



NBP FUNDS

Managing Your Savings

AM1
Rated by PACRA

NBP INCOME OPPORTUNITY FUND



QUARTERLY REPORT
MARCH 31, 2020

MISSION STATEMENT

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



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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Saad ur Rahman Khan	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

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

Trustee

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

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
MCB Bank Limited
Summit Bank Limited
JS Bank Limited
Meezan Bank Limited
Habib Bank Limited
United Bank Limited
Bank Al Habib Limited
Habib Metropolitan Bank Limited
Sindh Bank Limited
National Bank of Pakistan
Samba Bank Limited
Zarai Taraqiati Bank Limited
MCB Islamic Bank Limited

NBP INCOME OPPORTUNITY FUND (FORMERLY; NAFA INCOME OPPORTUNITY FUND)



Faysal Bank Limited
Silk Bank Limited
Soneri Bank Limited
The Bank of Punjab
Telenor Microfinance Bank Limited
U Microfinance Bank Limited
Al Baraka Bank Limited
Dubai Islamic Bank Limited
Khushhali Bank Limited
Bankislami Pakistan Limited
NRSP Microfinance Bank Limited
First Microfinance Bank Limited
Mobilink Microfinance Bank Limited

Auditors

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

Legal Advisor

Akhund Forbes
D-21, Block, 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
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-e-Gahi, Multan.
Phone No: 061-4502204
Fax No: 061-4502203

DIRECTORS' REPORT

The Board of Directors of **NBP Fund Management Limited** is pleased to present the unaudited financial statements of **NBP Income Opportunity Fund (NIOF)** (Formerly: NAFA Income Opportunity Fund (NIOF)) for the period ended March 31, 2020.

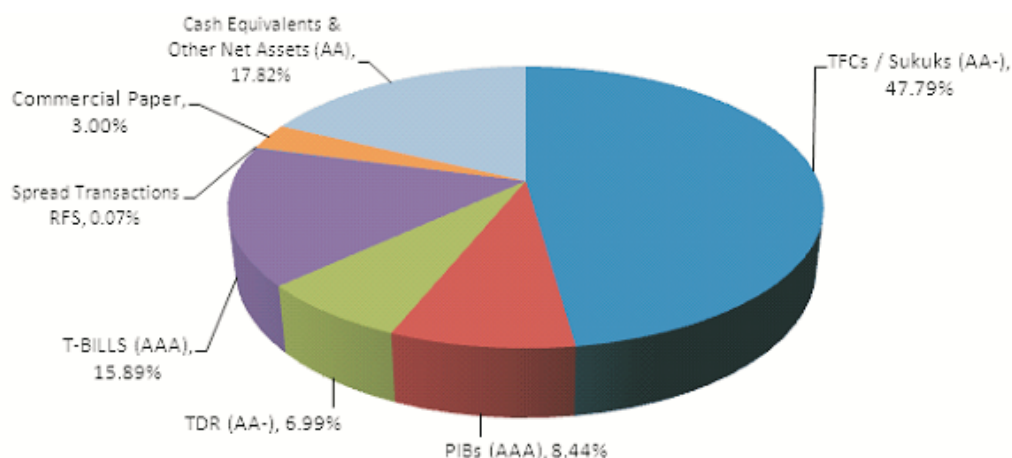
Fund's Performance

The size of NBP Income Opportunity Fund has decreased from Rs. 5,296 million to Rs. 3,864 million during the period (i.e. a decline of 27%). During the period, the unit price of the Fund has increased from Rs. 10.7303 on June 30, 2019 to Rs. 11.7951 on March 31, 2020, thus showing a return of 13.2% as compared to the benchmark return of 13.5% 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. The trading activity in corporate debt securities witnessed a surge during the period. The cumulative traded value stood at Rs. 20.4 billion versus Rs. 11.4 billion in the same period last year. During 9MFY20, the State Bank of Pakistan (SBP) held six Monetary Policy Committee (MPC) meetings. In its first meeting in July 2019, the Policy Rate was increased by 100bps to 13.25% with the objective to curtail inflationary pressure. Thenceforth the central bank maintained tight monetary policy stance and left the key benchmark rate unchanged in the subsequent three MPC meetings. In its meeting on March 17th, 2020 and again on March 24th, 2020 the SBP slashed the Policy Rate by a cumulative 225bps to 11%; owing to improved inflation outlook, sharp fall in the global oil prices, and economic fallout from the Coronavirus pandemic.

Sovereign yields responded to these policy actions and inflation and interest rate outlook. SBP held twenty (20) T-Bill auctions during the period, realizing a total of Rs. 12,443 billion. The yields on T-Bills for 3-month, 6-month and 12-month tenures decreased by 175 basis points, 193 basis points and 264 basis points, respectively. Similarly, expecting protracted period of monetary easing, PIB yields decline by 456 bps, 470 bps, and 457 bps for 3-year, 5-year, and 10-year tenures, respectively. During this period, nine (9) PIB auctions were also held where an amount of Rs. 1,671 billion was realized.

The Fund has earned a total income of Rs 555.52 million during the period. After deducting total expenses of Rs 82.42 million, the net income is Rs. 473.10 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIOF:



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive

Director

Date: April 27, 2020
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2020ء کو ختم ہونے والی پہلی نو ماہی کے لئے NBP انکم اپرچونٹی فنڈ (NIOF) (سابقہ: NAFA انکم اپرچونٹی فنڈ) کے غیر نظر ثانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

فنڈ کی کارکردگی

موجودہ مدت کے دوران NBP انکم اپرچونٹی فنڈ (NIOF) کا سائز 5,296 ملین روپے سے کم ہو کر 3,864 ملین روپے ہو گیا ہے یعنی 27% کی کمی ہوئی۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2019 کو 10.7303 روپے سے بڑھ کر 31 مارچ 2020ء کو 11.7951 روپے ہو گئی، لہذا اسی مدت کے دوران فنڈ نے اپنے بیچ مارک 13.5% کے مقابلے میں 13.2% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی منجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

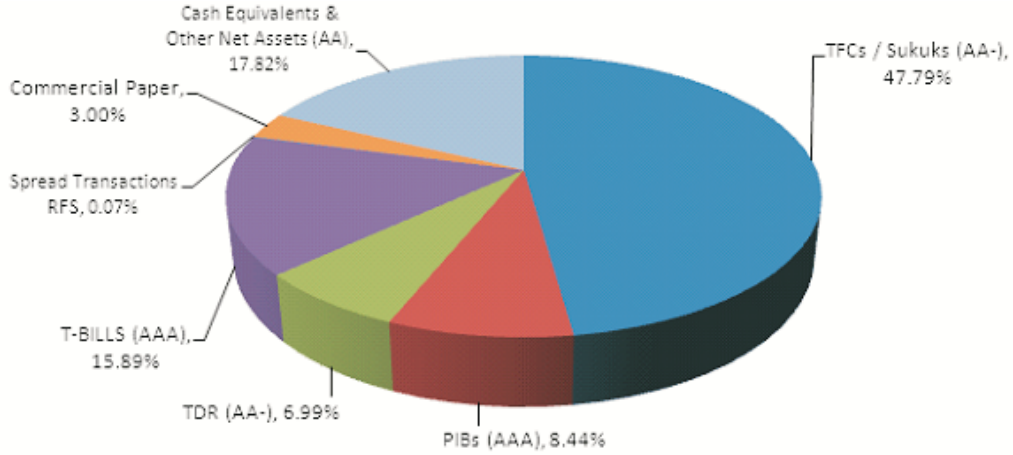
NIOF کی انکم اسکیم کے طور پر درجہ بندی کی گئی ہے اور PACRA کی طرف سے 'A(f)' کی مستحکم ریٹنگ دی گئی ہے۔

اس مدت کے دوران کارپوریٹ ڈیٹ سیکورٹیز میں تجارتی سرگرمی میں اضافہ دیکھا گیا۔ مجموعی تجارتی قدر 20.4 بلین روپے رہی جبکہ گزشتہ سال کی اسی مدت میں 11.4 بلین روپے تھی۔ مالی سال 2020 کی نو ماہی میں اسٹیٹ بینک آف پاکستان نے چھ ماہی پالیسی کمیٹی (MPC) کے اجلاس طلب کئے۔ افراط زر کو قابو کرنے کے لئے SBP نے جولائی 2019ء میں منعقدہ ماہی پالیسی کے اپنے پہلے اجلاس میں پالیسی کی شرح کو بھسب 100bps سے بڑھا کر 13.25 فی صد کر دیا۔ اس کے بعد مرکزی بینک نے سخت معاشی پالیسی کا موقف برقرار رکھا اور اس کے بعد ہونے والی تین MPC اجلاسوں میں کلیدی معیار تبدیل نہیں کیا۔ 17 مارچ، 2020ء کو اور پھر 24 مارچ، 2020ء کو اپنے اجلاس میں اسٹیٹ بینک نے افراط زر کی صورتحال میں بہتری، تیل کی عالمی قیمتوں میں تیزی سے کمی اور کورونا وائرس وبائی مرض سے معاشی خرابی کی وجہ سے پالیسی کی شرح میں بھسب 225bps سے کمی کر کے مجموعی طور پر 11 فی صد کر دیا۔

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

فنڈ نے موجودہ مدت کے دوران 555.52 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 82.42 ملین روپے کے اخراجات متہا کرنے کے بعد خالص آمدنی 473.10 ملین روپے ہے۔

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



اظہار شکر

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

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

منجانب بورڈ آف ڈائریکٹرز

NBP مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 27 اپریل 2020ء

مقام: کراچی

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

		(Un-audited) March 31, 2,020	(Audited) June 30, 2019
	Note	-----Rupees in '000-----	
ASSETS			
Bank balances		703,477	2,418,997
Investments	4	3,173,809	2,933,092
Mark-up accrued and dividend receivable		89,110	54,566
Receivable against sale of units		100	-
Deposits, prepayments and other receivables		11,249	16,112
Total assets		3,977,745	5,422,767
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company		15,249	24,468
Payable to Central Depository Company of Pakistan Limited - Trustee		319	519
Payable to the Securities and Exchange Commission of Pakistan		762	4,307
Payable against redemption of units		525	1,534
Accrued expenses and other liabilities		96,904	96,170
Total liabilities		113,759	126,998
NET ASSETS		3,863,986	5,295,769
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,863,986	5,295,769
Contingencies and commitments	10		
		-----Number of units-----	
Number of units in issue		327,591,239	493,535,933
		-----Rupees-----	
Net asset value per unit		11.7951	10.7303

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

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

	Nine months period ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Note -----Rupees in '000-----				
INCOME				
Return / mark-up on:				
- bank balances and term deposits	248,855	230,034	59,153	79,521
- term finance certificates and sukuks	239,985	140,023	85,112	53,647
- government securities	24,668	13,740	14,951	5,089
- letter of placement and commercial paper	36,157	22,703	10,286	10,063
- margin trading system	1,321	13,879	342	3,445
Net (loss) / gain on spread transactions	(646)	(4,102)	(3,237)	767
Dividend income on spread transactions	7,723	9,485	6,772	-
Net gain / (loss) on sale of investments	9,860	(246)	10,083	(11)
Net unrealised (diminution) / appreciation on re-measurement of investments at fair value through profit or loss	(12,402)	(16,124)	15,783	(3,292)
Reversal of provision in respect of non-performing investments	-	18,674	-	3,707
Total income	555,521	428,066	199,245	152,936
EXPENSES				
Remuneration of Management Company	31,360	36,276	9,626	11,275
Sindh Sales Tax on remuneration of the Management Company	4,077	4,716	1,252	1,466
Reimbursement of operational expenses to the Management Company	3,810	4,338	1,162	1,332
Selling and marketing expense	26,191	12,469	8,130	5,331
Remuneration of trustee	2,857	4,238	871	1,327
Sindh Sales Tax on remuneration of the Trustee	371	551	113	173
Annual fee to the Securities and Exchange Commission of Pakistan	762	3,254	232	1,000
Securities transaction cost	1,370	993	825	-
Settlement and bank charges	1,043	2,140	209	300
Auditors' remuneration	502	492	111	90
Legal and professional charges	27	-	27	-
Fund rating fee	354	254	125	18
Annual listing fee	21	21	7	7
Printing and other charges	15	-	15	-
Total expenses	72,760	69,742	22,705	22,319
Net income from operating activities	482,761	358,324	176,540	130,617
Provision for Sindh Workers' Welfare Fund	(9,655)	(7,166)	(3,531)	(2,612)
Net income for the period before taxation	473,106	351,158	173,009	128,005
Taxation	-	-	-	-
Net income for the period after taxation	473,106	351,158	173,009	128,005
Earnings per unit				
Allocation of net income for the period				
Net income for the period after taxation	473,106	351,158	173,009	128,005
Income already paid on units redeemed	(147,297)	(66,576)	(111,472)	(11,773)
	325,809	284,582	61,537	116,232
Accounting income available for distribution:				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	325,809	284,582	61,537	116,232
	325,809	284,582	61,537	116,232

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

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

Chief Financial Officer

Chief Executive Officer

Director

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

	Nine months period ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Net income for the period after taxation	473,106	351,158	173,009	128,005
Other comprehensive income				
Items that may be reclassified subsequently to income statement:				
Net unrealised loss on re-measurement of investments classified at fair value through other comprehensive income	-	-	-	-
Net realised gain on sale of investments reclassified at fair value through other comprehensive income	-	6,549	-	-
Total comprehensive income for the period	473,106	357,707	173,009	128,005

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP INCOME OPPORTUNITY FUND (FORMERLY; NAFA INCOME OPPORTUNITY FUND)



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

	Nine months ended March 31,							
	2020		(Rupees in '000)		2019			
	Capital Value	Undistributed Income	Realised gain "at fair value through other comprehensive income" investments	Total	Capital Value	Undistributed Income	Unrealised appreciation / (diminution) 'available for sale' investments	Total
Net assets at beginning of the period	4,800,495	495,274	-	5,295,769	5,590,674	760,482	-	6,351,156
Issue of 215,743,076 units (2019: 331,994,538 units)								
- Capital value (at net asset value per unit at the beginning of the period)	2,314,979	-	-	2,314,979	3,554,055	-	-	3,554,055
- Element of income	72,367	-	-	72,367	54,097	-	-	54,097
Total proceeds on issuance of units	2,387,346	-	-	2,387,346	3,608,152	-	-	3,608,152
Redemption of 381,687,770 units (2019: 412,188,439 units)								
- Capital value (at net asset value per unit at the beginning of the period)	(4,095,609)	-	-	(4,095,609)	(4,413,429)	-	-	(4,413,429)
- Amount paid out of element of income								
- Relating to 'Net income for the period after taxation'	(49,329)	(147,297)	-	(196,626)	(9,389)	(66,576)	-	(75,965)
- Relating to 'Other comprehensive income for the period'	-	-	-	-	-	-	-	-
Total payments on redemption of units	(4,489,394)	(147,297)	-	(4,292,235)	(4,489,394)	(66,576)	-	(4,489,394)
Total comprehensive income for the period	-	473,106	-	473,106	-	351,158	6,549	357,707
Final distribution @ Rs.0.5704 declared on July 04, 2018								
- Cash distribution	-	-	-	-	-	(283,215)	-	(283,215)
- Refund of capital	-	-	-	-	(38,321)	-	-	(38,321)
Interim distribution @ Rs.0.3754 declared on December 20, 2018								
- Cash distribution	-	-	-	-	-	(150,323)	-	(150,323)
- Refund of capital	-	-	-	-	(37,391)	-	-	(37,391)
	-	-	-	-	(75,712)	(433,538)	-	(509,250)
Net assets at end of the period	2,698,447	821,083	-	3,863,986	4,633,720	611,526	6,549	5,318,371
Undistributed income brought forward								
- Realised		512,819				779,623		
- Unrealised		(17,545)				(19,141)		
		495,274				760,482		
Accounting income available for distribution								
- Relating to capital gain		-				-		
- Excluding capital gains		325,809				284,582		
		325,809				284,582		
Final distribution @ Rs.0.5704 declared on July 04, 2018						(283,215)		
Interim distribution @ Rs.0.3754 declared on December 20, 2018						(150,323)		
Undistributed income carried forward		821,083				611,526		
Undistributed income carried forward								
- Realised		833,485				627,650		
- Unrealised		(12,402)				(16,124)		
		821,083				611,526		
Net assets value per unit at beginning of the period				(Rupees) - 10.7303				(Rupees) - 11.2688
Net assets value per unit at end of the period				11.7951				10.9995

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Nine months ended	
	31 March 2020	31 March 2019
	-----Rupees-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation	473,106	351,158
Adjustments:		
Net unrealised diminution in the fair value of investments classified as financial assets at 'fair value through profit or loss' - net	12,402	16,124
Net (gain) / loss on sale of investment	(9,860)	246
Reversal of provision in respect of non-performing investments	-	(18,674)
	<u>475,648</u>	<u>348,854</u>
(Increase) / Decrease in assets		
Receivable against Marginal Trading System	-	309,851
Investments - net	(243,259)	(202,761)
Receivable against sale of investments	-	60,711
Deposits, prepayments and other receivables	4,863	(5,897)
Dividend and profit receivable	(34,544)	(36,673)
	<u>(272,940)</u>	<u>125,231</u>
(Decrease) / increase in liabilities		
Payable to Management Company	(9,219)	1,296
Payable to Trustee	(200)	421
Payable to Securities and Exchange Commission of Pakistan	(3,545)	(2,979)
Payable against purchase of investments	(1,534)	(23,200)
Accrued expenses and other liabilities	734	(28,716)
	<u>(13,764)</u>	<u>(53,178)</u>
Net cash generated from operating activities	<u>188,944</u>	<u>420,907</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts against issue of units	2,387,246	3,532,440
Net payments against redemption of units	(4,291,710)	(4,489,394)
Distributions paid during the period	-	(433,538)
Net cash used in financing activities	<u>(1,904,464)</u>	<u>(1,390,492)</u>
Net (decrease) / increase in cash and cash equivalents during the year	<u>(1,715,520)</u>	<u>(969,585)</u>
Cash and cash equivalents at beginning of the period	<u>2,418,997</u>	<u>3,641,276</u>
Cash and cash equivalents at end of the period	<u><u>703,477</u></u>	<u><u>2,671,691</u></u>

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

1. LEGAL STATUS AND NATURE OF BUSINESS

NBP Income Opportunity Fund ("the Fund") was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as 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.

Last year on May 30, 2019, the name of the Fund was changed from NAFA Income Opportunity Fund to NBP Income Opportunity Fund. The change of name was made effective vide Fund's Eight Supplemental Offering Document which was approved by SECP vide its letter no. SCD/AMCW/NAFA/425/2019 dated May 29, 2019.

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

The Fund is an open-ended mutual fund 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 maintained an asset manager rating of 'AM1' to the Management Company on December 24, 2019 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 VIIIA of the repealed Companies Ordinance, 1984; and

- the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed

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

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended June 30, 2019.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2020.

3. ACCOUNTING POLICIES

- 3.1 The accounting policies adopted in the preparation of this condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2019.
- 3.2 There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2019 that have a material effect on the financial statements of the Fund.

4. INVESTMENTS

At fair value through profit or loss

		(Un-audited) December 31, 2019	(Audited) June 30, 2019
	Note	-----Rupees in '000-----	
Equity securities - listed	4.1	-	-
Equity securities - listed (spread transactions)	4.2	2,359	-
Government securities	4.3	940,050	19,788
Term finance certificates - listed	4.4	-	162,359
Term finance certificates - unlisted	4.5	1,039,617	1,298,388
Commercial papers	4.6	114,978	890,435
Sukuks	4.7	806,805	433,270
Term deposit receipts	4.8	270,000	128,852
		3,173,809	2,933,092

4.1 Equity securities - listed

Name of the investee company	Number of shares				Market value / Carrying value as at March 31, 2020	Investment as a percentage of		
	As at July 1, 2019	Purchased during the period	Sold during the period	As at March 31, 2020		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, 2020					<u>13</u>			
Accumulated impairment					<u>13</u>			

4.2 Equity securities (spread transactions)

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.

Name and sector of the investee company	As at July 1, 2019	Purchased during the period	Sold during the period	As at March 31, 2020	Market value as at March 31, 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
-----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 Co. Ltd	-	178,000	173,500	4,500	255	0.01	0.01
Fauji Cement Co	-	1,643,000	1,643,000	-	-	-	-
Kohat Cement Co. Ltd	-	1,500	1,500	-	-	-	-
Lucky Cement Ltd	-	423,000	423,000	-	-	-	-
Maple Leaf Cement Factory	-	606,500	605,000	1,500	29	0.00	0.00
Pioneer Cement	-	607,500	605,500	2,000	53	0.00	0.00

FERTILIZER

Engro Corporation Ltd	-	72,500	72,500	-	-	-	-
Engro Fertilizers	-	201,000	201,000	-	-	-	-
Fauj Fertilizer Company Ltd	-	18,500	18,500	-	-	-	-
Fauji Fertilizer Bin Qasim Ltd	-	576,500	576,500	-	-	-	-

AUTOMOBILE ASSEMBLER

Pak Suzuki Motor Company Limited	-	13,000	13,000	-	-	-	-
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POWER GENERATION AND DISTRIBUTION

K-Electric (3.5 each)	-	2,927,000	2,916,500	10,500	29	0.00	0.00
Kot Addu Power Company	-	3,000	3,000	-	-	-	-

OIL AND GAS EXPLORATION COMPANIES

Oil & Gas Development Co.	-	487,500	487,500	-	-	-	-
Pakistan Oilfields	-	97,000	97,000	-	-	-	-
Pakistan Petroleum Ltd	-	335,500	328,000	7,500	523	0.01	0.02

NBP INCOME OPPORTUNITY FUND

(FORMERLY; NAFA INCOME OPPORTUNITY FUND)



Name and sector of the investee company	As at July 1, 2019	Purchased during the period	Sold during the period	As at March 31, 2020	Market value / Carrying value as at March 31, 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	-----Number of shares-----				Rs in '000	-----%-----	
OIL AND GAS MARKETING COMPANIES							
Hascol Petroleum Ltd	-	534,000	490,500	43,500	461	0.01	0.01
Pakistan State Oil Co	-	183,000	183,000	-	-	-	-
Sui Southern Gas Co. Ltd.	-	1,073,500	1,043,500	30,000	316	0.01	0.01
ENGINEERING							
Amreli Steels Limited	-	325,500	325,500	-	-	-	-
Mughal Iron & Steel Industries Limited	-	107,500	107,500	-	-	-	-
FOOD AND PERSONAL CARE PRODUCTS							
Unity Foods Limited	-	4,269,000	4,219,500	49,500	445	0.01	0.01
REFINERY							
Attock Refinery	-	150,000	146,000	4,000	248	0.01	0.01
National Refinery	-	16,500	16,500	-	-	-	-
CABLE AND ELECTRICAL GOODS							
Pak Elektron Limited	-	1,109,000	1,109,000	-	-	-	-
PHARMACEUTICALS							
The Searle Company Limited	-	94,500	94,500	-	-	-	-
TEXTILE COMPOSITE							
Nishat Mills Limited	-	125,500	125,500	-	-	-	-
FOOD & PERSONAL CARE PRODUCTS							
Friesland campina Engro Pakistan	-	1,000	1,000	-	-	-	-
TECHNOLOGY & COMMUNICATION							
Avanceon Limited	-	25,000	25,000	-	-	-	-
COMMERCIAL BANKS							
Bank of Punjab	-	5,891,000	5,891,000	-	-	-	-
Habib Bank Ltd.	-	22,500	22,500	-	-	-	-
CHEMICAL							
Descon Oxychem	-	500	500	-	-	-	-
Engro Polymer & ChemicalsX	-	81,000	81,000	-	-	-	-
Lotte Chemical Pakistan L	-	760,500	760,500	-	-	-	-
					<u>2,359</u>		<u>0.07</u>
Carrying value before mark to market as at March 31, 2020					<u>2,350</u>		

NBP INCOME OPPORTUNITY FUND (FORMERLY; NAFA INCOME OPPORTUNITY FUND)



4.3 Government Securities

Issue Date	Tenor	Face value				Market value / Carrying value as at March 31, 2020	Investment as a percentage of	
		As at July 01, 2019	Purchased during the period	Sold / matured during the period	As at March 31, 2020		Net assets	Market value of total investments

-----Rupees in '000----- Rs in '000 ----- % -----

Market treasury bills

May 9, 2019	3 Months	20,000	-	20,000	-	-	-	-
October 10, 2019	3 Months	-	500,000	500,000	-	-	-	-
November 7, 2019	3 Months	-	500,000	500,000	-	-	-	-
December 11, 2019	3 Months	-	150,000	150,000	-	-	-	-
January 2, 2020	3 Months	-	150,000	150,000	-	-	-	-
November 7, 2019	3 Months	-	150,000	150,000	-	-	-	-
December 5, 2019	3 Months	-	150,000	150,000	-	-	-	-
February 27, 2020	3 Months	-	500,000	250,000	250,000	246,262	6.37	7.76
March 12, 2020	3 Months	-	625,000	250,000	375,000	367,860	9.52	11.59

Pakistan Investment Bonds

September 19, 2019	03 Years	-	100,000	-	100,000	98,596	2.55	3.11
September 19, 2019	05 Years	-	225,000	-	225,000	227,332	5.88	7.16

940,050

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

920,911

4.4 Term finance certificates - listed

Name of the investee company	Note	Number of certificates				Market value / Carrying value as at March 31, 2020	Investment as a percentage of		
		As at July 01, 2019	Purchased during the period	Sold / matured during the period	As at March 31, 2020		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.

Bank Alfalah Limited - V		32,550	-	32,550	-	-	-	0.00%
Pace (Pakistan) Limited	4.4.1	30,000	-	-	30,000	-	-	10.00
Saudi Pak Leasing Company Limited	4.4.2	15,000	-	-	15,000	-	-	10.00
Worldcall Telecom Limited	4.4.3	45,000	-	-	45,000	-	-	0.06

266,118

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

266,118

Accumulated impairment

- 4.4.1** This represents investment in listed term finance certificates 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 a non performing asset by Mutual Funds Association of Pakistan (MUFAP) since September 5, 2011. 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.
- 4.4.2** This represents investment in term finance certificates with original term of nine years. On October 13, 2011 the investee company defaulted on its obligation on account of principal and profit payment. The investee company rescheduled its term on December 26, 2011 with a new maturity in March 2017. The said term finance certificates complied with repayment terms since it was rescheduled and had been reclassified as performing as per criteria defined in Circular no. 1 of 2009. However, the investee company again defaulted on its obligation on account of principal and profit payment for the month of April 2014 and was therefore declared as non performing asset by MUFAP since April 30, 2014. 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.
- 4.4.3** 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.

4.5 Term finance certificates - unlisted

Name of the investee company	Note	Number of certificates				Market value / Carrying value as at March 31, 2020	Investment as a percentage of		
		As at July 1, 2019	Purchased during the period	Sold / matured during the period	As at March 31, 2020		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	-	-	-	-	0.00
JS Bank Limited (December 14, Javedan Corporation Limited (October 04, 2018)		60,000	-	-	60,000	287,954	7.45	9.07	10.00
Shakarganj Foods (July 10, 2018)		1,000	-	-	1,000	97,314	2.52	3.07	0.67
Jahangir Siddiqui and Company Limited		70	-	-	70	60,948	1.58	1.92	0.04
Jahangir Siddiqui and Company Limited (July 18, 2017)		20,000	-	-	20,000	37,500	0.97	1.18	6.67
Silk Bank Limited		23,340	-	-	23,340	72,719	1.88	2.29	5.84
JS Bank Limited (December 29, Jahangir Siddiqui and Company Limited (March 06, 2018)		20,000	-	-	20,000	88,534	2.29	2.79	5.00
Bank of Punjab (April 16, 2018)		1,000	-	-	1,000	92,776	2.40	2.92	0.33
Kashif Foundation TFC (30-Sep-19)		30,000	-	-	30,000	148,800	3.85	4.69	3.49
Azgard Nine Limited III	4.5.1	50,000	-	-	50,000	133,254	3.45	4.20	10.00
Azgard Nine Limited V	4.5.1	16,436	-	-	16,436	19,818	0.51	0.62	10.00
Dewan Cement Limited	4.5.2	30,000	20	-	20	19,818	0.51	0.62	10.00
New Allied Electronics Industries (Pvt)	4.5.3	15,000	-	-	15,000	-	-	-	0.00
Agritech Limited V	4.5.4	6,464	-	-	6,464	-	-	-	0.00
Agritech Limited I	4.5.4	30,000	-	-	30,000	-	-	-	0.00
						1,039,617			
						1,592,855			
Carrying value before mark to market as at December 31, 2019						1,592,855			
Accumulated impairment						553,238			

- 4.5.1** 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 recognised 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.
- 4.5.2** 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 January 09, 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.
- 4.5.3** 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.
- 4.5.4** 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.
- 4.6** This represents the purchase of commercial paper from TPL Corp Limited on (having face value of Rs. 120 million) carrying carry profit at the rate of 10.9% and will mature on July 14, 2020.

4.7 Sukuks

Name of the investee company	Note	Number of certificates				Market value / Carrying value as at March 31, 2020	Investment as a percentage of		
		As at July 1, 2019	Purchased during the period	Matured during the period	As at March 31, 2020		Net assets	Market value of total investments	Issue size

Rs in '000

----- % -----

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

Dawood Hercules Corporation Limited		4,830	-	2,275	2,555	205,880	5.33	6.49	4.91
New Allied Electronics Industries (Private) Limited	4.5.3	24,000	-	-	24,000	-	-	-	0.00
Eden Housing Limited	4.7.1	9,200	-	-	9,200	-	-	-	0.00
K-Electric Sukuk		-	80,000	-	80,000	400,000	10.35	12.60	0.00
Hub Power Company Limited (Revised)		-	3,000	2,000	1,000	101,025	2.61	3.18	0.01
Masood Textile Limited		-	1,000	-	1,000	99,900	2.59	3.15	0.00
						806,805			
Carrying value before mark to market as at March 31, 2020						861,216			
Accumulated impairment						54,411			

4.7.1 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.

4.8 These represent term deposits having original maturity period of more than three months. These carry mark-rate of 15.6% per annum (June 30, 2019: 13.2% per annum).

5. 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	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	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	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	32,320	(32,320)	-	-	-
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	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	9,056	(9,056)	-	-	-

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-----							
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	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	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	149,820	(149,820)	-	-	-
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	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	74,977	(74,977)	-	-	-
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	13	(13)	-	-	-
				<u>(873,780)</u>			

5.1 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.

6 SELLING AND MARKETING EXPENSE

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 0.7% per annum of the net assets of the Fund.

7 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 2.17% (2019: 1.77%) which includes 0.39% (2019: 0.36%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% (as amended by S.R.O 639

dated June 30, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorised as Income Fund'.

8 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 18 to the annual audited financial statements of the Fund for the year ended June 30, 2019.

The Fund, being prudent, recognised provision for SWWF amounting to Rs.39.154 million for the period ended March 31, 2020 in this condensed interim financial information, Had the provision not been made, net assets value per unit at March 31, 2020 would have been higher by Rs. 0.1195 per unit (June 30, 2019: Rs. 0.0598 per unit).

9 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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

10 CONTINGENCIES AND COMMITMENTS

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

11. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS AND RELATED PARTIES

11.1 Connected persons and related parties include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan being the Parent of the Management Company and Baltoro Growth Fund 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.

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

NBP INCOME OPPORTUNITY FUND (FORMERLY; NAFA INCOME OPPORTUNITY FUND)



	----- (Un-audited) -----	
	Nine months ended	
	March 31, 2020	March 31, 2019
	----- Rupees in '000 -----	
NBP Fund Management Limited (Management Company)		
Remuneration of the Management Company	31,360	36,276
Sindh Sales Tax on remuneration of the Management Company	4,077	4,716
Sales and transfer load charged	1,744	3,233
Reimbursement of operational expenses to the Management Company	3,810	4,338
Selling and marketing expense	26,191	12,469
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	2,857	4,238
Sindh sales tax on remuneration of the Trustee	371	551
CDS charges	462	475
Employees of the Management Company		
Units issued / transferred in 118,129 units (2019: 1,290,894 units)	1,290	13,838
Units redeemed / transferred out 1,510,014 units (2019: 958,285 units)	16,526	10,380
Dividend Re-invest of units (2019: 31,641 units)	-	339
Muhammad Murtaza Ali - Company Secretary of Management Company		
Units issued / transferred in 42,568 units (2019: NIL units)	500	-
Humayun Bashir - Director		
Units issued / transferred in 6,867,017 units (2019: 3,035,853 units)	78,554	33,084
Units redeemed / transferred out 9,056,745 units (2019: NIL units)	103,379	
NBP Employees Pension Fund Trust (Pension Fund of the parent of the Management Company)		
Dividend Re-invest of units (2019: 5,971,310 units)	63,914	63,914
NBP Government Securities Liquid Fund (CIS managed by Management Company)		
Sell of market treasury bill	-	197,407
NBP Money Market Fund (CIS managed by Management Company)		
Sell of market treasury bill	-	199,861
Buy of market treasury bill	147,300	-
Portfolios Managed by Management Company		
Units issued / transferred in 1,864,028 units (2019: 4,937,316 units)	20,100	46,998
Units redeemed / transferred out 7,095,984 units (2019: 13,972,868 units)	77,042	151,122
Dividend Re-invest of units (2019: 219 units)	-	2
Summit Bank Limited (Common Directorship with the Management Company)*		
Markup on saving account	-	50

NBP INCOME OPPORTUNITY FUND (FORMERLY; NAFA INCOME OPPORTUNITY FUND)



		----- (Un-audited) -----	
		Nine months ended	
		March 31, 2020	March 31, 2019
		----- Rupees in '000 -----	
	National Bank of Pakistan		
	Sell of market treasury bill	312,863	-
	NBP Government Securities Savings Fund (CIS managed by Management Company)		
	Sell of market treasury bill	44,946	-
	NBP Savings Plus Fund (CIS managed by Management Company)		
	Sold Commercial Paper	199,529	-
	The HUB Power Company (Common Directorship with the Management Company)		
	Purchased Commercial Paper	185,883	-
	Purchased SUKUK	200,000	-
	Fauji Fertilizer Company Limited (Common Directorship with the Management Company)		
	Purchased Term Finance Certificate	101,386	-
	NBP Savings Fund (CIS managed by Management Company)		
	Sold Commercial Paper	23,182	-
	National Clearing Company of Pakistan**		
	NCCPL Charges	188	-
	Laga and Levy	86	-
	Pakistan Stock Exchange**		
	Annual listing fee paid	25	-
		(Un-audited)	(Audited)
		March 31,	June 30,
		2020	2019
		----- Rupees in '000 -----	
11.6	Amounts outstanding as at period / year end are as follows:		
	NBP Fund Management Limited (Management Company)		
	Remuneration of the Management Company	3,070	4,463
	Sindh sales tax on remuneration of the Management Company	399	580
	Operational expenses	1,161	2,737
	Marketing and selling expense	8,130	10,948
	Sales load	823	3,700
	Sindh Sales Tax and Federal Excise Duty on sales load	1,666	2,040
	Central Depository Company of Pakistan Limited (Trustee)		
	Remuneration of the trustee	282	459
	Sindh Sales Tax on remuneration of the trustee	37	60
	CDC charges payable	236	40
	Security deposit	100	100
	National Bank of Pakistan (Parent of the Management Company)		
	Bank balance	8,500	13,708
	Accrued Markup	238	8
	Summit Bank Limited (Common Directorship with the Management Company)*		
	Bank balance	-	13,207
	Accrued markup on bank balances	-	10
	BankIslami Pakistan Limited (Common Directorship with the Management Company)		
	Bank Balance	740	117
	Accrued markup on bank balances	150	4
	Askari Bank Limited (Common Directorship with the Management Company)*		
	Bank Balance	-	6,360
	Accrued markup on bank balance	-	4

NBP INCOME OPPORTUNITY FUND (FORMERLY; NAFA INCOME OPPORTUNITY FUND)



	(Un-audited) March 31, 2020	(Audited) June 30, 2019
	----- Rupees in '000 -----	
NBP Employees Pension Fund (Pension Fund of the parent of the Management Company)		
Investment held in the Fund: 94,820,660 units (June 2019: 94,820,660 units)	1,118,419	1,017,454
Humayun Bashir - Director		
Investment held in the Fund: NIL units (June 2019: 2,189,728 units)	-	23,496
Muhammad Murtaza Ali - Company Secretary of Management Company		
Investment held in the Fund: 42,568 units (June 2019: NIL units)	502	-
National Clearing Company of Pakistan**		
NCCPL Deposit	2,750	2,750
NCCPL charges payable	151	-
Laga & levy payable	6	-
The Hub Power Company Limited		
Investment in Sukuk	101,025	-
Portfolios Managed by Management Company		
Investment held in the Fund: 554,546 units (June 2019: 4,964,666 units)	6,541	53,272
Employees of the Management Company		
Investment held in the Fund: 109,059 units (June 2019: 1,500,944 units)	1,286	16,106

*Current period transactions with these parties have not been disclosed as they did not remain connected persons and related parties during the period."

** Previous period transactions with these parties have not been disclosed as they were not connected persons and related parties during the previous period

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 27, 2020 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.

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

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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