



Managing Your Savings

NBP Fund Management Limited



NAFA PENSION FUND

ANNUAL REPORT
2022

AM1
Rated by PACRA

MISSION STATEMENT

"To become country's most
investor-focused company,
by assisting investors
in achieving their financial goals."

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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. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	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
Ms. Mehnaz Salar	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
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Tauqeer Mazhar	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

Trustee

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

Bankers to the Fund

Allied Bank Limited	Khushali Microfinance Bank Limited
Bank Islami Pakistan Limited	National Bank of Pakistan
Bank Al Habib Limited	Sindh Bank Limited
Faysal Bank Limited	Habib Metro Bank Limited
Soneri Bank Limited	MCB Bank Limited
Dubai Islamic Bank Pakistan Limited	The Bank of Khyber
Habib Bank Limited	
JS Bank Limited	
United Bank Limited	
Bank Alfalah Limited	

Auditor

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.nbpfunfs.com

Lahore Office

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

Islamabad Office

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

Peshawar Office

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

Multan Office

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

Board of Directors



Dr. Amjad Waheed, CFA
Chief Executive Officer



Shaikh Muhammad Abdul Wahid Sethi
Chairman



Mr. Khalid Mansoor
Director



Mr. Humayun Bashir
Director



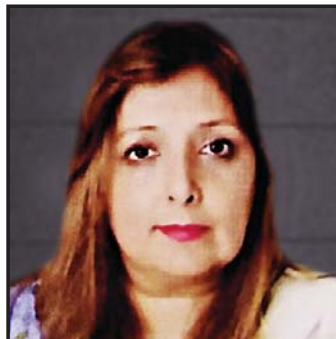
Mr. Tauqeer Mazhar
Director



Mr. Ali Saigol
Director



Mr. Saad Amanullah Khan
Director



Ms. Mehnaz Salar
Director



Mr. Imran Zaffar
Director

Senior Management



Dr. Amjad Waheed, CFA
Chief Executive Officer



Mr. Muhammad Murtaza Ali
Chief Operating Officer &
Company Secretary



Mr. Asim Wahab Khan, CFA
Chief Investment Officer



Mr. Ozair Khan
Chief Technology Officer



Mr. Salim S Mehdi
Chief Innovation &
Strategy Officer



Mr. Samiuddin Ahmed
Country Head Corporate Marketing



Mr. Khalid Mehmood
Chief Financial Officer



Mr. Salman Ahmed, CFA
Head of Fixed Income



Mr. Hassan Raza, CFA
Head of Research



Mr. Muhammad Umer Khan
Head of Human Resources &
Administration



Syed Sharoz Mazhar, CFA
Head of Business &
Sales Strategy



Mr. Zaheer Iqbal, ACA FPFA
Head of Operations



Mr. Waheed Abidi
Head of Internal Audit



Mr. Muhammad Imran, CFA, ACCA
Head of Portfolio Management



Syed Haseeb Ahmed Shah
Head of Compliance

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the Tenth Annual Report for the year ended June 30, 2022, since launch of **NAFA Pension Fund (NPF)** on July 02, 2013.

Fund's performance

	Fund Size (Rs. in mln)	NAV Per Unit (Rs.) June 30, 2021	NAV Per Unit (Rs.) June 30, 2022	Performance Since Launch July 02, 2013
NPF-Equity Sub-fund	902.6	369.3173	323.3181	13.8%
NPF-Debt Sub-fund	694.2	197.6708	218.2313	8.9%
NPF-Money Market Sub-fund	1,920.5	170.9290	189.1724	7.2%
Annualized Return	[Net of management fee & all other expenses]			

FY22 remained a disappointing year for stock market, as the KSE-100 index fell by around 12.3% on a yearly basis. This comes after robust return in FY21 when index surged by a healthy 37.6% YoY. Throughout the year, the market remained quite volatile and amid thin volumes, traded within a range showing lack of investors' interest.

The subdued equity market performance was despite robust corporate profitability of listed space, which for the first three quarters of FY22 stood at 25% and, even with the imposition of super tax, is expected to close in double digits. Investors remained focused on external numbers, especially the burgeoning current account deficit (CAD) which rose sharply to USD 17.3 billion in FY22 (up from USD 2.8 billion in FY21). Strong aggregate domestic demand and ongoing commodity super-cycle amidst the conflict between Russia & Ukraine worsened the external trade numbers. Market participants also remained wary of impact of elevated commodity prices on inflation, which averaged around 12.2% in FY22, with June-22 monthly inflation at multi-year high of 21.3%. The elevated contractual payments on financial account, due to impending external loan repayments, also raised concerns over solvency of the country. The international bond yields also pointed towards the same direction, with short tenure bonds trading at yield to maturities of around 50% at one point. To compress both the external imbalances and the rampant inflation, the central bank raised Policy Rates aggressively by a cumulative 6.75% in FY22. For the same reason, PKR also devalued by a whopping 30% during the year. The inordinate delay in resumption of IMF program remained another reason for nervousness in the market. The downgrade of Pakistan from MSCI Emerging Market to MSCI Frontier Market also took place during the year, necessitating rebalancing on part of foreign investors that resulted in sizeable foreign outflows, which also dented market performance. Lastly, there was heightened political uncertainty in the country as the ruling party lost its majority in the assembly and new coalition government was formed.

In terms of sector wise performance, Auto Assemblers, Chemicals, Commercial Banks, Fertilizers, Oil & Gas Exploration, and Power Generation & Distribution sectors outperformed the market. On the other hand, Auto Parts & Acc., Cable & Electrical Goods, Cements, Engineering, Food & Personal Care, Insurance, Oil & Gas Marketing, Pharmaceutical, Refinery, and Technology sectors lagged the market. On participants-wise market activity, Foreigners and Mutual Funds were the largest net sellers with outflows of around USD 298 million and USD 128 million, respectively. On the contrary, Individual & Bank/DFIs increased their net holdings by around USD 157 million and USD 115 million, respectively.

The trading activity in corporate debt securities remained sluggish as the cumulative traded value stood at Rs. 10.2 billion. However, market witnessed fresh issuance of TFCs and Sukuks in the Power & Distribution and Banking sectors.

During FY22, State Bank of Pakistan (SBP) held eight (8) Monetary Policy meetings and increased the discount rate from 8% to 14.75% - to counter inflationary pressures, ensure economic sustainability and safeguard external & price stability; owing to significant domestic political noise and global uncertainty. During the second half, global economic conditions deteriorated due to Russia-Ukraine conflict and burgeoning commodity prices, which pushed all the central banks across the world to confront multi-year high inflation and challenging outlook. Domestically, the inflation trajectory

also remained on an uptrend due to i) sharp spike in prices of food component, ii) continued pressure on the Rupee, iii) increase in utility tariffs, and iv) reversal of fuel subsidies. Inflation as measured by CPI clocked in at 21.3% in June-22 as against 9.7% during corresponding month last year. Gross foreign exchange reserves with SBP also shrunk to USD 9.8 billion at June-22 end compared to USD 17.3 billion a year ago. The outlook for inflation has deteriorated and risks to external stability have risen, with further rate hikes likely in the initial half of the upcoming year.

SBP held twenty-six (26) T-Bill auctions, realizing a total of Rs. 17.1 trillion. The sovereign yields also witnessed high movements resulting in sharp rise in secondary market yields, which maintained their high delta from the Policy Rate. The yields on T-Bills for 3-month, 6-month and 12-month tenures increased by 770, 762 and 749 basis points, respectively.

The equity sub-fund decreased by 12.5% during FY22 compared with 12.3% decrease in the KSE-100 Index during the same period.

The debt sub-fund yielded 10.4% return during FY22.

The money market sub-fund delivered a return of 10.7% during the year. These returns are net of management fee and all other expenses.

The asset allocation of the Fund as on June 30, 2022 is as follows:

Asset Allocation (% of Net Assets)	
Equity Sub-fund	
Equity	98.0%
Cash Equivalents	2.4%
Others	(0.4%)
Total	100.0%
Debt Sub-fund	
TFCs/Sukuks	19.3%
Commercial Papers	3.5%
PIBs	12.5%
Cash Equivalents	64.3%
Others	0.4%
Total	100.0%
Money Market Sub-fund	
Cash Equivalents	97.3%
Commercial Papers	2.5%
Others	0.2%
Total	100.0%

Sindh Workers' Welfare Fund (SWWF)

On August 13, 2021 provisioning against Sindh Workers' Welfare Fund by NAFA Pension Fund has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV on August 13, 2021 of the sub-Funds as detailed below. This is one-off event and is not likely to be repeated in the future.

	SWWF Reversed (Rs million)	Increase in NAV (%)
Equity Sub-fund	14.9	1.31%
Debt Sub-fund	4.6	0.78%
Money Market Sub-fund	6.3	0.46%

Auditors

The present auditors, Messrs Yousuf Adil Chartered Accountants, retired and, being eligible, offer themselves for re-appointment for the year ending June 30, 2023

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

1. The financial statements, prepared by the management company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and statement of movement in unit holders' funds.
2. Proper books of account of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the Fund's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance.
8. A performance table/ key financial data is given in this annual report.
9. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements.
10. The Board of Directors of the Management Company held five meetings during the year.
11. The details of contribution table are disclosed in the note 18 to these financial statements.
12. All trades in the units of the Fund, carried out by directors, CEO, CFO, Company Secretary and their spouses and minor children are disclosed in note 21 to these financial statements.
13. The Management Company encourages representation of independent non-executive directors on its Board. The Company, being an un-listed company, does not have any minority interest. As at June 30, 2022, the Board included:

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

Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: **September 27, 2022**
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 02 جولائی 2013 کو قائم ہونے والے NAFA پنشن فنڈ (NPF) کی دسویں سالانہ رپورٹ برائے ختمہ سال 30 جون 2022 پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

فنڈ کی کارکردگی

2 جولائی 2013 کو آغاز سے سب تک کارکردگی	NAV فی یونٹ (روپے) 30 جون 2022	NAV فی یونٹ (روپے) 30 جون 2021	فنڈ کا حجم (ملین روپے)	
13.8%	323.3181	369.3173	902.6	NPF ایکویٹی سب فنڈ
8.9%	218.2313	197.6708	694.2	NPF ڈیٹ سب فنڈ
7.2%	189.1724	170.9290	1,920.5	NPF مٹھی مارکیٹ سب فنڈ
(منجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص)				سالانہ منافع

مالی سال 22 اشٹاک مارکیٹ کے لیے ایک مایوس کن سال رہا، کیونکہ KSE-100 انڈیکس سالانہ بنیادوں پر تقریباً 12.3% فیصد گر گیا۔ یہ کمی مالی سال 21 میں انڈیکس میں 37.6% فیصد سالانہ مستحکم اضافہ کے بعد ہوئی۔ پورے سال کے دوران، مارکیٹ کم حجم کے کافی اتار چڑھاؤ کا شکار رہی، تجارت ایک حد کے اندر کی گئی اور سرمایہ کاروں کی دلچسپی میں کمی دکھائی دی۔

لسٹڈ کمپنیوں کے مستحکم کارپوریٹ منافع کے باوجود ایکویٹی مارکیٹ کی کارکردگی ناقص رہی، جو کہ مالی سال 22 کی پہلی تین سہ ماہیوں میں 25% فیصد رہی اور سپیکٹس کے نفاذ کے بعد نمود و ہندسوں میں رہنے کی توقع ہے۔ سرمایہ کاروں کی توجہ بیرونی اعداد پر مرکوز رہی، خاص طور پر بڑھتے ہوئے کرنٹ اکاؤنٹ خسارہ (CAD) جو مالی سال 22 میں تیزی سے بڑھ کر 17.3 بلین امریکی ڈالر (FY21 میں 2.8 بلین امریکی ڈالر) ہو گیا۔ روس اور یوکرین کے درمیان تنازعہ کے باعث مضبوط مجموعی ملکی طلب اور اجناس کے جاری سپرائیکل نے بیرونی تجارتی اعداد کو مزید خراب کر دیا۔ مارکیٹ کے شرکاء اجناس کی افراط زر اور زیادہ قیمتوں کے اثرات سے بھی محتاط رہے، جو کہ مالی سال 22 میں اوسط تقریباً 12.2% فیصد سے جون 22 میں ماہانہ افراط زر 21.3% فیصد کی کثیر سالہ بلند ترین سطح پر تھی۔ اس عرصے کے دوران بین الاقوامی بانڈ کے منافع میں خاطر خواہ اضافہ ہوا۔ دونوں، بیرونی عدم توازن اور بڑھتی ہوئی افراط زر کو کم کرنے کے لیے، مرکزی بینک نے مالی سال 22 میں مجموعی طور پر پالیسی کی شرحوں میں 6.75% فیصد تک جارحانہ اضافہ کیا۔ اسی وجہ سے، پاکستانی روپیہ کی قدر میں بھی سال کے دوران 30% کمی ہوئی۔ آئی ایم ایف پروگرام کی دوبارہ بحالی ہونے میں غیر معمولی تاخیر مارکیٹ میں پریشانی کی دوسری اہم وجہ رہی۔ سال کے دوران MSCI ایمریکن مارکیٹ سے MSCI فرنیچر مارکیٹ میں پاکستان کی متنزلی بھی ہوئی، جس سے غیر ملکی سرمایہ کاروں کی جانب سے دوبارہ توازن کی ضرورت پڑی جس کے نتیجے میں بڑے پیمانے پر غیر ملکی اخراج ہوا، جس نے مارکیٹ کی کارکردگی کو مزید نقصان پہنچایا۔ آخر، ملک میں سیاسی غیر یقینی صورتحال عروج پر پہنچ گئی کیونکہ حکمران جماعت اسمبلی میں اپنی اکثریت کھوٹ گئی اور نئی مخلوط حکومت قائم ہوئی۔

شعبہ جات کارکردگی کے لحاظ سے، آٹو اسمبلرز، کیمیکلز، کمرشل بینک، فریلاٹرز، آئل اینڈ گیس ایکسپلوریشن، اور پاور جنریشن اور ڈسٹری بیوشن سیکٹرز نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ دوسری طرف، آٹو پارٹس اینڈ ایکسیسریز، کیبل اور الیکٹریکل سامان، سہنٹ، انجینئرنگ، خوراک اینڈ ذاتی نگہداشت، انشورنس، آئل اینڈ گیس مارکیٹنگ، فارماسیوٹیکل، ریفرنسری اور ٹیکنالوجی کے شعبے مارکیٹ میں پیچھے رہے۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر، غیر ملکی اور میوچل فنڈز بالترتیب 298 ملین امریکی ڈالر اور 128 ملین امریکی ڈالر کے اخراج کے ساتھ سب سے زیادہ خالص فروخت کنندگان رہے۔ اس کے برعکس، افراد اور بینک/DFIs نے اپنے خالص ہولڈنگز میں بالترتیب 157 ملین امریکی ڈالر اور 115 ملین امریکی ڈالر کا اضافہ کیا۔

کارپوریٹ ڈیٹ سیکورٹیز میں تجارتی سرگرمیاں سست رہیں کیونکہ مجموعی تجارت 10.2 بلین روپے رہی۔ تاہم، مارکیٹ نے پاور اینڈ ڈسٹری بیوشن اور بینکنگ کے شعبوں میں TFCs اور سٹاک کا نیا اجراء دیکھا۔

مالی سال 22 کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے آٹھ (8) ماہی پالیسی اجلاس منعقد کئے اور اہم ملکی سیاسی شورا عالمی غیر یقینی صورتحال کی وجہ سے افراط زر کے دباؤ کا مقابلہ کرنے، معاشی استحکام کو یقینی بنانے اور بیرونی اور قیوتوں کے استحکام کی حفاظت کے لیے؛ ڈسکاؤنٹ کی شرح کو 8% سے بڑھا کر 14.75% کر دیا۔ دوسری ششماہی کے دوران، روس-یوکرین تنازعہ اور ایشیا کی بڑھتی ہوئی قیمتوں کی وجہ سے عالمی اقتصادی حالات خراب ہو گئے، جس نے دنیا بھر کے تمام مرکزی بینکوں کو کئی سالوں کی بلند افراط زر اور چیلنجنگ آؤٹ لک کا سامنا کرنے پر مجبور کر دیا۔ ملکی سطح پر، افراط زر میں بھی بڑھنے کا رجحان رہا جس کی وجہ سے (i) غذائی اجزاء کی قیمتوں میں تیزی سے اضافہ، (ii) روپیہ پر مسلسل دباؤ، (iii) پمپٹینی ٹریف میں اضافہ، اور (iv) ایندھن کی سبسڈی کا ختم ہونا۔ CPI کی پیمائش کردہ افراط زر جون-22 میں 21.3 فیصد تک پہنچ گئی جو گزشتہ سال کے اسی مہینے کے دوران 9.7 فیصد تھی۔ اسٹیٹ بینک پاکستان کے پاس غیر ملکی زرمبادلہ کے مجموعی ذخائر بھی ایک سال قبل 17.23 بلین امریکی ڈالر کے مقابلے میں جون-22 کے آخر میں 9.8 بلین امریکی ڈالر تک کم ہو گئے۔ افراط زر کا نقطہ نظر خراب ہو گیا اور بیرونی استحکام کے لیے خطرات بڑھ گئے ہیں، آئندہ سال کی پہلی ششماہی میں شرح مزید بڑھنے کا امکان ہے۔

اسٹیٹ بینک پاکستان نے چھبیس (26) ٹی بل تیلامیوں کا انعقاد کیا، جس سے کل 17.1 ٹریلین روپے کی وصولی ہوئی۔ حکومتی شرح منافع میں بھی حرکت دیکھی گئی جس کے نتیجے میں ثانوی مارکیٹ کی شرح منافع میں تیزی سے اضافہ ہوا، جس نے پالیسی ریٹ سے اپنے اعلیٰ تغیر کو برقرار رکھا۔ 3 ماہ، 6 ماہ اور 12 ماہ کی مدت کے لئے T-Bills کی شرح منافع میں بالترتیب 762، 770 اور 749 پیسہ پوائنٹس کا اضافہ ہوا۔

ایکویٹی سب فنڈ گزشتہ اسی مدت کے دوران بیچ مارک KSE-100 انڈیکس میں 12.3% کی کمی کے مقابلے میں مالی سال 22 کے دوران 12.5% کی کمی ہوئی۔ ڈیٹ سب فنڈ نے مالی سال 2022 کے دوران 10.4% منافع کمایا۔

منی مارکیٹ سب فنڈ نے سال کے دوران 10.7% کا منافع حاصل کیا۔ یہ منافع میجمنٹ فیس اور تمام دیگر اخراجات منہا کرنے کے بعد خالص ہے۔

30 جون 2022 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:

اسٹیٹ ایلوکیشن	(فیٹ ایلوکیشن کا %)
ایکویٹی سب فنڈ	
ایکویٹی	98.0%
کیش کے مساوی	2.4%
دیگر	(0.4%)
کل	100.00%
ڈیٹ سب فنڈ	
TFCs / سٹوک	19.3%
کمرشل پیپرز	3.5%
PIBs	12.5%
کیش کے مساوی	64.3%
دیگر	0.4%
کل	100.00%
منی مارکیٹ سب فنڈ	
کیش کے مساوی	97.3%
کمرشل پیپرز	2.5%
دیگر	0.2%
کل	100.00%

سندھ ورکرز ویلفیئر فنڈ (SWWF)

مورخہ 12 اگست 2021 کو سندھ ریونیو بورڈ کی جانب سے ایک وضاحتی مراسلہ نمبر SRB/TP/70/2013/8772 میوہیل فنڈز ایسوسی ایشن آف پاکستان کو بھیجا گیا جسکی رو سے پروویڈنٹنگ کو 13 اگست 2021 کو ریورس کر دیا گیا۔ پروویڈنٹنگ کی اس ریورس کے باعث NAV میں غیر معمولی اضافہ ہوا۔ یہ ایک ایسا موقع ہے جسکا مستقبل میں دوبارہ ہونے کا امکان نہیں ہے۔

Increase in NAV (%)	SWWF Reversed (Rs million)	
1.31%	14.9	INPF ایکویٹی سب فنڈ
0.78%	4.6	NPF ڈیٹ سب فنڈ
0.46%	6.3	NPF مٹی مارکیٹ سب فنڈ

آڈیٹر

موجودہ آڈیٹر، میسرز یوسف عادل، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر 30 جون 2023 کو ختم ہونے والے سال کے دوبارہ تقرر کے لئے خود کو پیش کرتے ہیں۔

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

1. مینجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلواور اینڈ ہولڈرز فنڈز میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔
2. فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
3. مالی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی گئی ہے۔ شماریاتی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔
4. ان مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی، معیاروں، جہاں تک وہ پاکستان میں قابل اطلاق ہیں، کی پیروی کی گئی ہے۔
5. انٹرنل کنٹرول کا نظام مستحکم اور موثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
6. فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔
7. کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔
8. پرفارمنس ٹیمبل / اہم مالیاتی ڈیٹا اس سالانہ رپورٹ میں شامل ہیں۔
9. ٹیکسوں، ڈیوٹیوں، محصولات اور چارجز کی مد میں واجب الادا سرکاری ادائیگیاں مالیاتی گوشواروں میں پوری طرح ظاہر کر دی گئی ہیں۔
10. سال کے دوران مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد ہوئے۔
11. کنٹری بیوشن ٹیمبل کی تفصیلات ان مالی حسابات کے نوٹ 18 میں ظاہر کی گئی ہیں۔
12. ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور کم عمر بچوں کی طرف سے کی جانے والی فنڈ کے پینس کی تمام خرید و فروخت ان مالیاتی گوشواروں کے نوٹ 21 میں ظاہر کی گئی ہے۔
13. کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدار ان ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطے کوئی منارٹی انٹریسٹ نہیں رکھتی۔ 30 جون 2022 کو بورڈ آف ڈائریکٹرز درج ذیل ارکان پر مشتمل ہیں:

نام	کیٹگری
<ul style="list-style-type: none"> •1 جناب خالد منصور •2 جناب سعد امان اللہ خان •3 جناب ہمایوں بشیر 	غیر جانبدار ڈائریکٹرز
ڈاکٹر امجد وحید (چیف ایگزیکٹو آفیسر)	ایگزیکٹو ڈائریکٹر
<ul style="list-style-type: none"> •1 شیخ محمد عبدالواحد سیٹھی (چیئر مین) •2 جناب توقیر مظہر •3 محترمہ مہناز سالار •4 جناب علی سید گل •5 جناب عمران ظفر 	نان ایگزیکٹو ڈائریکٹرز

اظہار تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 27 ستمبر 2022ء

مقام: کراچی

TRUSTEE REPORT TO THE PARTICIPANTS

Report of the Trustee pursuant to Regulation 67D (viii) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NAFA Pension Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Pension Fund Manager of the Fund has in all material respects managed the Fund during the year ended June 30, 2022 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 28, 2022

FUND MANAGER REPORT

NAFA Pension Fund

NAFA Pension Fund is an Open-ended Voluntary Pension Scheme

Investment Objective of the Fund

To provide a secure source of savings and regular income after retirement to the Participants.

Fund performance review

	Fund Size (Rs. in mln)	NAV Per Unit (Rs.) June 30, 2021	NAV Per Unit (Rs.) June 30, 2022	Performance Since Launch July 02, 2013
NPF-Equity Sub-fund	902.6	369.3173	323.3181	13.8%
NPF-Debt Sub-fund	694.2	197.6708	218.2313	8.9%
NPF-Money Market Sub-fund	1,920.5	170.9290	189.1724	7.2%
Annualized Return	[Net of management fee & all other expenses]			

This is the ninth annual report of the Fund. FY22 remained a disappointing year for the stock market, as the KSE-100 index fell by around 12.3% on a yearly basis. This comes after robust return in FY21 when index surged by a healthy 37.6% YoY. Throughout the year, the market remained quite volatile amid thin volumes, traded within a range and showing lack of investors' interest.

The subdued equity market performance was despite robust corporate profitability of listed companies, which for the first three quarters of FY22 stood at 25% and, even after the imposition of super tax, is expected to deliver double digit growth. Investors remained focused on external numbers, especially the burgeoning current account deficit (CAD) which rose sharply to USD 17.3 billion in FY22 (up from USD 2.8 billion in FY21). Strong aggregate domestic demand and ongoing commodity super-cycle amidst the conflict between Russia & Ukraine worsened the external trade numbers. Market participants also remained wary of impact of elevated commodity prices on inflation, which averaged around 12.2% in FY22, with June-22 monthly inflation at multi-year high of 21.3%. The international bond yields rose substantially during the period. To compress both external imbalances and rampant inflation, the central bank raised Policy Rates aggressively by a cumulative 6.75% in FY22. For the same reason, PKR also devalued by a whopping 30% during the year. The inordinate delay in resumption of IMF program remained another reason for nervousness in the market. The downgrade of Pakistan from MSCI Emerging Market to MSCI Frontier Market also took place during the year, necessitating rebalancing on part of foreign investors that resulted in sizeable foreign outflows, which further dented market performance. Lastly, there was heightened political uncertainty in the country as the ruling party lost its majority in the assembly and new coalition government was formed.

In terms of sector wise performance, Auto Assemblers, Chemicals, Commercial Banks, Fertilizers, Oil & Gas Exploration, and Power Generation & Distribution sectors outperformed the market. On the other hand, Auto Parts & Acc., Cable & Electrical Goods, Cements, Engineering, Food & Personal Care, Insurance, Oil & Gas Marketing, Pharmaceutical, Refinery, and Technology sectors lagged the market. On participants-wise market activity, Foreigners and Mutual Funds were the largest net sellers with outflows of around USD 298 million and USD 128 million, respectively. On the contrary, Individuals & Bank/DFIs increased their net holdings by around USD 157 million and USD 115 million, respectively.

The trading activity in corporate debt securities remained sluggish as the cumulative traded value stood at Rs. 10.2 billion. However, market witnessed fresh issuance of TFCs and Sukuks in the Power & Distribution and Banking sectors. During FY22, State Bank of Pakistan (SBP) held five (5) Monetary Policy meetings and increased the discount rate from 8% to 14.75% - to counter inflationary pressures, ensure economic sustainability and safeguard external & price stability; owing to significant domestic political noise and global uncertainty. During the second half, global economic conditions deteriorated due to Russia-Ukraine conflict and burgeoning commodity prices, which pushed all the central banks across the world to confront multi-year high inflation and challenging outlook. Domestically, the inflation trajectory also remained on an uptrend due to i) sharp spike in prices of food component, ii) continued pressure on the Rupee, iii) increase in utility tariffs, and iv) reversal of fuel subsidies. Inflation as measured by CPI clocked in at 21.3% in June-22 as against 9.7% during corresponding month last year. Gross foreign exchange reserves with SBP also shrunk to USD 9.8 billion at June-22 end compared to USD 17.3 billion a year ago. The outlook for inflation has deteriorated and risks to external stability have risen, with further rate hikes likely in the initial half of the upcoming year.

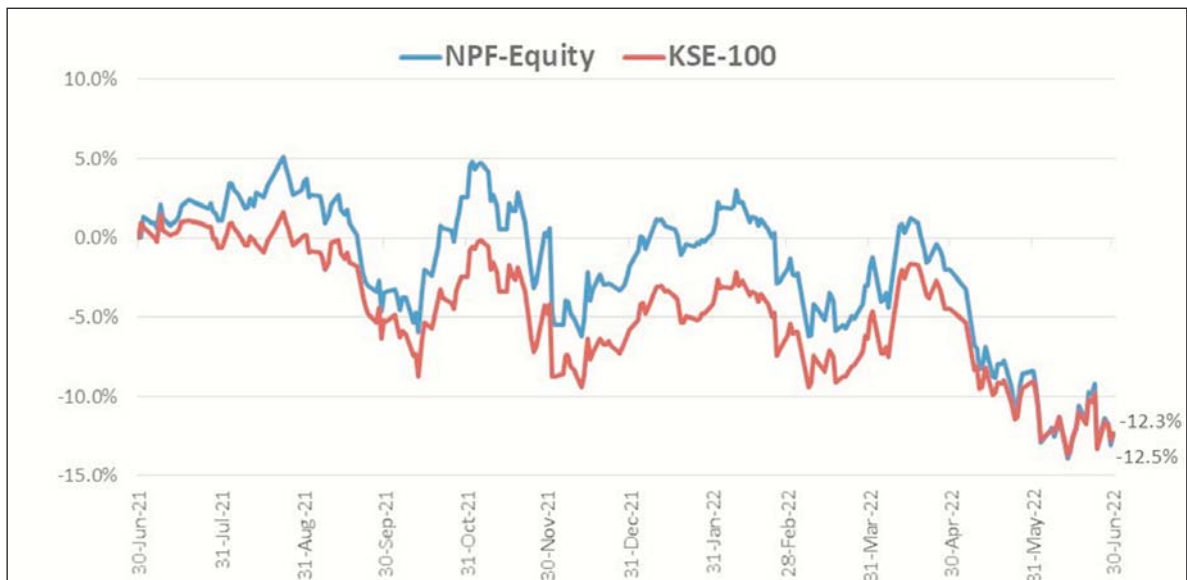
SBP held twenty-six (26) T-Bill auctions, realizing a total of Rs. 17.1 trillion. The sovereign yields also witnessed high movements resulting in sharp rise in secondary market yields, which maintained their high delta from the Policy Rate. The yields on T-Bills for 3-month, 6-month and 12-month tenures increased by 770, 762 and 749 basis points, respectively.

The equity sub-fund decreased by 12.5% during FY22 compared with 12.3% decrease in the KSE-100 Index during the same period.

The debt sub-fund yielded 10.4% return during FY22.

The money market sub-fund delivered a return of 10.7% during the year. These returns are net of management fee and all other expenses.

NPF-Equity Performance vs. KSE-100 during FY22



Asset Allocation of the Fund (% of NAV)

Asset Allocation (% of Net Assets)	
Equity Sub-fund	
Equity	98.0%
Cash Equivalents	2.4%
Others	(0.4%)
Total	100.0%
Debt Sub-fund	
TFCs/Sukuks	19.3%
Commercial Papers	3.5%
PIBs	12.5%
Cash Equivalents	64.3%
Others	0.4%
Total	100.0%
Money Market Sub-fund	
Cash Equivalents	97.3%
Commercial Papers	2.5%
Others	0.2%
Total	100.0%

During the period under question:

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

Sindh Workers' Welfare Fund (SWWF)

On August 13, 2021 provisioning against Sindh Workers' Welfare Fund by NAFA Pension Fund has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV on August 13, 2021 of the sub-Funds as detailed below. This is one-off event and is not likely to be repeated in the future.

	SWWF Reversed (Rs million)	Increase in NAV (%)
Equity Sub-fund	14.9	1.31%
Debt Sub-fund	4.6	0.78%
Money Market Sub-fund	6.3	0.46%

INDEPENDENT AUDITORS' REPORT TO THE PARTICIPANT SUB' FUNDS

To the participants of NAFA Pension Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **NAFA Pension Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2022, and the income statement and statement of comprehensive income, the statement of cash flows, the statement of movement in participants' sub funds, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2022, and of its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

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

Information other than the financial statements and auditor's report thereon

Management Company is responsible for the other information. The other information comprises the information (Directors' Report, Fund Manager Report & Trustee Report to the Unit Holders) included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management Company and Those Charged with Governance for the financial statements

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

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

Board of Directors of the Management Company are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

We communicate with Those Charged with Governance of Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Based on our audit, we further report that in our opinion:

- a) the financial statements prepared for the year ended June 30, 2022 have been properly drawn in accordance with the relevant provisions of the Trust Deed and the Voluntary Pension System Rules, 2005;
- b) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005; and
- c) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund.

The engagement partner on the audit resulting in this independent auditor's report is **Nadeem Yousuf Adil**.

Yousuf Adil
Chartered Accountants

Place: Karachi
Date: September 28, 2022
UDIN: AR202210091gwOqc8iaT

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2022

	2022					2021					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
Note ----- (Rupees) -----											
Assets											
Bank balances	5	21,628,862	446,585,653	1,868,895,385	2,814,015	2,339,923,915	24,509,605	314,745,521	1,153,944,982	4,224,053	1,497,424,161
Investments	6	884,662,436	245,238,733	48,200,053	-	1,178,101,222	1,091,031,630	253,699,951	238,374,949	-	1,583,106,530
Mark-up accrued	7	8,458	6,055,624	9,684,687	-	15,748,769	65,873	4,552,717	4,712,735	-	9,331,325
Dividend receivables		162,400	-	-	-	162,400	-	-	-	-	-
Receivable against transfer of units		-	29,465	-	-	29,465	1,280	-	2,684,119	-	2,685,399
Receivable against sale of investment		2,131,875	-	-	-	2,131,875	4,149,858	-	-	-	4,149,858
Advance, deposits and other receivables	8	3,040,846	462,057	100,000	-	3,602,903	11,118,286	462,057	100,000	-	11,680,343
Total assets		911,634,877	698,371,532	1,926,880,125	2,814,015	3,539,700,549	1,130,876,532	573,460,246	1,399,816,785	4,224,053	3,108,377,616
Liabilities											
Payable to NBP Fund Management Limited - Pension Fund Manager	9	6,174,425	1,498,533	2,039,245	872,340	10,584,543	1,697,589	837,233	1,932,131	2,282,378	6,749,331
Payable to Central Depository Company of Pakistan Limited - Trustee	10	93,359	82,253	188,435	-	364,047	125,937	59,156	144,139	-	329,232
Payable to Securities and Exchange Commission of Pakistan	11	389,797	233,192	564,791	-	1,187,780	253,924	132,781	315,643	-	702,348
Payable against purchase of Investments		-	-	-	-	-	-	-	-	-	-
Payable against redemption of units		-	553,516	2,252,894	-	2,806,410	2,658,677	603,208	1,920,221	-	5,182,106
Accrued expenses and other liabilities	12	2,344,686	1,833,502	1,364,571	1,941,675	7,484,434	16,812,099	6,135,363	7,516,195	1,941,675	32,405,332
Total liabilities		9,002,267	4,200,996	6,409,936	2,814,015	22,427,214	21,548,226	7,767,741	11,828,329	4,224,053	45,368,349
Net assets		902,632,610	694,170,536	1,920,470,189	-	3,517,273,335	1,109,328,306	565,692,505	1,387,988,456	-	3,063,009,267
Participants' funds (as per statement attached)		902,632,610	694,170,536	1,920,470,189	-	3,517,273,335	1,109,328,306	565,692,505	1,387,988,456	-	3,063,009,267
Contingencies and commitments											
-----Number of units-----											
Number of units in issue	16	2,791,779	3,180,894	10,151,956			3,003,727	2,861,791	8,120,261		
-----Rupees-----											
Net assets value per unit		323.3181	218.2313	189.1724			369.3173	197.6708	170.9290		

The annexed notes 1 to 26 form an integral part of these financial statements.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2022

Note	2022				2021				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
	(Rupees)								
Income									
Mark-up / return on bank deposits	3,012,422	40,566,824	140,124,435	183,703,681	2,410,917	9,697,877	37,648,706	49,757,500	
Income from term deposit receipt	-	-	-	-	-	-	4,756,274	4,756,274	
Mark-up / return on government securities	-	10,417,853	14,526,302	24,944,155	-	22,150,549	44,080,478	66,231,027	
Mark-up / return from term finance certificates	-	15,271,138	3,836,096	19,107,234	-	8,235,134	1,721,712	9,956,846	
Income from commercial papers	-	2,107,083	8,261,702	10,368,785	-	2,461,023	4,534,718	6,995,741	
Dividend income	77,479,904	-	-	77,479,904	47,500,968	-	-	47,500,968	
Net gain / (loss) on sale of investments	5,556,352	101,962	177,016	5,835,330	97,096,472	(7,531,299)	(291,166)	89,274,007	
Net unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss	(195,881,939)	(490,518)	-	(196,372,457)	185,577,000	(759,458)	-	184,817,542	
Total (loss) / income	(109,833,261)	67,974,342	166,925,551	125,066,632	332,585,357	34,253,826	92,450,722	459,289,905	
Expenses									
Remuneration of NBP Fund Management Limited - Pension Fund Manager	9.1	16,083,337	4,002,518	7,090,868	27,176,723	15,235,423	7,966,846	18,938,569	42,140,838
Sindh Sales Tax on remuneration to Pension Fund Manager	9.2	2,090,834	520,328	921,813	3,532,975	1,980,605	1,035,690	2,462,014	5,478,309
Reimbursement of Allocated expenses related to registrar services, accounting, operation and valuation services	9.3	1,635,611	501,077	1,221,275	3,357,963	-	-	-	-
Reimbursement of Selling and Marketing expenses	9.4	14,720,498	2,661,183	2,831,320	20,213,001	-	-	-	-
Remuneration to Central Depository Company of Pakistan Limited - Trustee	10.1	1,222,786	722,792	1,744,555	3,690,133	1,195,938	625,997	1,487,438	3,309,373
Sindh Sales Tax on remuneration to Central Depository Company of Pakistan Limited - Trustee	10.2	158,963	93,963	226,792	479,718	155,471	81,379	193,366	430,216
Annual fee to the Securities and Exchange Commission of Pakistan	11	389,797	233,192	564,791	1,187,780	253,924	132,781	315,643	702,347
Auditors' remuneration	19	153,386	153,137	153,137	459,660	122,448	122,448	122,448	367,344
Securities transaction costs		1,035,158	10,896	3,700	1,049,754	2,019,616	16,079	6,249	2,041,944
Legal and professional charges		59,462	128,933	130,933	319,328	18,842	36,849	35,754	91,445
Printing expenses		47,099	49,183	47,102	143,384	16,027	25,814	27,902	69,743
Settlement and bank charges		648,864	411,692	112,269	1,172,825	481,697	228,356	269,531	979,584
Total expenses		38,245,795	9,488,894	15,048,555	62,783,244	21,479,991	10,272,239	23,858,914	55,611,144
Net (loss) / income from operating activities		(148,079,056)	58,485,448	151,876,996	62,283,388	311,105,366	23,981,587	68,591,808	403,678,761
Reversal / (Provision) for Sindh Workers' Welfare Fund	12.1	14,460,633	4,481,783	6,120,229	25,062,645	(6,222,110)	(479,631)	(1,371,835)	(8,073,576)
Net (loss) / income for the year before taxation		(133,618,423)	62,967,231	157,997,225	87,346,033	304,883,256	23,501,956	67,219,973	395,605,185
Taxation	13	-	-	-	-	-	-	-	-
Net (loss) / income for the year after taxation		(133,618,423)	62,967,231	157,997,225	87,346,033	304,883,256	23,501,956	67,219,973	395,605,185

The annexed notes 1 to 26 form an integral part of these financial statements.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2022

	2022				2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----							
Net (loss) / income for the year	(133,618,423)	62,967,231	157,997,225	87,346,033	304,883,256	23,501,956	67,219,973	395,605,185
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the year	(133,618,423)	62,967,231	157,997,225	87,346,033	304,883,256	23,501,956	67,219,973	395,605,185

The annexed notes 1 to 26 form an integral part of these financial statements.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF MOVEMENT IN PARTICIPANTS SUB FUND FOR THE YEAR ENDED JUNE 30, 2022

	2022				2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees) -----							
Net assets at beginning of the year	1,109,328,306	565,692,505	1,387,988,456	3,063,009,267	757,642,316	604,400,814	1,152,748,024	2,514,791,154
Amount received / receivable on issuance of units	142,115,544	192,629,480	566,253,051	900,998,075	310,226,703	127,594,663	519,669,648	957,491,014
Amount paid / payable on redemption of units	(58,299,355)	(90,200,832)	(385,579,853)	(534,080,040)	(285,247,923)	(104,241,685)	(415,388,477)	(804,878,085)
Reallocation among sub-funds	(156,893,462)	(36,917,848)	193,811,310	-	21,823,954	(85,563,242)	63,739,288	-
	(73,077,273)	65,510,800	374,484,508	366,918,035	46,802,734	(62,210,264)	168,020,459	152,612,929
Net gain / (loss) on sale of investments	5,556,352	101,962	177,016	5,835,330	97,096,472	(7,531,299)	(291,166)	89,274,007
Net unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss	(195,881,939)	(490,518)	-	(196,372,457)	185,577,000	(759,458)	-	184,817,542
Other net income for the year	56,707,164	63,355,787	157,820,209	277,883,160	22,209,784	31,792,712	67,511,139	121,513,635
Total comprehensive (loss) / income for the year	(133,618,423)	62,967,231	157,997,225	87,346,033	304,883,256	23,501,955	67,219,973	395,605,184
Net assets at end of the year	902,632,610	694,170,536	1,920,470,189	3,517,273,335	1,109,328,306	565,692,505	1,387,988,456	3,063,009,267
Net assets value per unit at beginning of the year	369.3173	197.6708	170.9290		263.6676	188.9459	162.0954	
Net assets value per unit at end of the year	323.3181	218.2313	189.1724		369.3173	197.6708	170.9290	

The annexed notes 1 to 26 form an integral part of these financial statements.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2022

	2022					2021				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
CASH FLOWS FROM OPERATING ACTIVITIES	(Rupees)									
Net (loss) / income for the year	(133,618,423)	62,967,231	157,997,225	-	87,346,033	304,883,256	23,501,956	67,219,973	-	395,605,185
Adjustments										
Net unrealised loss / (gain) on re-measurement of investments at fair value through profit or loss	195,881,939	490,518	-	-	196,372,457	(185,577,000)	759,458	-	-	(184,817,542)
Net (gain) / loss on sale of investments	(5,556,352)	(101,962)	(177,016)	-	(5,835,330)	(97,096,472)	7,531,299	291,166	-	(89,274,007)
	56,707,164	63,355,787	157,820,209	-	277,883,160	22,209,784	31,792,713	67,511,139	-	121,513,636
Decrease / (increase) in assets										
Investments - net	18,061,590	8,072,664	190,351,912	-	216,486,166	(68,947,357)	279,429,123	196,058,262	-	406,540,028
Mark-up accrued	57,415	(1,502,907)	(4,971,952)	-	(6,417,444)	1,426,465	11,454,422	(1,403,388)	-	11,477,499
Dividend receivables	(162,400)	-	-	-	-	-	-	-	-	-
Advance, deposits and other receivables	8,077,440	-	-	-	8,077,440	(8,077,440)	-	-	-	(8,077,440)
	26,034,045	6,569,757	185,379,960	-	218,146,162	(75,598,332)	290,883,545	194,654,874	-	409,940,087
(Decrease) / Increase in liabilities										
Payable to NBP Fund Management Limited - Pension Fund Manager	4,476,835	661,300	107,114	(1,410,038)	3,835,211	555,722	(80,976)	330,967	(870,190)	(64,477)
Payable to Central Depository Company of Pakistan Limited - Trustee	(32,578)	23,097	44,296	-	34,815	29,054	(17,415)	5,548	-	17,187
Payable to Securities and Exchange Commission	135,873	100,411	249,148	-	485,432	44,900	(45,345)	17,283	-	16,838
Accrued expenses and other liabilities	(14,467,413)	(4,301,861)	(6,151,624)	-	(24,920,898)	6,385,329	291,754	1,076,100	-	7,753,183
	(9,887,283)	(3,517,052)	(5,751,066)	(1,410,038)	(20,565,440)	7,015,005	148,018	1,429,898	(870,190)	7,722,731
Net cash generated from / (used in) operating activities	72,853,926	66,408,492	337,449,103	(1,410,038)	475,301,483	(46,373,543)	322,824,276	263,595,911	(870,190)	539,176,454
CASH FLOWS FROM FINANCING ACTIVITIES										
Amount received on issuance of units	142,116,824	192,600,015	568,937,170	-	903,654,009	310,225,423	127,639,111	517,044,886	-	954,909,420
Amount paid on redemption of units	(60,958,031)	(90,250,527)	(385,247,180)	-	(536,455,738)	(282,589,246)	(104,051,533)	(441,911,594)	-	(828,552,373)
Reallocation among sub-funds	(156,893,462)	(36,917,848)	193,811,310	-	-	21,823,954	(85,563,242)	63,739,288	-	-
Net cash (used in) / generated from financing activities	(75,734,669)	65,431,640	377,501,300	-	367,198,271	49,460,131	(61,975,664)	138,872,580	-	126,357,047
Net (decrease) / increase in cash and cash equivalents	(2,880,743)	131,840,132	714,950,403	(1,410,038)	842,499,754	3,086,588	260,848,612	402,468,491	(870,190)	665,533,501
Cash and cash equivalents at beginning of the year	24,509,605	314,745,521	1,153,944,982	4,224,053	1,497,424,161	21,423,017	53,896,909	751,476,491	5,094,243	831,890,660
Cash and cash equivalents at end of the year	21,628,862	446,585,653	1,868,895,385	2,814,015	2,339,923,915	24,509,605	314,745,521	1,153,944,982	4,224,053	1,497,424,161

The annexed notes 1 to 26 form an integral part of these financial statements.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NAFA Pension Fund (“the Fund”) was established under a Trust Deed, dated 12 October 2012, between NBP Fund Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on November 16, 2012.
- 1.2 The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi.
- 1.3 The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the Offering document, no distribution of income or dividend is allowed from any of the sub-funds.
- 1.4 The objective of the Fund is to provide individuals with a portable, individualised, funded (based on defined contribution), flexible pension scheme, assisting and facilitating them to plan and provide for their retirement.
- 1.5 The Fund consists of three sub-funds namely, NAFA Pension Fund Equity Sub-Fund (“Equity Sub-Fund”), NAFA Pension Fund Debt Sub-Fund (“Debt Sub-Fund”) and NAFA Pension Fund Money Market Sub-Fund (“Money Market Sub-Fund”) (collectively the “Sub-Funds”). The investment policy for each of the sub-funds are as follows:
- The Equity sub-fund consists of a minimum 90% of net assets invested in listed equity securities, investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) of equity sub-fund or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV of equity sub-fund or index weight, subject to a maximum of 35% of NAV of equity sub-fund. Remaining assets of the equity sub-fund may be invested in government treasury bills or government securities having less than one year time to maturity, or be deposited with scheduled commercial banks having at least 'A' rating.
 - The Debt Sub-Fund consists of tradable debt securities with weighted average duration of the investment portfolio of the Sub-Fund not exceeding five years. At least twenty five percent (25%) of the net assets of debt sub-fund shall be invested in securities issued by the Federal Government. Up to twenty five percent (25%) may be deposited with banks having not less than “A+” rating with a stable outlook. Exposure to securities issued by companies of a single sector shall not exceed 25% of net assets of a debt sub-fund. Deposit in a single bank shall not exceed 10% of net asset of the debt sub-fund. Composition of the remaining portion of the investments shall be according to the criteria mentioned in the offering document.
 - The Money Market sub-fund consists of short term debt instruments with weighted average time to maturity not exceeding ninety days. There is no restriction on the amount of investment in securities issued by the Federal Government and deposit with commercial banks having 'AA' or higher rating. Investment in securities issued by provincial or city government, government corporate entities with 'AA' or higher rating or a government corporations with 'AA' or higher rating shall be in proportion as defined in offering document.

- 1.6 The Fund offers six types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility, Customized Allocation and Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The Participant has the option to select any one from the Allocation Schemes or products being offered by the Pension Fund Manager at the date of opening his / her Individual Pension Account. The Participant may change the Allocation Scheme not more than twice a year. Thereafter, the contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis or with any other frequency.
- 1.7 Under the provisions of the Offering Document of the fund, Contributions received from or on behalf of any Participant by Trustee in cleared funds on any business day shall be credited to the Individual Pension Account of the Participant after deducting the Front-end Fees, any premium payable in respect of any schemes selected by the Participant pursuant to the offering document and any bank charges in respect of the receipt of such Contributions.
- The net Contribution received in the Individual Pension Account shall be used to allocate such number of Units of the relevant Sub-Funds in accordance with the Allocation Policy selected by the Participant as is determined in accordance with the Trust Deed and the Units shall be allocated at Net Asset Value notified by the Pension Fund Manager at the close of that business day.
- 1.8 Pakistan Credit Rating Agency (PACRA) has maintain management quality rating of 'AM1' to the Pension Fund Manager while the Fund is currently not rated.
- 1.9 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.10 During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on November 03, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
 - Provisions of and directives issued under Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Voluntary Pension System Rules, 2005 (the VPS Rules), Voluntary Pension System Part V (NBFC Regulations, 2008) 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 VPS Rules and requirements of the trust deed differ from the IFRS standards, provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules and requirements of the trust deed have been followed.

- 2.1.2 The SECP vide SRO 800 (I)/2021 dated June 22, 2021 modified the effective date for applicability of International Financial Reporting Standard 9 - Financial Instruments in place of International Accounting Standard 39 (Financial Instruments: Recognition and Measurement) for Non-Banking Finance Companies and Modarabas, as

“Reporting period/year ending on or after June 30, 2022 (earlier application permitted)”. However, as permitted the Fund had already applied the IFRS-9 during the year ended June 30, 2019 with the exception of below mentioned impairment requirements (refer note 4.2.3).

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for the investments classified as 'at fair value through profit or loss' which are measured at fair value.

2.3 Functional and presentation currency

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

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan. It requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in the application of accounting policies are given below:

- a) classification and valuation of financial assets (Note 4.2.2.1)
- b) impairment of financial assets (Note 4.2.3)
- c) provisions (Note 4.5)

3 ADOPTION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS:

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2022

The following standards, amendments and interpretations are effective for the year ended June 30, 2022. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective from accounting period beginning on or after:
Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 01, 2021
Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions extended beyond June 30, 2021	April 01, 2021

3.2 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the fund's financial statements other than certain additional disclosures.

	Effective from accounting period beginning on or after:
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract	January 01, 2022
Annual Improvements to IFRS Standards 2018-2020 Cycle (related to IFRS 9, IFRS 16 and IAS 41)	January 01, 2022
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	January 01, 2023
Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.	January 01, 2023
Amendments to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely
Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:	
- IFRS 1 – First Time Adoption of International Financial Reporting Standards	
- IFRS 17 – Insurance Contracts	

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Cash and cash equivalents

Cash comprises saving accounts with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to insignificant change in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

4.2 Financial assets and liabilities

4.2.1 Initial recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortised cost as the case may be.

The Fund recognizes financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial liabilities are not recognized unless one of the parties has performed its part of the contract or the contract is a derivative contract.

4.2.2 Classification and measurement

4.2.2.1 Financial assets

There are three principal classification categories for financial assets:

- Measured at amortized cost ("AC"),
- Fair value through other comprehensive income ("FVTOCI") and
- Fair value through profit or loss ("FVTPL").

Financial asset at amortised cost

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

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

Financial Asset at FVTOCI

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

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

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

FVTOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

Financial asset at FVTPL

All other financial assets are classified as measured at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVTOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

Financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the profit or loss

Business Model Assessment

The business model is determined under IFRS 9 at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. It is not an instrument-by-instrument analysis; rather it can be performed at a higher level aggregation. It is typically observable through the activities that the entity undertakes to achieve the objective of the business model; all relevant evidence that is available at the date of the assessment (including history of sales of the financial assets) are considered.

4.2.2.2 Financial liabilities

The fund classifies its financial liabilities in the following categories

- Measured at amortized cost (AC); or
- Measured at Fair value through profit or loss (FVTPL); or

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Fund has opted to measure them at FVTPL.

Classification and measurement of financial liabilities

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires as follows:

- The amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.
- Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss.

4.2.3 Impairment of financial assets

The Fund at each reporting date determines whether there is objective evidence that a financial asset or a group of financial assets is impaired. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds the recoverable amount.

The SECP / Commission has through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of Financial Instruments (IFRS 9) for debt securities on mutual funds. Therefore the Fund will not be subject to the impairment provisions of IFRS 9. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012.

4.2.4 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of debt securities:

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The aforementioned circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

Basis of valuation of government securities:

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKIRSV rates) which are based on the remaining tenor of the securities.

Basis of valuation of equity securities

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising on changes in the fair value of financial assets carried at fair value through profit or loss are taken to the income statement.

Basis of valuation of instruments (other than debt and government securities) at amortised cost

Subsequent to initial recognition, financial assets classified as amortised cost are carried at amortised cost using the effective interest method.

Gains or losses are also recognised in the income statement when financial assets carried at amortised cost are derecognised or impaired, and through the amortisation process.

4.2.5 Regular way contracts

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

4.2.6 Derecognition

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

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4.2.7 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the statement of assets and liabilities if the Fund has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.3 Impairment of non financial assets

The carrying value of the Fund's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the income statement. If in a subsequent period, the amount of an impairment loss recognised decreases, the impairment is reversed through the Income Statement.

4.4 Issuance and redemption of units

Contribution received in the individual pension account after deduction of takaful premium (for optional Takaful covers), if any, followed by deduction of applicable front end fee, is used to purchase the units of sub-funds of the Fund according to the Allocation Scheme selected by the participant. The units are allotted at the net assets value notified by the Pension Fund Manager at the close of the business day for each sub-fund. The front end fee is if applicable, payable to the distributors and the Pension Fund Manager.

The Pension Fund Manager makes reallocation of the sub-fund units between the sub-funds at least once a year to ensure that the allocation of the sub-fund units of all the Participants are according to the allocation schemes selected by the Participants. In case of withdrawal before retirement, units are redeemed at the net assets value of each of the Sub-Funds as of the close of the business day on which such request is received by the distributor before the cut off time. Redemption of units is recorded on acceptance of application for redemption.

In case of retirement of the participant, units are redeemed at the net assets value of each of the Sub-Fund as of the close of the business day on which retirement age is reached. In case of change of Pension Fund Manager, units are redeemed at the net assets value of each of the Sub-Fund as of the close of the business day corresponding to the date of change specified by the participant.

4.5 Provisions

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

4.6 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the 'income statement' on the date at which the transaction takes place.
- Unrealised capital gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Income on bank balances and term deposits, term finance certificates, government securities, letter of placement and commercial papers are recognised on a time apportionment basis using the effective interest method.
- Dividend income is recognised when the Fund's right to receive the same is established i.e. on the date of book closure of the investee company / institution declaring the dividend.
- Profit on debt securities classified as non performing assets are recognised on receipt basis.

4.7 Expenses

All expenses, including remuneration of the Pension Fund Manager, Trustee and annual fee to the Securities and Exchange Commission of Pakistan fee are recognised in the Income statement on accrual basis

4.8 Distributions to the unit holders

Distribution of dividend or bonus units are not allowed under VPS Rules 2005.

4.9 Earnings per unit

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

4.10 Net assets value per unit of each sub-fund

The net assets value (NAV) per unit, as disclosed in the Statement of Asset and Liabilities, is calculated by dividing the net assets of each sub-fund by the number of units in issue at year end.

5 BANK BALANCES

Note		2022					2021				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (5.2)	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (5.2)	Total
		(Rupees)									
Savings accounts	5.1	21,628,862	446,585,653	1,868,895,385	2,814,015	2,339,923,915	24,509,605	314,745,521	1,153,944,982	4,224,053	1,497,424,161

- 5.1 These saving accounts carry mark-up rates ranging from 7.5% to 18.28% per annum (June 30, 2021: 4.00% to 8.67% per annum).
- 5.2 This represents collection accounts maintained by the Fund. The balances in these accounts represent front-end fee along with Government levies and withholding tax payable to the Pension Fund Manager and the tax authorities respectively.
- 5.3 These includes bank balances of Rs. 2,276 and Rs. 5,937 (2021: Rs.3,845 and Rs. 5,955), carrying markup rate of 7.5% and 15.25% maintained with the related parties National bank of Pakistan and Bank Islami Pakistan respectively.

5.4 CASH AND CASH EQUIVALENT

	2022					2021				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (5.2)	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (5.2)	Total
	(Rupees)									
Savings accounts	21,628,862	446,585,653	1,868,895,385	2,814,015	2,339,923,915	24,509,605	314,745,521	1,153,944,982	4,224,053	1,497,424,161
	<u>21,628,862</u>	<u>446,585,653</u>	<u>1,868,895,385</u>	<u>2,814,015</u>	<u>2,339,923,915</u>	<u>24,509,605</u>	<u>314,745,521</u>	<u>1,153,944,982</u>	<u>4,224,053</u>	<u>1,497,424,161</u>

6 INVESTMENTS

	Note	2022				2021				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
		(Rupees)								
Investments by category										
Financial assets at fair value through profit or loss										
Listed equity securities	6.1	884,662,436	-	-	884,662,436	1,091,031,630	-	-	-	1,091,031,630
Government securities - Market Treasury Bills	6.2	-	-	-	-	-	-	-	-	-
Government securities - Pakistan Investment Bonds	6.3	-	86,917,446	-	86,917,446	-	90,109,590	-	-	90,109,590
Term finance certificates	6.4	-	134,221,259	-	134,221,259	-	70,824,598	-	-	70,824,598
Sukuk Bonds	6.5	-	-	-	-	-	48,757,910	126,000,000	-	174,757,910
Commercial papers	6.6	-	24,100,029	48,200,053	72,300,081	-	44,007,853	112,374,949	-	156,382,802
		<u>884,662,436</u>	<u>245,238,733</u>	<u>48,200,053</u>	<u>1,178,101,222</u>	<u>1,091,031,630</u>	<u>253,699,951</u>	<u>238,374,949</u>	<u>-</u>	<u>1,583,106,530</u>

6.1 Listed equity securities

6.1.1 Held by Equity sub-fund

All shares have a nominal face value of Rs. 10 except for Agriautos Industries Limited, Thal Limited, Dynea Pakistan Limited, Habib Sugar Mills Limited and Shabbir Tiles and Ceramics Limited which have a face value of Rs. 5.

Name of the investee company	As at July 01, 2021	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2022	Market value As at June 30, 2022	Market value as a percentage of net assets of the sub-fund	Market value as a percentage of investment of the sub-fund	Par value as a percentage of issued capital of the investee company
	----- (Number of shares) -----					(Rupees)	----- (%) -----		
Automobile Assembler									
Indus Motor Company Limited	1,800	-	-	1,800	-	-	-	-	-
Millat Tractors Limited	16,313	-	8,576	17,268	7,621	6,649,310	0.74	0.75	0.0001
Pak Suzuki Motor Company Limited	3,000	6,600	-	9,600	-	-	-	-	-
Al-Ghazi Tractors Limited	-	13,100	-	-	13,100	5,111,227	0.57	0.58	0.0001
Honda Atlas Cars (Pakistan) Limited	-	42,800	-	26,540	16,260	3,166,310	0.35	0.36	0.0001
	21,113	62,500	8,576	55,208	36,981	14,926,847			
Automobile Parts And Accessories									
Thal Limited	18,300	-	-	4,700	13,600	3,666,832	0.41	0.41	0.0003
Panther Tyres Limited	178,691	-	35,738	-	214,429	6,947,506	0.77	0.79	0.0015
Baluchistan Wheels Limited	88,500	-	-	-	88,500	6,726,000	0.75	0.76	0.0066
	285,491	-	35,738	4,700	316,529	17,340,338			
Cable & Electrical Goods									
Pak Elektron Limited	143,000	21,000	-	164,000	-	3,171,326	0.35	0.36	0.0000
Pak Elektron Limited-Right	-	82,000	118,080	500	199,580	-	-	-	0.0004
	143,000	103,000	118,080	164,500	199,580	3,171,326			
Pharmaceuticals									
The Searle Company Limited	84,833	14,900	22,810	25,600	96,943	10,568,780	1.17	1.19	0.0004
AGP Limited	96,500	21,200	-	75,300	42,400	3,715,088	0.41	0.42	0.0002
Abbot Laboratories (Pakistan) Limited	5,100	3,700	-	2,400	6,400	4,189,696	0.46	0.47	0.0001
Citi Pharma Limited	-	205,625	16,413	117,000	105,038	3,428,424	0.38	0.39	0.0001
GlaxoSmithKline Consumer Healthcare Pakistan Limited	-	28,000	-	-	28,000	6,673,240	0.74	0.75	0.0001
IBL HealthCare Limited	96,500	4,000	13,540	61,300	52,740	2,741,953	0.30	0.31	0.0010
Highnoon Laboratories Limited	1,584	1,000	158	-	2,742	1,452,978	0.16	0.16	0.0001
	284,517	278,425	52,921	281,600	334,263	32,770,159			

Name of the investee company	As at July 01, 2021	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2022	Market value As at June 30, 2022	Market value as a percentage of net assets of the sub-fund	Market value as a percentage of investment of the sub-fund	Par value as a percentage of issued capital of the investee company
	----- (Number of shares) -----					(Rupees)	----- (%) -----		
Cement									
D.G. Khan Cement Company Limited	95,700	-	-	95,700	-	-	-	-	0.0000
Lucky Cement Limited	76,550	7,200	-	23,300	60,450	27,748,968	3.07	3.14	0.0002
Maple Leaf Cement Factory Limited	124,524	180,800	-	174,700	130,624	3,572,592	0.40	0.40	0.0001
Kohat Cement Limited	251,170	64,300	-	-	315,470	41,052,111	4.55	4.64	0.0016
Cherat Cement Company Limited	49,700	27,700	-	77,400	-	-	-	-	0.0000
Attock Cement (Pakistan) Limited	6,500	37,700	-	-	44,200	2,939,300	0.33	0.33	0.0003
Fauji Cement Company Limited	793,000	500,500	-	444,000	849,500	12,037,415	1.33	1.36	0.0006
	1,397,144	818,200	-	815,100	1,400,244	87,350,386			
Fertilizers									
Engro Corporation Limited	87,931	4,100	-	6,000	86,031	22,117,710	2.45	2.50	0.0001
Fauji Fertilizer Bin Qasim Limited	-	326,000	-	8,000	318,000	6,436,320	0.71	0.73	0.00
Fauji Fertilizer Company Limited (Note 6.1.2)	244,500	50,500	-	61,900	233,100	25,692,282	2.85	2.90	0.0002
	332,431	380,600	-	75,900	637,131	54,246,312			
Chemicals									
Dynea Pakistan Limited	11,500	5,200	-	-	16,700	2,905,132	0.32	0.33	0.0018
Engro Polymer and Chemicals Limited	648,787	28,500	-	402,400	274,887	21,889,172	2.43	2.47	0.0003
ICI Pakistan Limited	12,300	-	-	1,600	10,700	7,752,685	0.86	0.88	0.0001
Lotte Chemical Pakistan Limited	931,000	277,000	-	676,500	531,500	12,554,030	1.39	1.42	0.0004
Sitara Peroxide Limited	-	51,500	-	51,500	-	-	-	-	-
Ittehad Chemical Limited	72,000	-	13,006	15,000	70,006	2,091,076	0.23	0.24	0.0008
Descon Oxychem Limited	-	336,500	-	46,500	290,000	4,553,000	0.50	0.51	0.0003
Sitara Chemical Industries Limited	9,000	-	-	9,000	-	-	-	-	0.0000
Ghani Value Glass Limited	63,125	-	-	63,125	-	-	-	-	0.0000
	1,747,712	698,700	13,006	1,265,625	1,193,793	51,745,095			

Name of the investee company	As at July 01, 2021	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2022	Market value As at June 30, 2022	Market value as a percentage of net assets of the sub-fund	Market value as a percentage of investment of the sub-fund	Par value as a percentage of issued capital of the investee company
	----- (Number of shares) -----					(Rupees)	----- (%) -----		
Commercial Banks									
Allied Bank Limited	120,600	-	-	75,000	45,600	3,146,400	0.35	0.36	0.0000
Bank Al-falah Limited (note 6.1.2)	405,600	551,000	-	-	956,600	30,611,200	3.39	3.46	0.0005
Bank Al-Habib Limited (note 6.1.2)	501,650	108,000	-	-	609,650	35,396,279	3.92	4.00	0.0005
MCB Bank Limited	44,900	4,200	-	11,000	38,100	4,685,538	0.52	0.53	0.0000
United Bank Limited	372,160	56,000	-	9,800	418,360	47,329,067	5.24	5.35	0.0003
Faysal Bank Limited	226,797	469,500	-	-	696,297	16,056,603	1.78	1.81	0.0005
Habib Bank Limited (note 6.1.2)	587,428	71,500	-	20,000	638,928	58,359,684	6.47	6.60	0.0004
Habib Metropolitan Bank Limited	243,500	214,000	-	-	457,500	17,865,375	1.98	2.02	0.0001
	2,502,635	1,474,200	-	115,800	3,861,035	213,450,145			
Insurance									
IGI Holdings Limited	31,900	-	-	-	31,900	3,532,925	0.39	0.40	0.0002
Adamjee Insurance Company Limited	111,500	-	-	111,500	-	-	-	-	0.0000
	143,400	-	-	111,500	31,900	3,532,925			
Paper and Board									
Century Paper and Board Mills Limited	64,600	-	5,985	70,585	-	-	-	-	0.0000
Packages Limited	3,400	-	-	3,400	-	-	-	-	0.0000
Roshan Packages Limited	240,000	5,000	-	-	245,000	3,640,700	0.40	0.41	0.0017
	308,000	5,000	5,985	73,985	245,000	3,640,700			
Transport									
Pakistan National Shipping Corporation	12,000	-	-	12,000	-	-	-	-	0.0000
Power Generation and Distribution									
The Hub Power Company Limited	468,631	40,000	-	15,000	493,631	33,650,831	3.73	3.80	0.0004
Saif Power Limited	232,500	143,000	-	215,000	160,500	3,344,820	0.37	0.38	0.0004
Lalpir Power Limited	317,500	-	-	88,000	229,500	2,926,125	0.32	0.33	0.0006
Nishat Chunian Power Limited	-	170,000	-	-	170,000	2,534,700	0.28	0.29	0.0005
PAKGEN Power Limited	205,500	119,500	-	-	325,000	6,009,250	0.67	0.68	0.0009
	1,224,131	472,500	-	318,000	1,378,631	48,465,726			

Name of the investee company	As at July 01, 2021	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2022	Market value As at June 30, 2022	Market value as a percentage of net assets of the sub-fund	Market value as a percentage of investment of the sub-fund	Par value as a percentage of issued capital of the investee company
	----- (Number of shares) -----					(Rupees)	----- (%) -----		
Textile Composite									
Nishat Mills Limited	173,100	3,900	-	23,400	153,600	11,352,576	1.26	1.28	0.0004
Interloop Limited	263,819	-	7,105	106,732	164,192	10,015,686	1.11	1.13	0.0002
Crescent Textile Mills Limited	-	221,500	-	-	221,500	6,233,535	0.69	0.70	0.00
Crescent Textile Mills Limited-Right shares	125,000	-	-	-	125,000	-	-	-	0.0063
Nishat Chunian Limited	180,500	-	-	93,900	86,600	3,878,814	0.43	0.44	0.0004
Gul Ahmed Textile Mills Limited	-	265,400	-	-	265,400	8,973,174	0.99	1.01	0.0004
Kohinoor Textile Mills Limited	224,674	57,000	-	25,000	256,674	12,833,700	1.42	1.45	0.0009
	967,093	547,800	7,105	249,032	1,272,966	53,287,485			
Oil and Gas Exploration Companies									
Mari Petroleum Company Limited	35,472	-	-	5,800	29,672	51,620,869	5.72	5.84	0.0002
Pakistan Oilfields Limited (note 6.1.2)	53,811	4,500	-	11,300	47,011	19,077,534	2.11	2.16	0.0002
Oil and Gas Development Company Limited (note 6.1.2)	405,900	108,500	-	61,700	452,700	35,613,909	3.95	4.03	0.0001
Pakistan Petroleum Limited (note 6.1.2)	438,632	147,500	-	102,490	483,642	32,650,647	3.62	3.69	0.0002
	933,815	260,500	-	181,290	1,013,025	138,962,959			
Oil And Gas Marketing Companies									
Hascol Petroleum Limited	232	-	-	-	232	980	-	-	0.0000
Pakistan State Oil Company Limited	147,740	19,000	-	7,400	159,340	27,380,958	3.03	3.10	0.0003
Attock Petroleum Limited	8,000	-	-	-	8,000	2,570,480	0.28	0.29	0.0001
Sui Northern Gas Pipelines Limited	35,000	-	-	35,000	-	-	-	-	0.0000
	190,972	19,000	-	42,400	167,572	29,952,418			
Engineering									
Aisha Steel Mills Limited	410,500	15,500	-	-	426,000	4,707,300	0.52	0.53	0.0006
Agha Steel Industries Limited	26,500	-	-	26,500	-	-	-	-	0.0000
International Industries Limited	66,500	-	-	22,500	44,000	4,564,120	0.51	0.52	0.0003
International Steels Limited	11,900	3,800	-	15,700	-	-	-	-	0.0000
Mughal Iron and Steel Industries Limited	314,913	73,800	50,807	27,000	412,520	23,777,650	2.63	2.69	0.0014
	830,313	93,100	50,807	91,700	882,520	33,049,070			

Name of the investee company	As at July 01, 2021	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2022	Market value As at June 30, 2022	Market value as a percentage of net assets of the sub-fund	Market value as a percentage of investment of the sub-fund	Par value as a percentage of issued capital of the investee company
	----- (Number of shares) -----					(Rupees)	----- (%) -----		
Technology and Communication									
Octopus Digital Limited	-	65,085	-	65,085	-	-	-	-	-
Supernet Limited	-	105,117	-	-	105,117	2,029,809	0.22	0.23	0.0009
Hum Network Limited	-	777,000	-	330,000	447,000	3,182,640	0.35	0.36	0.0005
Systems Limited	73,275	-	70,475	25,150	118,600	39,121,396	4.33	4.42	0.0009
	73,275	947,202	70,475	420,235	670,717	44,333,845			
Food and Personal Care Products									
Al-Shaheer Corporation Limited	3,381	-	-	-	3,381	30,564	-	-	0.0000
Shezan International Limited	32,700	16,500	4,870	-	54,070	9,191,900	1.02	1.04	0.0062
Bunny's Limited	-	277,500	-	-	277,500	5,921,850	0.66	0.67	0.0042
At - Tahir limited	622,501	140,000	56,880	397,000	422,381	8,054,803	0.89	0.91	0.0024
	658,582	434,000	61,750	397,000	757,332	23,199,117			
Glass and Ceramics									
Shabbir Tiles and Ceramics Limited	732,000	278,500	-	50,000	960,500	14,052,115	1.56	1.59	0.0059
Tariq Glass Industries Limited	145,625	4,700	-	32,100	118,225	12,272,937	1.36	1.39	0.0009
Ghani Global Glass Limited	130,700	-	-	130,700	-	-	-	-	0.0000
	1,008,325	283,200	-	212,800	1,078,725	26,325,052			
Synthetic Products									
Synthetic Products Enterprises Limited	612	-	49	-	661	9,306	-	-	0.0000
Unity Foods Limited	3,500	-	-	3,500	-	-	-	-	0.0000
	4,112	-	49	3,500	661	9,306			

Name of the investee company	As at July 01, 2021	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2022	Market value As at June 30, 2022	Market value as a percentage of net assets of the sub-fund	Market value as a percentage of investment of the sub-fund	Par value as a percentage of issued capital of the investee company
	----- (Number of shares) -----					(Rupees)	----- (%) -----		
LEATHER & TANNERIES									
Service Global Footwear Limited	17,247	-	-	17,247	-	-	-	-	0.0000
Service Industries Limited	16,000	-	-	2,100	13,900	4,903,225	0.54	0.55	0.0003
	33,247	-	-	19,347	13,900	4,903,225			
MISCELLANEOUS									
Pakistan Aluminium Beverage Cans Limited	-	220,659	-	220,659	-	-	-	-	-
Tri-Pack Films Limited	-	84,500	-	84,500	-	-	-	-	-
	-	305,159	-	305,159	-	-			
	13,101,308	7,183,086	424,492	5,216,381	15,492,505	884,662,436	97.99		
Carrying value before fair value adjustment as at June 30, 2022						1,080,544,375			

6.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the High Court of Sindh (HCS) in favour of CISs.

During the year ended June 30, 2021, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the prior year. The CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019 as a result of which the HCS issued an order dated July 15, 2019 whereby the previous stay has been restored. The matter is still pending adjudication and no provision has been recorded or contingent liability has been disclosed in the financial statements as the management is confident that the case will be decided in favor of the CISs.

Further, Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 therefore, bonus shares, subsequent to this amendment, issued to the Fund were not withheld by the investee companies.

6.1.3 Investments include shares with market value of Rs. 25.850 million (June 30, 2021: Rs. 29.345 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no.11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

6.2 Government securities - Market Treasury Bills

6.2.1 Held by Debt Sub-Fund

Issue date	Tenor	Face value				Market value / carrying value as at June 30, 2022	Market value as a percentage of net assets of sub-fund	Market value as a percentage of total investments of sub-fund
		As at July 01, 2021	Purchases during the year	Sales / matured during the year	As at June 30, 2022			
		------(Rupees)-----				----- (%) -----		
August 12, 2021	6 months	-	130,000,000	130,000,000	-	-	-	
August 26, 2021	6 months	-	130,000,000	130,000,000	-	-	-	
September 23, 2021	3 months	-	100,000,000	100,000,000	-	-	-	
December 2, 2021	3 months	-	75,000,000	75,000,000	-	-	-	
February 10, 2022	3 months	-	50,000,000	50,000,000	-	-	-	
December 16, 2021	3 months	-	75,000,000	75,000,000	-	-	-	
December 30, 2021	3 months	-	75,000,000	75,000,000	-	-	-	
April 21, 2022	3 months	-	25,000,000	25,000,000	-	-	-	
						-	-	
Carrying value before fair value adjustment as at June 30, 2022						-	-	

6.2.2 These Market Treasury Bills carry rate of return ranging from 7.40 % to 14.1% per annum (2021: 6.03% to 7.5% per annum).

6.2.3 Held by Money Market Sub-Fund

Issue date	Tenor	Face value				Market value / carrying value as at June 30, 2022	Market value as a percentage of net assets of sub-fund	Market value as a percentage of total investments of sub-fund
		As at July 01, 2021	Purchases during the year	Sales / matured during the year	As at June 30, 2022			
		------(Rupees)-----				----- (%) -----		
August 12, 2021	3 months	-	250,000,000	250,000,000				
August 12, 2021	6 months	-	250,000,000	250,000,000	-	-	-	
August 26, 2021	6 months	-	250,000,000	250,000,000	-	-	-	
September 23, 2021	3 months	-	300,000,000	300,000,000	-	-	-	
December 2, 2021	3 months	-	200,000,000	200,000,000	-	-	-	
February 10, 2022	3 months	-	150,000,000	150,000,000	-	-	-	
December 30, 2021	3 months	-	200,000,000	200,000,000	-	-	-	
December 2, 2021	6 months	-	285,000,000	285,000,000	-	-	-	
December 16, 2021	3 months	-	200,000,000	200,000,000	-	-	-	
April 21, 2022	3 months	-	50,000,000	50,000,000	-	-	-	
February 24, 2022	3 months	-	500,000,000	500,000,000	-	-	-	
January 27, 2022	3 months	-	500,000,000	500,000,000	-	-	-	
January 27, 2022	6 months	-	200,000,000	200,000,000	-	-	-	
						-	-	-
Carrying value before fair value adjustment as at June 30, 2022						-	-	-

6.2.4 These Market Treasury Bills carry rate of return ranging from 7.40 % to 14.1% per annum (2021: 6.03% to 7.5% per annum).

6.3 Government securities - Pakistan Investment Bonds

6.3.1 Held by Debt Sub-Fund

Issue Date	Note	Tenor	Face value			Market value as at June 30, 2022	Market value as a percentage of net assets of sub-fund	Market value as a percentage of total investments of sub-fund	
			As at July 01, 2021	Purchases during the year	Sales / matured during the year				As at June 30, 2022
			(Rupees)			(%)			
July 12, 2018		3 years	40,000,000	-	-	40,000,000	37,317,446	5.38%	15.22%
September 19, 2019		5 years	50,000,000	-	50,000,000	-	-	-	-
October 22, 2020		3 years	-	50,000,000	-	50,000,000	49,600,000	7.15%	20.23%
			90,000,000	50,000,000	50,000,000	90,000,000	86,917,446	12.52%	35.44%
Carrying value before fair value adjustment as at June 30, 2022						89,545,590			

6.3.2 These Pakistan Investment Bonds carry yield ranging from 8.00% to 13.19% per annum (2021: 8.00% to 9.50% per annum)

6.4 Term Finance Certificates

6.4.1 Held by Debt Sub-Fund

Name of the investee company	As at July 01, 2021	Purchases during the year	Disposals / matured during the year	As at June 30, 2022	Market value as at June 30, 2022	Market value / carrying value as a percentage of net assets of sub-fund	Market value / carrying value as a percentage of total investments of sub-fund
Askari Commercial Bank Limited	20	-	-	20	20,300,000	2.92%	8.28%
JS Bank Limited	5,500	-	5,500	-	-	-	-
Jahangir Siddiqui and Company Limited - X	1,560	-	-	1,560	2,815,201	0.41%	1.15%
Samba Bank Limited	200	-	-	200	20,071,208	2.89%	8.18%
HUBCO 6M Sukuk-6	100	-	100	-	-	0.00%	0.00%
HUBCO Suk-2 Rev	380	-	-	380	29,984,850	4.32%	12.23%
OBS AGP Limited Sukuk	-	350	-	350	35,175,000	5.07%	14.34%
Meezan Bank Limited	-	25	-	25	25,875,000	3.73%	10.55%
					134,221,259	19.34%	54.73%
Carrying value before fair value adjustment as at June 30, 2022					132,083,632		

6.5 Sukuks - unlisted

6.5.1 Held by Debt Sub-Fund

Name of the investee company	As at July 01, 2021	Purchases during the year	Disposals / matured during the year	As at June 30, 2022	Market value as at June 30, 2022	Market value / carrying value as a percentage of net assets of sub-fund	Market value / carrying value as a percentage of total investments of sub-fund
	------(Number of certificates)-----				(Rupees)	------(%)-----	
HUBCO 6M Sukuk-6	-	-	-	-	-	-	-
HUBCO Suk-2 Rev	380	-	-	380	29,984,850	4.3%	12.23%
	380	-	-	380	29,984,850	4.32%	12.23%
Carrying value before fair value adjustment as at June 30, 2022					-		

6.5.2 Held by Money Sub-Fund

Name of the investee company	As at July 01, 2021	Purchases during the year	Disposals / matured during the year	As at June 30, 2022	Market value as at June 30, 2022	Market value / carrying value as a percentage of net assets of sub-fund	Market value / carrying value as a percentage of total investments of sub-fund
	------(Number of certificates)-----				(Rupees)	------(%)-----	
HUBCO 6M Sukuk-6	1,260	-	1,260	-	-	-	-
	1,260	-	1,260	-	-	-	-
Carrying value before fair value adjustment as at June 30, 2022					-		

6.5.3 The Term Finance Certificates held by the fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

6.5.4 Significant terms and conditions of term finance certificates and sukuks outstanding at the year end are as follows:

Name of security	Number of certificates	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue Date	Tenor	Secured / unsecured	Rating
Listed Sukuk certificates							
OBS AGP (Pvt) Ltd.	350	35,000,000	3 months KIBOR + 1.55%	July 5, 2021	5 years	Secured	A+
Unlisted term finance certificates							
Askari Commercial Bank Limited II	20	20,000,000	6 months KIBOR + 1.25%	March 2, 2020	10 years	Secured	AA
Jahangir Siddiqui and Company Limited - X	1,560	2,730,000	6 months KIBOR + 1.4%	July 18, 2017	5 years	Secured	AA+
Samba Bank Ltd.	200	19,992,000	6 months KIBOR + 1.35%	March 1, 2021	10 years	Secured	AA-
Unlisted Sukuk certificates							
Meezan Bank Ltd. - SUK (09-01-20)	25	25,000,000	6 months KIBOR + 0.90%	January 9, 2020	10 years	Secured	AAA
HUBCO Suk-2 Rev	380	28,500,000	3 months KIBOR + 1.90%	August 22, 2019	4 years	Secured	AA+

6.6 Commercial papers

6.6.1 Held by Debt Sub-Fund

Name of the investee company	Note	Face Value				Carrying value as at June 30, 2022	Carrying value as at June 30, 2021
		As at July 01, 2021	Purchases during the Year	Sold / matured during the Year	As at June 30, 2022		
----- (Rupees) -----							
China Power Limited	6.6.1.1	-	25,000,000	-	25,000,000	24,100,029	-
K-Electric Limited	6.6.1.2	35,000,000	-	35,000,000	-	-	34,248,555
K-Electric Limited	6.6.1.3	10,000,000	-	10,000,000	-	-	9,759,298
		45,000,000	25,000,000	45,000,000	25,000,000	24,100,029	44,007,853

6.6.1.1 This represents six month commercial paper having profit rate of 14.85% being matured on October 09, 2022.

6.6.1.2 This represents six month commercial paper having profit rate of 7.24% matured on October 06, 2021.

6.6.1.3 This represents six month commercial paper having profit rate of 7.29% matured on October 19, 2021.

6.6.2 Held by Money Market Sub-Fund

Name of the investee company	Note	Face Value				Carrying value as at June 30, 2022	Carrying value as at June 30, 2021
		As at July 01, 2021	Purchases during the Year	Sold / matured during the Year	As at June 30, 2022		
----- (Rupees) -----							
China Power Limited	6.6.2.1	-	50,000,000	-	50,000,000	48,200,053	-
K-Electric Limited	6.6.2.2	55,000,000	-	55,000,000	-	-	53,819,158
K-Electric Limited	6.6.2.3	60,000,000	-	60,000,000	-	-	58,555,790
		115,000,000	50,000,000	115,000,000	50,000,000	48,200,053	112,374,948

6.6.2.1 This represents six month commercial paper having profit rate of 14.85% being matured on October 09, 2022.

6.6.2.2 This represents six month commercial paper having profit rate of 7.24% matured on October 06, 2021.

6.6.2.3 This represents six month commercial paper having profit rate of 7.29% matured on October 19, 2021.

7 MARK-UP ACCRUED

	2022				2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees) -----								
Mark-up accrued on:								
- Savings accounts	8,458	327,123	9,684,687	10,020,268	65,873	254,377	4,712,735	5,032,985
- Term Finance Certificates	-	2,985,030	-	2,985,030	-	1,456,910	-	1,456,910
- Pakistan Investment Bonds	-	2,743,471	-	2,743,471	-	2,841,430	-	2,841,430
	8,458	6,055,624	9,684,687	15,748,769	65,873	4,552,717	4,712,735	9,331,325

8 ADVANCE, DEPOSITS AND OTHER RECEIVABLES

	2022				2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees) -----								
Advance tax	440,846	362,057	-	802,903	440,846	362,057	-	802,903
Security deposit with National Clearing Company of Pakistan Limited	2,500,000	-	-	2,500,000	2,500,000	-	-	2,500,000
Security deposit with Central Depository Company of Pakistan Limited	100,000	100,000	100,000	300,000	100,000	100,000	100,000	300,000
Advance against pre initial public offer	-	-	-	-	8,077,440	-	-	8,077,440
	3,040,846	462,057	100,000	3,602,903	11,118,286	462,057	100,000	11,680,343

8.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 150 and 151. However, withholding tax on profit on bank deposit and investment paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008- VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at the applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The tax withheld on dividends, profit on bank deposits and profit on letter of placement as at 30 June 2022 amounts to Rs. 0.803 million (2021: Rs. 0.803 million).

8.2 For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable High Court of Sindh (HCS) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by HCS in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court (HSC) through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the HSC by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the HSC granted the petitioners leave to appeal from the initial judgement of HCS. Pending resolution of the matter, the amount of withholding tax so deducted has been shown as Advance tax as at 30 June 2022 and 30 June 2021, as in the opinion of the management, the amount of tax deducted at source will be refunded.

9 PAYABLE TO NBP FUND MANAGEMENT COMPANY LIMITED - PENSION FUND MANAGER

	Note	2022					2021				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
Remuneration to Pension Fund Manager	9.1	1,178,790	307,146	372,068	-	1,858,004	1,510,917	749,544	1,718,478	-	3,978,939
Sindh Sales Tax on management remuneration	9.2	143,495	21,557	38,619	-	203,671	186,672	87,689	213,653	-	488,013
Reimbursement of NAV related expense payable	9.3	485,214	170,821	422,063	-	1,078,098	-	-	-	-	-
Reimbursement of selling and marketing	9.4	4,366,926	999,009	1,206,495	-	6,572,430	-	-	-	-	-
Sales load		-	-	-	761,047	761,047	-	-	-	2,008,865	2,008,865
Sindh Sales Tax on sales load		-	-	-	111,293	111,293	-	-	-	273,513	273,513
		6,174,425	1,498,533	2,039,245	872,340	10,584,543	1,697,588	837,233	1,932,131	2,282,378	6,749,330

- 9.1 As per regulation 67F of NBFC Regulation, 2008, the Pension Fund Manager has charged its remuneration at the rate of 1.5% (June 30, 2021: 1.5%) per annum of the average annual net assets of each of the Sub-Funds for the current period. The remuneration is paid on a monthly basis in arrears. With effective from 20 September 2021, the Management Company has revised its rate of the average annual net assets of the Fund is as follows.

Category	Rate per annum
Equity	1.50%
Debt	0.40%
Money Market	0.20%

- 9.2 The Sindh Provincial Government has levied Sindh Sales Tax on the remuneration of the Pension Fund Manager and sales load through Sindh Sales Tax on Services Act, 2011, effective from July 01, 2011. During the year, Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) was charged on management remuneration and sales load.
- 9.3 As per S.R.O.1068(I)/2021 dated August 23, 2021 the SECP made an amendment in Non-Banking Finance Companies and Notified Entities Regulations, 2008, adjoined "Voluntary Pension System" as Part V of NBFC Regulations, 2008. In accordance with Regulation 67G(3), Pension Fund Manager may charge the eligible expense as given in sub-regulation (2) and (3) of the regulation 60 to pension fund.

In accordance with Regulation 60 of the NBFC Regulations, the Pension Fund Manager is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to its Voluntary Pension Scheme.

During the year ended June 30, 2022, the Management Company has charged allocated expenses at the rate of 0.15% of average annual net assets till 25 July, 2021 and with effective from 20 September, 2021, the Management Company has revised its rate of the average annual net assets of the Fund is as follows:

Category **Rate per annum**

Equity	0.2%
Debt	0.1%
Money Market	0.1%

9.4 As per Circular 5 of 2018 dated 4 June 2018 issued by SECP, the Asset Management Company was entitled to charge selling and marketing expense to Collective Investment Scheme upto 0.4% per annum of net assets of Fund or actual expenses whichever is lower for initial three years. Circular 11 of 2019 dated 5 July 2019, issued by SECP superseded the above stated Circular and has revised the conditions and waived capping for charging selling and marketing expense. During the year ended June 30, 2022, the Management Company has charged selling and marketing expenses as follows:

Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	0.5%	0.2%
1.8%	0.525%	0.225%
	0.625%	0.325%

From July 01, 2021 till March 06, 2022
 From March 07, 2022 till May 08, 2022
 From May 09, 2022 till June 30, 2022

Note	2022				2021				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
	----- (Rupees) -----								
Trustee remuneration	10.1	82,619	65,164	166,757	314,540	111,450	52,353	127,557	291,361
Sindh Sales Tax on trustee remuneration	10.2	10,740	17,089	21,678	49,507	14,487	6,803	16,582	37,873
		93,359	82,253	188,435	364,047	125,937	59,156	144,139	329,234

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund as stated below under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets value of the sub-funds:

Based on the Trust Deed, the tariff structure applicable to the Fund as at June 30, 2022 is as follows:

Net assets

Up to Rs. 1,000 million
 Exceeding Rs. 1,000 million up to Rs. 3,000 million
 Exceeding Rs. 3,000 million up to Rs. 6,000 million
 Exceeding Rs. 6,000 million

Tariff

Rs. 0.3 million or 0.15% p.a of net assets value, whichever is higher
 Rs. 1.5 million plus 0.10% p.a of net assets value, exceeding Rs. 1,000 million
 Rs. 3.5 million plus 0.08% p.a of net assets value, exceeding Rs. 3,000 million
 Rs. 5.9 million plus 0.06% p.a of net assets value, exceeding Rs. 6,000 million

- 10.2 The Sindh Provincial Government has levied Sindh Sales Tax on the remuneration to the Trustee through Sindh Sales Tax on Services Act, 2011, effective from July 01, 2015. During the year, Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) was charged on Trustee remuneration.

11 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) in accordance with Rule 36 of the Voluntary Pension System Rules, 2005 whereby the Fund is required to pay the Commission, an amount equal to one twenty-fifth of 1% of the average annual net asset value of the pension fund.

	Note	2022					2021				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
		----- (Rupees) -----									
Provision for Sindh Workers' Welfare Fund	12.1	-	-	-	-	-	14,460,633	4,481,783	6,120,229	-	25,062,645
Federal Excise Duty on management remuneration	12.2	1,770,463	1,329,145	1,054,992	-	4,154,600	1,770,463	1,329,145	1,054,992	-	4,154,600
Federal Excise Duty on sales load		-	-	-	1,941,675	1,941,675	-	-	-	1,941,675	1,941,675
Auditors' remuneration		117,940	117,691	117,692	-	353,323	100,000	100,000	100,000	-	300,000
Legal and professional charges		48,872	47,293	49,294	-	145,459	48,000	27,800	27,800	-	103,600
Brokerage expense payable		85,726	-	-	-	85,726	205,692	5,905	1,725	-	213,322
Bank charges and settlement charges payable		271,458	293,964	94,240	-	659,662	206,811	172,313	190,949	-	570,073
Printing charges		38,601	38,601	38,599	-	115,801	20,500	18,417	20,500	-	59,417
Withholding tax		11,626	6,808	9,754	-	28,188	-	-	-	-	-
		2,344,686	1,833,502	1,364,571	1,941,675	7,484,434	16,812,099	6,135,363	7,516,195	1,941,675	32,405,332

- 12.1 SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

- 12.2 As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective 13 June 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence a petition was collectively filed by the Mutual Fund Association of Pakistan with the Honorable Sindh High Court (SHC) on 4 September 2013.

The Honorable Sindh High Court (SHC) through its recent order dated 2 June 2016, in CPD-3184 of 2014 (and others) filed by various taxpayers, has interalia declared that Federal Excise Act 2005 (FED Act) is on services, other than shipping agents and related services, is ultra vires to the Constitution from 01 July 2011. However,

the declaration made by the Honorable Court, as directed, will have affect in the manner prescribed in the judgment. The Sind High Court in its decision dated 16 July 2016 in respect of constitutional petition filed by management companies of mutual funds maintained the previous order on the FED.

Sindh Revenue Board and Federal Board of Revenue have filed appeals before Honourable Supreme Court against the Sindh High Court's decision dated 2 June 2016, which is pending for the decision. However, after the exclusion of the mutual funds from federal statute on FED from 1 July 2016, the Fund has discontinued making the provision in this regard."

Sindh Revenue Board and Federal Board of Revenue have filed appeals before Honourable Supreme Court against the Sindh High Court's decision dated 2 June 2016, which is pending for the decision. However, after the exclusion of the mutual funds from federal statute on FED from 1 July 2016, the Fund has discontinued making the provision in this regard.

Since the appeal is pending in the Supreme Court of Pakistan, the Pension Fund Manager as a matter of abundant caution has retained a provision on FED on management aggregating to Rs. 1.77 million, Rs. 1.33 million and Rs. 1.05 million for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. Had the provision not been made, the NAV per unit of the Equity sub fund, Debt sub fund, and Money Market sub fund as at June 30, 2022 would have been higher by Rs. 0.6342, Rs. 0.4179, and Rs. 0.1039 (June 30, 2021: Rs. 0.5894, Rs. 0.4644 and Rs. 0.1299) per unit respectively.

13 TAXATION

The income of the Fund is exempt from income tax under clause 57(3)(viii) of part I of the Second Schedule to the Income Tax Ordinance, 2001. Accordingly, Supertax and any other taxes introduced in Finance Act, 2015 is also not applicable on the Fund. Therefore, no provision in respect of taxation has been made in these financial statements.

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

14 CONTINGENCIES AND COMMITMENT

There were no contingencies and commitments outstanding as at June 30, 2022 (June 30, 2021: Nil).

15 EXPENSE RATIO

	2022		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
Total Expense ratio (including government levies)	3.57%	1.50%	0.98%
Government levies	0.25%	0.14%	0.11%
Total Expense ratio (excluding government levies)	3.32%	1.36%	0.87%

The total expense ratio of pension fund prescribed in NBFC Regulations Part V Regulation 67G of Voluntary Pension System is capped as follows: (a) Equity Sub Fund upto 4.5% (b) Money Market upto 2% (c) Income upto 2.5%.

16 NUMBER OF UNITS IN ISSUE

	2022				2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Number of units) -----							
Total units in issue at beginning of the year	3,003,727	2,861,791	8,120,261	13,985,779	2,873,475	3,198,803	7,111,542	13,183,821
Units issued during the year	398,390	926,887	3,145,070	4,470,347	904,274	660,799	3,129,375	4,694,449
Units redeemed during the year	(161,663)	(438,317)	(2,169,528)	(2,769,508)	(862,799)	(542,492)	(2,501,062)	(3,906,353)
Reallocation during the year	(448,675)	(169,467)	1,056,154	438,012	88,777	(455,319)	380,405	13,862
Total units in issue at end of the year	2,791,779	3,180,894	10,151,956	16,124,630	3,003,727	2,861,791	8,120,261	13,985,779

17 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund		
	Received / receivable against sale of units	Paid / payable against redemption of units	Total	Received / receivable against sale of units	Paid / payable against redemption of units	Total	Received / receivable against sale of units	Paid / payable against redemption of units	Total
	----- (Rupees) -----								
Opening balance as at July 01, 2021	-	-	-	-	-	-	2,684,119	1,920,221	4,604,341
Received / receivable against issuance of units	142,115,544	-	142,115,544	192,629,480	-	192,629,480	760,064,361	-	760,064,361
Paid / payable against redemption of units	-	(215,192,817)	(215,192,817)	-	(127,118,680)	(127,118,680)	-	(385,579,853)	(385,579,853)
	142,115,544	(215,192,817)	(73,077,273)	192,629,480	(127,118,680)	65,510,800	760,064,361	(385,579,853)	374,484,508
Amount received on issuance of units	(142,115,544)	-	(142,115,544)	(192,629,480)	-	(192,629,480)	(762,748,480)	-	(762,748,480)
Amount paid on redemption of units	-	215,192,817	215,192,817	-	127,118,680	127,118,680	-	383,659,632	383,659,632
	(142,115,544)	215,192,817	73,077,273	(192,629,480)	127,118,680	(65,510,800)	(762,748,480)	383,659,632	(379,088,849)
Closing balance as at June 30, 2022	-	-	-	-	-	-	-	-	-

18 CONTRIBUTION TABLE

Contributions received during the year are as follows:

From:	2022							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	398,390	142,115,544	926,887	192,629,480	3,145,070	566,253,051	4,470,347	900,998,075

From:	2021							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	904,274	310,226,703	660,799	127,594,663	3,129,375	519,669,648	4,694,449	957,491,014

19 AUDITORS' REMUNERATION

	2022				2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----							
Annual audit fee	81,000	81,000	81,000	243,000	80,850	80,850	80,850	242,550
Half yearly review fee	35,000	35,000	35,000	105,000	34,650	34,650	34,650	103,950
Fee for income certification	23,333	23,333	23,333	70,000	-	-	-	-
Out of pocket expenses	14,053	13,804	13,804	41,660	6,948	6,948	6,948	20,844
	153,386	153,137	153,137	459,660	122,448	122,448	122,448	367,344

20 FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2022

	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Others	
	Amortised Cost	At fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Total	Amortised Cost	Total
(Rupees)											
Financial assets											
Bank balances	21,628,862	-	21,628,862	446,585,653	-	446,585,653	1,868,895,385	-	1,868,895,385	2,814,015	2,339,923,916
Investments	-	884,662,436	884,662,436	-	245,238,733	245,238,733	-	48,200,053	48,200,053	-	1,178,101,222
Mark-up accrued	8,458	-	8,458	6,055,624	-	6,055,624	9,684,687	-	9,684,687	-	15,748,769
Receivable against transfer of units	-	-	-	29,465	-	29,465	-	-	-	-	29,464
Receivable against sale of investment	2,131,875	-	2,131,875	-	-	-	-	-	-	-	2,131,875
Security deposits	2,600,000	-	2,600,000	100,000	-	100,000	100,000	-	100,000	-	2,800,000
	<u>26,369,195</u>	<u>884,662,436</u>	<u>911,031,631</u>	<u>452,770,742</u>	<u>245,238,733</u>	<u>698,009,476</u>	<u>1,878,680,073</u>	<u>48,200,053</u>	<u>1,926,880,126</u>	<u>2,814,015</u>	<u>3,538,735,246</u>

As at June 30, 2022

	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Others	
	At fair value through profit or loss	At amortised cost	Total	At fair value through profit or loss	At amortised cost	Total	At fair value through profit or loss	At amortised cost	Total	At amortised cost	Total
(Rupees)											
Financial liabilities											
Payable to NBP Fund Management Limited - Pension Fund Manager	-	6,174,425	6,174,425	-	1,498,533	1,498,533	-	2,039,245	2,039,245	872,340	10,584,543
Payable to Central Depository Company of Pakistan Limited - Trustee	-	93,359	93,359	-	82,253	82,253	-	188,435	188,435	-	364,047
Net asset attributable to redeemable unit	-	902,632,610	902,632,610	-	694,170,536	694,170,536	-	1,920,470,189	1,920,470,189	-	3,517,273,335
Payable against redemption of units	-	-	-	-	553,516	553,516	-	2,252,894	2,252,894	-	2,806,410
Accrued expenses and other liabilities	-	562,598	562,598	-	497,550	497,550	-	299,825	299,825	-	1,359,974
	<u>-</u>	<u>909,462,992</u>	<u>909,462,992</u>	<u>-</u>	<u>696,802,387</u>	<u>696,802,387</u>	<u>-</u>	<u>1,925,250,589</u>	<u>1,925,250,589</u>	<u>872,340</u>	<u>3,532,388,310</u>

As at June 30, 2021

	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Others	
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total	At amortised cost	Total
(Rupees)											
Financial assets											
Bank balances	24,509,605	-	24,509,605	314,745,521	-	314,745,521	1,153,944,982	-	1,153,944,982	4,224,053	1,497,424,161
Investments	-	1,091,031,630	1,091,031,630	-	253,699,951	253,699,951	-	238,374,949	238,374,949	-	1,583,106,530
Mark-up accrued	65,873	-	65,873	4,552,717	-	4,552,717	4,712,735	-	4,712,735	-	9,331,325
Receivable against transfer of units	1,280	-	1,280	-	-	-	2,684,119	-	2,684,119	-	2,685,399
Receivable against sale of investment	4,149,858	-	4,149,858	-	-	-	-	-	-	-	4,149,858
Security deposits	2,600,000	-	2,600,000	100,000	-	100,000	100,000	-	100,000	-	2,800,000
	<u>31,326,616</u>	<u>1,091,031,630</u>	<u>1,122,358,246</u>	<u>319,398,237</u>	<u>253,699,951</u>	<u>573,098,188</u>	<u>1,161,441,836</u>	<u>238,374,949</u>	<u>1,399,816,785</u>	<u>4,224,053</u>	<u>3,099,497,273</u>

As at June 30, 2021

	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Others	
	Liabilities at fair value through profit or loss	At amortised cost	Total	Liabilities at fair value through profit or loss	At amortised cost	Total	Liabilities at fair value through profit or loss	At amortised cost	Total	At amortised cost	Total
(Rupees)											
Financial liabilities											
Payable to NBP Fund Management Limited - Pension Fund Manager	-	1,697,589	1,697,589	-	837,233	837,233	-	1,932,131	1,932,131	2,282,378	6,749,331
Payable to Central Depository Company of Pakistan Limited - Trustee	-	125,937	125,937	-	59,156	59,156	-	144,139	144,139	-	329,232
Net assets attributable to redeemable Unit holder	-	1,109,328,306	1,109,328,306	-	565,692,505	565,692,505	-	1,387,988,456	1,387,988,456	-	3,063,009,267
Payable against redemption of units	-	2,658,677	2,658,677	-	603,208	603,208	-	1,920,221	1,920,221	-	5,182,106
Accrued expenses and other liabilities	-	581,004	581,004	-	324,435	324,435	-	340,975	340,975	-	1,246,414
	<u>-</u>	<u>1,114,391,513</u>	<u>1,114,391,513</u>	<u>-</u>	<u>567,516,537</u>	<u>567,516,537</u>	<u>-</u>	<u>1,392,325,922</u>	<u>1,392,325,922</u>	<u>2,282,378</u>	<u>3,076,516,352</u>

21 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

21.1 Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the 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.

21.2 Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with agreed rates.

21.3 Remuneration payable to Pension Fund Manager and the Trustee is determined in accordance with the provisions of the Voluntary Pension System Rules and the Trust Deed respectively.

The details of significant transactions carried out by the Fund with connected persons and balances with them for the year and at year end are as follows:

21.4 Transactions during the year

	2022					2021					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
(Rupees)											
NBP Fund Management Limited - Pension Fund Manager											
Remuneration to Pension Fund Manager	16,083,337	4,002,518	7,090,868	-	27,176,723	15,235,423	7,966,846	18,938,569	-	42,140,838	
Sindh Sales Tax on remuneration to Pension Fund Manager	2,090,834	520,328	921,813	-	3,532,975	1,980,605	1,035,690	2,462,014	-	5,478,309	
Reimbursement of Allocated expenses related to registrar services, accounting, operation and valuation services	1,635,611	501,077	1,221,275	-	3,357,963	-	-	-	-	-	
Reimbursement of Selling and Marketing expenses	14,720,498	2,661,183	2,831,320	-	20,213,001	-	-	-	-	-	
Sales load charged during the year	-	-	-	3,423,337	3,423,337	-	-	-	3,378,957	3,378,957	
Employees of NBP Fund Management Limited											
Number of units issued	Units	56,280	14,318	282,849	-	353,447	35,820	13,189	39,055	-	88,064
Amount of units issued		20,535,000	2,978,000	51,096,000	-	74,609,000	11,656,000	2,517,000	6,595,000	-	20,768,000
Number of units redeemed	Units	72,678	12,576	109,791	-	195,045	36,849	18,059	20,509	-	75,417
Amount of units redeemed		26,230,000	2,624,000	19,891,000	-	48,745,000	13,469,000	3,457,000	3,425,000	-	20,351,000
Amjad Waheed - Chief Executive Officer											
Number of units issued	Units	-	-	-	-	119,559	-	610,229	-	729,788	
Amount of units issued		-	-	-	-	37,955,000	-	99,868,000	-	137,823,000	
Number of units redeemed	Units	-	-	-	-	367,420	-	101,197	-	468,617	
Amount of units redeemed		-	-	-	-	112,673,000	-	101,197,000	-	213,870,000	

	2022					2021					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
(Rupees)											
Aftab Hussain - Director											
Number of units issued	Units	-	36	31	-	-	-	-	-	-	
Amount of units issued		-	8,000	5,000	-	-	-	-	-	-	
Number of units redeemed	Units	-	926	4,209	-	-	-	-	-	-	
Amount of units redeemed		-	192,000	756,000	-	-	-	-	-	-	
Central Depository Company of Pakistan Limited - Trustee											
Remuneration to Trustee		1,222,786	722,792	1,744,555	-	3,690,133	1,195,938	625,997	1,487,438	-	3,309,373
Sindh Sales Tax on remuneration of Trustee		158,963	93,963	226,792	-	479,718	155,471	81,379	193,366	-	430,216
Taurus Securities Limited											
Brokerage expense		52,164	-	-	-	52,164	123,267	-	-	-	123,267
Humayun Bashir - Director											
Number of units issued	Units	64,751	-	544,791	-	609,542	157,521	-	-	-	157,521
Amount of units issued		24,021,000	-	98,856,000	-	122,877,000	55,057,000	-	-	-	55,057,000
Number of units redeemed	Units	273,076	-	127,453	-	400,529	-	-	330,649	-	330,649
Amount of units redeemed		97,956,000	-	22,521,000	-	120,477,000	-	-	55,057,000	-	55,057,000
Khalid Mehmood - CFO											
Number of units redeemed	Units	15,291	-	-	-	-	-	-	-	-	-
Amount of units redeemed		5,687,000	-	-	-	-	-	-	-	-	-
Portfolio managed by Management company											
Number of units issued	Units	13,596	-	137,528	-	151,124	3,844	92	50	-	3,986
Amount of units issued		5,245,000	-	24,237,000	-	29,482,000	1,200,000	17,000	8,000	-	1,225,000
Number of units redeemed	Units	61,504	-	-	-	61,504	-	946	4,270	-	5,216
Amount of units redeemed		22,489,000	-	-	-	22,489,000	-	182,000	711,000	-	893,000
Sale of Government Securities		-	-	31,910,385	-	31,910,385	-	-	-	-	-
Bank Islami Pakistan Limited (Common directorship with the Management Company)											
Markup on bank balances	Units	-	-	3,650	-	3,650	-	-	12,171	-	12,171

	2022					2021				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
(Rupees)										
Khushhali Bank Limited										
(Common directorship with the Management Company)										
Markup on bank balances	-	12,196,551	-	-	12,196,551	-	-	-	-	-
Saad Amanullah Khan* -Director										
Number of units issued	Units	346	-	-	346	-	768	-	-	768
Amount of units issued		116,000	-	-	116,000	-	151,000	-	-	151,000
Number of units redeemed	Units	-	533	-	533	396	-	-	-	396
Amount of units redeemed		-	116,000	-	116,000	151,000	-	-	-	151,000
The Hub Power Company Limited										
(Common Directorship with the Management Company)*										
Purchase of Sukuks	-	-	-	-	-	-	10,000,000	126,000,000	-	136,000,000
National Clearing Company of Pakistan Limited										
(Common Directorship with the Management Company)*										
NCCPL charges	400,264	365,000	-	-	765,264	434,831	340,103	-	-	774,934
International Steels Limited										
(Common Directorship with the Management Company)*										
Shares purchase	3,800	-	-	-	3,800	-	-	-	-	-
Shares sold	15,700	-	-	-	15,700	-	-	-	-	-
National bank of Pakistan Limited										
(Parent Company of Management Company)										
Purchase of Government Securities	-	-	495,285,000	-	495,285,000	-	-	-	-	-

21.5 Amounts outstanding as at year end

	2022					2021				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
----- (Rupees) -----										
NBP Fund Management Limited - Pension Fund Manager										
Remuneration payable	1,178,790	307,146	372,068	-	1,858,004	1,510,917	749,544	1,718,478	-	3,978,939
Sindh Sales Tax payable	143,495	21,557	38,619	-	203,671	186,672	87,689	213,653	-	488,014
Reimbursement of NAV related expense payable	485,214	170,821	422,063	-	1,078,099	-	-	-	-	-
Reimbursement of Selling and Marketing expenses	4,366,926	999,009	1,206,495	-	6,572,431	-	-	-	-	-
Sales load	-	-	-	761,047	761,047	-	-	-	2,008,865	2,008,865
Sindh Sales Tax on sales load	-	-	-	111,293	111,293	-	-	-	273,513	273,513
Employees of NBP Fund Management Limited										
Number of units held	12,947	9,374	202,488	-	224,809	29,498	7,706	29,430	-	66,634
Amount of units held	4,186,000	2,046,000	38,305,000	-	44,537,000	10,894,000	1,523,000	5,030,000	-	17,447,000
Central Depository Company of Pakistan Limited - Trustee										
Remuneration payable	82,619	65,164	166,757	-	314,540	111,450	52,353	127,557	-	291,360
Sindh Sales Tax payable	10,740	17,089	21,678	-	49,507	14,487	6,803	16,582	-	37,872
Security deposit	100,000	100,000	100,000	-	300,000	100,000	100,000	100,000	-	300,000
Humayun Bashir - Director										
Number of units held	-	-	417,338	-	417,338	208,325	-	-	-	208,325
Amount of units held	-	-	78,949,000	-	78,949,000	76,938,000	-	-	-	76,938,000
Saad Amanullah Khan* - Director										
Number of units held	6,991	2,694	-	-	9,685	6,645	3,227	-	-	9,872
Amount of units held	2,260,000	588,000	-	-	2,848,000	2,454,000	638,000	-	-	3,092,000
Khalid Mehmood - Chief Financial Officer										
Number of units held	-	-	-	-	-	15,291	-	-	-	15,291
Amount of units held	-	-	-	-	-	5,647,000	-	-	-	5,647,000
Portfolio managed by management company										
Number of units held	32,882	5,564	199,049	-	237,495	32,882	6,454	29,854	-	69,190
Amount of units held	10,632,000	1,214,000	37,654,000	-	49,500,000	12,144,000	1,276,000	5,103,000	-	18,523,000
Bank Islami Pakistan Limited (Common Directorship with the Management Company)										
Bank balance	-	-	5,937	-	5,937	-	-	5,955	-	5,955
Markup accrued	-	-	-	-	-	-	-	1,941	-	1,941

	2022					2021				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
----- (Rupees) -----										
National bank of Pakistan Limited										
(Common Directorship with the Management Company)										
Bank balance	-	2,276	-	-	2,276	-	3,845	-	-	3,845
Markup accrued	-	2,075	-	-	2,075	-	3,476	-	-	3,476
Khushhali Bank Limited										
(Common Directorship with the Management Company)										
Bank Balance	-	753,543	-	-	753,543	-	143,840,050	-	-	143,840,050
Markup accrued	-	1,563	-	-	1,563	-	20,182	-	-	20,182
International Steels Limited										
(Common Directorship with the Management Company)*										
Number of shares held	-	-	-	-	-	11,900	-	-	-	11,900
Investment in shares	-	-	-	-	-	1,111,579	-	-	-	1,111,579
Fauji Fertilizer Company Limited										
(Common Directorship with the Management Company)*										
Number of shares held	233,100	-	-	-	233,100	244,500	-	-	-	244,500
Investment in shares	25,692,282	-	-	-	25,692,282	25,941,450	-	-	-	25,941,450
The Hub Power Company Limited										
(Common Directorship with the Management Company)*										
Number of shares held	-	-	-	-	-	468,631	-	-	-	468,631
Investment in shares	-	-	-	-	-	37,335,839	-	-	-	37,335,839
Number of sukuk held	-	-	-	-	-	-	480	1,260	-	1,740
Investment in sukuk	-	-	-	-	-	-	48,757,910	126,000,000	-	174,757,910
National Clearing Company of Pakistan Limited										
(Common Directorship with the Management Company)*										
Security Deposit	2,500,000	-	-	-	2,500,000	2,500,000	-	-	-	2,500,000
NCCPL charges payable	32,910	30,000	-	-	62,910	37,306	30,000	-	-	67,306
MAUSUF AHMAD (10% or More Holding)*										
Number of units held	-	762,294	-	-	762,294	-	691,182	-	-	691,182
Amount of units held	-	166,356,428	-	-	166,356,428	-	124,850,534	-	-	124,850,534

** Current year balances with these parties have not been disclosed as they did not remain connected persons and related parties as at year end.

* Prior year balances with these parties have not been disclosed as they were not connected persons and related parties during prior year.

22 FINANCIAL RISK MANAGEMENT

The Fund primarily invests in a portfolio of equity, debt and money market investments such as shares of listed companies, investment-grade debt securities, government securities and other money market instruments.

These activities are exposed to a variety of financial risks i.e market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

22.1 Market risk

Market risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market prices.

The Pension Fund Manager manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises three types of risk; currency risk, interest rate risk and price risk.

21.1.1 Currency risk

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

21.1.2 Interest rate risk

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

a) Sensitivity analysis for variable rate instruments

As at June 30, 2022, the debt and money market sub fund holds KIBOR based interest bearing term finance certificates and bank balances in saving accounts exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR on June 30, 2022, with all other variables held constant, net assets of the Fund would have been higher / lower by Rs. 24.25 million (June 30, 2021: Rs. 15.24 million) and net income for the year would have been higher / lower by Rs. 1.978 million. (June 30, 2021: Rs. 0.567 million)

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund holds interest bearing government securities-Ijarah sukuks and Commercial Papers that expose the Fund to fair value interest rate risk as as at June 30, 2022. In case of 100 basis points increase in KIBOR on June 30, 2022, with all other variables held constant, the net assets of the Fund for the year would have been higher by Rs. 1.576 million (June 30, 2021: Rs. 4.17 million) and net income for the year would have been higher by Rs. 0.349 million (June 30, 2021: Rs. 0.772 million). In case of 100 basis points decrease in KIBOR on 30 June 2022, with all other variables held constant, the net assets of the Fund for the year would have been lower by Rs. 1.576 million (June 30, 2021: Rs. 4.17 million) and net income for the year would have been lower by Rs. 0.349 million (June 30, 2021: Rs. 0.772 million).

The composition of the Fund's investment portfolio, KIBOR rates and rates announced by Financial Markets Association of Pakistan is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2022 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

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

As at June 30, 2022

	Equity Sub-Fund			Debt Sub-Fund				Money Market Sub-Fund				Others				Total			
	Effective yield / Interest rate	Exposed to yield / interest rate risk	Total	Effective yield / Interest rate	Exposed to yield / interest rate risk		Total	Effective yield / Interest rate	Exposed to yield / interest rate risk		Total	Effective yield / Interest rate	Exposed to yield / interest rate risk		Total				
		Not exposed to yield / interest rate risk			Up to three months	More than one year			Up to three months	More than three months upto one year			Not exposed to yield / interest rate risk	Up to three months			interest rate risk		
	(%)	(Rupees)	(%)	(Rupees)		(%)	(Rupees)		(%)	(Rupees)		(%)	(Rupees)						
On-balance sheet financial instruments																			
Financial assets																			
Bank balances	7.5% to 18.28%	21,628,862	-	21,628,862	5.50 to 8.57	446,585,653	-	-	446,585,653	5.50 to 8.57	1,868,995,385	-	-	1,868,995,385	5.50 to 8.57	2,814,015	-	2,814,015	2,339,923,915
Investments		-	884,662,436	884,662,436	6- 8.5	-	70,824,598	-	70,824,598	6- 8.5	-	48,200,053	-	48,200,053	-	-	-	-	1,003,687,087
Mark-up accrued		-	8,458	8,458		-	-	6,055,624	6,055,624		-	-	9,684,687	9,684,687	-	-	-	-	15,748,769
Receivable against transfer of units		-	-	-		-	-	29,465	29,465		-	-	-	-	-	-	-	-	29,465
Receivable against sale of investments		2,131,875	-	2,131,875		-	-	-	-		-	-	-	-	-	-	-	-	2,131,875
Security deposits		-	2,600,000	2,600,000		-	-	100,000	100,000		100,000	-	100,000	200,000	-	-	-	-	2,900,000
		23,760,737	887,270,894	911,031,631		446,585,653	70,824,598	6,185,089	523,595,341		1,868,995,385	48,200,053	9,784,686	1,926,980,126		2,814,015	-	2,814,015	3,364,421,111
Financial liabilities																			
Payable to NBP Fund Management Limited - Pension Fund Manager		-	6,174,425	6,174,425		-	-	1,498,533	1,498,533		-	-	2,039,245	2,039,245		-	872,340	872,340	10,584,543
Payable to Central Depository Company of Pakistan		-	93,359	93,359		-	-	82,253	82,253		-	-	188,435	188,435		-	-	-	364,047
Payable against redemption of units		-	-	-		-	-	553,516	553,516		-	-	2,252,894	2,252,894		-	-	-	2,806,410
Net assets attributable to redeemable Participants		-	902,632,610	902,632,610		-	-	694,170,536	694,170,536		-	-	1,920,470,189	1,920,470,189		-	-	-	3,517,273,335
Accrued expenses and other liabilities		-	562,598	562,598		-	-	497,550	497,550		-	-	299,825	299,825		-	-	-	1,359,973
		-	909,462,992	909,462,992		-	-	696,802,387	696,802,387		-	-	1,925,250,589	1,925,250,588		-	872,340	872,340	3,532,388,308
On-balance sheet gap		<u>23,760,737</u>	<u>(22,192,098)</u>	<u>1,568,639</u>		<u>446,585,653</u>	<u>70,824,598</u>	<u>(690,617,298)</u>	<u>(173,207,047)</u>		<u>1,868,995,385</u>	<u>48,200,053</u>	<u>(1,915,465,903)</u>	<u>1,729,537</u>		<u>2,814,015</u>	<u>(872,340)</u>	<u>1,941,675</u>	<u>(167,967,197)</u>
Off-balance sheet financial instruments		-	-	-		-	-	-	-		-	-	-	-		-	-	-	-
Off-balance sheet gap		-	-	-		-	-	-	-		-	-	-	-		-	-	-	-
Total interest rate sensitivity gap		<u>23,760,737</u>	<u>(22,192,098)</u>	<u>1,568,639</u>		<u>446,585,653</u>	<u>70,824,598</u>	<u>(690,617,298)</u>	<u>(173,207,047)</u>		<u>1,868,995,385</u>	<u>48,200,053</u>	<u>(1,915,465,903)</u>	<u>1,729,537</u>		<u>2,814,015</u>	<u>(872,340)</u>	<u>1,941,675</u>	<u>(167,967,197)</u>
Cumulative interest rate sensitivity gap		<u>23,760,737</u>				<u>446,585,653</u>	<u>70,824,598</u>				<u>1,868,995,385</u>	<u>1,917,195,438</u>				<u>2,814,015</u>			

As at June 30, 2021

	Equity Sub-Fund			Debt Sub-Fund				Money Market Sub-Fund				Others			Total				
	Exposed to yield / interest rate risk		Total	Exposed to yield / interest rate risk		Total	Exposed to yield / interest rate risk		Total	Exposed to yield / interest rate risk		Total							
	Effective yield / Interest rate	Not exposed to yield / interest rate risk		Effective yield / Interest rate	Not exposed to yield / interest rate risk		Effective yield / Interest rate	Not exposed to yield / interest rate risk		Effective yield / Interest rate	Not exposed to yield / interest rate risk		Effective yield / Interest rate	Not exposed to yield / interest rate risk					
			Up to three months			More than three months upto one year			Up to three months			More than one year				Up to three months	More than three months upto one year	Up to three months	Not exposed to yield / interest rate risk
(%)	(Rupees)	(Rupees)	(%)	(Rupees)	(Rupees)	(%)	(Rupees)	(Rupees)	(%)	(Rupees)	(Rupees)								
On-balance sheet financial instruments																			
Financial assets																			
Bank balances	5.50 to 8.57	24,509,605	-	24,509,605	5.50 to 8.57	314,745,521	-	-	314,745,521	5.50 to 8.57	1,153,944,982	-	-	1,153,944,982	5.50 to 8.57	4,224,053	-	4,224,053	1,497,424,160
Investments		-	1,091,031,630	1,091,031,630	6- 8.5	-	160,934,188	-	160,934,188	6- 8.5	-	238,374,949	-	238,374,949		-	-	-	1,490,340,767
Mark-up accrued		-	65,873	65,873		-	-	4,552,717	4,552,717		3,309,347	-	4,712,735	8,022,082		-	-	-	12,640,672
Receivable against transfer of units		1,280.28	-	1,280		-	-	-	-		2,684,119	-	2,684,119	5,368,239		-	-	-	5,368,519
Receivable against sale of investments		4,149,858	-	4,149,858		-	-	-	-		-	-	-	-		-	-	-	4,149,858
Security deposits		-	2,600,000	2,600,000		-	-	100,000	100,000		100,000	-	100,000	200,000		-	-	-	2,900,000
		28,660,743	1,093,697,503	1,122,358,246		314,745,521	160,934,188	4,652,717	480,332,425		1,160,038,448	238,374,949	7,496,855	1,405,910,252		4,224,053	-	4,224,053	3,012,824,976
Financial liabilities																			
Payable to NBP Fund Management Limited - Pension Fund Manager		-	1,697,589	1,697,589		-	-	837,233	837,233		-	-	1,932,131	1,932,131		-	2,282,378	2,282,378	6,749,331
Payable to Central Depository Company of Pakistan		-	125,937	125,937		-	-	59,156	59,156		-	-	144,139	144,139		-	-	-	329,232
Payable against redemption of units		-	2,658,677	2,658,677		-	-	603,208	603,208		-	-	1,920,221	1,920,221		-	-	-	5,182,106
Net assets attributable to redeemable Participants		-	1,109,328,306	1,109,328,306		-	-	565,692,505	565,692,505		-	-	1,387,988,456	1,387,988,456		-	-	-	3,063,009,267
Accrued expenses and other liabilities		-	581,004	581,004		-	-	324,435	324,435		-	-	340,975	340,975		-	-	-	1,246,413
		-	1,114,391,513	1,114,391,513		-	-	567,516,537	567,516,537		-	-	1,392,325,922	1,392,325,922		-	2,282,378	2,282,378	3,076,516,350
On-balance sheet gap		28,660,743	(20,694,010)	7,966,733		314,745,521	160,934,188	(562,863,821)	(87,184,112)		1,160,038,448	238,374,949	(1,384,829,068)	13,584,329		4,224,053	(2,282,378)	1,941,675	(63,691,374)
Off-balance sheet financial instruments		-	-	-		-	-	-	-		-	-	-	-		-	-	-	-
Off-balance sheet gap		-	-	-		-	-	-	-		-	-	-	-		-	-	-	-
Total interest rate sensitivity gap		28,660,743	(20,694,010)	7,966,733		314,745,521	160,934,188	(562,863,821)	(87,184,112)		1,160,038,448	238,374,949	(1,384,829,068)	13,584,329		4,224,053	(2,282,378)	1,941,675	(63,691,374)
Cumulative interest rate sensitivity gap		26,048,798				314,745,521	160,801,407				1,160,038,448	1,398,097,754				4,224,053			

22.2 Price risk

Price risk is the risk of volatility in prices of financial instruments resulting from their dependence on market sentiments, speculative activities, supply and demand for financial instruments and liquidity in the market. The value of investments may fluctuate due to change in business cycles affecting the business of the company in which the investment is made, change in business circumstances of the company, industry environment and / or the economy in general.

The Pension Fund Manager's strategy on the management of investment risk is driven by the Fund's investment objective. The primary objective of the Fund is to achieve long term capital growth by investing primarily in equity securities. The Fund's market risk is managed on a daily basis by the Pension Fund Manager in accordance with the policies and procedures laid down by the SECP. The funds are allocated among various asset classes based on the attractiveness of the particular

asset class. The allocation among these is dependent on the time horizon for investments and liquidity requirements of the portfolio. The market risk is managed by monitoring exposure to marketable securities, and by complying with the internal risk management policies and regulations laid down in VPS Rules and directives issued by the SECP.

The Fund's overall market positions are monitored on a quarterly basis by the Board of Directors of the Pension Fund Manager.

Details of the Fund's investment portfolio exposed to price risk, at the balance sheet date are disclosed in note 6 to these financial statements. At June 30, 2022 the Fund's overall exposure to price risk is limited to the fair value of those positions. The Fund also manages its exposure to price risk by analysing the investment portfolio by industrial sector and benchmarking the sector weighting to that of the PSX 100 index. The Fund's policy is to concentrate the investment portfolio in sectors where management believes that the Fund can maximise the returns derived for the level of risk to which the Fund is exposed.

The net assets of the Fund will increase / decrease by approximately Rs. 8.8466 million (2021: Rs. 10.9104 million) if the prices of equity vary due to increase / decrease in the PSX 100 index. This is based on the assumption that the fair value of the Fund's portfolio moves according to their historical correlation with the PSX 100 index and that the PSX 100 index increases / decreases by 1% on PSX 100 index with all other factors held constant.

The Pension Fund Manager uses the PSX 100 index as a reference point in making investment decisions. However, the pension fund manager does not manage the Fund's investment strategy to track the PSX 100 index or any other index or external benchmark. The sensitivity analysis presented is based upon the portfolio composition as at June 30, 2022 and the historical correlation of the securities comprising the portfolio of the PSX 100 index. The composition of the Fund's investment portfolio and the correlation thereof to the PSX 100 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2022 is not necessarily indicative of the effect on the Fund's net assets attributed to units of future movements in the level of the PSX 100 Index.

22.3 Credit risk

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due. Credit risk arises from the inability of the relevant brokerage house or the counter party to fulfill their obligations.

The Fund's credit risk is primarily attributable to balances with banks, TFC and Sukoks. The credit risk of the Fund is limited as the balances are maintained with counter parties that are financial institutions with reasonably high credit ratings.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through the assignment of credit limits and by following strict credit evaluation criteria laid down by the Pension Fund Manager.

22.4 Liquidity risk

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

The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the participant's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP). The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and cannot be readily disposed and are considered readily realisable.

The Fund has the ability to borrow, with prior approval of trustee, for meeting redemption requests. The maximum amount available to the Fund from borrowings is limited to the extent of 10% of the total net asset value at the time of borrowing with repayment within 90 days of such borrowings. No such borrowings were made during the year.

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

As at June 30, 2022							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Total	Upto three months	Total	Upto three months	Total	Upto three months	
----- (Rupees) -----							
Financial Liabilities (excluding participants' funds)							
Payable to NBP Fund Management Limited - Pension Fund Manager	6,174,425	6,174,425	1,498,533	1,498,533	2,039,245	2,039,245	9,712,203
Payable to Central Depository Company of Pakistan Limited - Trustee	93,359	93,359	82,253	82,253	188,435	188,435	364,047
Payable against redemption of units	-	-	553,516	553,516	2,252,894	2,252,894	2,806,410
Net assets attributable to redeemable units	902,632,610	902,632,610	694,170,536	694,170,536	1,920,470,189	1,920,470,189	3,517,273,335
Accrued expenses and other liabilities	562,598	562,598	497,550	497,550	299,825	299,825	1,359,973
	<u>909,462,992</u>	<u>909,462,992</u>	<u>696,802,387</u>	<u>696,802,387</u>	<u>1,925,250,589</u>	<u>1,925,250,589</u>	<u>3,531,515,968</u>
Participants' funds	<u>902,632,610</u>	<u>902,632,610</u>	<u>694,170,536</u>	<u>694,170,536</u>	<u>1,920,470,189</u>	<u>1,920,470,189</u>	<u>3,517,273,335</u>
As at June 30, 2021							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Total	Upto three months	Total	Upto three months	Total	Upto three months	
----- (Rupees) -----							
Financial Liabilities (excluding participants' funds)							
Payable to NBP Fund Management Limited - Pension Fund Manager	1,697,589	1,697,589	837,233	837,233	1,932,131	1,932,131	4,466,953
Payable to Central Depository Company of Pakistan Limited - Trustee	125,937	125,937	59,156	59,156	144,139	144,139	329,232
Payable against redemption of units	2,658,677	2,658,677	603,208	603,208	1,920,221	1,920,221	5,182,106
Net assets attributable to redeemable units	1,109,328,306	1,109,328,306	565,692,505	565,692,505	1,387,988,456	1,387,988,456	3,063,009,267
Accrued expenses and other liabilities	581,004	581,004	324,435	324,435	340,975	340,975	1,246,413
	<u>1,114,391,513</u>	<u>1,114,391,513</u>	<u>567,516,537</u>	<u>567,516,537</u>	<u>1,392,325,922</u>	<u>1,392,325,922</u>	<u>3,074,233,972</u>
Participants' funds	<u>1,109,328,306</u>	<u>1,109,328,306</u>	<u>565,692,505</u>	<u>565,692,505</u>	<u>1,387,988,456</u>	<u>1,387,988,456</u>	<u>3,063,009,267</u>

The above mentioned financial liabilities do not carry any mark-up.

Units of the Fund are redeemable on demand at the participants' option. However, participants typically retain them from medium to long term.

23 PARTICIPANTS' FUNDS RISK MANAGEMENT (CAPITAL RISK)

The participants' fund is represented by redeemable units. These units are entitled to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund.

The Fund's objectives when managing participants' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to participants and to maintain a strong base of assets under management. In accordance with the risk management policies stated in note 21, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the participants of the Fund have invested with long term objective, the possibility of a significant redemption pressure is limited, such liquidity is augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments, where necessary.

All units, including the core units, and fractions thereof represents an undivided share in the pertinent sub-funds of the Fund and rank pari passu as their rights in the net assets and earning of the sub-fund are not tradable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units.

The maximum exposure to credit risk is as follows:

	As at June 30, 2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	----- (Rupees) -----				
Bank balances					
AAA	238,336	401,691,505	1,701,496,119	925,584	2,104,351,543
AA+	21,347,007	43,606,013	166,664,830	1,564,495	233,182,345
AA-	30,444	63,955	35,063	-	129,461
A1+	8,192	454,430	682,649	323,936	1,469,207
A+	4,883	6,323	16,724	-	27,930
A	-	763,428	-	-	763,428
	21,628,862	446,585,653	1,868,895,385	2,814,015	2,339,923,915
Term Finance Certificates					
AAA		25,875,000			25,875,000
AA+	-	32,800,051	-	-	32,800,051
AA	-	20,300,000	-	-	20,300,000
AA-		20,071,208			20,071,208
A+	-	35,175,000	-	-	35,175,000
	-	134,221,259	-	-	134,221,259
Mark-up accrued	8,458	6,055,624	9,684,687	-	15,748,769
Security deposits	2,600,000	100,000	100,000	-	2,800,000

As at June 30, 2021					
Bank balances	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
----- (Rupees) -----					
AAA	562,600	168,398,300	1,110,981,016	1,159,410	1,281,101,326
AA+	23,623,846	1,749,386	42,760,945	3,064,643	71,198,821
AA-	318,399	751,622	166,184	-	1,236,205
AA	-	-	20,770	-	20,770
A+	4,760	143,846,213	16,471	-	143,867,444
A	-	-	3,796	-	3,796
	<u>24,509,605</u>	<u>314,745,521</u>	<u>1,153,949,182</u>	<u>4,224,053</u>	<u>1,497,428,361</u>
Term Finance Certificates					
AA+	-	52,477,152	126,000,000	-	178,477,152
AA	-	-	-	-	-
AA-	-	40,089,480	-	-	40,089,480
A+	-	27,015,876	-	-	27,015,876
	<u>-</u>	<u>119,582,508</u>	<u>126,000,000</u>	<u>-</u>	<u>245,582,508</u>
Mark-up accrued	<u>65,873</u>	<u>4,552,717</u>	<u>4,712,735</u>	<u>-</u>	<u>9,331,325</u>
Security deposits	<u>2,600,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>2,800,000</u>

The maximum exposure to credit risk before any credit enhancement is the carrying amount of these financial assets.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Currently the Fund has placed its money in saving accounts of banks of highly rated financial institutions.

24 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from carrying values as the items are either short term in nature or periodically repriced.

According to the amendments to International Financial Reporting Standard 7, Financial Instruments: Disclosure - Improving disclosures about financial instruments, an entity shall classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

		June 30, 2022																							
		Equity Sub-Fund				Debt Sub-Fund								Money Market Sub-Fund				Others							
		Carrying value		Fair Value		Carrying value				Carrying value															
		At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Total	At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 2	Total	At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 2	Total	Amortised cost	Other financial liabilities	Total	Total		
		(Rupees)																							
On-balance sheet financial instruments																									
Financial assets measured at fair value																									
Investments																									
-	Listed equity securities	884,662,436	-	-	884,662,436	884,662,436	884,662,436	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	884,662,436	
-	Government securities - Pakistan Investment Bonds	-	-	-	-	-	-	86,917,446	-	-	86,917,446	86,917,446	86,917,446	-	-	-	-	-	-	-	-	-	-	-	-
-	Term finance certificates	-	-	-	-	-	-	134,221,259	-	-	134,221,259	134,221,259	134,221,259	-	-	-	-	-	-	-	-	-	-	-	134,221,259
		<u>884,662,436</u>	<u>-</u>	<u>-</u>	<u>884,662,436</u>	<u>884,662,436</u>	<u>884,662,436</u>	<u>221,138,704</u>	<u>-</u>	<u>-</u>	<u>221,138,704</u>	<u>221,138,704</u>	<u>221,138,704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,018,883,695</u>
Financial assets not measured at fair value																									
24.1	Bank balances	-	21,628,862	-	21,628,862	-	-	446,585,653	-	-	446,585,653	-	-	1,868,895,385	-	-	1,868,895,385	-	-	2,814,015	-	-	2,814,015	2,339,923,916	
	Mark-up accrued	-	8,458	-	8,458	-	-	6,055,624	-	-	6,055,624	-	-	9,684,687	-	-	9,684,687	-	-	-	-	-	-	-	15,748,769
	Receivable against sale of investments	-	2,131,875	-	2,131,875	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,131,875
	Receivable against transfer of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Security deposits	-	2,600,000	-	2,600,000	-	-	100,000	-	-	100,000	-	-	100,000	-	-	100,000	-	-	-	-	-	-	-	2,800,000
		<u>-</u>	<u>26,369,195</u>	<u>-</u>	<u>26,369,195</u>	<u>-</u>	<u>-</u>	<u>452,741,277</u>	<u>-</u>	<u>-</u>	<u>452,741,277</u>	<u>-</u>	<u>-</u>	<u>1,878,680,073</u>	<u>-</u>	<u>-</u>	<u>1,878,680,073</u>	<u>-</u>	<u>-</u>	<u>2,814,015</u>	<u>-</u>	<u>-</u>	<u>2,814,015</u>	<u>2,360,604,560</u>	
Financial liabilities not measured at fair value																									
24.1	Payable to NBP Fund Management	-	-	6,174,425	6,174,425	-	-	-	-	1,498,533	1,498,533	-	-	-	-	2,039,245	2,039,245	-	-	-	-	872,340	872,340	10,584,543	
	Limited - Pension Fund Manager	-	-	6,174,425	6,174,425	-	-	-	-	1,498,533	1,498,533	-	-	-	-	2,039,245	2,039,245	-	-	-	-	872,340	872,340	10,584,543	
	Payable to Central Depository	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Company of Pakistan	-	-	93,359	93,359	-	-	-	-	82,253	82,253	-	-	-	-	188,435	188,435	-	-	-	-	-	-	-	364,047
	Payable against redemption of units	-	-	-	-	-	-	-	-	553,516	553,516	-	-	-	-	2,252,894	2,252,894	-	-	-	-	-	-	-	2,806,410
	Net assets attributable to redeemable unitholder	-	-	902,632,610	902,632,610	-	-	-	-	694,170,536	694,170,536	-	-	-	-	1,920,470,189	1,920,470,189	-	-	-	-	-	-	-	3,517,273,335
	Accrued expenses and other liabilities	-	-	562,598	562,598	-	-	-	-	497,550	497,550	-	-	-	-	299,825	299,825	-	-	-	-	-	-	-	1,359,973
		<u>-</u>	<u>-</u>	<u>909,462,992</u>	<u>909,462,992</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>696,802,387</u>	<u>696,802,387</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,925,250,589</u>	<u>1,925,250,589</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>872,340</u>	<u>872,340</u>	<u>3,532,368,308</u>	

June 30, 2021

	Equity Sub-Fund		Debt Sub-Fund						Money Market Sub-Fund				Others			Total		
	Carrying value		Fair Value		Carrying value				Carrying value									
	At fair value through profit or loss	Other financial liabilities	Level 1	Total	At fair value through profit or loss	Other financial liabilities	Total	Level 2	Total	At fair value through profit or loss	Other financial liabilities	Total	Level 2	Total	Loans and receivables		Other financial liabilities	Total
(Rupees)																		
On-balance sheet financial instruments																		
Financial assets measured at fair value																		
Investments																		
- Listed equity securities	1,091,031,630	-	1,091,031,630	1,091,031,630	1,091,031,630	-	-	-	-	-	-	-	-	-	-	-	-	1,091,031,630
- Government securities - Pakistan Investment Bonds	-	-	-	-	-	90,109,590	-	90,109,590	90,109,590	90,109,590	-	-	-	-	-	-	-	90,109,590
- Term finance certificates	-	-	-	-	-	70,824,598	-	70,824,598	70,824,598	70,824,598	-	-	-	-	-	-	-	70,824,598
	<u>1,091,031,630</u>	<u>-</u>	<u>1,091,031,630</u>	<u>1,091,031,630</u>	<u>1,091,031,630</u>	<u>160,934,188</u>	<u>-</u>	<u>160,934,188</u>	<u>160,934,188</u>	<u>160,934,188</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,161,856,228</u>
Financial assets not measured at fair value																		
Bank balances	-	24,509,605	-	24,509,605	-	-	314,745,521	-	314,745,521	-	-	1,153,944,982	-	1,153,944,982	-	-	4,224,053	1,497,424,161
Mark-up accrued	-	65,873	-	65,873	-	-	4,552,717	-	4,552,717	-	-	4,712,735	-	4,712,735	-	-	-	9,331,325
Receivable against sale of investments	-	4,149,858	-	4,149,858	-	-	-	-	-	-	-	-	-	-	-	-	-	4,149,858
Receivable against transfer of units	-	-	-	-	-	-	-	-	-	-	2,684,119	-	2,684,119	-	-	-	-	2,684,119
Security deposits	-	2,600,000	-	2,600,000	-	-	100,000	-	100,000	-	-	100,000	-	100,000	-	-	-	2,800,000
	<u>-</u>	<u>31,325,336</u>	<u>-</u>	<u>31,325,336</u>	<u>-</u>	<u>-</u>	<u>319,398,237</u>	<u>-</u>	<u>319,398,237</u>	<u>-</u>	<u>-</u>	<u>1,161,441,836</u>	<u>-</u>	<u>1,161,441,836</u>	<u>-</u>	<u>-</u>	<u>4,224,053</u>	<u>1,516,389,463</u>
Financial liabilities not measured at fair value																		
Payable to NBP Fund Management Limited - Pension Fund Manager	-	-	1,697,589	1,697,589	-	-	837,233	837,233	-	-	-	1,932,131	1,932,131	-	-	-	2,282,378	6,749,331
Payable to Central Depository Company of Pakistan	-	-	125,937	125,937	-	-	59,156	59,156	-	-	-	144,139	144,139	-	-	-	-	329,232
Payable against redemption of units	-	-	2,658,677	2,658,677	-	-	603,208	603,208	-	-	-	1,920,221	1,920,221	-	-	-	-	5,182,106
Net assets attributable to units	-	1,109,328,306	-	1,109,328,306	-	-	565,692,505	565,692,505	-	-	-	1,387,988,456	1,387,988,456	-	-	-	-	3,063,009,267
Accrued expenses and other liabilities	-	-	581,004	581,004	-	-	324,435	324,435	-	-	-	340,975	340,975	-	-	-	-	1,246,413
	<u>-</u>	<u>-</u>	<u>1,114,391,513</u>	<u>1,114,391,513</u>	<u>-</u>	<u>-</u>	<u>567,516,537</u>	<u>567,516,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,392,325,922</u>	<u>1,392,325,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,282,378</u>	<u>3,076,516,350</u>

24.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

25 PERFORMANCE TABLE

25.1 Highest and lowest issue price of units during the year

	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	Highest issue price	Lowest issue price	Highest issue price	Lowest issue price	Highest issue price	Lowest issue price
(Rupees)						
2022	388.2549	317.7674	218.2313	197.6971	189.1724	170.9572
2021	383.54	268.07	197.67	186.62	170.93	162.19
2020	318.42	211.36	188.98	157.87	162.10	144.85
2019	318.72	249.25	157.78	147.51	144.76	133.99
2018	334.43	269.45	147.56	141.44	133.97	128.35
2017	369.26	241.22	141.42	135.46	128.35	123.01
2016	246.97	195.81	135.45	128.34	122.98	117.29
2015	212.75	132.97	128.33	109.44	117.28	108.87
2014	141.98	100.47	109.67	101.39	108.84	101.44
2013	100.00	100.00	100.00	100.00	100.00	100.00

25.2 Financial performance of pension fund

25.3 Equity Sub-Fund

	Equity Sub-Fund					
	2022 ----- (Rupees) -----	2021	% change	2020	2019 ----- (Rupees) -----	2018
Net (Loss)/ income for the year	(133,618,423)	304,883,256	(1.44)	4,304,240	(173,709,959)	(83,640,786)
Realised gains / (loss)	5,556,352	97,096,472	(0.94)	(1,240,563)	(72,040,353)	(77,436,126)
Unrealised (loss) / gain	(195,881,939)	185,577,000	(2.06)	(14,245,818)	(134,789,724)	(38,221,038)
Dividend income	77,479,904	47,500,968	0.63	32,934,525	47,528,550	49,145,210
Mark-up / return on bank deposits	3,012,422	2,410,917	0.25	3,860,145	5,562,105	4,176,932
NAV per unit	323.3181	369.3173	(0.12)	263.5687	252.8409	306.8382
Transactions in securities						
Purchases	301,708,732	618,346,566	(0.51)	821,172,641	809,898,896	742,297,198
Sales	323,046,458	562,303,871	(0.43)	776,105,347	931,831,583	621,157,634
Total contribution received	142,116,824	310,225,423	(0.54)	89,568,426	352,086,452	253,299,551

25.4 Debt Sub-Fund

	Debt Sub-Fund					
	2022 ----- (Rupees) -----	2021	% change	2020	2019 ----- (Rupees) -----	2018
Net income for the year	62,967,231	23,501,956	1.68	109,577,622	26,916,501	18,536,097
Realised gains / (loss)	101,962	(7,531,299)	1.01	7,459,280	(1,407,986)	(86,018)
Unrealised (loss) / gain	(490,518)	(759,458)	0.35	35,881,626	(2,795,917)	(441,402)
Mark-up / return on bank deposits	40,566,824	9,697,877	3.18	17,177,064	10,840,133	6,884,388
Income from term deposit Receipts	-	-	-	-	423,452	1,596,869
Return on government securities	10,417,853	22,150,549	(0.53)	47,101,882	19,771,647	12,529,550
Return from term finance certificates	15,271,138	8,235,134	0.85	12,787,381	7,863,189	4,359,249
Income from commercial papers	2,107,083	2,461,023	(0.14)	3,510,205	689,091	-
NAV per unit	218.2313	197.6708	0.10	188.9459	157.7781	141.4226
Transactions in securities						
Purchases	790,631,311	2,667,134,019	(0.70)	1,966,655,854	1,966,655,854	1,198,592,225
Sales	407,630,336	2,159,870,241	(0.81)	1,556,439,853	1,556,439,853	379,937,495
Total contribution received	192,600,015	127,639,111	0.51	170,369,307	170,369,307	126,561,254

25.5 Money Market Sub-Fund

	Money Market Sub-Fund					
	2022 ----- (Rupees) -----	2021	% change	2020 ----- (Rupees) -----	2019 ----- (Rupees) -----	2018
Net income for the year	157,997,225	67,219,973	1.35	115,118,978	58,130,963	23,023,581
Realised gains / (loss)	177,016	(291,166)	1.61	3,148,679	(792,818)	(99,293)
Unrealised gain	-	-	1.00	2,305,732	-	-
Mark-up / return on bank deposits	140,124,435	37,648,706	2.72	57,421,132	37,542,828	10,795,206
Income from term deposit Receipts	-	4,756,274	(1.00)	16,499,772	16,368,451	9,028,471
Return on government securities	14,526,302	44,080,478	(0.67)	51,509,108	20,007,828	14,224,964
Income from commercial papers	8,261,702	4,534,718	0.82	6,360,667	778,006	-
NAV per unit	189.1724	170.9290	0.11	162.0954	144.7624	133.9705
Transactions in securities						
Purchases	52,551,245	11,222,843,465	1.00	7,012,363,684	3,108,379,140	1,220,023,909
Sales	30,424,460	8,575,767,111	1.00	5,869,203,427	2,617,050,005	448,205,717
Total contribution received	568,937,170	517,044,886	0.10	279,060,641	310,762,584	197,134,125

26 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Pension Fund Manager in their meeting held on September 27, 2022.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

PROXY ISSUED BY THE FUND

The proxy voting policy of **NAFA Pension Fund**, duly approved by Board of Directors of the Management Company, is available on the website of NBP Fund Management Limited i.e. www.nbpfunds.com. A detailed information regarding actual proxies voted by the Management Company in respect of the fund is also available without charge, upon request, to all unit holders.

The details of summarized proxies voted are as follows:

NAFA Pension Fund				
	Resolutions	For	Against	Abstain*
Number	13	13	Nil	N/A
(%)	100%	100%	-	-

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