

NAFA PENSION FUND

ANNUAL REPORT
2023



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. Saad Amanullah Khan	Director
Mr. Ruhail Muhammad	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Ruhail Muhammad	Chairman
Mr. Saad Amanullah Khan	Member
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member

Human Resource & Remuneration Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Mr. Tauqeer Mazhar	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Khalid Mansoor	Member

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block "B" S.M.C.H.S.,
Main Shahr-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.nbpfunds.com

Lahore Office

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

Islamabad Office

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

Peshawar Office

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

Multan Office

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. Saad Amanullah Khan
Director



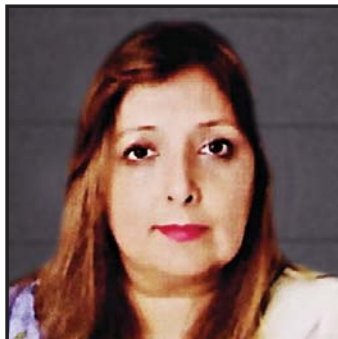
Mr. Tauqeer Mazhar
Director



Mr. Ali Saigol
Director



Mr. Ruhail Muhammad
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 Business
Development Officer



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



Mr. Khalid Mehmood
Chief Financial Officer



Mr. Salman Ahmed, CFA
Head of Fixed Income



Mr. Shahzad Mithani
Head of Corporate &
HNWIs Sales - South



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. Hassan Raza, CFA
Head of Research



Mr. Mustafa Farooq
Head of Compliance

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the eleventh Annual Report for the year ended June 30, 2023, since launch of **NAFA Pension Fund (NPF)** on July 02, 2013.

	Fund Size (Rs. in mln)	NAV Per Unit (Rs.) June 30, 2022	NAV Per Unit (Rs.) June 30, 2023	Performance Since Launch July 02, 2013
NPF-Equity Sub-fund	516	323.3181	322.3446	12.3%
NPF-Debt Sub-fund	800	218.2313	255.1159	9.7%
NPF-Money Market Sub-fund	3,154	189.1724	222.8679	8.2%
Annualized Return [Net of management fee & all other expenses]				

Fund's performance

FY23 was a lackluster year for equities as the benchmark KSE-100 Index remained flat, falling slightly by 88 points. However, during the period, the market remained very volatile and the Index exhibited large swings on both sides.

The stock market performance remained subdued during the outgoing year as investors' confidence remained fragile shaped by worsening political and macro-economic outlook. On the political front, uncertainty & agitation remained elevated during the year and weighed on investors' sentiments. The dissolution of two provincial assemblies and uncertainty over continuity of federal government and contention between government and apex court caused jitters in the market. On economic front, the precarious situation on balance of payment (BOP) troubled investors. Though the current account deficit (CAD), that stood at USD 2.6 bn as against USD 17.5 bn last year, was brought under control due to various administrative measures/restrictions, elevated external debt repayments of around USD 21 bn remained a cause of concern. Due to delay in meeting conditions of IMF, the program remained in abeyance and the external inflows dried up. Hence, SBP's FX reserves slipped from USD 9.8 billion to USD 4.5 billion for the same reason. Amid steep drawdown in FX reserves, PKR witnessed massive devaluation of around 40% during FY23 that also dented sentiments. Unprecedented rains led to massive floods in the country that not only caused massive devastation but further worsened economic outlook as GDP growth was merely recorded at 0.3% during the year. Large Scale Manufacturing was particularly hit as its output dropped by around 10.3% during FY23. Inflation, which was already on an ascent due to commodity upcycle and retail fuel & power prices adjustments, further ratcheted up as acute supply disruptions & shortages put more pressure on prices. Average inflation clocked in at around 29.2% in FY23. This prompted the central bank to aggressively increase Policy Rate to 22% from 13.75% at the start of the period. Although listed corporate sector continued to post robust double-digit growth in profitability, despite imposition of higher taxes and anemic GDP growth, multi-faceted economic challenges and political uncertainty sapped sentiments and weighed on market performance. A key aspect during last year related to capital market was the sponsor buy back programs which remained a major redeeming factor where cumulative buybacks of around PKR 28 billion were announced reflecting immense sponsor confidence in their own companies.

In terms of sector performance, Cements, Chemicals, Banks, Fertilizer, Oil & Gas Exploration Companies, Power Generation & Distribution, Sugar & Allied Industries, and Technology & Communication sectors outperformed the market. On the contrary, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Engineering, Food & Personal Care, Glass & Ceramics, Insurance, Leather & Tanneries, Miscellaneous, Oil & Gas Marketing, Paper & Board, Pharmaceutical, Refinery, Textile Composite, and Tobacco sectors lagged the market. On participants-wise market activity, Companies, Individual and Banks/DFIs emerged the largest net buyers with inflows of around USD 100 million, USD 84 and USD 74 million, respectively. On the contrary, Mutual Funds & Insurance lowered their net holdings by around USD 144 million & USD 124 million, respectively.

During FY23, the State Bank's Monetary Policy Committee (MPC) conducted nine meetings and raised the policy rate by 825 basis points to 22% to anchor inflationary pressures, achieve price stability, ensure economic sustainability, and ease currency pressure, all while taking into account domestic uncertainty and continued stress on the external account. The monthly inflation reached a multi-decade high level of 38% in May 2023, and the outlook is subject to prevailing domestic uncertainty and external vulnerabilities, undermining medium- and short-term growth. Additionally, debt repayments amid lower fresh disbursements and weak investment inflows continue to exert pressure on FX reserves. The net liquid foreign exchange reserves with the State Bank of Pakistan (SBP) were recorded at USD 4.5 billion in June 2023, depleting by USD 5.3 billion during FY23, posing challenges and risks to financial stability and fiscal consolidation. Sovereign yields also responded to these policy actions and the rising inflation and interest rate outlook. Market participants' interest remained tilted towards shorter tenors due to political and economic uncertainty. SBP held twenty seven (27) T-Bill auctions, realizing Rs. 25.1 trillion against a target of Rs. 24.4 trillion and maturity of Rs. 23.5 trillion. T-Bill yields increased by 767 bps, 772 bps, and 763 bps for 3 months, 6 months and 12 months, respectively.

The trading activity in corporate bonds remained slow, with the cumulative traded value standing at Rs. 7.9 billion (a 23% decrease from last year). However, the market witnessed some fresh issuance of TFCs and Sukuks, mostly in the Power & Distribution and Banking sectors.

The equity sub-fund decreased by 0.3% during FY23 compared with 0.2% decrease in the KSE-100 Index during the same period.

The debt sub-fund yielded 16.9% return during FY23.

The money market sub-fund delivered a return of 17.8% during the year. These returns are net of management fee and all other expenses.

The asset allocation of the Fund as on June 30, 2023 is as follows:

Asset Allocation (% of Net Assets)

Equity Sub-fund	
Equity	98.4%
Cash Equivalents	2.0%
Others	(0.4%)
Total	100.0%
Debt Sub-fund	
TFCs/Sukuks	10.6%
PIBs	23.1%
Cash Equivalents	65.0%
Others	1.3%
Total	100.0%
Money Market Sub-fund	
Cash Equivalents	47.6%
Placements with Banks and DFIs	8.1%
TFCs / Sukuk	3.2%
T-Bills	41.2%
Others	(0.1%)
Total	100.0%

Auditors

The present auditors, Messrs Yousuf Adil Chartered Accountants, has completed their five years tenure in the capacity of Auditor of the Fund. As per the requirement of Regulation 38(2) (h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the replacement would be required. The Board has approved the appointment of Messrs Grant Thornton Anjum Rahman, Chartered Accountants, for the year ending June 30, 2024.

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 six 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. For the year ended June 30, 2023, the Board included:

Category	Names
Independent Directors	<ol style="list-style-type: none"> 1. Mr. Khalid Mansoor 2. Mr. Saad Amanullah Khan 3. Mr. Ruhail Muhammad 4. 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 15, 2023**
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 02 جولائی 2013 کو قائم ہونے والے NAFA پنشن فنڈ (NPF) کی گیارہویں سالانہ رپورٹ برائے مختتمہ سال 30 جون 2023 پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

2 جولائی 2013 کو آغاز سے آپ تک کارکردگی	NAV فی یونٹ (روپے) 30 جون 2023	NAV فی یونٹ (روپے) 30 جون 2022	فنڈ کا حجم (ملین روپے)	
12.3%	322.3446	323.3181	516	INPF ایکویٹی سب فنڈ
9.7%	255.1159	218.2313	800	NPF ڈیٹ سب فنڈ
8.2%	222.8679	189.1724	3,154	NPF مٹی مارکیٹ سب فنڈ
(مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص)				سالانہ منافع

فنڈ کی کارکردگی

مالی سال 23 ایکویٹیز کے لیے مایوس کن تھا کیونکہ شیخ مارک KSE-100 انڈیکس فلیٹ رہا، جس میں 88 پوائنٹس کی کمی واقع ہوئی۔ تاہم، اس عرصہ کے دوران، مارکیٹ بہت اتار چڑھاؤ کا شکار رہی اور انڈیکس نے بھی دونوں اطراف جھکاؤ دکھایا۔

رواں سال کے دوران سناک مارکیٹ کی کارکردگی کم رہی کیونکہ خراب سیاسی اور میکرو اکنامک نقطہ نظر کی وجہ سے سرمایہ کاروں کا اعتماد کمزور رہا۔ معاشی محاذ پر، ادائیگی کے توازن (BOP) کی نازک صورتحال نے سرمایہ کاروں کو پریشان کیا۔ اگرچہ کرنٹ اکاؤنٹ خسارہ (CAD) جو کہ گزشتہ سال 17.5 ملین امریکی ڈالر کے مقابلے میں 2.6 ملین امریکی ڈالر رہا، مختلف انتظامی اقدامات/پابندیوں کی وجہ سے کنٹرول میں لایا گیا، تاہم تقریباً 21 ملین ڈالر کے بیرونی قرضوں کی ادائیگی توثیق کا باعث بنی ہوئی ہے۔ آئی ایم ایف کی شرائط پوری کرنے میں تاخیر کی وجہ سے پروگرام قفل کا شکار رہا اور بیرونی قرضہ کا بھاء کم ہو گیا۔ لہذا، اسی وجہ سے SBP کے زرمبادلہ ذخائر 9.8 ملین امریکی ڈالر سے کم ہو کر 4.5 ملین امریکی ڈالر پر آ گئے۔ زرمبادلہ ذخائر میں زبردست کمی کے درمیان، پاکستانی روپیہ نے مالی سال 23 کے دوران بڑے پیمانے پر قدر میں تقریباً 40% کی کمی دکھی جس سے مارکیٹ کے حالات بھی مجروح ہوئے۔ غیر معمولی بارشوں نے ملک میں بڑے پیمانے پر سیلاب کی وجہ سے نہ صرف تباہی مچائی بلکہ معاشی نقطہ نظر کو مزید خراب کر دیا کیونکہ سال کے دوران جی ڈی پی کی شرح نمو محض 0.3 فیصد ریکارڈ کی گئی۔ خاص طور پر بڑے پیمانے کی میٹو فیکچرنگ متاثر ہوئی کیونکہ مالی سال 23 کے دوران اس کی پیداوار میں تقریباً 10.3 فیصد کمی واقع ہوئی۔ مہنگائی، جو کہ کموڈٹی آپ سائیکل اور خوردہ ایندھن اور بجلی کی قیمتوں میں ایڈجسٹمنٹ کی وجہ سے پہلے ہی عروج پر تھی، مزید بڑھ گئی کیونکہ پمپائی میں شدید رکاوٹ اور قلت قیمتوں پر مزید باؤ ڈالا۔ مالی سال 23 میں اوسط مہنگائی تقریباً 29.2 فیصد تک پہنچ گئی۔ اس نے مرکزی بینک کو جارحانہ انداز میں پالیسی شرح کو 13.75 فیصد سے بڑھا کر 22 فیصد کرنے پر آمادہ کیا۔ اگرچہ سلف زیاہہ ٹیکسوں کے نفاذ اور جی ڈی پی میں کمی کے باوجود کارپوریٹ سیکٹر نے منافع میں دوہرے ہندسے کی مضبوط نمو جاری رکھی، کثیر جہتی اقتصادی چیلنجوں اور سیاسی غیر یقینی صورتحال نے جذبات کو مجروح کر دیا اور مارکیٹ کی کارکردگی پر بہت زیادہ باؤ ڈالا۔ سیکپل مارکیٹ سے متعلق پچھلے سال کے دوران ایک اہم پہلو اسپانسر بے بیک پروگرام تھا جو کہ ایک اہم ریڈیٹنگ عنصر رہا جہاں تقریباً 28 ملین روپے کی مجموعی بائے بیکس کا اعلان کیا گیا جو ان کی اپنی کمپنیوں میں اسپانسر کے بے پناہ اعتماد کی عکاسی کرتا ہے۔

سیکٹر وار کارکردگی کے لحاظ سے سیمٹ، کیمیکل، بینک، فرنیچر، آئل اینڈ گیس، ایکسپلوریشن کمپنیاں، پاور جنریشن اینڈ ڈسٹری بیوٹن، شوگر اینڈ الائیڈ انڈسٹریز، اور ٹیکنالوجی اور کمیونیکیشن سیکٹر نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ اس کے برعکس، آٹو اسمبلر، آٹو پارٹس اور اسپریر، کیمبل اور الیکٹریکل سامان، انجینئرنگ، فوڈ اینڈ پراسسنگ، کیر، گلاس اینڈ سراسر، انشورنس، لیڈر اینڈ ٹیکسٹائل، ہتھیار، آئل اینڈ گیس مارکیٹنگ، پیپر اینڈ بورڈ، فارماسیوٹیکل، ریفائنری، ٹیکسٹائل کمپوزٹ، اور تمباکو کے شعبوں نے مارکیٹ سے اتر کارکردگی کا مظاہرہ کیا۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر، کمپنیاں، انفرادی اور بینک/DFIs بالترتیب 100 ملین امریکی ڈالر، 84 ملین امریکی ڈالر اور 74 ملین امریکی ڈالر کی آمد کے ساتھ سب سے بڑے خالص خریدار رہے۔ اس کے برعکس، میوچل فنڈز اور انشورنس نے اپنی خالص ہولڈنگز کو بالترتیب 144 ملین امریکی ڈالر اور 124 ملین امریکی ڈالر تک کم کر دیا۔

مالی سال 23 کے دوران، اسٹیٹ بینک کی مانیٹری پالیسی کمیٹی (MPC) نے 19 اجلاس منعقد ہوئے اور ملکی غیر یقینی صورتحال اور بیرونی اکاؤنٹ پر مسلسل دباؤ کی وجہ سے افراط زر کے دباؤ کو روکنے، قیمتوں میں استحکام حاصل کرنے، اقتصادی استحکام کو یقینی بنانے، اور کرنسی کے دباؤ کو کم کرنے کے لیے پالیسی شرح کو 825 بیس پوائنٹس بڑھا کر 22% کر دیا۔ ماہانہ افراط زر مئی 2023 میں کئی دہائیوں کی بلند ترین سطح 38 فیصد تک پہنچ گیا، اور نقطہ نظر مروجہ ملکی غیر یقینی صورتحال اور بیرونی خطرات سے مشروط ہے، جو درمیانی اور قلیل مدتی نمو کو کمزور کر رہا ہے۔ مزید برآں، کم نئے افراط زر اور کمزور سرمایہ کاری کے درمیان قرض

کی ادائیگی زرمبادلہ ذخائر پر دباؤ ڈال رہی ہے۔ اسٹیٹ بینک آف پاکستان (SBP) کے ہاں خالص لیکچر غیر ملکی زرمبادلہ کے ذخائر جون 2023 میں 4.5 بلین امریکی ڈالر ریکارڈ کیے گئے، جو مالی سال 23 کے دوران 5.3 بلین امریکی ڈالر کی کمی سے مالی استحکام اور مالیاتی کنسولیڈیشن کے لیے چیلنجز اور خطرات کا باعث بنے ہیں۔ گورنمنٹ بونڈز منافعوں نے بھی ان پالیسی اقدامات اور بڑھتی ہوئی افراط زر اور شرح سود کے نقطہ نظر کا جواب دیا۔ سیاسی اور معاشی غیر یقینی صورتحال کی وجہ سے مارکیٹ کے شرکاء کی دلچسپی کا چھکاؤ مختصر مدت کی طرف رہا۔ SBP نے سٹائپس (27) ٹی بل ٹیلامیوں کا انعقاد کیا، جس میں 24.4 ٹریلین روپے کے ہدف اور 23.5 ٹریلین روپے کی میچورٹی کے مقابل 25.1 ٹریلین روپے کی وصولی ہوئی۔ ٹی بلز کی 3 ماہ، 6 ماہ اور 12 ماہ کی پیداوار میں بالترتیب 767 bps، 772 bps اور 763 bps کا اضافہ ہوا۔

کارپوریٹ بانڈز میں تجارتی سرگرمی سست رہی، جس کی مجموعی تجارت کی قیمت 7.9 بلین روپے (گزشتہ سال کے مقابلے میں 23 فیصد کمی) رہی۔ تاہم، مارکیٹ میں TFCs اور سکوک کے کچھ زیادہ ترپاؤر اینڈ ڈسٹری بیوشن اور بینکنگ کے شعبوں میں تازہ اجراء کا مشاہدہ کیا گیا۔

ایکویٹی سب فنڈ گزشتہ اسی مدت کے دوران پنج مارک KSE-100 انڈیکس میں 0.2% کی کمی کے مقابلے مالی سال 23 کے دوران 0.3% کی کمی ہوئی۔

ڈیٹ سب فنڈ نے مالی سال 2023 کے دوران 16.9% منافع کمایا۔

منی مارکیٹ سب فنڈ نے سال کے دوران 17.8% کا منافع حاصل کیا۔ یہ منافع پیچمنٹ فیس اور تمام دیگر اخراجات متبہا کرنے کے بعد خالص ہے۔

30 جون 2023 کو فنڈ کی ایسٹ ایبلویشن درج ذیل ہے:

ایسٹ ایبلویشن	(نیٹ ایسٹس کا %)
ایکویٹی سب فنڈ	
ایکویٹی	98.4%
کیش کے مساوی	2.0%
دیگر	(0.4%)
کل	100.00%
ڈیٹ سب فنڈ	
TFCs / سکوک	10.6%
PIBs	23.1%
کیش کے مساوی	65.0%
دیگر	1.3%
کل	100.00%
منی مارکیٹ سب فنڈ	
کیش کے مساوی	47.6%
بینکوں اور DFIs کے ہاں پلیسمنٹ	8.1%
TFCs / سکوک	3.2%
ٹی بلز	41.2%
دیگر	(0.1%)
کل	100.00%

آڈیٹر

موجودہ آڈیٹر میسرز یوسف عادل، چارٹرڈ اکاؤنٹنٹس، نے فنڈ کے آڈیٹر کی حیثیت سے اپنی پانچ سالہ مدت پوری کر لی ہے۔ غیر بینکنگ مالیاتی کمپنیز اور مطلع شدہ اداروں کے ریگولیشنز، 2008 کے ریگولیشنز 38(2)(h) کی ضرورت کے مطابق، متبادل کی ضرورت ہوگی۔ بورڈ نے 30 جون 2024 کو ختم ہونے والے سال کے لیے میسرز گرانٹ تھارنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس، کی تقرری کی منظوری دے دی ہے۔

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

1. منجمنت کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلو اور یونٹ 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۔ شماراتیاتی 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. انٹرئل 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 توبی نہیں کی گئی۔
8. پرفارمنس ٹیمبل / اہم مالیاتی ڈیٹا اس سالانہ رپورٹ میں شامل ہیں۔
9. ٹیکسوں، ڈیوٹیز، محصولات اور چارجز کی مد میں واجب الادا سرکاری ادائیگیاں مالیاتی گوشواروں میں پوری طرح ظاہر کر دی گئی ہیں۔
10. سال کے دوران منجمنت کمپنی کے بورڈ آف ڈائریکٹرز کے چھ 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 یونٹس کی تمام خرید و فروخت ان مالیاتی گوشواروں کے نوٹ 21 میں ظاہر کی گئی ہے۔
13. کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدارانہ ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطہ کوئی منارٹی انٹریسٹ نہیں رکھتی۔ زیر جائزہ مدت 30 جون 2023 کے دوران بورڈ آف ڈائریکٹرز درج ذیل ارکان پر مشتمل رہا۔

نام	کینگری
<ol style="list-style-type: none"> 1. جناب خالد منصور 2. جناب سعدا مان اللہ خان 3. جناب روجیل محمد 4. جناب ہمایوں بشیر 	غیر جانبدار ڈائریکٹرز
ڈاکٹر امجد وحید (چیف ایگزیکٹو آفیسر)	ایگزیکٹو ڈائریکٹر
<ol style="list-style-type: none"> 1. شیخ محمد عبدالواحد سیٹھی (چیئرمین) 2. جناب توقیر مظہر 3. محترمہ مہناز سالار 4. جناب علی سیگل 5. جناب عمران ظفر 	نان ایگزیکٹو ڈائریکٹرز

اظہار تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز

NBP منجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 15 ستمبر 2023ء

مقام: کراچی



TRUSTEE REPORT TO THE PARTICIPANTS

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) 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 has in all material respects managed the Fund during the year ended June 30, 2023 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.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, September 27, 2023

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, 2022	NAV Per Unit (Rs.) June 30, 2023	Performance Since Launch July 02, 2013
NPF-Equity Sub-fund	516	323.3181	322.3446	12.3%
NPF-Debt Sub-fund	800	218.2313	255.1159	9.7%
NPF-Money Market Sub-fund	3,154	189.1724	222.8679	8.2%
Annualized Return [Net of management fee & all other expenses]				

This is the eleventh annual report of the Fund. FY23 was a lackluster year for equities as the benchmark KSE-100 Index remained flat, falling slightly by 88 points. However, during the period, the market remained very volatile and the Index exhibited large swings on both sides.

The stock market performance remained subdued during the outgoing year as investors' confidence remained fragile shaped by worsening political and macro-economic outlook. On the political front, uncertainty & agitation remained elevated during the year and weighed on investors' sentiments. The dissolution of two provincial assemblies and uncertainty over continuity of federal government and contention between government and apex court caused jitters in the market. On economic front, the precarious situation on balance of payment (BOP) troubled investors. Though the current account deficit (CAD), that stood at USD 2.6 bn as against USD 17.5 bn last year, was brought under control due to various administrative measures/restrictions, elevated external debt repayments of around USD 21 bn remained a cause of concern. Due to delay in meeting conditions of IMF, the program remained in abeyance and the external inflows dried up. Hence, SBP's FX reserves slipped from USD 9.8 billion to USD 4.5 billion for the same reason. Amid steep drawdown in FX reserves, PKR witnessed massive devaluation of around 40% during FY23 that also dented sentiments. Unprecedented rains led to massive floods in the country that not only caused massive devastation but further worsened economic outlook as GDP growth was merely recorded at 0.3% during the year. Large Scale Manufacturing was particularly hit as its output dropped by around 10.3% during FY23. Inflation, which was already on an ascent due to commodity upcycle and retail fuel & power prices adjustments, further ratcheted up as acute supply disruptions & shortages put more pressure on prices. Average inflation clocked in at around 29.2% in FY23. This prompted the central bank to aggressively increase Policy Rate to 22% from 13.75% at the start of the period. Although listed corporate sector continued to post robust double-digit growth in profitability, despite imposition of higher taxes and anemic GDP growth, multi-faceted economic challenges and political uncertainty sapped sentiments and weighed on market performance. A key aspect during last year related to capital market was the sponsor buy back programs which remained a major redeeming factor where cumulative buybacks of around PKR 28 billion were announced reflecting immense sponsor confidence in their own companies.

In terms of sector performance, Cements, Chemicals, Banks, Fertilizer, Oil & Gas Exploration Companies, Power Generation & Distribution, Sugar & Allied Industries, and Technology & Communication sectors outperformed the market. On the contrary, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Engineering, Food & Personal Care, Glass & Ceramics, Insurance, Leather & Tanneries, Miscellaneous, Oil & Gas Marketing, Paper & Board, Pharmaceutical, Refinery, Textile Composite, and Tobacco sectors lagged the market. On participants-wise market activity, Companies, Individual and Banks/DFIs emerged the largest net buyers with inflows of around USD 100 million, USD 84 and USD 74 million, respectively. On the contrary, Mutual Funds & Insurance lowered their net holdings by around USD 144 million & USD 124 million, respectively.

During FY23, the State Bank's Monetary Policy Committee (MPC) conducted nine meetings and raised the policy rate by 825 basis points to 22% to anchor inflationary pressures, achieve price stability, ensure economic sustainability, and ease currency pressure, all while taking into account domestic uncertainty and continued stress on the external account. The monthly inflation reached a multi-decade high level of 38% in May 2023, and the outlook is subject to prevailing domestic uncertainty and external vulnerabilities, undermining medium- and short-term growth. Additionally, debt repayments amid lower fresh disbursements and weak investment inflows continue to exert pressure on FX reserves. The net liquid foreign exchange reserves with the State Bank of Pakistan (SBP) were recorded at USD 4.5 billion in June 2023, depleting by USD 5.3 billion during FY23, posing challenges and risks to financial stability and fiscal consolidation. Sovereign yields also responded to these policy actions and the rising inflation and interest rate outlook. Market participants' interest remained tilted towards shorter tenors due to political and economic uncertainty. SBP held twenty seven (27) T-Bill auctions, realizing Rs. 25.1 trillion against a target of Rs. 24.4 trillion and maturity of Rs. 23.5 trillion. T-Bill yields increased by 767 bps, 772 bps, and 763 bps for 3 months, 6 months and 12 months, respectively.

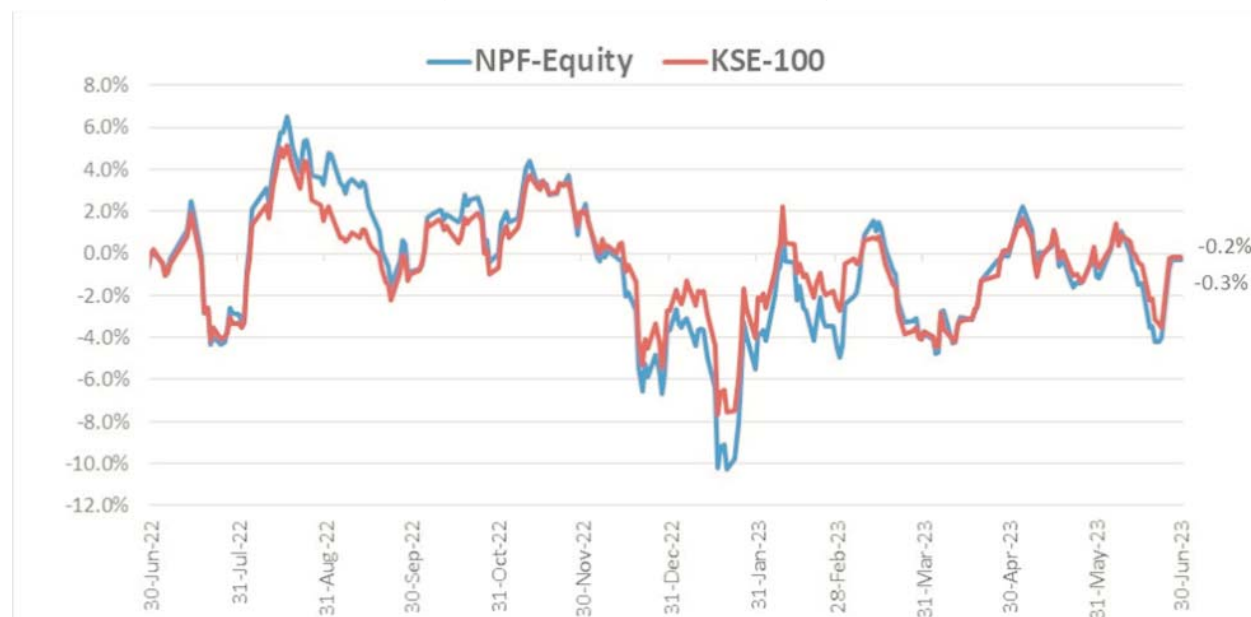
The trading activity in corporate bonds remained slow, with the cumulative traded value standing at Rs. 7.9 billion (a 23% decrease from last year). However, the market witnessed some fresh issuance of TFCs and Sukuks, mostly in the Power & Distribution and Banking sectors.

The equity sub-fund decreased by 0.3% during FY23 compared with 0.2% decrease in the KSE-100 Index during the same period.

The debt sub-fund yielded 16.9% return during FY23.

The money market sub-fund delivered a return of 17.8% during the year. These returns are net of management fee and all other expenses.

NPF-Equity Performance vs. KSE-100 during FY23





Asset Allocation of the Fund (% of NAV)

Asset Allocation (% of Net Assets)	
Equity Sub-fund	
Equity	98.4%
Cash Equivalents	2.0%
Others	(0.4%)
Total	100.0%
Debt Sub-fund	
TFCs/Sukuks	10.6%
PIBs	23.1%
Cash Equivalents	65.0%
Others	1.30%
Total	100.0%
Money Market Sub-fund	
Cash Equivalents	47.6%
Placements with Banks and DFIs	8.1%
TFCs / Sukuk	3.2%
T-Bills	41.2%
Others	(0.1%)
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.

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, 2023, 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, 2023, 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 Pension Fund Manager) 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

Pension Fund Manager 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 Pension Fund Manager and Those Charged with Governance for the financial statements

Pension Fund Manager 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 Pension Fund Manager 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, Pension Fund Manager 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 Pension Fund Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Pension Fund Manager 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 Pension Fund Manager's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Pension Fund Manager.
- Conclude on the appropriateness of Pension Fund Manager'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 Pension Fund Manager 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, 2023 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.

Chartered Accountants

Place: Karachi
Date: September 21, 2023
UDIN: AR202310091hF6Wzde8X

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2023

		2023					2022				
		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	9,878,962	520,035,053	1,500,366,850	2,880,581	2,033,161,446	21,628,862	446,585,653	1,868,895,385	2,814,015	2,339,923,915
Investments	6	507,439,122	269,719,170	1,652,518,306	-	2,429,676,598	884,662,436	245,238,733	48,200,053	-	1,178,101,222
Mark-up accrued	7	466,428	14,380,189	13,220,104	-	28,066,721	8,458	6,055,624	9,684,687	-	15,748,769
Dividend receivables		-	-	-	-	-	162,400	-	-	-	162,400
Receivable against transfer of units		-	-	-	-	-	-	29,465	-	-	29,465
Receivable against sale of investment		1,676,825	-	-	-	1,676,825	2,131,875	-	-	-	2,131,875
Advance, deposits and other receivables	8	3,040,846	462,057	100,000	-	3,602,903	3,040,846	462,057	100,000	-	3,602,903
Total assets		522,502,183	804,596,469	3,166,205,260	2,880,581	4,496,184,493	911,634,877	698,371,532	1,926,880,125	2,814,015	3,539,700,549
Liabilities											
Payable to NBP Fund Management Limited - Pension Fund Manager	9	3,813,242	1,863,125	6,382,093	857,052	12,915,512	6,174,425	1,498,533	2,039,245	872,340	10,584,543
Payable to Central Depository Company of Pakistan Limited - Trustee	10	51,829	86,724	294,672	-	433,225	93,359	82,253	188,435	-	364,047
Payable to Securities and Exchange Commission of Pakistan	11	300,860	293,223	944,974	-	1,539,057	389,797	233,192	564,791	-	1,187,780
Payable against redemption of units		-	385,171	2,836,900	-	3,222,071	-	553,516	2,252,894	-	2,806,410
Accrued expenses and other liabilities	12	2,459,077	1,918,723	1,409,617	2,023,529	7,810,946	2,344,686	1,833,502	1,364,571	1,941,675	7,484,434
Total liabilities		6,625,008	4,546,966	11,868,256	2,880,581	25,920,811	9,002,267	4,200,996	6,409,936	2,814,015	22,427,214
Net assets		515,877,175	800,049,503	3,154,337,004	-	4,470,263,682	902,632,610	694,170,536	1,920,470,189	-	3,517,273,335
Participants' funds (as per statement attached)		515,877,175	800,049,503	3,154,337,004	-	4,470,263,682	902,632,610	694,170,536	1,920,470,189	-	3,517,273,335
Contingencies and commitments											
	14	-----Number of units-----					-----Number of units-----				
Number of units in issue	16	1,600,390	3,136,024	14,153,393			2,791,779	3,180,894	10,151,956		
-----Rupees-----											
Net assets value per unit		322.3446	255.1159	222.8679			323.3181	218.2313	189.1724		

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, 2023

		2023				2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		(Rupees)							
Income									
		5,059,033	75,505,993	200,480,000	281,045,026	3,012,422	40,566,824	140,124,435	183,703,681
	Mark-up / return on bank deposits	-	-	8,122,543	8,122,543	-	-	-	-
	Income from term deposit receipt	-	28,402,482	183,770,881	212,173,363	-	10,417,853	14,526,302	24,944,155
	Mark-up / return on government securities	-	25,601,151	26,280,571	51,881,722	-	15,271,138	3,836,096	19,107,234
	Mark-up / return from term finance certificates	-	899,972	1,799,944	2,699,916	-	2,107,083	8,261,702	10,368,785
	Income from commercial papers	76,659,795	-	-	76,659,795	77,479,904	-	-	77,479,904
	Dividend income	(15,017,928)	(175,000)	(808,900)	(16,001,828)	5,556,352	101,962	177,016	5,835,330
	Net gain / (loss) on sale of investments								
	Net unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss	(40,428,998)	(4,445,214)	(1,425,022)	(46,299,234)	(195,881,939)	(490,518)	-	(196,372,457)
	Total income / (loss)	26,271,902	125,789,384	418,220,017	570,281,303	(109,833,261)	67,974,342	166,925,551	125,066,632
Expenses									
	Remuneration of NBP Fund Managemen Limited - Pension Fund Manager	9.1	11,282,251	2,932,230	6,973,024	21,187,504	16,083,337	4,002,518	27,176,723
	Sindh Sales Tax on remuneration to Pension Fund Manager	9.2	1,466,693	381,190	906,493	2,754,377	2,090,834	520,328	921,813
	Reimbursement of Allocated expenses related to registrar services, accounting,operation and valuation services	9.3	1,504,300	846,746	2,564,582	4,915,628	1,635,611	501,077	1,221,275
	Reimbursement of Selling and Marketing expenses	9.4	13,538,702	4,581,610	10,184,187	28,304,499	14,720,498	2,661,183	20,213,001
	Remuneration to Central Depository Company of Pakistan Limited - Trustee	10.1	819,444	796,236	2,562,435	4,178,115	1,222,786	722,792	1,744,555
	Sindh Sales Tax on remuneration to Central Depository Company of Pakistan Limited - Trustee	10.2	106,528	103,511	333,117	543,156	158,963	93,963	226,792
	Annual fee to the Securities and Exchange Commission of Pakistan	11	300,860	293,223	944,975	1,539,058	389,797	233,192	564,791
	Auditors' remuneration	19	161,583	161,883	161,883	485,349	153,386	153,137	459,660
	Securities transaction costs		906,268	15,313	60,540	982,121	1,035,158	10,896	3,700
	Legal and professional charges		59,860	59,860	59,860	179,580	59,462	128,933	130,933
	Printing expenses		28,105	28,105	28,105	84,315	47,099	49,183	47,102
	Settlement and bank charges		539,849	426,464	63,059	1,029,372	648,864	411,692	1,172,825
	Total expenses		30,714,443	10,626,371	24,842,260	66,183,074	38,245,795	9,488,894	15,048,555
	Net income / (loss) from operating activities		(4,442,541)	115,163,013	393,377,757	504,098,229	(148,079,056)	58,485,448	151,876,996
	Reversal for Sindh Workers' Welfare Fund	12.1	-	-	-	-	14,460,633	4,481,783	6,120,229
	Net income / (loss) for the year before taxation		(4,442,541)	115,163,013	393,377,757	504,098,229	(133,618,423)	62,967,231	157,997,225
	Taxation	13	-	-	-	-	-	-	-
	Net income / (loss) for the year after taxation		(4,442,541)	115,163,013	393,377,757	504,098,229	(133,618,423)	62,967,231	157,997,225

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, 2023

	2023				2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----							
Net income / (loss) for the year	(4,442,541)	115,163,013	393,377,757	504,098,229	(133,618,423)	62,967,231	157,997,225	87,346,033
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the year	(4,442,541)	115,163,013	393,377,757	504,098,229	(133,618,423)	62,967,231	157,997,225	87,346,033

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, 2023

		2023				2022			
		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	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
	Amount received / receivable on issuance of units	18 77,576,032	195,915,248	991,074,310	1,264,565,590	142,115,544	192,629,480	566,253,051	900,998,075
	Amount paid / payable on redemption of units	17 (121,486,125)	(130,055,118)	(564,132,228)	(815,673,471)	(58,299,355)	(90,200,832)	(385,579,853)	(534,080,040)
	Reallocation among sub-funds	(338,402,801)	(75,144,176)	413,546,977	-	(156,893,462)	(36,917,848)	193,811,310	-
		(382,312,894)	(9,284,046)	840,489,059	448,892,119	(73,077,273)	65,510,800	374,484,508	366,918,035
	Net gain / (loss) on sale of investments	(15,017,928)	(175,000)	(808,900)	(16,001,828)	5,556,352	101,962	177,016	5,835,330
	Net unrealised (loss) on re-measurement of investments at fair value through profit or loss	(40,428,998)	(4,445,214)	(1,425,022)	(46,299,234)	(195,881,939)	(490,518)	-	(196,372,457)
	Other net income for the year	51,004,385	119,783,227	395,611,679	566,399,291	56,707,164	63,355,787	157,820,209	277,883,160
	Total comprehensive income / (loss) for the year	(4,442,541)	115,163,013	393,377,757	504,098,229	(133,618,423)	62,967,231	157,997,225	87,346,033
	Net assets at end of the year	515,877,175	800,049,503	3,154,337,004	4,470,263,682	902,632,610	694,170,536	1,920,470,189	3,517,273,335
	Net assets value per unit at beginning of the year	323.3181	218.2313	189.1724		369.3173	197.6708	170.9290	
	Net assets value per unit at end of the year	322.3446	255.1159	222.8679		323.3181	218.2313	189.1724	

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, 2023

Note	2023					2022				
	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)									
CASH FLOWS FROM OPERATING ACTIVITIES										
Net income / (loss) for the year	(4,442,541)	115,163,013	393,377,757	-	504,098,229	(133,618,423)	62,967,231	157,997,225	-	87,346,033
Adjustments										
Net unrealised loss / (gain) on re-measurement of investments at fair value through profit or loss	40,428,998	4,445,214	1,425,022	-	46,299,234	195,881,939	490,518	-	-	196,372,457
Net (gain) / loss on sale of investments	15,017,928	175,000	808,900	-	16,001,828	(5,556,352)	(101,962)	(177,016)	-	(5,835,330)
	51,004,385	119,783,227	395,611,679	-	566,399,291	56,707,164	63,355,787	157,820,209	-	277,883,160
Decrease / (increase) in assets										
Investments - net	322,231,438	(29,100,650)	(308,176,335)	-	(15,045,547)	18,061,590	8,072,664	190,351,912	-	216,486,166
Mark-up accrued	(457,970)	(8,324,565)	(3,535,417)	-	(12,317,952)	57,415	(1,502,907)	(4,971,952)	-	(6,417,444)
Dividend receivables	162,400	-	-	-	-	(162,400)	-	-	-	-
Advance, deposits and other receivables	-	-	-	-	-	8,077,440	-	-	-	8,077,440
	321,935,869	(37,425,215)	(311,711,751)	-	(27,363,499)	26,034,045	6,569,757	185,379,960	-	218,146,162
(Decrease) / Increase in liabilities										
Payable to NBP Fund Management Limited - Pension Fund Manager	(2,361,183)	364,592	4,342,848	(15,288)	2,330,969	4,476,835	661,300	107,114	(1,410,038)	3,835,211
Payable to Central Depository Company of Pakistan Limited - Trustee	(41,530)	4,471	106,237	-	69,178	(32,578)	23,097	44,296	-	34,815
Payable to Securities and Exchange Commission	(88,937)	60,031	380,183	-	351,277	135,873	100,411	249,148	-	485,432
Accrued expenses and other liabilities	114,391	85,221	45,046	81,854	326,511	(14,467,413)	(4,301,861)	(6,151,624)	-	(24,920,898)
	(2,377,260)	514,315	4,874,313	66,566	3,077,935	(9,887,283)	(3,517,052)	(5,751,066)	(1,410,038)	(20,565,440)
Net cash generated from / (used in) operating activities	370,562,994	82,872,326	88,774,241	66,566	542,276,127	72,853,926	66,408,492	337,449,103	(1,410,038)	475,301,483
CASH FLOWS FROM FINANCING ACTIVITIES										
Amount received on issuance of units	77,576,032	195,944,713	991,074,310	-	1,264,595,055	142,116,824	192,600,015	568,937,170	-	903,654,009
Amount paid on redemption of units	(121,486,125)	(130,223,463)	(563,548,223)	-	(815,257,811)	(60,958,031)	(90,250,527)	(385,247,180)	-	(536,455,738)
Reallocation among sub-funds	(338,402,801)	(75,144,176)	413,546,977	-	-	(156,893,462)	(36,917,848)	193,811,310	-	-
Net cash (used in) / generated from financing activities	(382,312,894)	(9,422,926)	841,073,064	-	449,337,244	(75,734,669)	65,431,640	377,501,300	-	367,198,271
Net (decrease) / increase in cash and cash equivalents	(11,749,900)	73,449,400	929,847,305	66,566	991,613,371	(2,880,743)	131,840,132	714,950,403	(1,410,038)	842,499,754
Cash and cash equivalents at beginning 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
Cash and cash equivalents at end of the year	9,878,962	520,035,053	2,798,742,690	2,880,581	3,331,537,286	21,628,862	446,585,653	1,868,895,385	2,814,015	2,339,923,915

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, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** NAFA Pension Fund ("the Fund") was established under a Trust Deed, 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, 2023

The following standards, amendments and interpretations are effective for the year ended June 30, 2023. 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:**

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
Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions extended beyond June 30, 2021	January 01, 2022

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 periods
beginning on or after:**

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 IAS 12 'Income taxes' - International Tax Reform — Pillar Two Model Rules	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IFRS 16 'Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 9 'Financial instruments' - Supplier Finance Arrangements	January 01, 2024
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

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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		2023					2022				
			Equity	Debt	Money Market	Others	Total	Equity	Debt	Money Market	Others	Total
	Note	Sub-Fund	Sub-Fund	Sub-Fund	(5.2)	Sub-Fund		Sub-Fund	Sub-Fund	(5.2)		
	(Rupees)											

5.1 These saving accounts carry mark-up rates ranging from 12.25% to 20.0% per annum (June 30, 2022: 7.5% to 18.28% 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. 153,755 and Rs. nil (2022: Rs. 2,276 and Rs. 5,937), 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	2023					2022				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Other	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Other	Total
		----- (Rupees) -----									
	Current accounts	-	-	589,609	-	589,609	-	-	-	-	-
	Savings accounts	9,878,962	520,035,053	1,499,777,241	2,880,581	2,032,571,837	21,628,862	446,585,653	1,868,895,385	2,814,015	2,339,923,915
	Government securities - Market Treasury Bills	-	-	1,298,375,840	-	1,298,375,840	-	-	-	-	-
		9,878,962	520,035,053	2,798,742,690	2,880,581	3,331,537,286	21,628,862	446,585,653	1,868,895,385	2,814,015	2,339,923,915

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6 INVESTMENTS

INVESTMENTS		2023				2022			
	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Investments by category		----- (Rupees) -----							
Financial assets at fair value through profit or loss									
Listed equity securities	6.1	507,439,122	-	-	507,439,122	884,662,436	-	-	884,662,436
Government securities - Market Treasury Bills	6.2	-	-	1,298,375,840	1,298,375,840	-	-	-	-
Government securities - Pakistan									
Investment Bonds	6.3	-	184,532,497	-	184,532,497	-	86,917,446	-	86,917,446
Term finance certificates	6.4	-	85,186,673	-	85,186,673	-	134,221,259	-	134,221,259
Sukuk Bonds	6.5	-	-	100,000,000	100,000,000	-	-	-	-
Commercial papers	6.6	-	-	-	-	-	24,100,029	48,200,053	72,300,081
Term deposit receipts	6.7	-	-	254,142,466	254,142,466	-	-	-	-
		507,439,122	269,719,170	1,652,518,306	2,429,676,598	884,662,436	245,238,733	48,200,053	1,178,101,222

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, 2022	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2023	Market value As at June 30, 2023	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	-	-	-	-	-	-	-	-	-
Millat Tractors Limited	7,621	500	588	8,701	8	2,986	0.00	0.00	0.00
Pak Suzuki Motor Company Limited	-	-	-	-	-	-	-	-	-
Al-Ghazi Tractors Limited	13,100	6,000	-	19,100	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	16,260	2,600	-	18,860	-	-	-	-	-
	36,981	9,100	588	46,661	8	2,986	0.00		

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Name of the investee company	As at July 01, 2022	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2023	Market value As at June 30, 2023	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) -----									
Automobile Parts And Accessories									
Thal Limited	13,600	1,500	-	6,000	9,100	1,474,200	0.29	0.29	0.01
Panther Tyres Limited	214,429	-	-	166,500	47,929	966,253	0.19	0.19	0.03
Baluchistan Wheels Limited	88,500	-	-	59,000	29,500	1,947,000	0.38	0.38	0.22
	316,529	1,500	-	231,500	86,529	4,387,453	0.86		
Cable & Electrical Goods									
Pak Elektron Limited	199,580	-	-	143,000	56,580	512,049	0.10	0.10	0.01
	199,580	-	-	143,000	56,580	512,049	0.10		
Pharmaceuticals									
The Searle Company Limited	96,943	5,000	24,236	78,565	47,614	1,824,583	0.35	0.36	0.01
AGP Limited	42,400	-	-	17,000	25,400	1,434,592	0.28	0.28	0.01
Abbot Laboratories (Pakistan) Limited	6,400	700	-	6,400	700	259,000	0.05	0.05	0.00
Citi Pharma Limited	105,038	-	-	46,500	58,538	1,249,190	0.24	0.25	0.03
Ferozsans Laboratories Limited	-	2,000	-	2,000	-	-	-	-	-
GlaxoSmithKline Pakistan Limited	-	3,500	-	-	3,500	263,795	0.05	0.05	0.00
Haleon Pakistan Limited	28,000	-	-	17,000	11,000	1,541,540	0.30	0.30	0.01
IBL HealthCare Limited	52,740	-	3,564	19,100	37,204	1,210,990	0.23	0.24	0.05
Highnoon Laboratories Limited	2,742	-	674	500	2,916	980,203	0.19	0.19	0.01
	334,263	11,200	28,474	187,065	186,872	8,763,894	1.69		
Cement									
D.G. Khan Cement Company Limited	-	-	-	-	-	-	-	-	-
Lucky Cement Limited	60,450	1,300	-	34,910	26,840	14,012,896	2.72	2.76	0.01
Maple Leaf Cement Factory Limited	130,624	49,000	-	179,622	2	55	0.00	0.00	0.00
Kohat Cement Limited	315,470	13,600	-	73,942	255,128	44,257,054	8.58	8.72	0.13
Cherat Cement Company Limited	-	-	-	-	-	-	-	-	-
Attock Cement (Pakistan) Limited	44,200	72,000	-	14,000	102,200	8,469,314	1.64	1.67	0.07
Fauji Cement Company Limited	849,500	40,000	106,563	996,062	1	6	0.00	0.00	0.00
	1,400,244	175,900	106,563	1,298,536	384,171	66,739,324	12.94		

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Name of the investee company	As at July 01, 2022	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2023	Market value As at June 30, 2023	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) -----									
Fertilizers									
Engro Corporation Limited	86,031	25,200	-	33,900	77,331	20,097,554	3.90	3.96	0.01
Fauji Fertilizer Bin Qasim Limited	318,000	-	-	242,000	76,000	895,280	0.17	0.18	0.01
Fauji Fertilizer Company Limited (Note 6.1.2)	233,100	18,200	-	14,000	237,300	23,359,812	4.53	4.60	0.02
	637,131	43,400	-	289,900	390,631	44,352,646	8.60		
Chemical									
Dynea Pakistan Limited	16,700	-	-	16,700	-	-	-	-	-
Engro Polymer and Chemicals Limited	274,887	30,000	-	263,801	41,086	1,735,884	0.34	0.34	0.00
Lucky Core Industries Limited	10,700	-	-	8,964	1,736	1,048,787	0.20	0.21	0.00
Lotte Chemical Pakistan Limited	531,500	-	-	531,500	-	-	-	-	-
Sitara Peroxide Limited	-	-	-	-	-	-	-	-	-
Ittehad Chemical Limited	70,006	-	-	29,500	40,506	1,579,325	0.31	0.31	0.04
Descon Oxychem Limited	290,000	138,500	-	361,000	67,500	1,634,850	0.32	0.32	0.04
	1,193,793	168,500	-	1,211,465	150,828	5,998,846	1.17		
Commercial Banks									
Allied Bank Limited	45,600	-	-	45,600	-	-	-	-	-
Askari Bank Limited	-	351,500	52,425	2,000	401,925	5,208,948	1.01	1.03	0.03
Bank Al-falah Limited (note 6.1.2)	956,600	48,710	-	80,800	924,510	28,142,084	5.46	5.55	0.06
Bank Al-Habib Limited (note 6.1.2)	609,650	16,000	-	117,800	507,850	21,949,277	4.25	4.33	0.05
MCB Bank Limited	38,100	32,500	-	22,100	48,500	5,551,795	1.08	1.09	0.00
Meezan Bank Limited	-	8,100	-	-	8,100	699,597	0.14	0.14	0.00
United Bank Limited	418,360	-	-	191,701	226,659	26,641,499	5.16	5.25	0.02
Faysal Bank Limited	696,297	65,200	-	514,200	247,297	4,990,448	0.97	0.98	0.02
Habib Bank Limited (note 6.1.2)	638,928	-	-	322,957	315,971	23,138,556	4.49	4.56	0.02
Habib Metropolitan Bank Limited	457,500	-	-	65,500	392,000	11,846,240	2.30	2.33	0.04
	3,861,035	522,010	52,425	1,362,658	3,072,812	128,168,445	24.86		
Insurance									
IGI Holdings Limited	31,900	-	-	14,500	17,400	1,461,948	0.28	0.29	0.01
	31,900	-	-	14,500	17,400	1,461,948	0.28		

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Name of the investee company	As at July 01, 2022	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2023	Market value As at June 30, 2023	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)		(%)		
Paper and Board									
Century Paper and Board Mills Limited	-	5,500	4,400	-	9,900	279,576	0.05	0.06	0.00
Roshan Packages Limited	245,000	-	-	42,000	203,000	1,804,670	0.35	0.36	0.14
	245,000	5,500	4,400	42,000	212,900	2,084,246	0.40		
Transport									
Pakistan National Shipping Corporation	-	179,500	-	48,100	131,400	17,414,442	3.38	3.43	0.10
Power Generation and Distribution									
The Hub Power Company Limited	493,631	10,500	-	175,500	328,631	22,866,151	4.43	4.51	0.03
Saif Power Limited	160,500	-	-	46,500	114,000	2,052,000	0.40	0.40	0.03
Lalpir Power Limited	229,500	-	-	100,000	129,500	1,936,025	0.38	0.38	0.03
Nishat Chunian Power Limited	170,000	47,733	-	178,500	39,233	655,191	0.13	0.13	0.01
PAKGEN Power Limited	325,000	-	-	325,000	-	-	-	-	-
	1,378,631	58,233	-	825,500	611,364	27,509,367	5.34		
Textile Composite									
Nishat Mills Limited	153,600	-	-	80,000	73,600	4,178,272	0.81	0.82	0.02
Interloop Limited	164,192	22,000	3,338	189,527	2	74	0.00	0.00	0.00
Crescent Textile Mills Limited	346,500	-	-	26,500	320,000	4,128,000	0.80	0.81	0.32
Nishat Chunian Limited	86,600	-	-	86,600	-	-	-	-	-
Gul Ahmed Textile Mills Limited	265,400	2,500	32,940	125,200	175,640	3,128,148	0.61	0.62	0.02
Kohinoor Textile Mills Limited	256,674	47,000	-	49,000	254,674	12,965,453	2.51	2.56	0.09
	1,272,966	71,500	36,278	556,827	823,916	24,399,947	4.73		
Oil and Gas Exploration Companies									
Mari Petroleum Company Limited	29,672	500	-	10,297	19,875	30,102,864	5.84	5.93	0.01
Pakistan Oilfields Limited (note 6.1.2)	47,011	14,864	-	42,920	18,955	7,615,550	1.48	1.50	0.01
Oil and Gas Development Company Limited (note 6.1.2)	452,700	86,300	-	170,300	368,700	28,758,600	5.57	5.67	0.01
Pakistan Petroleum Limited (note 6.1.2)	483,642	186,600	-	182,900	487,342	28,821,385	5.59	5.68	0.02
	1,013,025	288,264	-	406,417	894,872	95,298,399	18.48		

NAFA PENSION FUND

Name of the investee company	As at July 01, 2022	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2023	Market value As at June 30, 2023	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)		(%)		
Oil And Gas Marketing Companies									
Hascol Petroleum Limited	232	-	-	-	232	1,289	0.00	0.00	0.00
Pakistan State Oil Company Limited	159,340	2,200	-	52,442	109,098	12,110,951	2.35	2.39	0.02
Attock Petroleum Limited	8,000	-	1,800	9,800	-	-	-	-	-
	167,572	2,200	1,800	62,242	109,330	12,112,240	2.35		
Engineering									
Aisha Steel Mills Limited	426,000	-	-	191,000	235,000	1,269,000	0.25	0.25	0.03
International Industries Limited	44,000	3,500	-	44,000	3,500	256,340	0.05	0.05	0.00
International Steels Limited	-	13,801	-	13,801	-	-	-	-	-
Mughal Iron and Steel Industries Limited	412,520	53,048	-	177,146	288,422	13,971,159	2.71	2.75	0.09
	882,520	70,349	-	425,947	526,922	15,496,499	3.01		
Technology and Communication									
Avanceon Limited	-	33,000	3,750	33,000	3,750	165,150	0.03	0.03	0.00
Supernet Limited	105,117	-	10,512	-	115,629	1,733,274	0.34	0.34	0.09
Hum Network Limited	447,000	-	89,400	536,400	-	-	-	-	-
Systems Limited	118,600	1,450	-	57,955	62,095	25,044,776	4.85	4.94	0.02
	670,717	34,450	103,662	627,355	181,474	26,943,201	5.22		
Food and Personal Care Products									
Al-Shaheer Corporation Limited	3,381	-	-	-	3,381	24,445	0.00	0.00	0.00
Shezan International Limited	54,070	-	-	8,700	45,370	4,787,442	0.93	0.94	0.47
Bunny's Limited	277,500	119,500	-	58,500	338,500	5,619,100	1.09	1.11	0.51
At - Tahir limited	422,381	13,000	39,838	286,000	189,219	3,114,544	0.60	0.61	0.09
	757,332	132,500	39,838	353,200	576,470	13,545,531	2.62		

NAFA PENSION FUND

Name of the investee company	As at July 01, 2022	Purchases during the year	Bonus / right issue during the year (Note 6.1.2)	Sales during the year	As at June 30, 2023	Market value As at June 30, 2023	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)		(%)		
Glass and Ceramics									
Shabbir Tiles and Ceramics Limited	960,500	50,000	-	54,500	956,000	7,953,920	1.54	1.57	0.40
Tariq Glass Industries Limited	118,225	2,000	26,106	96,300	50,031	3,407,128	0.66	0.67	0.03
	1,078,725	52,000	26,106	150,800	1,006,031	11,361,048	2.20		
Synthetic Products									
Synthetic Products Enterprises Limited	661	-	-	1	660	6,869	0.00	0.00	0.00
	661	-	-	1	660	6,869	0.00		
LEATHER & TANNERIES									
Bata Pakistan Limited	-	140	-	-	140	249,791	0.06	0.05	0.00
Service Industries Limited	13,900	-	-	11,500	2,400	629,952	0.12	0.12	0.01
	13,900	140	-	11,500	2,540	879,743	0.18		
SUGAR & ALLIED INDUSTRIES									
Faran Sugar Mills Limited	-	7,000	-	7,000	-	-	-	-	-
	15,492,505	1,833,246	400,134	8,302,174	9,423,710	507,439,122	98.4		

Carrying value before fair value adjustment as at June 30, 2023

547,868,120

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. 23.161 million (June 30, 2022: Rs. 25.850 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

Note by Debt Sub-Fund									
Issue date	Note	Tenor	Face value				Market value / carrying value as at June 30, 2023	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, 2022	Purchases during the year	Sales / matured during the year	As at June 30, 2023			
			----- (Rupees) -----				----- (%) -----		
January 26, 2023		3 months	-	50,000,000	50,000,000	-	-	-	-
							-	-	-
							-	-	-
Carrying value before fair value adjustment as at June 30, 2023							-		

NAFA PENSION FUND

6.2.2 Held by Money Market Sub-Fund

Issue date	Note	Tenor	Face value				Market value as at June 30, 2023	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, 2022	Purchases during the year	Sales / matured during the year	As at June 30, 2023			
------(Rupees)-----									------(%)-----
November 3, 2022		3 Months	-	250,000,000	250,000,000	-	-	-	-
October 6, 2022		3 Months	-	250,000,000	250,000,000	-	-	-	-
August 11, 2022		3 Months	-	500,000,000	500,000,000	-	-	-	-
October 20, 2022		3 Months	-	9,500,000,000	9,500,000,000	-	-	-	-
September 22, 2022		3 Months	-	250,000,000	250,000,000	-	-	-	-
December 1, 2022		3 Months	-	453,410,000	453,410,000	-	-	-	-
June 2, 2022		12 Months	-	1,550,000,000	1,550,000,000	-	-	-	-
January 4, 2023		3 Months	-	1,150,000,000	1,150,000,000	-	-	-	-
May 4, 2023		3 Months	-	565,000,000	-	565,000,000	556,827,840	17.65	33.70
April 6, 2023		3 Months	-	895,000,000	895,000,000	-	-	-	-
February 9, 2023		3 Months	-	35,000,000	35,000,000	-	-	-	-
December 15, 2022		3 Months	-	1,200,000,000	1,200,000,000	-	-	-	-
November 17, 2022		6 Months	-	160,000,000	160,000,000	-	-	-	-
January 26, 2023		3 Months	-	1,000,000,000	1,000,000,000	-	-	-	-
April 28, 2022		12 Months	-	250,000,000	250,000,000	-	-	-	-
June 15, 2023		3 Months	-	500,000,000	-	500,000,000	479,841,500	15.21	29.04
June 22, 2023		3 Months	-	275,000,000	-	275,000,000	261,706,500	8.30	15.84
							1,298,375,840	41.16	78.57
Carrying value before fair value adjustment as at June 30, 2023							1,299,800,862		

6.2.3 These Market Treasury Bills carry rate of return ranging from 15.25% to 22.0% per annum (2022: 7.40 % to 14.1% per annum).

6.3 Government securities - Pakistan Investment Bonds

NAFA PENSION FUND

6.3.1 Held by Debt Sub-Fund

Issue Date	Note	Tenor	Face value				Market value as at June 30, 2023	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, 2022	Purchases during the year	Sales / matured during the year	As at June 30, 2023			
			----- (Rupees) -----				----- (%) -----		
July 12, 2018	6.3.2	5 years	40,000,000	-	-	40,000,000	39,802,497	4.98	14.76
November 17, 2022	6.3.2	5 years	-	100,000,000	-	100,000,000	94,860,000	11.86	35.17
October 22, 2020	6.3.2	3 years	50,000,000	-	-	50,000,000	49,870,000	6.23	18.49
			90,000,000	100,000,000	-	190,000,000	184,532,497	23.07	68.42

Carrying value before fair value adjustment as at June 30, 2023

185,883,125

6.3.2 These Pakistan Investment Bonds carry yields ranging from 12.14% to 17.11% per annum (2022: 8.00% to 13.19% per annum)

6.4 Term Finance Certificates

6.4.1 Held by Debt Sub-Fund

Name of the investee company	As at July 01, 2022	Purchases during the year	Disposals / matured during the year	As at June 30, 2023	Market value as at June 30, 2023	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)	----- (%) -----	
Askari Commercial Bank Limited	20	-	-	20	20,153,220	2.52	7.47
Jahangir Siddiqui & Co. Ltd.	1,560	-	-	1,560	976,630	0.12	0.36
Samba Bank Limited	200	-	-	200	19,984,000	2.50	7.41
The Hub Power Company Limited	380	-	-	380	9,528,282	1.19	3.53
AGP Limited	350	-	350	-	-	-	-
Meezan Bank Limited	25	-	-	25	24,750,000	3.09	9.18
K-Electric Limited	-	30	-	30	-	-	-
K-Electric Limited	-	30	-	30	-	-	-
K-Electric Limited	-	7	-	7	-	-	-
Soneri Bank Limited	-	100	-	100	9,794,541	1.22	3.63
	2,535	167	350	2,352	85,186,673	10.65	31.58

Carrying value before fair value adjustment as at June 30, 2023

88,281,259

6.5 Sukuks - unlisted

6.5.1 Held by Debt Sub-Fund

Name of the investee company	As at July 01, 2022	Purchases during the year	Disposals / Matured during the year	As at June 30, 2023	Market value as at June 30, 2023	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)	----- (%) -----	
K-Electric Limited	-	30	30	-	-	-	-
K-Electric Limited	-	30	30	-	-	-	-
K-Electric Limited	-	7	7	-	-	-	-
	-	67	67	-	-	-	-
Carrying value before fair value adjustment as at June 30, 2023					-		

6.5.2 Held by Money Sub-Fund

The Hub Power Company Limited	1,260		1,260	-	-	-	-
K-Electric Limited	-	90	90	-	-	-	-
K-Electric Limited	-	75	75	-	-	-	-
K-Electric Limited	-	40	40	-	-	-	-
K-Electric Limited	-	100	-	100	100,000,000	0.03	0.06
	1,260	305	1,465	100	100,000,000	0.03	0.06
Carrying value before fair value adjustment as at June 30, 2023					100,000,000		

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							
Soneri Bank Limited	100	9,998,000	6 months KIBOR + 1.70%	December 26, 2022	10 years	Secured	A+
KE STS-14	100	100,000,000	6 months KIBOR + 0.75%	February 27, 2023	6 months	Secured	AA
Unlisted term finance certificates							
Askari Commercial Bank Limited	20	20,000,000	3 months KIBOR + 1.20%	March 17, 2020	10 years	Secured	AA
JSCL-10	1,560	975,000	6 months KIBOR + 1.40%	July 18, 2017	5 years	Secured	AA+
Samba Bank Limited	200	19,984,000	6 months KIBOR + 1.35%	March 1, 2021	10 years	Secured	AA-
Unlisted Sukuk certificates							
Meezan Bank Limited	25	25,000,000	6 months KIBOR + 0.35%	December 16, 2021	10 years	Secured	AAA
HUBCO Suk-2 Rev	380	9,500,000	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		Face Value			Carrying value as at June 30, 2023	Carrying value as at June 30, 2022
		As at July 01, 2022	Purchases during the Year	Sold / matured during the Year		
	Note	(Rupees)				
China Power Limited	6.6.1.1	50,000,000	-	50,000,000	-	24,100,029
		50,000,000	-	50,000,000	-	24,100,029

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

6.6.2 Held by Money Market Sub-Fund

Name of the investee company		Face Value				Carrying value as at June 30, 2023	Carrying value as at June 30, 2022
		As at July 01, 2022	Purchases during the Year	Sold / matured during the Year	As at June 30, 2023		
	Note	(Rupees)					
China Power Limited	6.6.2.1	50,000,000	-	50,000,000	-	-	48,200,053
		50,000,000	-	50,000,000	-	-	48,200,053

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

6.7 Term deposit Receipts

6.7.1 Held by Money Market sub fund

This represents a twelve-month term deposit receipt having a profit rate of 22.50% being matured on July 04, 2023.

NAFA PENSION FUND

7 MARK-UP ACCRUED

	2023				2022			
	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	466,428	5,560,176	4,974,371	11,000,975	8,458	327,123	9,684,687	10,020,268
- Term Deposit Receipts	-	-	626,653	626,653	-	-	-	-
- Term Finance Certificates	-	2,424,541	7,619,080	10,043,621	-	2,985,030	-	2,985,030
- Pakistan Investment Bonds	-	6,395,472	-	6,395,472	-	2,743,471	-	2,743,471
	466,428	14,380,189	13,220,104	28,066,721	8,458	6,055,624	9,684,687	15,748,769

8 ADVANCE, DEPOSITS AND OTHER RECEIVABLES

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
	3,040,846	462,057	100,000	3,602,903	3,040,846	462,057	100,000	3,602,903

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

		2023					2022				
		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)									
Remuneration to Pension Fund Manager	9.1	652,921	262,062	865,777	-	1,780,760	1,103,790	232,146	297,068	-	1,633,004
Sindh Sales Tax on management remuneration	9.2	84,881	25,446	112,553	-	222,880	143,495	21,557	38,619	-	203,671
Preliminary expenses and floatation cost		75,000	75,000	75,000	-	225,000	75,000	75,000	75,000	-	225,000
Reimbursement of NAV related expense payable	9.3	300,044	290,443	870,215	-	1,460,702	485,214	170,821	422,063	-	1,078,098
Reimbursement of selling and marketing	9.4	2,700,396	1,210,174	4,458,548	-	8,369,118	4,366,926	999,009	1,206,495	-	6,572,430
Sales load		-	-	-	747,517	747,517	-	-	-	761,047	761,047
Sindh Sales Tax on sales load		-	-	-	109,535	109,535	-	-	-	111,293	111,293
		3,813,242	1,863,125	6,382,093	857,052	12,915,512	6,174,425	1,498,533	2,039,245	872,340	10,584,543

- 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, 2022: 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 31 March 2023, the Management Company has revised its rate of the average annual net assets of the Fund is as follows.

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
From July 01, 2022 till March 15, 2023	1.50%	0.40%	0.20%
From March 16, 2023 till June 30, 2023			0.35%

- 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, 2022: 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, 2023, the Management Company has charged allocated expenses at the rate of 0.15% of average annual net assets till 14 March, 2023 and with effective from 15 March, 2023, the Management Company has revised its rate of the average annual net assets of the Fund is as follows:

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
From July 01, 2022 till March 15, 2023	0.20%	0.10%	0.10%
From March 16, 2023 till June 30, 2023		0.15%	0.125%

- 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 caping for charging selling and marketing expense. During the year ended June 30, 2023, the Management Company has charged selling and marketing expenses as follows:

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
From July 01, 2022 till March 09, 2023			0.325%
From March 10, 2023 till April 06, 2023			0.525%
From April 07, 2023 till April 19, 2023	1.8%	0.625%	0.605%
From April 20, 2023 till June 30, 2023			0.655%

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		2023				2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		(Rupees)							
Trustee remuneration	10.1	45,867	69,121	260,773	375,761	82,619	65,164	166,757	314,540
Sindh Sales Tax on trustee remuneration	10.2	5,962	17,603	33,899	57,464	10,740	17,089	21,678	49,507
		51,829	86,724	294,672	433,225	93,359	82,253	188,435	364,047

- 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, 2023 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, 2022: 13%) was charged on Trustee remuneration.

11 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

		2023				2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		(Rupees)							
Annual fee payable	11.1	300,860	293,223	944,974	1,539,057	389,797	233,192	564,791	1,187,780

- 11.1 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.

12 ACCRUED EXPENSES AND OTHER LIABILITIES

		2023					2022				
		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)									
Federal Excise Duty on management remuneration	12.1	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 payable		112,357	112,408	112,409	-	337,174	117,940	117,691	117,692	-	353,323
Legal and professional charges payable		60,143	58,564	60,565	-	179,272	48,872	47,293	49,294	-	145,459
Brokerage expense payable		93,334	-	12,070	-	105,404	85,726	-	-	-	85,726
Bank charges and settlement charges payable		369,918	382,899	76,804	-	829,621	271,458	293,964	94,240	-	659,662
Printing charges		35,708	35,707	35,701	-	107,116	38,601	38,601	38,599	-	115,801
Withholding tax		17,153	-	57,076	81,854	156,083	11,626	6,808	9,754	-	28,188
		2,459,077	1,918,723	1,409,617	2,023,529	7,810,945	2,344,686	1,833,502	1,364,571	1,941,675	7,484,434

- 12.1** 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 inter alia 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 Sindh 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, 2023 would have been higher by Rs. 1.1063, Rs. 0.4238, and Rs. 0.0745 (June 30, 2022: Rs. 0.6342, Rs. 0.4179, and Rs. 0.1039) 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 COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2023 (June 30, 2022: Nil), except for disclosure elsewhere.

15 EXPENSE RATIO

	2023		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
Total Expense ratio (including government levies)	4.09%	1.45%	1.05%
Government levies	0.25%	0.11%	0.09%
Total Expense ratio (excluding government levies)	3.84%	1.34%	0.96%

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

	2023				2022			
	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	2,791,779	3,180,894	10,151,956	16,124,629	3,003,727	2,861,791	8,120,261	13,985,779
Units issued during the year	240,706	825,883	4,779,441	5,846,031	398,390	926,887	3,145,070	4,470,347
Units redeemed during the year	(376,491)	(550,438)	(2,761,668)	(3,688,597)	(161,663)	(438,317)	(2,169,528)	(2,769,508)
Reallocation during the year	(1,055,604)	(320,315)	1,983,664	607,745	(448,675)	(169,467)	1,056,154	438,012
Total units in issue at end of the year	1,600,390	3,136,024	14,153,393	18,889,807	2,791,779	3,180,894	10,151,956	16,124,630

NAFA PENSION FUND

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, 2022	-	-	-	29,465	-	29,465	-	2,252,894	2,252,894
Received / receivable against issuance of units	77,576,032	-	77,576,032	195,915,248	-	195,915,248	1,404,621,287	-	1,404,621,287
Paid / payable against redemption of units	-	(459,888,926)	(459,888,926)	-	(205,199,294)	(205,199,294)	-	(564,132,228)	(564,132,228)
	77,576,032	(459,888,926)	(382,312,894)	195,915,248	(205,199,294)	(9,284,046)	1,404,621,287	(564,132,228)	840,489,059
Amount received on issuance of units	(77,576,032)	-	(77,576,032)	(195,944,713)	-	(195,944,713)	(1,404,621,287)	-	(1,404,621,287)
Amount paid on redemption of units	-	459,888,926	459,888,926	-	205,199,294	205,199,294	-	561,879,334	561,879,334
	(77,576,032)	459,888,926	382,312,894	(195,944,713)	205,199,294	9,254,581	(1,404,621,287)	561,879,334	(842,741,953)
Closing balance as at June 30, 2023	-	-	-	-	-	-	-	-	-

18 CONTRIBUTION TABLE

Contributions received during the year are as follows:

	2023							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
From:	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	240,706	77,576,032	825,883	195,915,248	4,779,441	991,074,310	5,846,031	1,264,565,590

	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

NAFA PENSION FUND

19 AUDITORS' REMUNERATION

	2023				2022			
	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	89,100	89,100	89,100	267,300	81,000	81,000	81,000	243,000
Half yearly review fee	38,500	38,500	38,500	115,500	35,000	35,000	35,000	105,000
Fee for income certification	23,333	23,333	23,333	70,000	23,333	23,333	23,333	70,000
Out of pocket expenses	10,650	10,950	10,620	32,219	14,053	13,804	13,804	41,660
	161,583	161,883	161,883	485,019	153,386	153,137	153,137	459,660

20 FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2023										
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										
9,878,962	-	9,878,962	520,035,053	-	520,035,053	1,500,366,850	-	1,500,366,850	2,880,581	2,033,161,447
-	507,439,122	507,439,122	-	269,719,170	269,719,170	-	1,652,518,306	1,652,518,306	-	2,429,676,598
466,428	-	466,428	14,380,189	-	14,380,189	13,220,104	-	13,220,104	-	28,066,721
-	-	-	-	-	-	-	-	-	-	-
1,676,825	-	1,676,825	-	-	-	-	-	-	-	1,676,825
2,600,000	-	2,600,000	100,000	-	100,000	100,000	-	100,000	-	2,800,000
14,622,215	507,439,122	522,061,337	534,515,242	269,719,170	804,234,412	1,513,686,954	1,652,518,306	3,166,205,260	2,880,581	4,495,381,591

NAFA PENSION FUND

As at June 30, 2023

	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
<hr style="border-top: 1px dashed black;"/> (Rupees) <hr style="border-top: 1px dashed black;"/>											
Financial liabilities											
Payable to NBP Fund Management Limited - Pension Fund Manager	-	3,813,242	3,813,242	-	1,863,125	1,863,125	-	6,382,093	6,382,093	857,052	12,915,512
Payable to Central Depository Company of Pakistan Limited - Trustee	-	51,829	51,829	-	86,724	86,724	-	294,672	294,672	-	433,225
Net asset attributable to redeemable unitholder	-	515,877,175	515,877,175	-	800,049,503	800,049,503	-	3,154,337,004	3,154,337,004	-	4,470,263,682
Payable against redemption of units	-	-	-	-	385,171	385,171	-	2,836,900	2,836,900	-	3,222,071
Accrued expenses and other liabilities	-	671,461	671,461	-	589,578	589,578	-	297,549	297,549	-	1,558,589
	-	520,413,707	520,413,707	-	802,974,101	802,974,101	-	3,164,148,218	3,164,148,218	857,052	4,488,393,080

As at June 30, 2022

	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
<hr style="border-top: 1px dashed black;"/> (Rupees) <hr style="border-top: 1px dashed black;"/>											
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
	26,369,195	884,662,436	911,031,631	452,770,742	245,238,733	698,009,476	1,878,680,073	48,200,053	1,926,880,126	2,814,015	3,538,735,246

NAFA PENSION FUND

As at June 30, 2022

	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	-	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 assets attributable to redeemable Unit holder	-	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
	-	909,462,992	909,462,992	-	696,802,387	696,802,387	-	1,925,250,589	1,925,250,589	872,340	3,532,388,310

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.

NAFA PENSION FUND

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

	2023					2022					
	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	11,282,251	2,932,230	6,973,024	-	21,187,504	16,083,337	4,002,518	7,090,868	-	27,176,723	
Sindh Sales Tax on remuneration to Pension Fund Manager	1,466,693	381,190	906,493	-	2,754,377	2,090,834	520,328	921,813	-	3,532,975	
Reimbursement of Allocated expenses related to registrar services, accounting,operation and valuation services	1,504,300	846,746	2,564,582	-	4,915,628	1,635,611	501,077	1,221,275	-	3,357,963	
Reimbursement of Selling and Marketing expenses	13,538,702	4,581,610	10,184,187	-	28,304,499	14,720,498	2,661,183	2,831,320	-	20,213,001	
Sales load charged during the year	-	-	-	4,294,063	4,294,063	-	-	-	3,423,337	3,423,337	
Employees of NBP Fund Management Limited											
Number of units issued	Units	8,854	6,316	117,440	-	132,610	56,280	14,318	282,849	-	353,447
Amount of units issued		2,867,000	1,512,000	24,681,000	-	29,060,000	20,535,000	2,978,000	51,096,000	-	74,609,000
Number of units redeemed	Units	14,610	9,796	239,598	-	264,004	72,678	12,576	109,791	-	195,045
Amount of units redeemed		4,774,000	2,289,000	47,985,000	-	55,048,000	26,230,000	2,624,000	19,891,000	-	48,745,000
Aftab Hussain - Director											
Number of units issued	Units	-	35	3	-	38	-	36	31	-	67
Amount of units issued		-	8,000	1,000	-	9,000	-	8,000	5,000	-	13,000
Number of units redeemed	Units	-	908	4,209	-	5,117	-	926	4,209	-	5,135
Amount of units redeemed		-	215,000	865,000	-	1,080,000	-	192,000	756,000	-	948,000
Central Depository Company of Pakistan Limited - Trustee											
Remuneration to Trustee		819,444	796,236	2,562,435	-	4,178,115	1,222,786	722,792	1,744,555	-	3,690,133
Sindh Sales Tax on remuneration of Trustee		106,528	103,511	333,117	-	543,156	158,963	93,963	226,792	-	479,718
Taurus Securities Limited											
Brokerage expense		57,835	-	-	-	57,835	52,164	-	-	-	52,164

NAFA PENSION FUND

		2023					2022				
		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)											
Humayun Bashir - Director											
Number of units issued	Units	-	-	-	-	-	64,751	-	544,791	-	609,542
Amount of units issued		-	-	-	-	-	24,021,000	-	98,856,000	-	122,877,000
Number of units redeemed	Units	-	-	-	-	-	273,076	-	127,453	-	400,529
Amount of units redeemed		-	-	-	-	-	97,956,000	-	22,521,000	-	120,477,000
Khalid Mehmood - CFO											
Number of units redeemed	Units	-	-	-	-	-	15,291	-	-	-	15,291
Amount of units redeemed		-	-	-	-	-	5,687,000	-	-	-	5,687,000
Portfolio managed by Management company											
Number of units issued	Units	-	-	50,755	-	50,755	13,596	-	137,528	-	151,124
Amount of units issued		-	-	10,693,000	-	10,693,000	5,245,000	-	24,237,000	-	29,482,000
Number of units redeemed	Units	11,227	533	-	-	11,760	61,504	-	-	-	61,504
Amount of units redeemed		3,577,000	116,000	-	-	3,693,000	22,489,000	-	-	-	22,489,000
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
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	354	-	-	-	354	346	-	-	-	346
Amount of units issued		110,000	-	-	-	110,000	116,000	-	-	-	116,000
Number of units redeemed	Units	-	435	-	-	435	-	533	-	-	533
Amount of units redeemed		-	110,000	-	-	110,000	-	116,000	-	-	116,000

NAFA PENSION FUND

	2023					2022				
	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 Clearing Company of Pakistan Limited (Common Directorship with the Management Company)**										
NCCPL charges	-	-	-	-	-	400,264	365,000	-	-	765,264
International Steels Limited (Common Directorship with the Management Company)										
Shares purchase	13,801	-	-	-	13,801	3,800	-	-	-	3,800
Shares sold	13,801	-	-	-	13,801	15,700	-	-	-	15,700
National bank of Pakistan Limited (Parent Company of Management Company)										
Purchase of Government Securities	-	-	-	-	-	-	-	495,285,000	-	495,285,000
Fauji Fertilizer Company Limited (Common Directorship with the Management Company)*										
Shares Purchased	18,200	-	-	-	18,200	-	-	-	-	-
Shares Sold	14,000	-	-	-	14,000	-	-	-	-	-
K-Electric Limited (Common Directorship with the Management Company)*										
Purchase of Sukuks	-	67,000,000	305,000,000	-	372,000,000	-	-	-	-	-
Profit on Sukuks	-	6,011,049	26,263,629	-	32,274,678	-	-	-	-	-
21.5 Amounts outstanding as at year end										
NBP Fund Management Limited - Pension Fund Manager										
Remuneration payable	652,921	262,062	865,777	-	1,780,760	1,103,790	232,146	297,068	-	1,633,004
Sindh Sales Tax payable	84,881	25,446	112,553	-	222,880	143,495	21,557	38,619	-	203,671
Preliminary expenses and floatation cost	75,000	75,000	75,000	-	225,000	75,000	75,000	75,000	-	225,000
Reimbursement of NAV related expense payable	300,044	290,443	870,215	-	1,460,702	485,214	170,821	422,063	-	1,078,098
Reimbursement of Selling and Marketing expenses	2,700,396	1,210,174	4,458,548	-	8,369,118	4,366,926	999,009	1,206,495	-	6,572,430
Sales load	-	-	-	747,517	747,517	-	-	-	761,047	761,047
Sindh Sales Tax on sales load	-	-	-	109,535	109,535	-	-	-	111,293	111,293
Employees of NBP Fund Management Limited										
Number of units held	Units 8,816	5,894	80,331	-	95,041	12,947	9,374	202,488	-	224,809
Amount of units held	2,842,000	1,504,000	17,903,000	-	22,249,000	4,186,000	2,046,000	38,305,000	-	44,537,000

NAFA PENSION FUND

2023						2022					
	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) -----											
Central Depository Company of Pakistan Limited - Trustee											
Remuneration payable	45,867	69,121	260,773	-	375,761	82,619	65,164	166,757	-	314,540	
Sindh Sales Tax payable	5,962	17,603	33,899	-	57,464	10,740	17,089	21,678	-	49,506	
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	Units	-	-	-	-	-	-	417,338	-	417,338	
Amount of units held	-	-	-	-	-	-	-	78,949,000	-	78,949,000	
Saad Amanullah Khan - Director											
Number of units held	7,345	2,259	-	-	9,604	6,991	2,694	-	-	9,685	
Amount of units held	2,368,000	576	-	-	2,368,576	2,260,000	588,000	-	-	2,848,000	
Portfolio managed by management company											
Number of units held	Units	-	4,692	419,406	-	424,098	32,882	5,564	199,049	-	237,495
Amount of units held	-	1,197,000	93,472,000	-	94,669,000	10,632,000	1,214,000	37,654,000	-	49,500,000	
Bank Islami Pakistan Limited (Common Directorship with the Management Company)**											
Bank balance	-	-	-	-	-	-	-	5,937	-	5,937	
Markup accrued	-	-	-	-	-	-	-	-	-	-	
National bank of Pakistan Limited (Common Directorship with the Management Company)											
Bank balance	-	3,338	150,417	-	153,755	-	2,276	-	-	2,276	
Markup accrued	-	-	-	-	-	-	2,075	-	-	2,075	
Khushhali Bank Limited (Common Directorship with the Management Company)**											
Bank Balance	-	-	-	-	-	-	753,543	-	-	753,543	
Markup accrued	-	-	-	-	-	-	1,563	-	-	1,563	
Fauji Fertilizer Company Limited (Common Directorship with the Management Company)											
Number of shares held	237,300	-	-	-	237,300	233,100	-	-	-	233,100	
Investment in shares	23,359,812	-	-	-	23,359,812	25,692,282	-	-	-	25,692,282	

	2023					2022				
	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 Clearing Company of Pakistan Limited (Common Directorship with the Management Company)**										
Security Deposit	-	-	-	-	-	2,500,000	-	-	-	2,500,000
NCCPL charges payable	-	-	-	-	-	32,910	30,000	-	-	62,910
MAUSUF AHMAD (10% or More Holding)**										
Number of units held	-	-	-	-	-	-	762,294	-	-	762,294
Amount of units held	-	-	-	-	-	-	166,356,428	-	-	166,356,428
K-Electric Limited (Common Directorship with the Management Company)*										
Sukuks held	-	-	100,000,000	-	100,000,000	-	-	-	-	-
Mark-up Accrued	-	-	7,619,080	-	7,619,080	-	-	-	-	-

** 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.

22.2 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.

22.3 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, 2023, 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, 2023, with all other variables held constant, net assets of the Fund would have been higher / lower by Rs. 20.84 million (June 30, 2022: Rs. 24.25 million) and net income for the year would have been higher / lower by Rs. 3.246 million. (June 30, 2022: Rs. 1.978 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 at June 30, 2023. In case of 100 basis points increase in KIBOR on June 30, 2023, with all other variables held constant, the net assets of the Fund for the year would have been higher by Rs. 1.827 million (June 30, 2022: Rs. 1.576 million) and net income for the year would have been higher by Rs. 2.120 million (June 30, 2022: Rs. 0.349 million). In case of 100 basis points decrease in KIBOR on 30 June 2023, with all other variables held constant, the net assets of the Fund for the year would have been lower by Rs. 1.827 million (June 30, 2022: Rs. 1.576 million) and net income for the year would have been lower by Rs. 2.120 million (June 30, 2022: Rs. 0.349 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, 2023 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

NAFA PENSION FUND



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, 2023																			
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				
	Up to three months	Not exposed to yield / interest rate risk			Up to three months	More than one year			Not exposed to yield / interest rate risk	Up to three months			More than three months upto one year	Not exposed to yield / interest rate risk		Up to three months	Not exposed to yield / interest rate risk		
(%)	(Rupees)		(%)	(Rupees)		(%)	(Rupees)		(%)	(Rupees)		(%)	(Rupees)		(%)				
On-balance sheet financial instruments																			
Financial assets																			
Bank balances	12.25 - 20.0	9,878,962	-	9,878,962	12.25 - 20.0	520,035,053	-	-	520,035,053	12.25 - 20.0	1,500,366,850	-	-	1,500,366,850	12.25 - 20.0	2,880,581	-	2,880,581	2,033,161,446
Investments		-	507,439,122	507,439,122	12.14 - 17.11	-	269,719,170	-	269,719,170	15.25 - 22.0	-	1,652,518,306	-	1,652,518,306	-	-	-	-	2,429,676,598
Mark-up accrued		-	466,428	466,428		-	-	-	14,380,189		-	-	13,220,104	13,220,104	-	-	-	-	28,066,721
Receivable against transfer of units		-	-	-		-	-	-	-		-	-	-	-	-	-	-	-	-
Receivable against sale of investments		1,676,825	-	1,676,825		-	-	-	-		-	-	-	-	-	-	-	-	1,676,825
Security deposits		-	2,600,000	2,600,000		-	-	-	100,000		100,000	-	100,000	200,000	-	-	-	-	2,900,000
		11,555,787	510,505,550	522,061,337		520,035,053	269,719,170	14,480,189	804,234,413		1,500,466,850	1,652,518,306	13,320,103	3,166,305,260	2,880,581	-	2,880,581	4,495,481,590	
Financial liabilities																			
Payable to NBP Fund Management Limited - Pension Fund Manager		-	3,813,242	3,813,242		-	-	-	1,863,125		-	-	6,382,093	6,382,093	-	857,052	857,052	-	12,915,512
Payable to Central Depository Company of Pakistan		-	51,829	51,829		-	-	-	86,724		-	-	294,672	294,672	-	-	-	-	433,225
Payable against redemption of units		-	-	-		-	-	-	385,171		-	-	2,836,900	2,836,900	-	-	-	-	3,222,071
Net assets attributable to redeemable Participants		-	515,877,175	515,877,175		-	-	-	800,049,503		-	-	3,154,337,004	3,154,337,004	-	-	-	-	4,470,263,682
Accrued expenses and other liabilities		-	671,461	671,461		-	-	-	589,578		-	-	297,549	297,549	-	-	-	-	1,558,588
		-	520,413,707	520,413,707		-	-	-	802,974,101		-	-	3,164,148,218	3,164,148,217	-	857,052	857,052	-	4,488,393,078
On-balance sheet gap		11,555,787	(9,908,157)	1,647,630		520,035,053	269,719,170	(788,493,912)	1,260,312		1,500,466,850	1,652,518,306	(3,150,828,115)	2,157,043	2,880,581	(857,052)	2,023,529	-	7,088,512
Off-balance sheet financial instruments		-	-	-		-	-	-	-		-	-	-	-	-	-	-	-	-
Off-balance sheet gap		-	-	-		-	-	-	-		-	-	-	-	-	-	-	-	-
Total interest rate sensitivity gap		11,555,787	(9,908,157)	1,647,630		520,035,053	269,719,170	(788,493,912)	1,260,312		1,500,466,850	1,652,518,306	(3,150,828,115)	2,157,043	2,880,581	(857,052)	2,023,529	-	7,088,512
Cumulative interest rate sensitivity gap		11,555,787				520,035,053	269,719,170				1,500,466,850	3,152,985,156			2,880,581				

NAFA PENSION FUND

As at June 30, 2022

AS AT JUNE 30, 2022																			
	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								
Up to three months		Up to three months	More than one year	Up to three months	More than three months upto one year	Up to three months		Up to three months											
(%)	(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	1,868,895,385	-	-	1,868,895,385	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		23,760,737	(22,192,098)	1,568,639		446,585,653	70,824,598	(690,617,298)	(173,207,047)		1,868,995,385	48,200,053	(1,915,465,903)	1,729,537		2,814,015	(872,340)	1,941,675	(167,967,197)
Off-balance sheet financial instruments		-	-	-		-	-	-	-		-	-	-	-		-	-	-	-
Off-balance sheet gap		-	-	-		-	-	-	-		-	-	-	-		-	-	-	-
Total interest rate sensitivity gap		23,760,737	(22,192,098)	1,568,639		446,585,653	70,824,598	(690,617,298)	(173,207,047)		1,868,995,385	48,200,053	(1,915,465,903)	1,729,537		2,814,015	(872,340)	1,941,675	(167,967,197)
Cumulative interest rate sensitivity gap		23,760,737				446,585,653	70,824,598				1,868,995,385	1,917,195,438				2,814,015			

The maximum exposure to credit risk is as follows:

NAFA PENSION FUND

Bank balances	As at June 30, 2023				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
AAA	307,622	4,294,987	35,357,858	423,671	40,384,138
AA+	9,531,088	7,040,523	184,803,441	2,456,910	203,831,962
AA	-	-	30,686	-	-
AA-	35,243	317,984,559	21,232	-	318,041,034
A1+	-	-	-	-	-
A+	5,009	15,530	1,280,153,632	-	1,280,174,171
A	-	-	-	-	-
A-	-	190,699,452	-	-	190,699,452
	<u>9,878,962</u>	<u>520,035,051</u>	<u>1,500,366,849</u>	<u>2,880,581</u>	<u>2,033,130,757</u>
Term Finance Certificates	As at June 30, 2023				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
AAA	-	24,750,000	-	-	24,750,000
AA+	-	10,504,912	-	-	10,504,912
AA	-	20,153,220	-	-	20,153,220
AA-	-	19,984,000	-	-	19,984,000
A+	-	9,794,541	-	-	9,794,541
	<u>-</u>	<u>85,186,673</u>	<u>-</u>	<u>-</u>	<u>85,186,673</u>
Mark-up accrued	<u>466,428</u>	<u>14,380,189</u>	<u>13,220,104</u>	<u>-</u>	<u>28,066,721</u>
Security deposits	<u>2,600,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>2,800,000</u>

NAFA PENSION FUND

Bank balances	As at June 30, 2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
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
AA	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
	<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>
	As at June 30, 2022				
Term Finance Certificates	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)				
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
	<u>-</u>	<u>134,221,259</u>	<u>-</u>	<u>-</u>	<u>134,221,259</u>
Mark-up accrued	<u>8,458</u>	<u>6,055,624</u>	<u>9,684,687</u>	<u>-</u>	<u>15,748,769</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.

22.4 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, 2023 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. 5.0744 million (2022: Rs. 8.8466 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, 2023 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, 2023 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.

22.5 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.

22.6 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:

NAFA PENSION FUND

As at June 30, 2023

	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	3,813,242	3,813,242	1,863,125	1,863,125	6,382,093	6,382,093	12,058,460
Payable to Central Depository Company of Pakistan Limited - Trustee	51,829	51,829	86,724	86,724	294,672	294,672	433,225
Payable against redemption of units	-	-	385,171	385,171	2,836,900	2,836,900	3,222,071
Net assets attributable to redeemable units	515,877,175	515,877,175	800,049,503	800,049,503	3,154,337,004	3,154,337,004	4,470,263,682
Accrued expenses and other liabilities	671,461	671,461	589,578	589,578	297,549	297,549	1,558,588
	520,413,707	520,413,707	802,974,101	802,974,101	3,164,148,218	3,164,148,218	4,487,536,026
Participants' funds	515,877,175	515,877,175	800,049,503	800,049,503	3,154,337,004	3,154,337,004	4,470,263,682

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	902,632,610	902,632,610	694,170,536	694,170,536	1,920,470,189	1,920,470,189	3,517,273,335

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.

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:

NAFA PENSION FUND

- 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, 2023																					
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	
(Rupees)																					
On-balance sheet financial instruments																					
Financial assets measured at fair value																					
Investments																					
- Listed equity securities	507,439,122	-	-	507,439,122	507,439,122	507,439,122	-	-	-	-	-	-	-	-	-	-	-	-	-	507,439,122	
- Government securities - Pakistan Investment Bonds	-	-	-	-	-	-	184,532,497	-	-	184,532,497	184,532,497	184,532,497	86,917,446	-	-	86,917,446	86,917,446	86,917,446	-	-	-
- Term finance certificates	-	-	-	-	-	-	85,186,673	-	-	85,186,673	85,186,673	85,186,673	134,221,259	-	-	134,221,259	134,221,259	134,221,259	-	-	-
	507,439,122	-	-	507,439,122	507,439,122	507,439,122	269,719,170	-	-	269,719,170	269,719,170	269,719,170	221,138,704	-	-	221,138,704	221,138,704	221,138,704	-	-	-
Financial assets not measured at fair value																					
Bank balances	-	9,878,962	-	9,878,962	-	-	520,035,053	-	520,035,053	-	-	-	1,500,366,850	-	1,500,366,850	-	-	2,880,581	-	2,880,581	2,033,161,447
Mark-up accrued	-	466,428	-	466,428	-	-	14,380,189	-	14,380,189	-	-	-	13,220,104	-	13,220,104	-	-	-	-	-	28,066,721
Receivable against sale of investments	-	1,676,825	-	1,676,825	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,676,825
Receivable against transfer of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security deposits	-	2,600,000	-	2,600,000	-	-	100,000	-	100,000	-	-	-	100,000	-	100,000	-	-	-	-	-	2,800,000
	-	14,622,215	-	14,622,215	-	-	534,515,242	-	534,515,242	-	-	-	1,513,686,954	-	1,513,686,954	-	-	2,880,581	-	2,880,581	2,065,704,993
Financial liabilities not measured at fair value																					
Payable to NBP Fund Management	-	-	3,813,242	3,813,242	-	-	-	1,863,125	1,863,125	-	-	-	-	6,382,093	6,382,093	-	-	-	857,052	857,052	12,915,512
Limited - Pension Fund Manager	-	-	51,829	51,829	-	-	-	86,724	86,724	-	-	-	-	294,672	294,672	-	-	-	-	-	433,225
Payable to Central Depository	-	-	-	-	-	-	-	385,171	385,171	-	-	-	-	2,836,900	2,836,900	-	-	-	-	-	3,222,071
Company of Pakistan	-	-	515,877,175	515,877,175	-	-	-	800,049,503	800,049,503	-	-	-	-	3,154,337,004	3,154,337,004	-	-	-	-	-	4,470,263,682
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net assets attributable to redeemable unitholder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	671,461	671,461	-	-	-	589,578	589,578	-	-	-	-	297,549	297,549	-	-	-	-	-	1,558,588
	-	-	520,413,707	520,413,707	-	-	-	802,974,101	802,974,101	-	-	-	-	3,164,148,218	3,164,148,218	-	-	-	857,052	857,052	4,488,393,078

NAFA PENSION FUND

June 30, 2022

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	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	Loans and receivables	Other financial liabilities	Total		
(Rupees)																						
884,662,436	-	-	884,662,436	884,662,436	884,662,436	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		884,662,436
-	-	-	-	-	-	86,917,446	-	-	86,917,446	86,917,446	86,917,446	-	-	-	-	-	-	-	-	-		-
-	-	-	-	-	-	134,221,259	-	-	134,221,259	134,221,259	134,221,259	-	-	-	-	-	-	-	-	-		134,221,259
884,662,436	-	-	884,662,436	884,662,436	884,662,436	221,138,704	-	-	221,138,704	221,138,704	221,138,704	-	-	-	-	-	-	-	-	-	1,018,883,695	
-	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	
-	8,458	-	8,458	-	-	-	6,055,624	-	6,055,624	-	-	-	9,684,687	-	9,684,687	-	-	-	-	-	15,748,769	
-	2,131,875	-	2,131,875	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,131,875	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	2,600,000	-	2,600,000	-	-	-	100,000	-	100,000	-	-	-	100,000	-	100,000	-	-	-	-	-	2,800,000	
-	26,369,195	-	26,369,195	-	-	-	452,741,277	-	452,741,277	-	-	-	1,878,680,073	-	1,878,680,073	-	-	2,814,015	-	2,814,015	2,360,604,560	
-	-	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	
-	-	93,359	93,359	-	-	-	-	82,253	82,253	-	-	-	-	188,435	188,435	-	-	-	-	-	364,047	
-	-	-	-	-	-	-	-	553,516	553,516	-	-	-	-	2,252,894	2,252,894	-	-	-	-	-	2,806,410	
-	-	902,632,610	902,632,610	-	-	-	-	694,170,536	694,170,536	-	-	-	-	1,920,470,189	1,920,470,189	-	-	-	-	-	3,517,273,335	
-	-	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	1,925,250,589	-	-	-	872,340	872,340	3,532,388,308	

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 repriced 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

NAFA PENSION FUND

	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)					
2023	344.35	290.15	255.12	218.32	222.87	189.26
2022	388.25	317.77	218.23	197.70	189.17	170.96
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					
	2023	2022	% change	2021	2020	2019
	(Rupees)			(Rupees)		
Net (Loss)/ income for the year	(4,442,541)	(133,618,423)	(0.97)	304,883,256	4,304,240	(173,709,959)
Realised gains / (loss)	(15,017,928)	5,556,352	(3.70)	97,096,472	(1,240,563)	(72,040,353)
Unrealised (loss) / gain	(40,428,998)	(195,881,939)	(0.79)	185,577,000	(14,245,818)	(134,789,724)
Dividend income	76,659,795	77,479,904	(0.01)	47,500,968	32,934,525	47,528,550
Mark-up / return on bank deposits	5,059,033	3,012,422	0.68	2,410,917	3,860,145	5,562,105

Equity Sub-Fund

	2023 ----- (Rupees) -----	2022	% change	2021 ----- (Rupees) -----	2020 ----- (Rupees) -----	2019
NAV per unit	322.3446	323.3181	(0.00)	369.3173	263.5687	252.8409
Transactions in securities						
Purchases	96,181,348	301,708,732	(0.68)	618,346,566	821,172,641	809,898,896
Sales	417,957,737	323,046,458	0.29	562,303,871	776,105,347	931,831,583
Total contribution received	77,576,032	142,116,824	(0.45)	310,225,423	89,568,426	352,086,452

25.4 Debt Sub-Fund

Debt Sub-Fund

	2023 ----- (Rupees) -----	2022	% change	2021 ----- (Rupees) -----	2020 ----- (Rupees) -----	2019
Net income for the year	115,163,013	62,967,231	0.83	23,501,956	109,577,622	26,916,501
Realised gains / (loss)	(175,000)	101,962	2.72	(7,531,299)	7,459,280	(1,407,986)
Unrealised (loss) / gain	(4,445,214)	(490,518)	(8.06)	(759,458)	35,881,626	(2,795,917)
Mark-up / return on bank deposits	75,505,993	40,566,824	0.86	9,697,877	17,177,064	10,840,133
Income from term deposit Receipts	-	-	-	-	-	423,452
Return on government securities	28,402,482	10,417,853	1.73	22,150,549	47,101,882	19,771,647
Return from term finance certificates	25,601,151	15,271,138	0.68	8,235,134	12,787,381	7,863,189
Income from commercial papers	899,972	2,107,083	(0.57)	2,461,023	3,510,205	689,091
NAV per unit	255.1159	218.2313	0.17	197.6708	188.9459	157.7781
Transactions in securities						
Purchases	220,529,400	790,631,311	(0.72)	2,667,134,019	1,966,655,854	1,966,655,854
Sales	31,219,628	407,630,336	(0.92)	2,159,870,241	1,556,439,853	1,556,439,853
Total contribution received	195,944,713	192,600,015	0.02	127,639,111	170,369,307	170,369,307

25.5 Money Market Sub-Fund

	Money Market Sub-Fund					
	2023	2022	% change	2021	2020	2019
	(Rupees)			(Rupees)		
Net income for the year	393,377,757	157,997,225	1.49	67,219,973	115,118,978	58,130,963
Realised gains / (loss)	(808,900)	177,016	5.57	(291,166)	3,148,679	(792,818)
Unrealised gain	(1,425,022)	-	1.00	-	2,305,732	-
Mark-up / return on bank deposits	200,480,000	140,124,435	0.43	37,648,706	57,421,132	37,542,828
Income from term deposit Receipts	8,122,543	-	100.00	4,756,274	16,499,772	16,368,451
Return on government securities	183,770,881	14,526,302	11.65	44,080,478	51,509,108	20,007,828
Income from commercial papers	1,799,944	3,836,096	(0.53)	4,534,718	6,360,667	778,006
NAV per unit	222.8679	189.1724	0.18	170.9290	162.0954	144.7624
Transactions in securities						
Purchases	19,769,445,953	52,551,245	1.00	11,222,843,465	7,012,363,684	3,108,379,140
Sales	13,650,061,650	30,424,460	1.00	8,575,767,111	5,869,203,427	2,617,050,005
Total contribution received	991,074,310	568,937,170	0.74	517,044,886	279,060,641	310,762,584

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 15, 2023**.

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	15	15	Nil	N/A
(%)	100%	100%	-	-

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