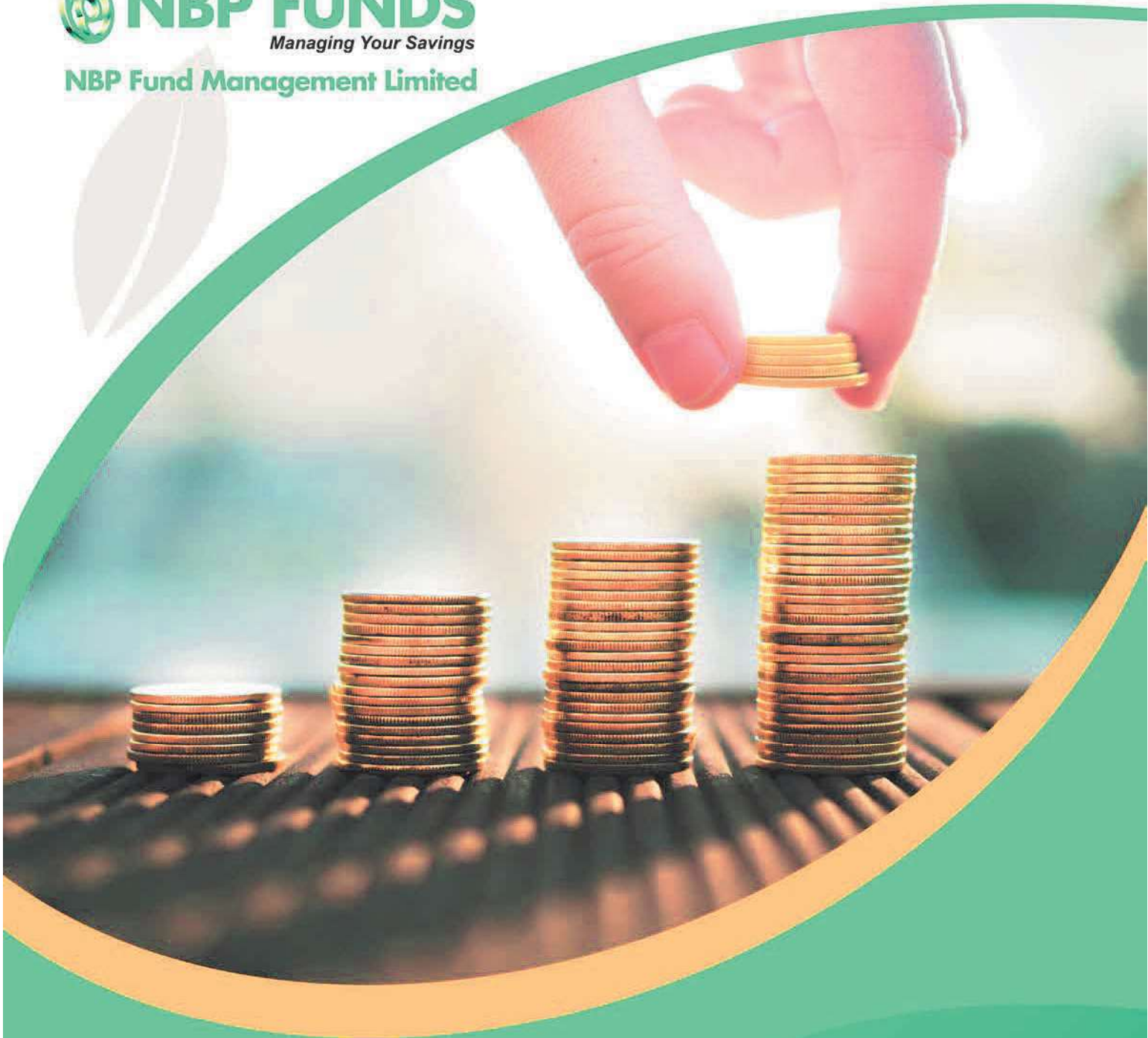




Managing Your Savings

NBP Fund Management Limited



NBP GOVERNMENT SECURITIES SAVINGS FUND

QUARTERLY REPORT
MARCH 31, 2024

AM1
Rated by PACRA

MISSION STATEMENT

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

Contents

FUND'S INFORMATION	03
DIRECTORS' REPORT	05
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	09
CONDENSED INTERIM INCOME STATEMENT	10
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	11
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	12
CONDENSED INTERIM CASH FLOW STATEMENT	13
NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS	14

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
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

Human Resource & Remuneration Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Tauqeer Mazhar	Member

Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
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 Shakra-e-Faisal, Karachi.

Bankers to the Fund

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
Khushali Microfinance Bank Limited
MCB Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Mobilink Microfinance Bank Limited
Telenor Microfinance Bank Limited
HBL Microfinance Bank Limited
United Bank Limited
U Microfinance Bank Limited
Samba Bank Limited

Auditors

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

Legal Advisor

Akhund Forbes
D-21, Block, 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.nbpfund.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

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited financial statements of **NBP Government Securities Savings Fund (NGSSF)** for the period ended March 31, 2024.

Fund's Performance

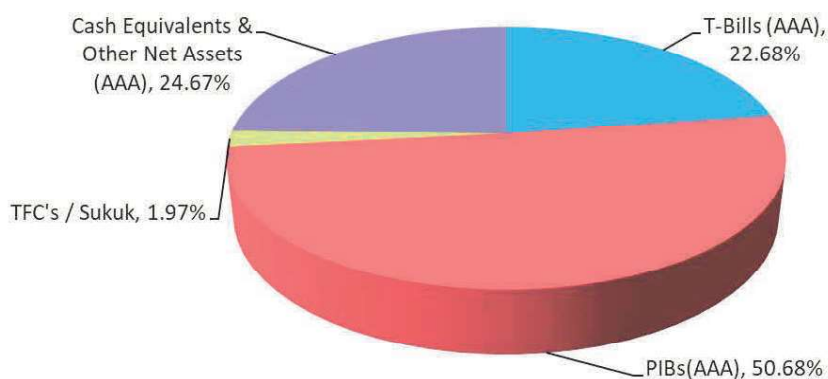
During 9MFY24, the State Bank of Pakistan (SBP) convened six Monetary Policy Committee (MPC) meetings, maintaining the policy rate at 22%. Despite some improvements in the inflation outlook, the need for a prudent approach to monetary policy was emphasized, particularly considering significant adjustments in administered energy prices that have impacted inflation outcomes and future projections.

The MPC considered various factors, including an improved agricultural outlook, fluctuations in global oil prices, and ongoing efforts toward fiscal consolidation. However, the economic situation continues to face challenges due to lack of fiscal discipline. Additionally, escalating geopolitical tensions have led to increased global freight charges, posing threats to global trade and commodity prices.

As of March 29, 2024, the net liquid foreign exchange reserves held with the SBP stood at approximately USD 8.04 billion. During the period, SBP held nineteen (19) T-Bill auctions realizing a total of Rs. 17.70 trillion against the target of Rs. 18.01 trillion. The yields on T-Bills for 3-month, 6-month and 12-month tenures decreased by 0.93%, 1.33% and 2.20% respectively. Similarly, PIB yields decreased by 2.73%, 0.51% and 1.10% for 3-year, 5-year and 10-year tenure. There were nine (9) PIB auctions held where an amount of around Rs. 1,256 billion was realized.

The size of NBP Government Securities Savings Fund decreased from Rs. 5,427 million to Rs. 5,081 million during the period (a decline of 6.4%). During the period, the unit price of the Fund has increased from Rs. 9.4271 (Ex-Div) on June 30, 2023 to Rs. 10.9777 on March 31, 2024, thus showing return of 21.8% as compared to the benchmark return of 21.9% for the same period. The performance of the Fund is net of management fee and all other expenses. The Fund has been assigned a stability rating of 'AA- (f)' by PACRA.

The Fund has earned a total income of Rs1,211.53 million during the period. After deducting total expenses of Rs. 80.94 million, the net income is Rs. 1,130.59 million. The asset allocation of NGSSF as on March 31, 2024 is as follows:



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 10.89% of the opening ex-NAV (11.39% of the par value) during the period ended March 31, 2024.

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: **April 25, 2024**

Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2024 کو ختم ہونے والی نو ماہی کے لئے NBP گورنمنٹ سیکورٹیز سیونگ فنڈ (NGSSF) کے فیہر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

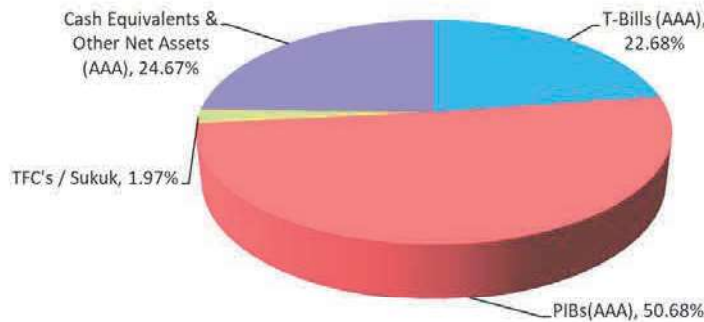
مالی سال 24 کی نو ماہی کے دوران، بینک دولت پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (MPC) کے چھ اجلاس منعقد کئے، پالیسی ریٹ 22% پر برقرار رکھا۔ افراط زر کے نقطہ نظر میں کچھ بہتری کے باوجود، مانیٹری پالیسی کے لیے ایک محتاط نقطہ نظر کی ضرورت پر زور دیا گیا، خاص طور پر زیر انتظام توانائی کی قیمتوں میں اہم ایڈجسٹمنٹ پر غور کیا گیا جس نے افراط زر کے نتائج اور مستقبل کے تخمینوں کو متاثر کیا ہے۔

MPC نے بہتر زرعی نقطہ نظر، تیل کی عالمی قیمتوں میں اتار چڑھاؤ، اور مالی استحکام کی جانب جاری کوششوں سمیت مختلف عوامل پر غور کیا۔ تاہم، مالیاتی نظم و ضبط کے فقدان کی وجہ سے معاشی صورتحال کو مسلسل چیلنجز کا سامنا ہے۔ مزید برآں، بڑھتے ہوئے جغرافیائی سیاسی تناؤ کی وجہ سے عالمی فریٹ چارجز میں اضافہ ہوا ہے، جس سے عالمی تجارت اور اجناس کی قیمتوں کو خطرات لاحق ہیں۔

29 مارچ 2024 تک اسٹیٹ بینک پاکستان کے ہاں موجود نالٹیکوڈ زرمبادلہ کے ذخائر تقریباً 8.04 بلین امریکی ڈالر تھے۔ مدت کے دوران، SBP نے ٹی بل کی انٹیس (19) نیلامیوں کا انعقاد کیا، جس سے 18.01 ٹریلین روپے ہدف کے مقابل کل 17.70 ٹریلین روپے کی وصولی ہوئی۔ ٹی بلز کی شرح منافع میں 3 ماہ، 6 ماہ اور 12 ماہ کے لئے بالترتیب 0.93%، 1.33% اور 2.20% تک کی ہوئی۔ اسی طرح، 3 سالہ، 5 سالہ اور 10 سالہ مدت کے لئے PIB شرح منافع میں 2.73%، 0.51% اور 1.10% تک کی ہوئی۔ PIB کی نو (9) نیلامیاں ہوئیں جس سے تقریباً 1,256 بلین روپے کی رقم وصول ہوئی۔

موجودہ مدت کے دوران NBP گورنمنٹ سیکورٹیز سیونگ فنڈ (NGSSF) کا سائز 5,427 ملین روپے سے کم ہو کر 5,081 ملین روپے ہو گیا (یعنی 6.4% کی کمی)۔ موجودہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2023 کو 9.4271 روپے سے بڑھ کر 31 مارچ 2024 کو 10.9777 روپے ہو گئی، لہذا اسی مدت کے دوران فنڈ نے اپنے بیچ مارک 21.9% کے مقابلے میں 21.8% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کو PACRA کے ذریعے AA-(f) کی مستحکم درجہ بندی تفویض کی گئی ہے۔

فنڈ نے موجودہ مدت کے دوران 1,211.53 ملین روپے کی مجموعی آمدنی کمائی۔ 80.94 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 1,130.59 ملین روپے ہے۔ 31 مارچ 2024 کو NGSSF کی ایسٹ ایلوکیشن درج ذیل ہے:





آمدنی کی تقسیم

میٹجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 31 مارچ 2024 کو ختم ہونے والی سہ ماہی کے لئے اوپننگ ex-NAV کا 10.89% (بنیادی قدر کا 11.39%) عیوری نقد منافع منقسمہ کی منظوری دی ہے۔

اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے میٹجمنٹ 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 فنڈ میجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 25 اپریل 2024ء

مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2024

	Unaudited March 31, 2024	Audited June 30, 2023
Note	----- (Rupees in '000) -----	
Assets		
Bank balances	1,134,917	1,915,810
Investments	4 3,827,096	3,456,633
Profit receivable	160,341	3,489
Deposit, prepayment and other receivables	912	105,262
Total assets	<u>5,123,266</u>	<u>5,481,194</u>
Liabilities		
Payable to NBP Funds Management Limited - Management Company	37,877	19,044
Payable to Central Depository Company of Pakistan Limited - Trustee	269	287
Payable to the Securities and Exchange Commission of Pakistan	324	305
Payable against purchase of investments	-	141
Payable against redemption of units	1,144	15,657
Accrued expenses and other liabilities	3,149	19,171
Total liabilities	<u>42,763</u>	<u>54,605</u>
Net assets	<u>5,080,503</u>	<u>5,426,589</u>
Unit holders' fund (as per statement attached)	<u>5,080,503</u>	<u>5,426,589</u>
Contingencies and commitments	5	
	----- (Number of units) -----	
Number of units in issue	<u>462,804,156</u>	<u>519,071,888</u>
	(Rupees)	
Net assets value per unit	<u>10.9777</u>	<u>10.4544</u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2024

	Nine Months Period		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Note ----- (Rupees in '000) -----			
INCOME				
Income on government securities	1,010,631	41,897	255,430	33,688
Income on debt securities	13,984	-	13,984	-
Profit on bank deposits	218,900	16,567	55,778	13,742
Loss on sale of investments - net	(15,436)	(4)	(15,035)	(1)
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(16,550)	(4,955)	(9,122)	(4,811)
Total income	1,211,529	53,505	301,035	42,618
EXPENSES				
Remuneration of NBP Funds Management Limited - Management Company	17,785	801	4,544	650
Sindh Sales Tax on remuneration to Management Company	2,312	104	591	84
Reimbursement of selling and marketing expenses	42,735	2,294	11,455	1,817
Remuneration of Central Depository Company of Pakistan Limited Pakistan Limited - Trustee	3,052	172	818	134
Sindh Sales Tax on remuneration to Trustee	397	22	107	17
Annual fee - Securities and Exchange Commission of Pakistan	4,162	62	1,115	48
Reimbursement of operational expenses to the Management Company	8,325	420	2,231	335
Auditors' remuneration	531	497	224	156
Securities transaction cost	1,216	23	157	22
Settlement and bank charges	136	20	44	9
Listing fee	21	23	7	9
Legal & Professional charges	110	128	36	54
Mutual fund rating fee	143	130	47	44
Printing and other charges	14	36	5	5
Total expenses	80,939	4,732	21,381	3,384
Net income from operating activities	1,130,590	48,773	279,654	39,234
Reversal of Provision against Sindh Workers' Welfare Fund - net	-	-	-	-
Net income for the period before taxation	1,130,590	48,773	279,654	39,234
Taxation	-	-	-	-
Net income for the period	1,130,590	48,773	279,654	39,234
Allocation of net income for the period				
Net income for the period	1,130,590	48,773	279,654	39,234
Income already paid on units redeemed	(637,124)	(4,348)	(62,162)	(3,943)
	493,466	44,425	217,492	35,291
Accounting income available for distribution:				
-Relating to capital gains	-	-	-	-
-Excluding capital gains	493,466	44,425	217,492	35,291
	493,466	44,425	217,492	35,291

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2024

	Nine Months Period ended		Quarter Ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- (Rupees in '000) -----			
Net income for the period	1,130,590	48,773	279,654	3,216
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	1,130,590	48,773	279,654	3,216

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Nine Months Ended March 31 2024			Nine Months Ended March 31 2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
Net assets at beginning of the period (audited)	5,363,692	62,897	5,426,589	95,984	42,340	138,324
Issuance of 1,404,798,484 units (2023: 272,448,215 units)						
- Capital value	14,686,336	-	14,686,336	2,835,913	-	2,835,913
- Element of income	626,368	-	626,368	283,896	-	283,896
Total proceeds on issuance of units	15,312,704	-	15,312,703	3,119,809	-	3,119,809
Redemption of 1,461,066,217 units (2023: 32,110,441 units)						
- Capital value	(15,274,582)	-	(15,274,582)	(334,238)	-	(334,238)
-Element of loss	(278,245)	(637,124)	(915,369)	(29,625)	(4,348)	(33,973)
Total payments on redemption of units	(15,552,827)	(637,124)	(16,189,951)	(363,863)	(4,348)	(368,211)
Total comprehensive income for the period	-	1,130,590	1,130,590	-	48,773	48,773
Cash distributed during the period						
-@ Rs. 1.1393 per unit (Date of declaration: Dec 27, 2023)	(336,323)	(263,106)	(599,429)	-	-	-
Net assets at end of the period	4,787,246	293,257	5,080,503	2,851,930	86,765	2,938,695
Undistributed income brought forward						
- Realised		70,579			42,794	
- Unrealised		(7,682)			(454)	
		62,897			42,340	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		493,466			44,425	
		493,466			44,425	
Interim distributions during the period		(263,106)			-	
Undistributed income carried forward		293,257			86,765	
Undistributed income carried forward						
- Realised		309,807			91,720	
- Unrealised		(16,550)			(4,955)	
		293,257			86,765	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10,4544			10.4090
Net assets value per unit at end of the period			10,9777			11.5867

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Nine Months Ended March 31,	
	2024	2023
	---(Rupees in '000)---	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	1,130,590	48,773
Adjustments:		
Realized loss on sale of investments - net	15,436	4
Net unrealised (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	16,550	4,955
	<u>1,162,576</u>	<u>53,732</u>
(Increase)/ decrease in assets		
Investments - net	<u>(402,449)</u>	(1,988,133)
Profit receivable	<u>(156,852)</u>	(50,396)
Deposits and prepayment	<u>104,350</u>	(18)
	<u>(454,951)</u>	(2,038,547)
Decrease / (Increase) in liabilities		
Payable to the Management Company	<u>18,833</u>	2,389
Payable to the Trustee	<u>(18)</u>	107
Payable to the Securities and Exchange Commission of Pakistan	<u>19</u>	28
Payable against purchase of investments	<u>(141)</u>	-
Accrued expenses and other liabilities	<u>(16,022)</u>	(1,509)
	<u>2,671</u>	1,015
Net cash generated/ (used) from operating activities	<u>710,297</u>	(1,983,800)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units - net of refund of element	<u>14,976,380</u>	3,119,809
Net payments against redemption of units	<u>(16,204,464)</u>	(368,211)
Dividend paid	<u>(263,106)</u>	-
Net cash (used in) / generated from financing activities	<u>(1,491,189)</u>	2,751,600
Net increase / (decrease) in cash and cash equivalents during the period	<u>(780,893)</u>	767,798
Cash and cash equivalents at beginning of the period	<u>1,915,810</u>	45,832
Cash and cash equivalents at end of the period	<u>1,134,917</u>	<u>813,630</u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Government Securities Savings Fund (the Fund) was established under a Trust Deed entered into between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 30, 2014 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

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 was required to be registered under the Sindh Trust Act. Accordingly, on October 14, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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

The Fund has been categorised as an open ended income scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited.

The objective of the Fund is to provide unit holders with competitive return from a portfolio of low credit risk securities by investing primarily in government securities.

The Pakistan Credit Rating Agency (PACRA) has determined the asset manager rating of the Management Company of AM1 (June 30, 2023: AM1) on June 22, 2023. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, the Pakistan Credit Rating Agency Limited (PACRA) has maintained the stability rating of the Fund at "AA-(f)" dated September 28, 2023 (June 30, 2023: "AA-(f)" on March 28, 2023).

The title to the assets of the Fund is held in the name of CDC as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2023.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at and for the period ended March 31, 2024.

These condensed interim financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2023.
- 3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income expenses and other factors. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the audited financial statements as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements as at and for the year ended June 30, 2023.

4	INVESTMENTS	Note	31 March	30 June
			2024	2023
			Unaudited	Audited
			(Rupees in '000)	
	Financial assets 'at fair value through profit or loss'			
	Pakistan Investment Bonds	4.1	2,574,878	3,456,633
	Market Treasury Bills	4.2	1,152,068	-
	GOP Ijara Sukuk Certificate	4.3	100,150	-
			<u>3,827,096</u>	<u>3,456,633</u>

4.1 Government Securities - Pakistan Investment Bonds

Issue date	Tenor in years	Face value				Market value as at March 31, 2024	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2023	Purchased during the period	Sold during the period	As at March 31, 2024			
		----- (Rupees in 000) -----				----- (%) -----		
October 22, 2020	3	50,000	1,000,000	1,050,000	-	-	-	-
August 26, 2021	2	980,000	-	980,000	-	-	-	-
September 8, 2022	2	1,155,600	3,804,500	4,960,100	-	-	-	-
November 17, 2022	5	10,000	-	-	10,000	9,679	0.19	0.25
February 9, 2023	2	1,295,000	972,500	1,500,000	767,500	759,902	14.96	19.86
July 4, 2023	3	-	1,500,000	1,500,000	-	-	-	-
April 6, 2023	2	-	1,250,000	36,100	1,213,900	1,199,840	23.62	31.35
October 19, 2023	3	-	300,000	-	300,000	293,340	5.77	7.66
October 19, 2023	5	-	1,200,000	1,130,000	70,000	67,067	1.32	1.75
September 21, 2023	3	-	250,000	-	250,000	245,050	4.82	6.40
September 21, 2023	5	-	925,000	925,000	-	-	-	-
December 30, 2021	2	-	2,848,500	2,848,500	-	-	-	-
January 17, 2024	2	-	275,000	275,000	-	-	-	-
Total		3,490,600	14,325,500	15,204,700	2,611,400	2,574,878		
Carrying value as at March 31, 2024 (Un-audited)						2,584,432		
Market value as at June 30, 2023 (Audited)						3,456,633		
Carrying value as at June 30, 2023 (Audited)						3,464,315		

4.2 Government Securities - Market Treasury Bills

Issue date	Tenor in months	Face value				Market value as at March 31, 2024	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2023	Purchased during the period	Sold matured during the period	As at March 31, 2024			
		----- (Rupees in 000) -----				----- (%) -----		
June 15, 2023	3	-	500,000	500,000	-	-	-	-
August 10, 2023	3	-	500,000	500,000	-	-	-	-
October 5, 2023	3	-	500,000	500,000	-	-	-	-
October 19, 2023	3	-	500,000	500,000	-	-	-	-
November 2, 2023	3	-	500,000	500,000	-	-	-	-
November 16, 2023	3	-	500,000	500,000	-	-	-	-
October 19, 2023	6	-	300,000	300,000	-	-	-	-
November 2, 2023	6	-	1,930,000	1,930,000	-	-	-	-
November 16, 2023	6	-	500,000	500,000	-	-	-	-
April 20, 2023	12	-	16,420	-	16,420	16,254	0.32	0.42
May 4, 2023	12	-	48,485	-	48,485	47,597	0.94	1.24

Issue date	Tenor in months	Face value				Market value as at March 31, 2024	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2023	Purchased during the period	Sold matured during the period	As at March 31, 2024			
		----- (Rupees in 000) -----				----- (%) -----		
October 19, 2023	12	-	880,000	-	880,000	787,516	15.50	20.58
November 2, 2023	12	-	500,000	500,000	-	-	-	-
November 16, 2023	12	-	1,300,000	1,300,000	-	-	-	-
November 30, 2023	12	-	500,000	500,000	-	-	-	-
November 30, 2023	12	-	2,400	-	2,400	2,101	0.04	0.05
December 28, 2023	12	-	64,800	-	64,800	55,919	1.10	1.46
January 11, 2024	3	-	125,000	-	125,000	124,774	2.46	3.26
January 11, 2024	6	-	125,000	-	125,000	117,907	2.32	3.08
January 11, 2024	12	-	250,000	250,000	-	-	-	-
Total		-	9,542,105	8,280,000	1,262,105	1,152,068		
Carrying value as at March 31, 2024 (Un-audited)						<u><u>1,159,192</u></u>		
Market value as at June 30, 2023 (Audited)						<u><u>-</u></u>		
Carrying value as at June 30, 2023 (Audited)						<u><u>-</u></u>		

4.3 GOP Ijara Sukuk Certificate

Name of Security	Maturity date	As at July 01, 2023	Purchased during the period	Sold during the period	As at March 31, 2024	Market value as at March 31, 2024	Market value as a percentage of net assets	Market value as a percentage of total investments
GoP Ijarah sukuk GIS - VRR - XXXIX (Face value of Rs. 100,000 per certificate)	October 9, 2023	-	100,000	100,000	-	-	-	-
GoP Ijarah sukuk GIS - VRR - XL (Face value of Rs. 100,000 per certificate)	December 24, 2024	-	5,000	-	5,000	25,000	0.49	0.65
GoP Ijarah sukuk GIS - VRR - XLI (Face value of Rs. 100,000 per certificate)	December 24, 2026	-	15,000	15,000	-	-	-	-
GoP Ijarah sukuk GIS - VRR - XLII (Face value of Rs. 100,000 per certificate)	December 24, 2028	-	20,000	20,000	-	-	-	-
GoP Ijarah sukuk GIS - FRR - XXXII (Face value of Rs. 100,000 per certificate)	December 24, 2026	-	15,000	-	15,000	75,150	1.48	1.96
Total			<u><u>155,000</u></u>	<u><u>135,000</u></u>	<u><u>20,000</u></u>	<u><u>100,150</u></u>		
Carrying value as at March 31, 2024 (Un-audited)						<u><u>100,000</u></u>		
Market value as at June 30, 2023 (Audited)						<u><u>-</u></u>		
Carrying value as at June 30, 2023 (Audited)						<u><u>-</u></u>		

5 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2024 and June 30, 2023.

6 REIMBURSEMENT OF SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 0.77% per annum of the net assets of the Fund.

7 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2024 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these condensed interim financial statements during the period.

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

8 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 1.46% (March 31, 2023: 1.48%) which includes 0.12% (March 31, 2023: 0.06%) representing Government Levy, and the SECP Fee. The prescribed limit for the ratio is 2.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "income" scheme.

9 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

- 9.1 Connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 9.2 Transactions with connected persons / related parties are essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments. The transactions with connected persons / related parties are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 9.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 9.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 9.5 Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

	(Unaudited)	
	Nine months ended	
	31 March 2024	31 March 2023
	(Rupees in '000)	
9.6 Details of the transactions with connected persons are as follows:		
NBP Fund Management Limited - Management company		
Remuneration of the Management Company	17,785	801
Sindh Sales Tax on remuneration of Management Company	2,312	104
Reimbursement of operational expenses to the Management Company	8,325	420
Sales load and transfer load including sales tax	2,717	3
Reimbursement of selling and marketing expenses	42,735	2,294
ADC charges payable including sindh sales tax	211	2
National Fullerton Asset Management Limited - Employees Provident Fund		
Units Issued: units (31 March 2023: 1,561,306 units)	-	17,812
Dividend Re-invest 198,528 units (31 March 2023: Nil units)	2,075	-
Employees of the Management Company		
Units Issued: 15,396,333 units (31 March 2023: 104,556 units)	168,549	1,158
Units redeemed: 14,883,695 units (31 March 2023: 117,258 units)	166,631	1,302
Dividend Re-invest 16,157 units (31 March 2023: Nil units)	169	-
Portfolio Managed by The Management Company		
Units Issued: 75,758,149 units (31 March 2023: 89,026,381 units)	796,346	1,019,584
Units redeemed: 203,083,840 units (31 March 2023: 2,940,151 units)	2,208,406	33,546
Dividend Re-invest 3,975,460 units (31 March 2023: Nil units)	41,545	-
Purchases of Pakistan Investment Bonds	75,245	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	3,052	172
Sindh Sales Tax on remuneration of Trustee	397	22
National Bank of Pakistan - Parent of the Management Company		
Profit on Bank Deposits	2	2
Bank Islami Pakistan Limited *		
Profit on Bank Deposits	-	11
Interloop Dairies Limited - Unit holder with 10% or more holding *		
Units Issued: Nil units (31 March 2023: 49,150,800 units)	-	564,217
Interloop Holdings (pvt) Limited - Unit holder with 10% or more holding *		
Units Issued: Nil units (31 March 2023: 29,470,827 units)	-	338,304
Abbott Laboratories Pakistan Limited Staff Pension Fund - Unit holder with 10% or more holding *		
Units Issued: Nil units (31 March 2023: 40,798,877)	-	468,060

	Unaudited 31 March 2024	Audited 30 June 2023
	----- (Rupees in '000) -----	
9.7 Amounts outstanding as at period / year end:		
NBP Fund Management Limited - Management company		
Management remuneration payable	1,322	1,445
Sindh Sales Tax payable on management remuneration	172	188
Federal excise duty on remuneration of the Management Company	1,865	1,865
Federal excise duty on sales load	371	371
Sales load and transfer load payable	-	3,467
Sindh Sales Tax on sales load	-	472
Reimbursement of operational expenses to the Management Company	5,524	1,819
Other payable	45	45
Reimbursement of Selling and Marketing Expenses	28,355	9,339
ADC charges payable including sindh sales tax	223	33
Employees of the Management Company		
Units held: 566,454 units (June 2023: 33,395 units)	6,218	351
National Fullerton Asset Management Limited - Employees Provident Fund		
Units held: 2,019,521 units (June 2023: 1,820,993 units)	22,170	19,037
Portfolio Managed by Management Company		
Units held: 73,856,976 units (June 2023: 100,764,346 units)	810,780	1,053,432
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	238	254
Sindh Sales Tax payable on Trustee fee	31	33
Security deposit	102	102
National Bank of Pakistan - Parent of the Management Company		
Bank balances	446	169
Profit receivable	1	-
Telenor Microfinance Bank Limited - common directorship		
Bank balances	90	88
Abbott Laboratories Pakistan Limited Staff Pension Fund - unit holder with 10% or more holding *		
Units held: Nil units (June 2023: 93,365,568)	-	976,081

* Current year figure has not been presented as the person is not classified as a related party / connected person of the fund as at March 31, 2024

** Prior year comparative has not been presented as the person was not related party / connected person of the fund as at June 30, 2023

10 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

10.1 Fair value hierarchy

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

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

11 GENERAL

Figures in these condensed interim financial statements have been rounded off to the nearest thousand of rupees.

12 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 25, 2024.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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