit or loss - held for trading		(13,788)	(1,750)	(5,620)	(1,355)
Reversal of provision in respect of non-performing investments		5,195	10,422	1,299	1,948
Reversal of provision for workers' welfare fund		-	31,218	-	31,218
Other income		1,619	-	-	-
Total income		437,111	755,553	134,047	304,819
EXPENSES					
Remuneration of Management Company		63,685	121,101	19,742	45,217
Sindh Sales Tax on remuneration of the Management Company		8,279	15,743	2,566	5,878
Reimbursement of operational expenses to the Management Company		6,369	9,315	1,975	3,478
Remuneration of Central Depository Company of Pakistan Limited - Trustee		5,659	7,722	1,776	2,829
Sindh Sales Tax on remuneration of the Trustee		736	1,004	231	368
Annual fee to the Securities and Exchange Commission of Pakistan		4,776	6,986	1,480	2,608
Securities transaction cost		1,527	12,115	781	8,498
Settlement and bank charges		4,129	7,071	873	2,709
Auditors' remuneration		509	423	88	50
Legal and professional charges		1,107	6	12	6
Fund rating fee		263	261	89	90
Annual listing fee		19	41	5	13
Printing and other charges		-	75	-	25
Total expenses		97,058	181,863	29,618	71,769
Net income from operating activities		340,053	573,690	104,429	233,050
Net element of income and capital gains included in prices of units issued less those in units redeemed		-	95,462	-	43,633
Provision for Sindh Workers' Welfare Fund	6	(6,801)	(17,824)	(2,088)	(17,824)
Net income for the period before taxation		333,252	651,328	102,341	258,859
Taxation	8	-	-	-	-
Net income for the period after taxation		333,252	651,328	102,341	258,859
Allocation of net income for the period					
Net income for the period after taxation		333,252		102,341	
Income already paid on units redeemed		(58,778)		(29,796)	
		<u>274,474</u>		<u>72,545</u>	
Accounting income available for distribution:					
- Relating to capital gains		-		-	
- Excluding capital gains		<u>274,474</u>		<u>72,545</u>	

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information

For NBP Fund Management Limited
(Formerly; NBP Fullerton Asset Management Limited)
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA INCOME OPPORTUNITY FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTH AND QUARTER ENDED MARCH 31, 2018

	Nine months ended		Quarter Ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	(Rupees in '000)			
Net income for the period after taxation	333,252	651,328	102,341	258,859
Other comprehensive income				
Items that may be reclassified subsequently to income statement:				
Net unrealised (loss) / gain on re-measurement of investments classified as 'available for sale'	(7,893)	16,484	(7,287)	(40)
Total comprehensive income for the period	<u>325,359</u>	<u>667,812</u>	<u>95,054</u>	<u>258,819</u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information

For NBP Fund Management Limited
(Formerly;NBP Fullerton Asset Management Limited)
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA INCOME OPPORTUNITY FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

	Nine months ended	
	March 31, 2018	March 31, 2017
	----- Rupees in '000 -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation	333,252	651,328
Adjustments:		
Net unrealised diminution / (appreciation) in the fair value of investments classified as financial assets at 'fair value through profit or loss' - net	13,788	1,750
Gain on sale of investments - net	3,280	(14,173)
Impairment loss on investments classified as 'available for sale'	(5,195)	(10,422)
Element of loss and capital losses included in prices of units issued less those in units redeemed- net	-	(95,462)
	345,125	533,021
Decrease / (Increase) in assets		
Receivable against Marginal Trading System	(546,981)	(160,054)
Investments - net	(608,168)	(1,968,801)
Receivable against sale of investments	2,998,212	(1,083,753)
Deposits, prepayments and other receivables	608,806	471,861
Dividend and profit receivable	17,100	(6,308)
	2,468,969	(2,747,055)
(Decrease) / increase in liabilities		
Payable to Management Company	(7,669)	10,404
Payable to Trustee	(1,222)	972
Payable to Securities and Exchange Commission of Pakistan	(4,630)	151
Accrued expenses and other liabilities	(77,408)	(3,127,544)
	(90,929)	(3,116,017)
Net cash generated from / (used in) operating activities	2,723,165	(5,330,051)
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts against issue of units	4,677,142	16,849,190
Net payments against redemption of units	(5,379,575)	(9,348,208)
Distributions paid during the period	-	-
Net cash (used in) / generated from financing activities	(702,433)	7,500,982
Net increase in cash and cash equivalents during the period	2,020,732	2,170,931
Cash and cash equivalents at beginning of the period	2,174,206	7,112,317
Cash and cash equivalents at end of the period	4,194,938	9,283,248

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information

**For NBP Fund Management Limited
(Formerly;NBP Fullerton Asset Management Limited)
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

NAFA INCOME OPPORTUNITY FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

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

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

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

The disclosures made in this condensed interim financial information have been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended June 30, 2017.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2018.

NAFA INCOME OPPORTUNITY FUND

3. ACCOUNTING POLICIES

The accounting policies, basis of accounting estimates applied and method of computation adopted in the preparation of this condensed interim financial information and financial risk management objectives and policies are the same as those applied in the preparation of the financial statements of the Fund for the year ended June 30, 2017 except as explained in note 3.1

- 3.1 The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated August 3, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in Regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the amended regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income statement' and 'statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the amended regulations.

Previously, an equalization account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during the accounting period which pertained to unrealized appreciation / (diminution) held in the Unit Holder's Fund was recorded in a separate account and any amount remaining in this reserve account at the end of the accounting period (whether gain or loss) was included in the amount available for distribution to the unitholders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period was recognized in the Income Statement.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 1, 2017 as allowed by SECP vide their email to MUFAP dated February 08, 2018. Accordingly, corresponding figures have not been restated. The 'Distribution statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations the aforementioned SRO issued by the SECP.

Had the element of income been recognised as per the previous accounting policy, the profit of the Fund would have been lower by Rs. 29.5911 million net off charge for SWWF in respect of element of income / loss and consequently NAV per unit would have been higher by Rs.0.0009. However, the change in accounting policy does not have any impact on the 'Cash Flow Statement', the 'net assets attributable to the unit holders' and 'net asset value per unit' as shown in the 'Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund'. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund which have been incorporated in these statements.

NAFA INCOME OPPORTUNITY FUND

4. INVESTMENTS

At fair value through profit or loss - held for trading

		Unaudited March 31, 2018	Audited June 30, 2017
		(Rupees in '000)	
Equity securities - listed	4.1	-	-
Equity securities - listed (spread transactions)	4.2	63,465	-
Government securities	4.3	199,604	282,911
Term finance certificates - listed	4.4	163,563	167,128
Term finance certificates - unlisted	4.5	829,544	449,941
Sukuks	4.6	485,469	-
		1,741,645	899,980

Available for sale

Equity securities - listed	4.7	28,270	36,281
Term finance certificates - listed	4.8	-	-
Term finance certificates - unlisted	4.9	-	-
Sukuks	4.10	-	-
		28,270	36,281

Loans and receivables

Advance against purchase of term finance certificate	4.10.3	250,000	-
Term deposits		-	1,100,000
Letter of placement	4.11	800,000	195,252
		1,050,000	1,295,252
		2,819,915	2,231,513

4.1 Equity securities - listed at fair value through profit or loss - held for trading

Name of the investee company	Number of shares				Market value as at March 31, 2018	Investment as a percentage of		
	As at July 1, 2017	Purchased during the period	Sold during the period	As at March 31, 2018		Net assets	Market value of total investments	Paid-up capital of investee company
	Number of shares				Rs in '000	%		

All shares have nominal face value of Rs. 10 each.

PERSONAL GOODS

Azgard Nine Limited - Non-voting	308	-	-	308	-	-	-	-
Carrying value before mark to market as at March 31, 2018					13			
Accumulated impairment					13			

4.2 Equity securities - listed (spread transactions) at fair value through profit or loss - held for trading

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

NAFA INCOME OPPORTUNITY FUND

Name and sector of the investee company	As at July 1, 2017	Purchased during the period	Sold during the period	As at March 31, 2018	Market value as at March 31, 2018	Market value as a percentage of net assets	Market value as a percentage of total investments	Investment as a percentage of paid-up capital of the investee company
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-----Number of shares----- Rs in '000 ----- % -----

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

CEMENT

D.G. Khan Cement Company Limited	-	1,508,500	1,508,500	-	-	-	-	-
Fauji Cement Company Limited	-	3,350,500	3,346,500	4,000	117	-	-	-
Pioneer Cement Company Limited	-	500	500	-	-	-	-	-
Maple Leaf Cement Factory Limited	-	860,000	859,500	500	36	-	-	-

COMMERCIAL BANKS

Askari Bank Limited	-	143,500	143,500	-	-	-	-	-
Habib Bank Limited	-	42,500	42,500	-	-	-	-	-
Bank Al Habib Limited	-	36,000	36,000	-	-	-	-	-
MCB Bank Limited	-	11,000	11,000	-	-	-	-	-
Bank Al Falah Limited	-	123,000	123,000	-	-	-	-	-
United Bank Limited	-	43,500	43,500	-	-	-	-	-

FERTILIZER

Engro Fertilizers Limited	-	499,500	490,500	9,000	622	-	-	-
Engro Corporation Limited	-	72,500	72,500	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	-	270,500	270,500	-	-	-	-	-
Fauji Fertilizer Company Limited	-	119,500	114,000	5,500	517	-	-	-

FOOD AND PERSONAL CARE PRODUCTS

Engro Foods Limited	-	72,000	72,000	-	-	-	-	-
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OIL AND GAS EXPLORATION COMPANIES

Oil and Gas Development Company Limited	-	74,000	74,000	-	-	-	-	-
Sui Northern Gas Company Limited	-	149,500	145,000	4,500	507	-	-	-
Sui Southern Gas Company Limited	-	660,500	628,000	32,500	1,185	-	-	-
Pakistan Petroleum Limited	-	80,000	79,500	500	106	-	-	-

OIL AND GAS MARKETING COMPANIES

Pakistan State Oil Company Limited	-	220,000	220,000	-	-	-	-	-
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POWER GENERATION AND DISTRIBUTION

The Hub Power Company Limited	-	239,500	239,500	-	-	-	-	-
Kot Addu Power Company Limited	-	9,500	9,500	-	-	-	-	-
Engro Polymer Chemical Limited	-	894,000	863,000	31,000	1,105	-	-	-
K-Electric Limited	-	4,818,000	4,005,500	812,500	5,696	-	-	-

REFINERY

Attock Refinery Limited	-	514,000	514,000	-	-	-	-	-
National Refinery Limited	-	500	500	-	-	-	-	-

TEXTILE COMPOSITE

Nishat Mills Limited	-	110,000	110,000	-	-	-	-	-
Nishat (Chunian) Limited	-	696,000	696,000	-	-	-	-	-

TELECOM

Pakistan Telecommunication	-	3,500	3,500	-	-	-	-	-
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PHARMACEUTICAL

Searl Company Limited	-	121,500	121,500	-	-	-	-	-
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CABLE AND ELECTRICAL GOODS

Pak Elektron Limited	-	3,482,000	2,297,000	1,185,000	53,574	0.68	1.90	0.01
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63,465 **0.68** **1.90**

Carrying value before mark to market as at March 31, 2018

64,117

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4.5 Term finance certificates - unlisted at fair value through profit or loss - held for trading

Name of the investee company	Number of certificates				Market value as at March 31, 2018	Investment as a percentage of		
	As at July 1, 2017	Purchased during the period	Sold / matured during the period	As at March 31, 2018		Net assets	Market value of total investments	Issue size
					Rs in '000		%	

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

Habib Bank Limited	-	2,000	-	2,000	198,242	2.53%	7.03%	0.10%
JS Bank Limited (December 14, 2016)	60,000	-	-	60,000	299,275	3.83%	10.61%	10.00%
Jahangir Siddiqui and Company Limited (April 08, 2014)	15,000	-	-	15,000	35,766	0.46%	1.27%	10.00%
Jahangir Siddiqui and Company Limited (June 24, 2016)	20,000	-	-	20,000	88,857	1.14%	3.15%	10.00%
Jahangir Siddiqui and Company Limited (July 18, 2017)	-	23,340	-	23,340	118,631	1.52%	4.21%	7.78%
Silk Bank Limited	-	20,000	-	20,000	88,773	1.13%	3.15%	5.00%

829,544

Carrying value before mark to market as at March 31, 2018

842,339

4.6 Sukus - at fair value through profit or loss - held for trading

Name of the investee company	Number of certificates				Market value as at March 31, 2018	Investment as a percentage of		
	As at July 01, 2017	Purchased during the period	Sold / matured during the period	As at March 31, 2018		Net assets	Market value of total investments	Issue size
					Rs in '000		%	

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

Dawood Hercules Corporation Limited	-	4,830	-	4,830	485,469	0.06	0.17	-
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Carrying value before mark to market as at March 31, 2018

483,000

4.7 Equity securities - listed - available for sale

Name of the investee company	Note	Number of shares				Market value as at March 31, 2018	Investment as a percentage of		
		As at July 01, 2017	Purchased during the period	Sold during the period	As at March 31, 2018		Net assets	Market value of total investments	Paid-up capital of the investee company
						Rs in '000		%	

All shares have a nominal face value of Rs. 10 each.

Chemicals

AgriTech Limited	4.7.1	4,040,090	-	13,000	4,027,090	28,270	0.36	1.00	1.03
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Carrying value before mark to market as at March 31, 2018

36,163

Accumulated impairment

18,584

NAFA INCOME OPPORTUNITY FUND

- 4.7.1** On April 12, 2012, a share transfer and debt swap agreement was entered into between the Financial Institutions and Azgard Nine Limited (the issuer), whereby the issuer agreed to transfer its entire holding in Agritech Limited to the existing lenders / creditors, including the Term Finance Certificate (TFC) holders at the agreed settlement price, in partial settlement of the outstanding principal / redemption obligations. As part of the above arrangement, the Fund settled its investment in TFC of Azgard Nine Limited amounted to Rs. 141,403,150 in consideration of 4,040,090 ordinary shares at the value of Rs. 35 per share of Agritech Limited against the partial settlement of its outstanding exposure. The fair value of an ordinary share was Rs. 12.30 at transaction date i.e. October 31, 2012. Accordingly, the same have been recorded at fair value and the resultant effect recorded through income statement as recovery on partial settlement of investment.

As per the terms of the Share Transfer and Debt Swap Agreement, Agritech Limited shares shall be held by the respective trustees for the TFC issues in their name for and on behalf of the TFC Holders who shall be the beneficial owners of the subjected shares in proportion to their holdings. Accordingly, the Trustees for the TFC issue pursuant to shareholders investors agreement hold the said ordinary shares for and on behalf of TFC holders for a period of five years from the date of transfer. The lock in period has expired on Oct 31, 2017 and share has been tranfered to fund's CDS account

4.8 Term finance certificate - listed - available for sale

Name of the investee company	Note	Number of certificates				Market value as at March 31, 2018	Investment as a percentage of		
		As at July 01, 2017	Purchased during the period	Sold / matured during the period	As at March 31, 2018		Net assets	Market value of total investments	Issue size
Rs in '000							----- % -----		
Worldcall Telecom Limited	4.8.1	45,000	-	-	45,000	-	-	-	5.63%
						<u>88,456</u>			
Carrying value as at March 31, 2018						<u>88,456</u>			
Accumulated impairment						88,456			

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

4.9 Term finance certificate - unlisted - Available for sale

Name of the investee company	Note	Number of certificates				Market value as at December 31, 2017	Investment as a percentage of		
		As at July 01, 2017	Purchased during the period	Sold / matured during the period	As at December 31, 2017		Net assets	Market value of total investments	Issue size
						Rs in '000	----- %-----		
Azgard Nine Limited III	4.9.1	50,000	-	-	50,000	-	-	-	10.00%
Azgard Nine Limited V	4.9.2	16,436	-	-	16,436	-	-	-	2.35%
Dewan Cement Limited	4.9.3	30,000	-	-	30,000	-	-	-	7.50%
New Allied Electronics Industries (Private) Li	4.9.4	15,000	-	-	15,000	-	-	-	8.33%
Agritech Limited V	4.9.5	6,464	-	-	6,464	-	-	-	10.00%
Agritech Limited I	4.9.5	30,000	-	-	30,000	-	-	-	10.00%
						<u> </u>			
						-			
						<u> </u>			
Carrying value as at March 31, 2018						554,444			
Accumulated impairment						554,444			

- 4.9.1** These zero coupon privately placed term finance certificates were issued against the interest receivable on TFCs of Azgard Nine Limited under an agreement dated June 28, 2012 between the Management Company of the Fund and Azgard Nine Limited. These privately placed term finance certificates were issued against non performing securities, therefore the management, as a matter of prudence has recognized these at nil value. MUFAP classified these as non-performing since June 21, 2010 and December 7, 2012 respectively. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.

NAFA INCOME OPPORTUNITY FUND

- 4.9.2** The Fund had advanced an amount of Rs. 150 million in respect of Pre-IPO placement of Dewan Cement Limited (DCL) under an agreement, which required public offering to be completed within 270 days of the date of agreement (which was 09 January 2008). DCL failed to complete the public offering within the said time period and has also defaulted in payment of principal and profit. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.
- 4.9.3** These represent investments in privately placed term finance certificates (term: 4 years) and sukuks (term: 5 years) of the investee company. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly had been classified as non performing asset by MUFAP since January 9, 2009. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.
- 4.9.4** These zero coupon privately placed term finance certificates were issued against the interest receivable on TFCs of Azgard Nine Limited (disclosed in note 5.9.1) under an agreement dated June 28, 2012 between the Management Company of the Fund and Azgard Nine Limited. These privately placed term finance certificates were issued against non performing securities, therefore the management, as a matter of prudence has recognized these at nil value. MUFAP classified these as non-performing since June 21, 2010 and December 7, 2012 respectively. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.
- 4.9.5** This represents investment in listed term finance certificates with a term of seven years. On May 30, 2010, Agritech Limited defaulted in payment of principal and mark-up due and accordingly has been classified as non performing asset by MUFAP since June 14, 2010. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.

4.10 Sukuks - available for sale

Name of the investee company	Note	Number of certificates				Market value as at March 31, 2018	Investment as a percentage of		
		As at July 01, 2017	Purchased during the period	Sold / matured during the period	As at March 31, 2018		Net assets	Market value of total investments	Issue size
						Rs in '000	----- % -----		
New Allied Electronics Industries (Private) Lin	4.10.1	9,000	-	-	9,000	-	-	-	6.00
Eden Housing Limited	4.10.2	9,200	-	-	9,200	-	-	-	2.30
BRR Guardian Modaraba	4.10.3	10,000	-	-	10,000	-	-	-	6.25
						<u> </u>			
						<u> </u>			
Carrying value as at Marhc 31 2018						<u>62,203</u>			
Accumulated impairment						<u>62,203</u>			

- 4.10.1** This represents investment in privately placed sukuks with a term of five years. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly has been classified as non performing asset by MUFAP since January 9, 2009. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.
- 4.10.2** This represents investment in privately placed sukuks. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly has been classified as non performing asset by MUFAP since January 26, 2015. The investment has been fully provided. The amount of provision as per circular no 1 of 2009 and circular 33 of 2012 has been maintained by valuing the investment in terms of the said circular.
- 4.10.3** This represents advance amounting to Rs. 100 million paid on December 27, 2017 in relation to term finance certificates to be issued by JS Bank Limited and 150 million paid on March 06, 2018 in relation to term finance certificates to be issued by Jahangir Siddiqui Company Limited, having face value of Rs. 5,000 each.
- 4.11** These represent letter of placement having original maturity period of less than three months. These carry mark-up rate of 6.86% per annum

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5. RECEIVABLE AGAINST MARGIN TRADING SYSTEM

This carried average mark-up rate of 7.83% (June 30, 2017: 9.61%) and are matured at the option of financee subject to maximum period of 60 days.

6. PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 17 to the annual audited financial statements of the Fund for the year ended June 30, 2017.

The Fund, being prudent, recognised provision for SWWF amounting to Rs. 17.271 million for the nine month ended March 31, 2018 in this condensed interim financial information, Had the provision not been made, net assets value per unit at March 31, 2018 would have been higher by Rs. 0.0245 per unit (June 30, 2017: Rs. 0.0137 per unit).

	(Un-audited) March 31, 2018	(Audited) June 30, 2017
Note	-----Rupees in '000-----	

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

There are no contingencies as at March 31, 2018 and June 30, 2017.

7.2 Commitments:

Margin trading system transactions entered into by the Fund in respect of which release transactions have not been settled

111,207	-
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Sale of future stock contracts

7.3	204,946	-
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7.3 This represents the investment in future stock contracts with settlement date of May 02, 2018.

8. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part I of the Second Schedule of 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 realized or unrealized is distributed amongst the unit holders (excluding distribution made by issuance of bonus units). Furthermore, as per regulation 63 of the NBFC Regulations the Fund is required to distribute ninety percent of accounting income other than capital gains whether realized or unrealized to the unit holders. The Fund intends to distribute such accounting income for the year ending June 30, 2018 to its unit holders. Accordingly, no provision in respect of taxation has been made in the current period.

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

9. TOTAL EXPENSE RATIO

Total Expense Ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 1.63 % per annum including 0.32 % representing government levies on collective investment scheme such as sales tax, Sindh worker's welfare fund and SECP fee for the period.

NAFA INCOME OPPORTUNITY FUND

10. DETAILS OF NON-COMPLIANT INVESTMENTS

The Securities and Exchange Commission of Pakistan (SECP) vide circular no. 7 of 2009 dated March 6, 2009 required all asset management companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. The Board has approved the category of the Fund as 'Income Scheme'.

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

Following is the detail of non-compliant investments:

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	% of net assets	% of gross assets
			Rupees in '000		------(%)-----		
Azgard Nine Limited III	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (17.1)	108,377	(108,377)	-	-	-
Azgard Nine Limited V	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (17.1)	82,180	(82,180)	-	-	-
Agritech Limited I	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (17.1)	149,860	(149,860)	-	-	-
Agritech Limited V	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (17.1)	32,320	(32,320)	-	-	-
BRR Guardian Modaraba	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Sukuks (15.1)	8,998	(8,998)	-	-	-
Dewan Cement Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (15.1)	150,000	(150,000)	-	-	-
Eden Housing Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Sukuks (15.1)	9,056	(9,056)	-	-	-
New Allied Electronics Industries (Private) Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (15.1)	31,707	(31,707)	-	-	-
New Allied Electronics Industries (Private) Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Sukuks (15.1)	44,149	(44,149)	-	-	-
Pace Pakistan Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (15.1)	149,820	(149,820)	-	-	-

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Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	% of net assets	% of gross assets
			-----Rupees in '000-----		------(%)-----		
Saudi Pak Leasing Company Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (15.1)	41,321	(41,321)	-		-
Worldcall Telecom Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (15.1)	88,456	(88,456)	-		-
Azgard Nine Limited (Non-voting)	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Shares (15.1)	13	(13)	-		-
Agriotech Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Shares (15.1)	46,854	(18,584)	28,270	0.36%	0.36%
			(914,841)				

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

11. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS AND RELATED PARTIES

- 11.1 Connected persons and related parties include NBP Fund Management Limited(Formerly NBP Fullerton Asset Management Limited) being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan being the Parent of the Management Company and Alexandra Fund Management Pte. Limited being the sponsor of the Management Company. It also includes associated companies of Management Company due to common directorship, post-employment benefit funds of the Management Company, its parent and sponsor. It also includes subsidiaries and associated companies of the Parent of the Management Company and other collective investment schemes (CIS) managed by the Management Company, directors and key management personnel of the Management Company and any person or company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.
- 11.2 The transactions with connected persons are carried out in the normal course of business, at contracted rates and terms determined in accordance with the market norms.
- 11.3 Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations.
- 11.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

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11.5 Details of Transactions with connected persons and related parties are as follows:

	(Un-audited)	
	Nine month ended	
	March 31, 2018	March 31, 2017
	Rupees in '000	
NBP Fund Management Limited (Management Company)		
Formerly NBP Fullerton Asset Management Limited		
Remuneration of the Management Company	63,685	121,101
Sindh Sales Tax on remuneration of the Management Company	8,279	15,743
Reimbursement of operational expenses to the Management Company	6,369	9,315
Sales load and related Sindh Sales Tax and Federal Excise Duty	49	1,989
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	5,659	7,722
Sindh sales tax on remuneration of the Trustee	736	1,004
CDS charges	1,565	1,391
Employees of the Management Company		
Units issued / transferred in 3,774,210 units (2017: 9,695,514 units)	40,799	106,322
Units redeemed / transferred out 3,697,065 units (2017: 8,505,893 units)	40,092	93,131
National Bank of Pakistan - Sponsor		
Purchase of T-Bill	-	4,373,594
Pakistan Mobile Communication limited provident fund		
Units redeemed / transferred nil units (2017: 2,378,061 units)	-	26,227
Muhammad Murtaza Ali - Company Secretary of Management Company		
Units issued / transferred in 92,128 units (2017: Nil units)	1,000	-
Units redeemed / transferred out 72,455 units (2017: nil units)	800	-
NAFA Government Securities Liquid Fund (CIS managed by Management Company)		
Sell of market treasury bill	-	324,495
NAFA Government Securities saving Fund (CIS managed by Management Company)		
Sell of market treasury bill	-	68,308
NAFA Financial Sector Income Fund (CIS managed by Management Company)		
Purchase of market treasury bill	-	-
Al Shifa trust		
Units issued / transferred in 3,127,619 units (2017: 7,765,180 units)	-	85,000
Units redeemed / transferred out 2,808,017 units (2017: 7,765,180 units)	-	85,807
Summit Bank Limited (Common directorship with the Management Company)		
Mark-up on term deposits	-	-
Placement of term deposits	-	-
Mark-up on saving accounts	61	49
Balance in current accounts	12,062	12,198
Balance in saving accounts	2,220	2,120
Units issued / transferred in (2016: 905,674 units)	-	10,000
Units redeemed / transferred out (2016: 2,124,849 units)	-	23,465

NAFA INCOME OPPORTUNITY FUND

Telenor Employees Gratuity Fund

(Gratuity Fund of the entity managed by the Management Company)

	March 31, 2018	March 31, 2017
Units issued / transferred in 1,258,054 units (2017: 14,727,143 units)	13,833	164,000
Units redeemed / transferred out 3,011,457 units (2017: 646,621)	33,061	7,219

Pakistan Centre For Philanthropy

(Entity managed by the Management Company)

Units issued / transferred in 127,179 units (2017: Nil)	1,377	-
Units redeemed / transferred out 199,646 units (2017: Nil)	2,167	-

Cherat Cement Company Limited

(Common directorship with the Management Company)

Units issued / transferred in (2017: 4,567,252 units)	-	50,000
Units redeemed / transferred out (2017: 4,567,252 units)	-	50,262

11.6 Amounts outstanding as at period / year end are as follows:

NBP Fund Management Limited (Management Company)

Formerly NBP Fullerton Asset Management Limited

	(Un-audited) March 31, 2018	(Audited) June 30, 2017
Remuneration of the Management Company	6,762	8,475
Sindh sales tax on remuneration of the Management Company	879	1,102
Federal Excise Duty on remuneration of the Management Company	39,241	39,241
Operational expenses	6,369	12,541
Sales load	724	336
Sindh Sales Tax and Federal Excise Duty on sales load	1,653	1,602
Contingent load	-	23,161

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the trustee	609	807
Sindh Sales Tax on remuneration of the trustee	80	225
CDC charges payable	669	232
Security deposit	100	100

National Bank of Pakistan (Parent of the Management Company)

Bank balance	8,221	19,491
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Summit Bank Limited (Common Directorship with the Management Company)

Bank balance	12,845	16,732
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BankIslami Pakistan Limited (Common Directorship with the Management Company)

Bank Balance	537	1,596
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Askari Bank Limited (Common Directorship with the Management Company)

Bank Balance	1,809	2,247
Accrued markup on bank balance	-	1

NAFA INCOME OPPORTUNITY FUND

	(Un-audited) March 31, 2018 ----- Rupees in '000 -----	(Audited) June 30, 2017
NBP Employees Pension Fund (Pension Fund of the parent of the Management Company)		
Investment held in the Fund: 84,145,983 units (June 2017: 79,127,910 units)	935,358	875,036
NBP Employees Benevolent Fund Trust (Benevolent Fund of the parent of the Management Company)		
Investment held in the Fund: 2,857 units (June 2017: 2,726 units)	32	30
Telenor Employees Gratuity Fund		
Investment held in the Fund: 10,931,981 units (June 2017: Nil units)	121,519	-
Pakistan Centre For Philanthropy		
Investment held in the Fund: 416,137 units (June 2017: Nil units)	4,626	
Employees of the Management Company		
Investment held in the Fund: 836,820 units (June 2017: 1,462,163 units)	9,302	16,169
Muhammad Murtaza Ali - Company Secretary of Management Company		
Investment held in the Fund: 19,672 units (June 2017: Nil units)		
Amount receivable / (payable) against issue of units from:		
NAFA Financial Sector Income Fund	-	9,009
NAFA Islamic Income Fund	-	-
NAFA Islamic Asset Allocation Fund	-	1,440
NAFA Islamic Asset Allocation Fund Plan-II	-	-
NAFA Islamic Stock Fund	-	3,212
NAFA Money Market Fund	-	-
NAFA Multi Asset Fund	-	-
NAFA Savings Plus Fund	-	-
NAFA Stock Fund	-	3,281

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 30, 2018 by the Board of directors of the Management Company.

13. GENERAL

- 13.1 Figures have been rounded off the nearest thousand rupees, unless otherwise is specified.
- 13.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. There have been no significant reclassification during the period except for the impact of change in accounting policy

For NBP Fund Management Limited
(Formerly; NBP Fullerton Asset Management Limited)
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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Scheme No.5, Clifton, Karachi.

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