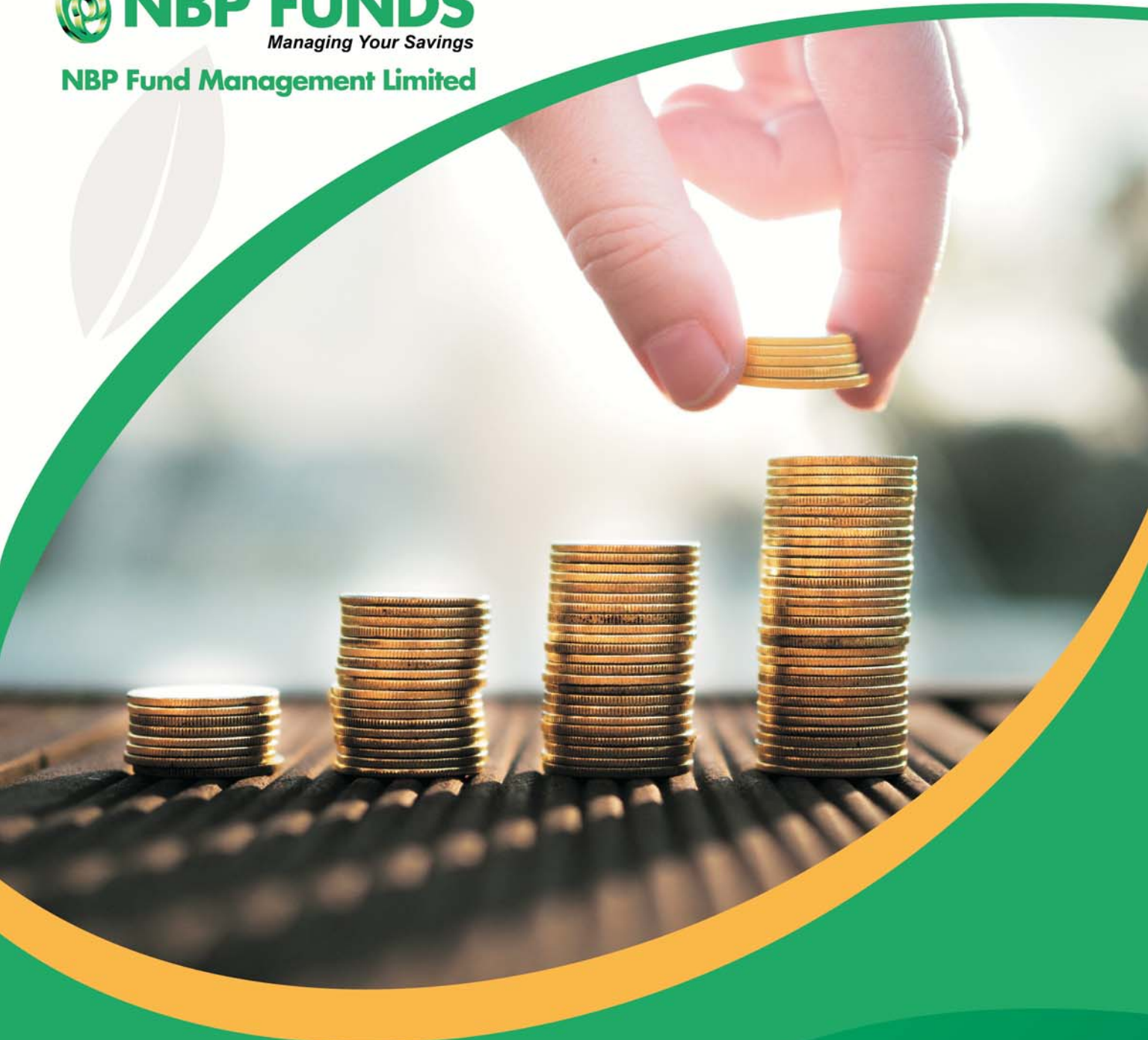




*Managing Your Savings*

**NBP Fund Management Limited**



## **NBP 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."

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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
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	Khushhali Microfinance Bank Limited
Al Baraka Islamic Bank Limited	Habib Metropolitan Bank Limited
Bank Islami Pakistan Limited	Mobilink Microfinance Bank Limited
Bank Alfalah Limited	
Bank Al Habib Limited	
Dubai Islamic Bank Pakistan Limited	
Faysal Bank Limited	
HBL Microfinance Bank Limited	
JS Bank Limited	
MCB Bank Limited	
National Bank of Pakistan	
Silk Bank Limited	
Soneri Bank Limited	
Telenor Microfinance Bank Limited	
The Bank of Khyber	
United Bank Limited	
U Microfinance 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.nbpfunds.com](http://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

## DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited financial statements of **NBP Savings Fund (NBP-SF)** 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.

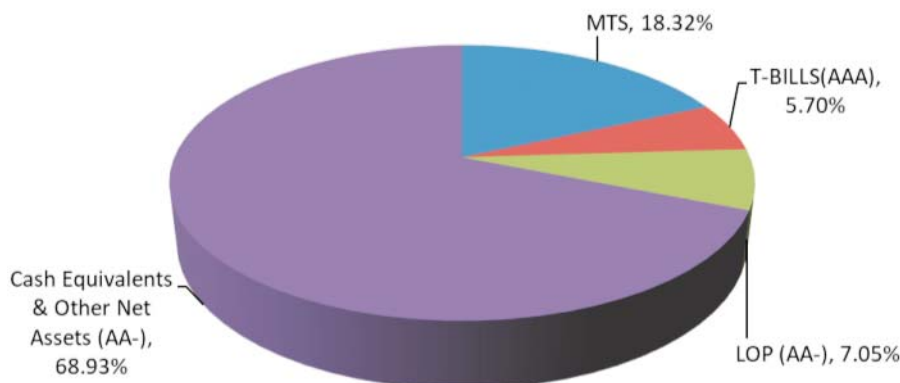
The MPC considered various factors, including an improved agricultural outlook, fluctuations in global oil prices, and ongoing efforts toward fiscal consolidation. However, the economic situation continues to face challenges due to lack of fiscal discipline. Additionally, escalating geopolitical tensions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

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

The size of NBP Savings Fund has increased from Rs. 3,321 million to Rs. 4,258 million during the period (a growth of 28.2%). During the period, the unit price of NBP Savings Fund has increased from Rs. 9.8950 on June 30, 2023 to Rs. 11.4706 on March 31, 2024, thus showing a return of 21.1% as compared to the benchmark return of 22.1% for the same period. The performance of the Fund is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 644.24 million during the period. After deducting total expenses of Rs. 75.02 million, the net income is Rs. 569.22 million. The asset allocation of NBP-SF as on March 31, 2024 is as follows:



## 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 2024ء کو ختم ہونے والی نو ماہی کے لئے NBP-سیونگ فنڈ (NBP-SF) کے غیر 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 اپروچ 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۔

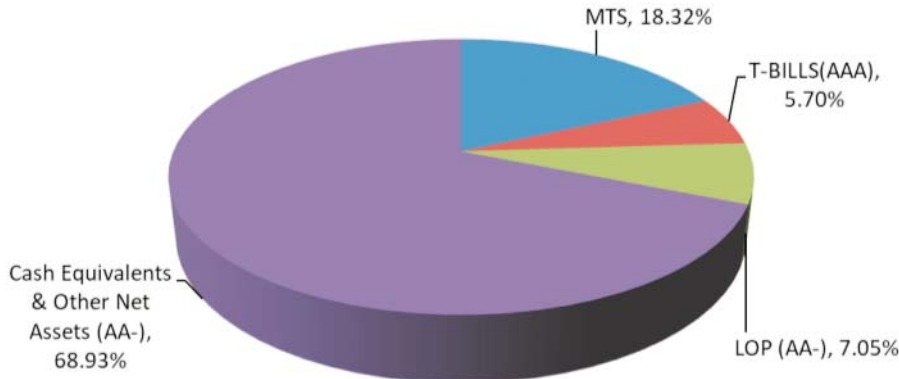
MPC نے بہتر زرعی نقطہ نظر، تیل کی عالمی قیمتوں میں اتار چڑھاؤ، اور مالی استحکام کی جانب جاری کوششوں سمیت مختلف عوامل پر غور کیا۔ تاہم، مالیاتی نظم و ضبط کے فقدان کی وجہ سے معاشی صورتحال کو مسلسل چیلنجز کا سامنا ہے۔ مزید برآں، بڑھتے ہوئے جغرافیائی سیاسی تناؤ کی وجہ سے عالمی فریٹ چارجز میں اضافہ ہوا ہے،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

29 مارچ 2024 تک اسٹیٹ بینک پاکستان کے ہاں موجود خالص لیکویڈ زرمبادلہ کے ذخائر تقریباً 8.04 بلین امریکی ڈالر تھے۔ مدت کے دوران، SBP نے ٹی بل کی انیس (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 کمی 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 کمی ہوئی۔ PIB کی نو (9) نیلامیاں ہوئیں جس سے تقریباً 1,256 بلین روپے کی رقم وصول ہوئی۔

NBP-SF کی اگم اسکیم کے طور پر درجہ بندی کی گئی ہے اور PACRA کی طرف سے 'A+' کی مستحکم ریٹنگ دی گئی ہے۔

موجودہ مدت کے دوران NBP سیونگ فنڈ کا سائز 3,321 بلین روپے سے بڑھ کر 4,258 بلین روپے ہو گیا (یعنی 28.2% کا اضافہ ہوا)۔ زیر جائزہ مدت کے دوران، NBP سیونگ فنڈ کے یونٹ کی قیمت 30 جون 2023 کو 9.8950 روپے سے بڑھ کر 31 مارچ 2024 کو 11.4706 روپے ہو گئی۔ لہذا اسی مدت کے دوران فنڈ نے اپنے بیچ مارک 22.1% کے مقابلے میں 21.1% منافع درج کیا ہے۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے موجودہ مدت کے دوران 644.24 بلین روپے کی مجموعی آمدنی کمائی ہے۔ 75.02 بلین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 569.22 بلین روپے ہے۔ 31 مارچ 2024 کے مطابق NBP-SF کی ایسٹ ایلوکییشن حسب ذیل ہے:







## اظہار تشکر

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

بورڈ اپنے اسٹاف اور 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: 25 اپریل 2024ء

مقام: کراچی

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

	Unaudited 31 March 2024	Audited 30 June 2023
<i>Note</i>		
	(Rupees in '000)	
<b>Assets</b>		
Bank balances	4 2,894,533	3,321,680
Investments	5 542,681	-
Receivable against Margin Trading System	780,072	-
Profit and other receivables	60,876	55,319
Advances, deposit and prepayments	1,569	1,144
<b>Total Assets</b>	<b>4,279,731</b>	<b>3,378,143</b>
<b>Liabilities</b>		
Payable to NBP Fund Management Limited - the Management Company	15,234	18,852
Payable to Central Depository Company of Pakistan Limited - the Trustee	304	224
Payable to Securities and Exchange Commission of Pakistan	269	529
Payable against redemption of units	943	12,015
Accrued expenses and other liabilities	5,021	25,943
<b>Total Liabilities</b>	<b>21,771</b>	<b>57,563</b>
<b>Net Assets</b>	<b>4,257,960</b>	<b>3,320,580</b>
<b>Unit Holders' Fund (as per statement attached)</b>	<b>4,257,960</b>	<b>3,320,580</b>
<b>Contingency and Commitment</b>	6	
	(Number of units)	
<b>Number of Units in Issue</b>	<b>371,207,969</b>	<b>335,582,320</b>
	(Rupees)	
<b>Net Assets Value per Unit</b>	<b>11.4706</b>	<b>9.8950</b>

The annexed notes 1 to 14 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 AND QUARTER ENDED 31 MARCH 2024

Note	Nine months period ended		Quarter ended	
	2024	2023	2024	2023
	(Rupees in '000)			
<b>Income</b>				
Income from government securities	21,936	48,312	15,185	3,956
Income from term finance certificate	-	12,721	-	5,387
Income from term deposit receipts and bank balances	541,650	218,635	151,372	114,595
Income from Margin Trading System	40,076	12,663	40,076	7,553
Income on commercial paper	-	2,700	-	-
Income on Letter of Placement / Certificate of Investment	40,010	13,227	20,592	8,504
Reversal of impairment	1,149	1,235	210	1,235
(Loss) / Gain on sale of investments - net	(549)	(127)	(998)	-
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(32)	40	(32)	12
<b>Total income</b>	<b>644,240</b>	<b>309,406</b>	<b>226,405</b>	<b>141,242</b>
<b>Expenses</b>				
Remuneration of NBP Fund Management Limited - the Management Company	41,693	22,787	13,934	10,365
Sindh Sales Tax on remuneration of the Management Company	5,420	2,962	1,811	1,347
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	2,166	1,377	778	577
Sindh Sales Tax on remuneration of the Trustee	282	179	102	75
Annual fee of the Securities and Exchange Commission of Pakistan	2,166	367	778	154
Reimbursement of allocated expenses	4,017	2,331	1,241	998
Reimbursement of selling and marketing expenses	16,429	14,692	4,549	6,160
Settlement and bank charges	1,519	1,455	1,238	561
Annual listing fee	24	21	7	7
Auditors' remuneration	796	706	176	123
Legal and professional charges	141	810	82	603
Fund rating fee	324	273	110	79
Printing charges	41	36	5	15
Brokerage Expense	7	19	7	19
<b>Total expenses</b>	<b>75,025</b>	<b>48,015</b>	<b>24,818</b>	<b>21,083</b>
<b>Net income from operating activities</b>	<b>569,215</b>	<b>261,391</b>	<b>201,587</b>	<b>120,159</b>
Taxation	-	-	-	-
<b>Net income for the period after taxation</b>	<b>569,215</b>	<b>261,391</b>	<b>201,587</b>	<b>120,159</b>
<b>Allocation of net income for the period</b>				
Net income for the period	569,215	261,391	201,587	120,159
Income already paid on units redeemed	(68,468)	(26,358)	(31,267)	(17,439)
	<b>500,747</b>	<b>235,033</b>	<b>170,320</b>	<b>102,720</b>
<b>Accounting income available for distribution:</b>				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	500,747	235,033	170,320	102,720
	<b>500,747</b>	<b>235,033</b>	<b>170,320</b>	<b>102,720</b>

The annexed notes 1 to 14 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 AND QUARTER ENDED 31 MARCH 2024

	<u>Nine months period ended</u>		<u>Quarter Ended</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	----- (Rupees in '000) -----			
Net income for the period after taxation	<b>569,215</b>	261,391	<b>201,587</b>	120,159
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b><u>569,215</u></b>	<b><u>261,391</u></b>	<b><u>201,587</u></b>	<b><u>120,159</u></b>

The annexed notes 1 to 14 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 31 MARCH 2024

	Nine months period ended					
	2024			2023		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
----- (Rupees in '000) -----						
<b>Net assets at beginning of the period</b>	3,291,941	28,639	3,320,580	1,719,315	9,040	1,728,355
Issuance of 263,965,397 units (2022: 31,715,369 units)						
- Capital value	2,611,931	-	2,611,931	2,178,466	-	2,178,466
- Element of income	193,058	-	193,058	123,029	-	123,029
Total proceeds on issuance of units	2,804,989	-	2,804,989	2,301,495	-	2,301,495
Redemption of 228,339,748 units (2022: 42,976,359 units)						
- Capital value	(2,259,417)	-	(2,259,417)	(1,020,638)	-	(1,020,638)
- Element of loss	(108,939)	(68,468)	(177,407)	(39,640)	(26,358)	(65,998)
Total payments on redemption of units	(2,368,356)	(68,468)	(2,436,824)	(1,060,278)	(26,358)	(1,086,636)
Total comprehensive income for the period	-	569,215	569,215	-	261,391	261,391
<b>Net assets at end of the period</b>	<b>3,728,574</b>	<b>529,386</b>	<b>4,257,960</b>	<b>2,960,532</b>	<b>244,073</b>	<b>3,204,605</b>
Undistributed income brought forward						
- Realised		28,639			9,040	
- Unrealised		-			-	
		28,639			9,040	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		500,747			235,033	
		500,747			235,033	
Undistributed income carried forward		529,386			244,073	
Undistributed income carried forward						
- Realised		529,418			244,033	
- Unrealised		(32)			40	
		529,386			244,073	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			<u>9.8950</u>			<u>9.8335</u>
Net assets value per unit at end of the period			<u>11.4706</u>			<u>10.9184</u>

The annexed notes 1 to 14 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 31 MARCH 2024

	<u>Nine months period ended</u>	
	2024	2023
Note	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	569,215	261,391
<b>Adjustments for:</b>		
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	32	(40)
Loss on sale of investments - net	549	127
	<u>569,796</u>	<u>261,478</u>
<b>(Increase) / Decrease in assets</b>		
Investments - net	(543,262)	(27,787)
Receivable against Margin Trading System	(780,072)	(25,184)
Profit and other receivables	(5,557)	(38,045)
Deposits, prepayment and other receivables	(425)	(163)
	<u>(1,329,316)</u>	<u>(91,179)</u>
<b>Increase / (Decrease) in liabilities</b>		
Payable to NBP Fund Management Limited - Management Company	(3,618)	20,262
Payable to Central Depository Company of Pakistan Limited - the Trustee	80	126
Payable to Securities and Exchange Commission of Pakistan	(260)	65
Accrued expenses and other liabilities	(20,922)	(2,656)
	<u>(24,720)</u>	<u>17,797</u>
<b>Net cash generated / (used in) from operating activities</b>	<u>(784,240)</u>	<u>188,096</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts received on issue of units	2,804,989	2,301,495
Payments against redemption of units	(2,447,896)	(1,076,268)
<b>Net cash generated / (used in) from financing activities</b>	357,093	1,225,227
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<u>(427,147)</u>	<u>1,413,323</u>
Cash and cash equivalents at beginning of the period	3,321,680	1,651,129
<b>Cash and cash equivalents at end of the period</b>	<u>4</u> <u>2,894,533</u>	<u>3,064,452</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

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

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NBP Savings Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited, as the Management Company and the 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 14 December 2007 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the 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 Trusts Act). The Fund was required to be registered under the Sindh Trusts Act. Accordingly, on October 18, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trusts Act.

- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also a member of the Mutual Funds Association of Pakistan (MUFAP).
- 1.3 The Fund is an open-ended mutual fund, categorised as an "Income Scheme" as per the criteria for categorisation of open end collective investment scheme as specified by the Securities and Exchange Commission of Pakistan (SECP) and the Fund is listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4 The investment objective of the Fund is to earn a competitive rate of return while preserving capital to the extent possible by investing in liquid assets. The Fund comprises of investments of various time horizons with a significant amount invested in short term investments for the purpose of maintaining liquidity.
- 1.5 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 updated the stability rating of the Fund at "A+(f)" dated October 13, 2023 (June 30, 2023: "A+(f)" on April 14, 2023).
- 1.6 Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.7 The Fund also provides accidental death (free), life insurance / life takaful and health coverage to unit holders of the Fund as stated in the offering document.

The cost of premium is borne by the investor (where applicable). Such premium cost is deducted from the unit holder's investment on a monthly basis in case of life insurance and annual basis in case of health insurance and deposited with the Insurance Company / Takaful Operator by the Management Company as per the terms and conditions of the Insurance / Takaful coverage defined in the Insurance / Takaful policy document signed between the Insurance Company / Takaful Operator and Management Company.

### 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.



	Note	(Un-audited) March 31, 2024	(Audited) June 30, 2023
		(Rupees in '000)	
<b>4</b>	<b>BANK BALANCES</b>		
	Balances with banks in:		
	Savings accounts	2,894,533	3,321,680
		<u>2,894,533</u>	<u>3,321,680</u>
<b>5</b>	<b>INVESTMENTS</b>		
	<b>Investments by category</b>		
	<b>At fair value through profit or loss</b>		
	Term finance certificates - listed	5.1	-
	Term finance certificates - unlisted	5.2	-
	Sukuks	5.3	-
	Government securities - Market Treasury Bills	5.4	242,681
	Letter of placement	5.5	300,000
		<u>542,681</u>	<u>-</u>

## 5.1 Term finance certificates - listed

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

Name of the investee company	Tenor	As at 01 July 2023	Purchases during the period	Sales / matured during the period	As at 31 March 2024	Market value/ Carrying value as at 31 March 2024	Market value / Carrying value as a percentage of net assets	Market value/ carrying value as a percentage of total investments
		(Number of certificates)			(Rupees in '000)		(%)	
Saudi Pak Leasing Company Limited (Note 5.1.1)	05 years	15,000	-	-	15,000	-	-	-
Worldcall Telecom Limited (Note 5.1.2)	13 years	14,000	-	-	14,000	-	-	-
		<u>29,000</u>	<u>-</u>	<u>-</u>	<u>29,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

**5.1.1** This represents investment in listed term finance certificates with original term of five years. On 13 October 2011 the investee company defaulted on its obligation on account of principal and profit payment. The investee company rescheduled its terms on 26 December 2011 with new maturity in March 2017. The investee company again defaulted on its obligation on account of principal and profit payment and accordingly has been classified as non performing asset by MUFAP since 30 April 2014.

The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of said circulars.

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

## 5.2 Term finance certificates - Unlisted

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

Name of the investee company	Tenor	As at 01 July 2023	Purchases during the period	Sales / matured during the period	As at 31 March 2024	Market value/ Carrying value as at 31 March 2024	Market value / Carrying value as a percentage of net assets	Market value/ carrying value as a percentage of total investments
-----Number of certificates-----						(Rupees in '000)		-----(%)-----
Agritech Limited II (Note 5.2.1)	10 years	30,000	-	-	30,000	-	-	-
Agritech Limited V (Note 5.2.2)	5 years	4,436	-	-	4,436	-	-	-
		<u>34,436</u>	<u>-</u>	<u>-</u>	<u>34,436</u>	<u>-</u>	<u>-</u>	<u>-</u>

**5.2.1** This represents investment in Privately Placed unlisted Term Finance Certificates (PPTFCs) with a term of seven years. On 14 July 2010 the investee company defaulted on its obligation on account of principal and profit payment and accordingly has been classified as non performing by MUFAP since 02 August 2010. The amount of provision as per circular no.1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.

**5.2.2** This represents investment in Privately Placed Term Finance Certificates (PPTFC) of Agritech V received against due markup of Agritech I. The investee company defaulted on its obligation on account of principal and profit payment and accordingly has been classified as non performing asset by MUFAP since 17 January 2012. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.

## 5.3 Sukuks - Unlisted

All sukuks have a face value of Rs. 5,000 each unless stated otherwise.

Name of the investee company	Tenor	As at 01 July 2023	Purchases during the period	Sales / matured during the period	As at 31 March 2024	Market value/ Carrying value as at 31 March 2024	Market value / Carrying value as a percentage of net assets	Market value/ carrying value as a percentage of total investments
-----Number of certificates-----						(Rupees in '000)		-----(%)-----
New Allied Electronics (Private) Limited (Note 5.3.1)	11 years	10,000	-	-	10,000	-	-	-
Eden Housing Limited (Note 5.3.2)	12 years	20,000	-	-	20,000	-	-	-
		<u>30,000</u>	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

**5.3.1** This represents investment in privately placed sukuks with a term of five years. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly has been classified as non performing asset by MUFAP since 09 January 2009. The amount of provision as per circular 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.

**5.3.2** This represents investment in privately placed sukuks with a term of five years. On 06 May 2011, the investee company defaulted its principal and profit payment and therefore it was classified as non performing asset by MUFAP. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.

5.3.3 The Sukuks held by the Fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

## 5.4 Investments in government securities

Issue date	Tenor	Face value				Market value / Carrying value as at 31 March 2024	Market value / Carrying value as a percentage of net assets	Market value / Carrying value as a percentage of total investments
		As at 01 July 2023	Purchases during the period	Sales / matured during the period	As at 31 March 2024			
					(Rupees in '000)		(%)	
<b>Market Treasury Bills</b>								
June 15, 2023	3	-	300,000	300,000	-	-	-	-
October 5, 2023	2	-	500,000	500,000	-	-	-	-
October 19, 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	-	500,000	500,000	-	-	-	-
November 2, 2023	6	-	500,000	500,000	-	-	-	-
November 16, 2023	6	-	500,000	500,000	-	-	-	-
November 30, 2023	6	-	500,000	500,000	-	-	-	-
December 14, 2023	6	-	500,000	500,000	-	-	-	-
January 11, 2024	3	-	125,000	-	125,000	124,774	2.93%	22.99%
January 11, 2024	6	-	125,000	-	125,000	117,907	2.77%	21.73%
March 7, 2024	3	-	375,000	375,000	-	-	-	-
<b>Total</b>		-	<b>5,925,000</b>	<b>5,675,000</b>	<b>250,000</b>	<b>242,681</b>	<b>5.70%</b>	<b>44.72%</b>

Carrying value before fair value adjustments as at 31 March 2024.

243,230

## 5.5 Letters of placement

Name of the Investee Company	Rating	Maturity date	Profit rate	Amount placed		As at March 31, 2024	Carrying value as at March 31, 2024	Market value as at March 31, 2024	Unrealised appreciation	Market value as a percentage of	
				Purchased during the year	Matured during the period					Total investments	Net assets
					(Rupees in '000)				(%)		
<b>DEVELOPMENT FINANCE INSTITUTION</b>											
Pak Libya Holding Company (Private) Limited	AA-, PACRA	September 15, 2023	22.55%	250,000	250,000	-	-	-	-	-	-
Pak Libya Holding Company (Private) Limited	AA-, PACRA	September 28, 2023	22.55%	256,487	256,487	-	-	-	-	-	-
Pak Libya Holding Company (Private) Limited	AA-, PACRA	October 31, 2023	22.65%	258,547	258,547	-	-	-	-	-	-
Pak Libya Holding Company (Private) Limited	AA-, PACRA	December 1, 2023	22.65%	263,842	263,842	-	-	-	-	-	-
Pak Libya Holding Company (Private) Limited	AA-, PACRA	December 4, 2023	22.65%	268,917	268,917	-	-	-	-	-	-
Pak Libya Holding Company (Private) Limited	AA-, PACRA	February 12, 2024	22.10%	300,000	300,000	-	-	-	-	-	-
Zarai Taraqiat Bank Limited	AAA, VIS	January 15, 2024	21.25%	400,000	400,000	-	-	-	-	-	-
Pak-Oman Inv. Co. Ltd	AA+, VIS	February 16, 2024	21.90%	400,000	400,000	-	-	-	-	-	-
Pak Libya Holding Company (Private) Limited	AA-, PACRA	March 15, 2024	22.10%	300,000	300,000	-	-	-	-	-	-
Pak-Oman Inv. Co. Ltd	AA+, VIS	March 1, 2024	22.30%	400,000	400,000	-	-	-	-	-	-
Pak Libya Holding Company (Private) Limited	AA-, PACRA	April 15, 2024	22.10%	300,000	-	300,000	300,000	300,000	-	55.28%	7.05%
<b>Total as at March 31, 2024 (un-audited)</b>						<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>	<b>55.28%</b>	<b>7.05%</b>
<b>Total as at June 30, 2023 (audited)</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 6 CONTINGENCIES AND COMMITMENTS

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

## 7 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. However, the Management Company has not charged selling and marketing expenses w.e.f March 14, 2024.

## 8 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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

## 9 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 2.60% (March 31, 2023: 2.61%) which includes 0.27% (March 31, 2023: 0.19%) representing Government Levy, Sindh Worker's Welfare Fund 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.

## 10 DETAILS OF NON-COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA AS SPECIFIED BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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

The Clause (IV) of the categorisation criteria requires that not more than 15% of the net assets shall be invested in non traded securities including reverse repos, bank deposits, certificates of investments (COI), certificates of musharakas (COM) and anything over 6 months maturity which is not a marketable security. Clause (v) of the categorisation criteria requires that the ratings of any security in the portfolio of the Fund shall not be lower than investment grade. However, as at March 31, 2024, the Fund is in non-compliance with the above-mentioned requirements in respect of the following:

Type of Investment	Clause of Non Compliance	Name of Non-Compliant Investment	Value of investment before provision	Provision held, if any	Value of investment after provision	Percentage of net assets	Percentage of gross assets
TFC		AgriTech Limited II	147,492	147,492	-	-	-
TFC	Rating is below	AgriTech Limited V	22,180	22,180	-	-	-
TFC	investment grade as	Worldcall Telecom Limited	21,516	21,516	-	-	-
TFC	prescribed in clause 9	Saudi Pak Leasing Company Limited	41,321	41,321	-	-	-
Sukuk	(v) of the annexure of	New Allied Electronics Industries (Private)					
	circular no. 7 of 2009	Limited - Sukuk	49,054	49,054	-	-	-
Sukuk		Eden Housing - Sukuk II	19,688	19,688	-	-	-

## 11 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

11.1 Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the sponsors, NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company, 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 and unit holders holding ten percent or more units of the Fund.

11.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

11.3 Remuneration to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

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

11.5 Details of the transactions with connected persons are as follows:

	Unaudited	
	Nine months period ended	
	2024	2023
	(Rupees in '000)	
<b>NBP Fund Management Limited - Management Company</b>		
Management remuneration	41,693	22,787
Sindh Sales Tax on remuneration of Management Company	5,420	2,962
Sales and transfer load charged	19,281	19,645
Reimbursement of operational expenses to the Management Company	4,017	2,331
Reimbursement Selling and marketing expense	16,429	14,692
ADC charges including Sindh Sales Tax	664	140
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration to the Trustee	2,166	1,377
Sindh Sales Tax on remuneration of Trustee	282	179
CDS Charges	36	143
<b>Employees of the Management Company</b>		
395,168 units issued (2023: 1,303,879 units)	4,236	13,355
438,238 units redeemed (2023: 2,168,742 units)	4,705	21,962
<b>Bank Islami Pakistan Limited (Common Directorship)*</b>		
Markup on Bank Deposit	-	958
<b>Telenor Microfinance Bank Limited (Common Directorship)</b>		
Markup on bank deposit	-	-
<b>K-Electric Limited***</b>		
Purchase of short term sukuk	-	145,000
Profit of sukuk certificate	-	12,721

11.6 Amounts outstanding as at period / year end:	Unaudited 31 March 2023	Audited 30 June 2023
	(Rupees in '000)	
<b>NBP Fund Management Limited - Management Company</b>		
Management remuneration payable	3,749	3,958
Sind Sales Tax payable	487	515
Allocation of operational expenses from the Management Company	1,241	1,210
Sales and transfer load	1,515	3,236
Sind Sales Tax payable on sales load	197	421
Reimbursement Selling and marketing expense	4,549	6,454
Federal Excise Duty on remuneration of the Management Company	2,808	2,808
ADC Shares and Sindh Sales Tax payable	688	250
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	269	198
Sindh Sales Tax payable	35	26
Security deposit	100	100
CDC charges payable	11	61
<b>National Bank of Pakistan (Common Directorship)</b>		
Bank balance	3,504	2,262
Profit receivable	16	-
<b>K.T.H CP Fund (M.T.I) (unit holder with more than 10 % holding)</b>		
Units held: 68,827,522 units (2023: 54,623,619 units)	789,493	540,501
<b>NBP Employees pension fund (Pension fund of the parent of Management Company)</b>		
Units held: 101,023,956 units (2023: 101,023,957 units)	1,158,805	999,632
<b>Employees of the Management Company</b>		
Units held: 148,746 units (2023: 158,009 units)	1,706	1,563
<b>Telenor Microfinance Bank Limited (Common Directorship)</b>		
Bank Balance	6	6
Profit receivable	2	2
<b>Portfolios Managed by Management Company</b>		
Units held: 39 units (2023: 37 units)	-	-

\* Current balances with this party has not been disclosed as it did not remain connected person and related party as at the period end.

\*\* Comparative balances with these parties have not been disclosed as these parties were not related parties in the last term.

## 12 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.

## 12.1 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).

## 13 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.

## 14 GENERAL

14.1 Figures have been rounded off the nearest thousand rupees, unless otherwise is specified.

14.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

## Head Office

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