



NBP FUNDS

Managing Your Savings

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NBP BALANCED FUND



HALF YEARLY REPORT
DECEMBER 31, 2020



MISSION STATEMENT

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



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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

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

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Ms. Mehnaz Salar	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

Trustee

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

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan



Soneri Bank Limited
Summit Bank Limited
The Bank of Punjab
United Bank Limited
Zarai Taraqiati Bank Limited

Auditors

Grant Thornton Anjum Rahman.
1st & 3rd Floor,
Modern Motors House, Beaumont Road,
Karachi, 75530

Legal Advisor

Akhund Forbes
D-21, Block 4, Scheme 5,
Clifton, Karachi 75600, Pakistan.

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Scheme No. 5, Clifton Karachi.
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(Toll Free): 0800-20002,
Fax: (021) 35825329
Website: www.nbpfunds.com

Lahore Office:

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

Islamabad Office:

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Main Double Road, Gulberg Greens,
Islamabad.
UAN: 051-111-111-632
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 reviewed condensed financial statements of **NBP Balanced Fund (NBF)** for the half year ended December 31, 2020.

Fund's Performance

The size of NBP Balanced Fund has increased from Rs. 1,382 million to Rs. 1,567 million during the period, i.e. a increase of 13%. During the period, the unit price of NBP Balanced Fund (NBF) has increased from Rs. 16.6917 on June 30, 2020 to Rs. 19.0376 on December 31, 2020, thus showing an increase of 14.1%. The Benchmark increase during the same period was 14.6%. Thus, the Fund has underperformed its Benchmark by 0.5% during the period under review. Since inception the NAV of the Fund has increased from Rs.3.5561 (Ex-Div) on January 19, 2007 to Rs. 19.0376 on December 31, 2020, thus showing an increase of 435.3%. During the said period, the Benchmark increased by 216.6%, translating into outperformance of 218.7%. This performance is net of management fee and all other expenses.

During 1HFY2021, riding on the positive momentum, the stock market delivered robust returns as the benchmark KSE-100 Index surged by around 27%. To recall, the market staged a sharp recovery after Coronavirus-induced sell-off of equities in March 2020. The rally at the local bourse is attributable to the unprecedented monetary and fiscal policy response; gradual lifting of the lockdown; and earlier than expected arrival of the effective vaccines.

The unprecedented policy measures on the fiscal and monetary fronts cushioned the economy from the Coronavirus shock. The SBP slashed the Policy Rate by a cumulative 6.25% and emended prudential regulations to provide relief for loan repayments and the government launched a massive stimulus package of Rs. 1.2 trillion. On the healthcare front, active cases of Covid-19 declined significantly after peaking in July; the fatality rate fell sharply; and infection ratios also dropped to a low single-digit. Improvement on the pandemic front allowed re-opening of the economy, which gathered steam as evidenced by the frequently released economic data such as cement dispatches, retail fuel sales, and sale of automobiles. SBP-IBA survey shows that business confidence also reached at a two year high after bottoming in April 2020. External account also remained beneficiary of the Coronavirus pandemic as workers' remittances have shown a hefty 25% growth in 1HFY21 on a year-on-year basis. Resultantly, the country has posted a current account surplus of USD 1.1 billion in the 1HFY2021 versus a current account deficit of USD 2.0 billion in corresponding period last year. Despite elevated food prices, average inflation also eased off somewhat. The encouraging development on the healthcare front, improving economic activity, promising corporate earnings prospects, and attractive market valuations buoyed market sentiments.

Looking at the sector wise performance of the market, Automobiles, Cable & Elec. Goods, Cements, Engineering, Glass & Ceramics, Paper & Board, Refineries, Technology and Textiles outperformed the market, while Fertilizers, Food & Personal Care, Insurance, Oil & Gas Exploration, Pharmaceuticals, Power Generation and Distribution, Sugar, and Transport sectors lagged behind. In terms of participant-wise activity, Individuals remained the largest buyers during the period under review with net inflows of USD 159 million. Alongside, Companies and Insurance were also large net buyers, adding positions worth USD 91 million and USD 83 million, respectively. On the other hand, Foreigners and Banks/DFIs were the largest sellers in the market with net outflows amounting to USD 279 million and USD 69 million, respectively.

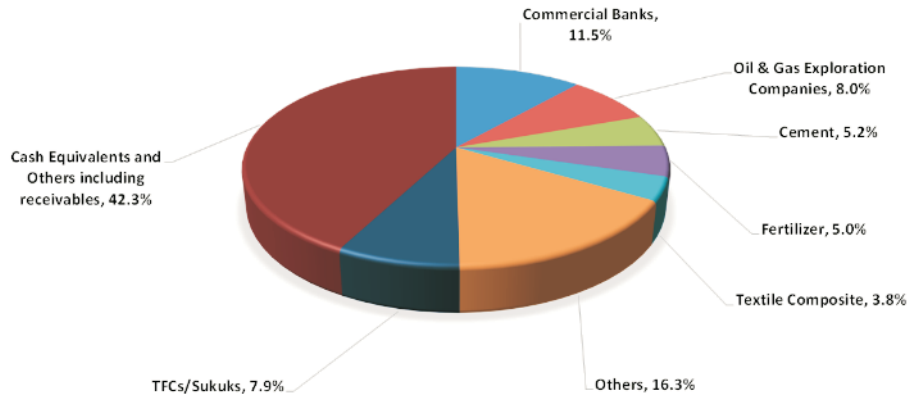
The trading activity in corporate debt securities improved significantly with a cumulative traded value of around Rs. 14.7 billion versus Rs. 5.8 billion in the same period last year. During 1HFY21, the SBP held two Monetary Policy Committee (MPC) meetings wherein it left the Policy Rate unchanged at 7%, citing the prevailing accommodative monetary policy stance appropriate for the nascent economic recovery.

Inflation as measured by the CPI clocked-in at 8% for December 2020, owing to supply side issues and rise in prices of perishable food items. During the period under review, T-Bills yields increased by 2 bps, 13 bps and 23 bps for 3-month, 6-month and 12-month tenures, respectively. This uptick in short-term sovereign yields is primarily reflective of demand versus supply side factors.

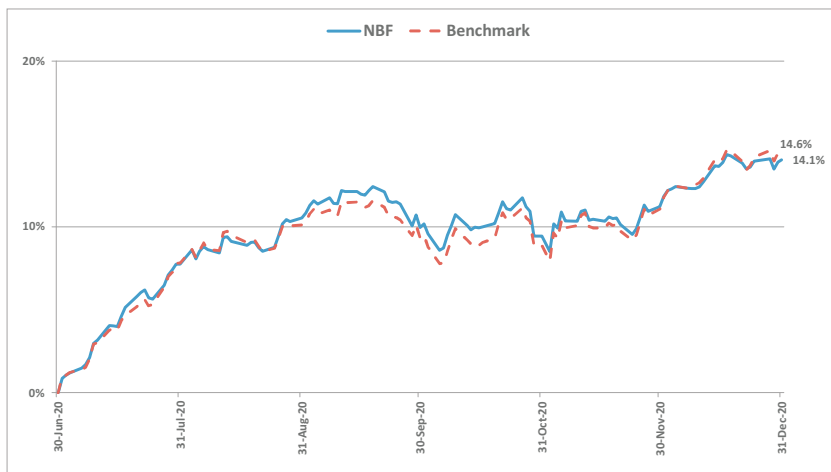
During the period, the SBP realized Rs. 5.1 trillion in thirteen T-Bills auctions. The market interest tilted towards shorter tenors given the market expectation of the bottoming out of the Policy Rate and the likelihood of reversal of monetary easing cycle in the coming months. In the last auction, cut-off yields on T-Bill for 3-month, 6-month and 12-month tenures were noted at 7.15%, 7.20% and 7.29%, respectively. In the six PIB auctions, the SBP realized an amount of Rs. 292 billion. In the last auction, cut-off yields for 3-year, 15-year and 20-year tenures were noted at 8.24%, 10.00% and 10.58%,

The Fund has earned a total income of Rs. 226.604 million during the period. After deducting total expenses of Rs. 32.425 million, the net income is Rs. 194.179 million.

The asset allocation of the Fund as on December 31, 2020 is as follows:



NBF Performance versus Benchmark



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive

Director

Date: **February 26, 2021**
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ اینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بھد مسرت 31 دسمبر 2020ء کو ختم ہونے والی ششماہی کے لئے NBP بیلنسڈ فنڈ (NBF) کے جائزہ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

NBP بیلنسڈ فنڈ (NBF) کا ساڑھاں مدت کے دوران 1,382 ملین روپے سپر ہیکر 1,567 ملین روپے ہو گیا، یعنی 13% کا اضافہ ہوا۔ اس مدت کے دوران NBP بیلنسڈ فنڈ (NBF) کے پونٹ کی قیمت 30 جون 2020 کو 16.6917 روپے سے بڑھ کر 31 دسمبر 2020 کو 19.0376 روپے پر پہنچ چکی ہے۔ لہذا 14.1% کا اضافہ دیکھنے میں آیا۔ اسی مدت کے دوران بیچ مارک بڑھ کر 14.6% ہو گیا۔ لہذا فنڈ نے زبردست کارکردگی کے دوران اپنے بیچ مارک سے 0.5% سے اتر کر کارکردگی دیکھائی۔ اپنے قیام سے اب تک فنڈ کی NAV 19 جنوری 2007 کو 3.5561 روپے (EX-Div) سے بڑھ کر 31 دسمبر 2020 کو 19.0376 روپے ہو گئی، لہذا 435.3% کا اضافہ ہوا۔ اس مدت کے دوران، بیچ مارک میں 216.6% اضافہ ہوا۔ جس کا نتیجہ فنڈ کی 218.7% بہتر کارکردگی کی صورت میں سامنے آیا ہے۔ فنڈ کی یہ کارکردگی اینجمنٹ فیس اور دیگر تمام اخراجات کے بعد حاصل ہے۔

اسٹاک مارکیٹ نے مالی سال 2021 کی پہلی ششماہی کے دوران مضبوط کارکردگی کا تاثر دیا جیسا کہ بیچ مارک KSE-100 انڈیکس میں 27 فیصد کا اضافہ ہوا۔ کورونا وائرس کے تناظر میں مارچ 2020 میں ایکویٹی کی فروخت کے بعد مارکیٹیں تیزی سے بحالی کا مظاہرہ کیا۔ مقامی سطح پر ہونے والی سنجیدگی معمولی مالیاتی اور مالی پالیسی کے رد عمل، لاک ڈاؤن کو بندرتیٹھانے، اور موثر ویکسینوں کی توقع سے قبل آمد کے باعث پیدا ہوئی ہے۔

مالی اور مالیاتی محاذوں پر غیر معمولی پالیسی اقدامات نے معیشت کو کورونا وائرس کے خطرات سے تحفظ دیا۔ اسٹیٹ بینک نے پالیسی شرح میں مجموعی طور پر 6.25 فیصد کمی کی اور قرضوں کی ادائیگیوں میں مدد دینے کے لئے احتیاطی ضوابط میں ترمیم کی اور حکومت نے 1.2 ٹریلین روپے کے ایک محرک پیکیج کا آغاز کیا۔ صحت کی دیکھ بھال کے حوالے سے، جولائی میں بلندی پر پہنچنے کے بعد کوویڈ-19 کے فعال کیسز میں نمایاں کمی واقع ہوئی، اموات کی شرح میں تیزی سے کمی آئی اور انفیکشن کا تناسب بھی کم ہو کر واحد ہندسے پر آ گیا۔ وبائی محاذ پر بہتری نے معیشت کو دوبارہ کھولنے کی اجازت دی، ہیمنٹ کی ترسیل، خوردہ ایندھن کی فروخت اور آٹوموبائل کی فروخت کے لئے جاری کردہ معاشی اعداد و شمار اس بات کا ثبوت دیتے ہیں۔ SBP-IBA سروے ظاہر کرتا ہے کہ اپریل 2020 میں چلنی سطح پر پہنچنے کے بعد کاروبار میں اعتماد بھی دو سال کی بلند ترین سطح پر پہنچ گیا۔ بیرونی اکاؤنٹ اب تک کورونا وائرس میں فائدہ مند رہا ہے کیونکہ کارکنوں کی ترسیلات زرنے سالانہ بنیاد پر مالی سال 2021 کی پہلی ششماہی میں 25 فیصد کا نمایاں اضافہ ظاہر کیا ہے۔ نتیجتاً ملک نے مالی سال 2021 کی پہلی ششماہی میں 1.1 بلین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس درج کرایا ہے جبکہ گزشتہ سال کے اسی عرصے میں کرنٹ اکاؤنٹ خسارہ 2.0 بلین امریکی ڈالر تھا۔ خوراک کی بلند ترین قیمتوں کے باوجود، اوسط افراط زر میں بھی کسی حد تک کمی آئی ہے۔ صحت کی دیکھ بھال کے محاذ پر حوصلہ افزاء، بہتری، معاشی سرگرمیوں میں بہتری، کارپوریٹ آمدنی کے امکانات کا وعدہ، اور مارکیٹ کی پیکش قیمتوں نے مارکیٹ کے بڑھنے کو فروغ دیا۔

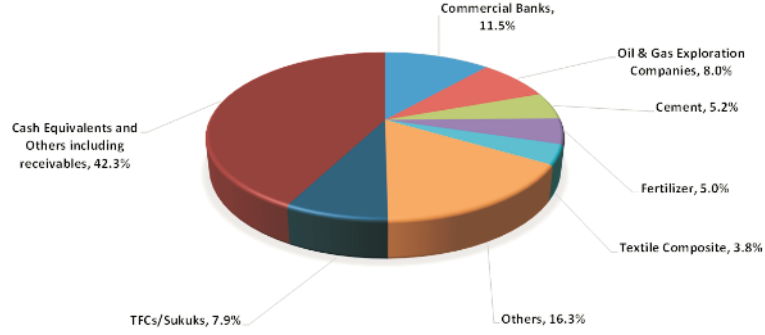
مارکیٹ کی سیکٹر وائز کارکردگی کے تناظر میں، آٹوموبائل، کیبل اور ایکٹریک کا سامان، ہیمنٹ، انجینئرنگ، شیشہ اور سٹیل، کاغذ اور بورڈ، ریفاٹریز، میکینالوجی اور ٹیکسٹائل نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا جبکہ کھانا، خوراک اور ذاتی نگہداشت، انشورنس، آئل اینڈ گیس ایکسپلوریشن، دواسازی، بجلی پیداوار اور تقسیم کرنے، چینی اور ٹرانسپورٹ کے شعبے پیچھے رہے۔ شریک اور سرگرمی کے لحاظ سے، زبردست کارکردگی کے دوران انفرادی سرمایہ کار 159 ملین امریکی ڈالر کی خالص انفلوئز کے ساتھ بڑے خریدار رہے۔ اس کے علاوہ کینیڈا اور انشورنس بھی خالص خریدار تھے، جنہوں نے بالترتیب 91 ملین امریکی ڈالر اور 83 ملین امریکی ڈالر کا اضافہ کیا۔ دوسری طرف، غیر ملکی اور بینک/DFIs مارکیٹ میں بالترتیب 279 ملین امریکی ڈالر اور 69 ملین امریکی ڈالر کے خالص آؤٹ فلوز کے ساتھ بڑے فروخت کنندگان رہے۔

کارپوریٹ ڈیٹ سیکورٹیز میں تجارتی سرگرمی نمایاں طور پر بہتر ہوئی جس کی مجموعی تجارتی قدر گزشتہ سال کی اس مدت میں 5.8 بلین روپے کے برعکس مالیاتی سال 2021ء کی پہلی ششماہی 14.7 بلین روپے رہی۔ سال 2021 کی پہلی ششماہی میں اسٹیٹ بینک آف پاکستان نے مانیٹری پالیسی کمیٹی (MPC) کے دو اجلاس طلب کئے جس میں موجودہ معاشی بحالی کے لئے موزوں مانیٹری پالیسی کا حوالہ دیتے ہوئے، پالیسی کی شرح 7% کو تبدیل نہیں کیا۔ ایشیائی خورد و نوش کی قیمتوں میں اضافہ اور سردی فراہمی جیسے مسائل کے باعث CPI افراط زر کی شرح دسمبر 2020 میں 8 فیصد رہی۔ زیر جائزہ مدت کے دوران، T-Bills کے منافع میں 3 ماہ، 6 ماہ اور 12 ماہ کے عرصہ میں بالترتیب 2bps، 13bps، اور 23bps کا اضافہ ہوا۔ قلیل مدتی گورنمنٹ منافع میں یہ اضافہ بنیادی طور پر طلب کے مقابلے میں رد کی عکاسی کرتا ہے۔

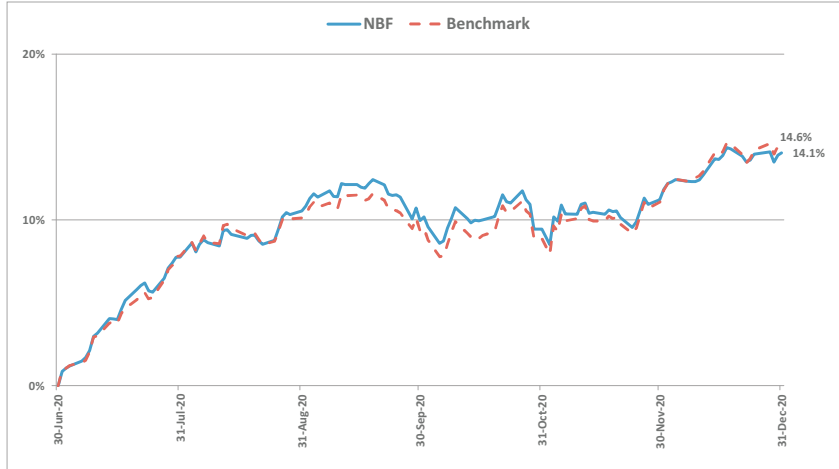
اسٹیٹ بینک آف پاکستان نے اس عرصے کے دوران تیرہ T-Bills کی بنیادی کی، جس میں مجموعی طور پر 5.1 ٹریلین روپے حاصل کئے۔ پالیسی کی شرح کا کم ترین سطح پر پہنچنے کی توقع اور آئندہ مہینوں میں مانیٹری آسانی کے باعث واپسی کے امکان کی وجہ سے مارکیٹ کی دلچسپی مختصر مدت کی سرمایہ کاری کی طرف مائل ہوئی۔ گزشتہ بنیادی میں، T-Bills کی کٹ آف منافع 3 ماہ، 6 ماہ اور 12 ماہ کی مدت کے لئے بالترتیب 7.15 فیصد، 7.20 فیصد اور 7.29 فیصد رہا۔ چھ PIB نیلامیوں میں، اسٹیٹ بینک کو مجموعی 292 بلین روپے کی رقم حاصل ہوئی۔ گزشتہ بنیادی میں، 3 سال، 15 سال اور 20 سال مدت کی کٹ آف منافع بالترتیب 8.24 فیصد، 10.00 فیصد اور 10.58 فیصد درج کیا گیا۔



NBP بیننس فنڈ کو موجودہ سہ ماہی کے دوران 226.604 ملین روپے کی آمدنی ہوئی۔ 32.425 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 194.179 ملین روپے ہے۔ 31 دسمبر 2020 کے مطابق فنڈ کی ایسٹ ایلوکیشن حسب ذیل ہے:



NBF کی کارکردگی یہ مقابلہ بیچ مارک (اپنے قیام سے)



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کو اپنی پراعتماد، 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 رٹرنیٹی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منیاب بورڈ آف ڈائریکٹرز

NBP فنڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 26 فروری 2021ء

مقام: کراچی



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to 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 NBP Balanced Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2020 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 26, 2021



INDEPENDENT AUDITORS' REVIEW REPORT TO THE UNITHOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP Balanced Fund** (the Fund) as at December 31, 2020 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' fund and condensed interim statement of cash flows and notes to the financial statements for the six-month period then ended (here-in-after referred to as the interim financial statements). The Management Company (NBP Fund Management Limited) is responsible for the preparation and presentation of the interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matters

- 1) The figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the three months' period ended December 31, 2020 and 2019 have not been reviewed, as we are required to review only the cumulative figures for the six months' period ended December 31, 2020; and
- 2) The condensed interim financial statements for the half year ended December 31, 2019 and the annual financial statements for the year ended June 30, 2020 of the Fund were reviewed and audited respectively by another firm of Chartered Accountants, whose review report dated February 27, 2020 and audit report dated September 17, 2020 expressed an unmodified conclusion and an unmodified opinion, on the aforementioned financial statements.

The engagement partner on the review resulting in this independent auditors' review report is **Muhammad Shaukat Naseeb**.

Grant Thornton Anjum Rahman

Chartered Accountants

Date: February 26, 2021

Karachi



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

		(Un-audited) December 31, 2020	(Audited) June 30, 2020
ASSETS	Note	-----Rupees in 000-----	
Bank balances	5	710,949	554,469
Investments	6	904,101	855,228
Dividend and profit receivables	7	6,083	6,040
Receivable against sale of units		50	-
Receivable against sale of investment		-	2,132
Advance, deposits and prepayments	8	3,747	3,853
Total assets		1,624,930	1,421,722
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company	9	21,085	19,739
Payable to Central Depository Company of Pakistan Limited - Trustee	10	248	225
Payable to Securities and Exchange Commission of Pakistan	11	153	285
Payable against redemption of units		114	-
Payable against purchase of investments		16,554	-
Accrued expenses and other liabilities	12	19,830	19,754
Total liabilities		57,984	40,003
NET ASSETS		1,566,946	1,381,719
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,566,946	1,381,719
CONTINGENCIES AND COMMITMENTS	13		
		(Number of units)	
NUMBER OF UNITS IN ISSUE		82,307,886	82,778,864
		(Rupees)	
NET ASSETS VALUE PER UNIT	17	19.0376	16.6917

The annexed notes from 1 to 23 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 HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020

	Half year ended December 31,		Quarter ended December 31,	
	2020	2019	2020	2019
INCOME				
Gain on sale of investments - net	34,471	5,444	5,343	7,010
Profit on bank deposits	9,154	24,136	4,887	8,374
Income from term finance certificate and sukus	5,909	9,658	2,814	5,150
Discount Income on treasury bills	14,577	-	7,850	-
Income from term deposit receipts	-	3,236	-	3,236
Dividend income	14,342	32,909	10,593	18,650
Unrealized appreciation on re-measurement of investments 'at fair value through profit or loss' - net	6.6 148,151	175,161	40,414	211,520
Total Income	226,604	250,544	71,901	253,940
EXPENSES				
Remuneration of NBP Fund Management Limited - Management Company	9.1 11,484	10,704	5,813	5,518
Sindh Sales Tax on remuneration of Management Company	1,493	1,392	756	718
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1 1,270	1,202	640	619
Sindh Sales Tax on remuneration of Trustee	165	156	83	80
Allocated expenses	9.2 905	700	527	368
Selling & marketing expenses	9.3 11,484	7,855	5,813	4,359
Annual Fee - Securities and Exchange Commission of Pakistan	11 153	140	77	74
Annual listing fee	14	14	7	7
Securities transaction costs	542	563	201	370
Settlement and bank charges	198	528	-	261
Auditors' remuneration	487	387	375	140
Legal and professional charges	92	62	69	54
Mutual fund rating fee	121	110	60	55
Printing and other charges	54	17	40	9
Total expenses	28,462	23,830	14,462	12,632
Net profit from operating activities	198,142	226,714	57,439	241,308
Provision for Sindh Workers' Welfare Fund	12.1 (3,963)	(4,534)	(1,149)	(4,534)
Net profit for the period before taxation	194,179	222,180	56,290	236,774
Taxation	14 -	-	-	-
Net profit for the period	194,179	222,180	56,290	236,774
Allocation of net income for the period				
Net income for the period	194,179	222,180		
Income already paid on units redeemed	(2,583)	(1,076)		
	191,596	221,104		
Accounting income available for distribution:				
-Relating to capital gains	180,158	179,940		
-Excluding capital gains	11,438	41,164		
	191,596	221,104		

The annexed notes from 1 to 23 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 SIX AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2020

	Half year ended December 31,		Quarter ended December 31,	
	2020	2019	2020	2019
	----- (Rupees in '000) -----			
Net profit for the period after taxation	194,179	222,180	56,290	236,774
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	194,179	222,180	56,290	236,774

The annexed notes from 1 to 23 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 HALF YEAR ENDED DECEMBER 31, 2020

	December 31, 2020			December 31, 2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
Net assets at beginning of the period (audited)	854,689	527,030	1,381,719	894,200	509,934	1,404,134
Issue of 1,477,098 units (2019: 1,102,214 units)						
- Capital value	24,655	-	24,655	18,172	-	18,172
- Element of income	2,300	-	2,300	1,895	-	1,895
Total proceeds on issuance of units	26,955	-	26,955	20,067	-	20,067
Redemption of 1,948,076 units (2019: 5,248,291 units)						
- Capital value	(32,517)	-	(32,517)	(86,526)	-	(86,526)
- Element of loss	(807)	(2,583)	(3,390)	363	(1,076)	(713)
Total payments on redemption of units	(33,324)	(2,583)	(35,907)	(86,163)	(1,076)	(87,239)
Total comprehensive income for the period	-	194,179	194,179	-	222,180	222,180
Net assets at end of the period (un-audited)	848,320	718,626	1,566,946	828,104	731,038	1,559,142
Undistributed income brought forward						
- Realized		524,840			660,449	
- Unrealized		2,190			(150,515)	
		<u>527,030</u>			<u>509,934</u>	
Accounting income available for distribution:						
- Relating to capital gains		180,158			179,940	
- Excluding capital gains		11,438			41,164	
		<u>191,596</u>			<u>221,104</u>	
Total comprehensive loss for the period		-			-	
Undistributed income carried forward		<u>718,626</u>			<u>731,038</u>	
Undistributed income carried forward						
- Realized		570,475			555,877	
- Unrealized		148,151			175,161	
		<u>718,626</u>			<u>731,038</u>	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the period			<u>16.6917</u>			<u>16.4866</u>
Net assets value per unit at the end of the period			<u>19.0376</u>			<u>19.2434</u>

The annexed notes from 1 to 23 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 HALF YEAR ENDED DECEMBER 31, 2020

	December 31,	
	2020	2019
Note	-----Rupees in 000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the period before taxation	194,179	222,180
Adjustments for non cash items:		
Unrealized appreciation on re-measurement of investments 'at fair value through profit or loss' - net	(148,151)	(175,161)
	<u>46,028</u>	<u>47,019</u>
Working capital changes		
(Increase) / decrease in assets		
Investments	99,278	(41,853)
Receivable against sale of investments	-	-
Dividend and profit receivable	(43)	(65)
Receivable against sale of investment	2,132	-
Advance, deposits and prepayments	106	97
	<u>101,473</u>	<u>(41,821)</u>
Increase/(decrease) in liabilities		
Payable to NBP Fund Management Limited - Management Company	1,346	602
Payable to Central Depository Company of Pakistan Limited - Trustee	23	133
Payable to Securities and Exchange Commission of Pakistan	(132)	(1,212)
Payable against purchase of investments	16,554	-
Accrued expenses and other liabilities	76	4,687
	<u>17,867</u>	<u>4,210</u>
Net cash generated from operating activities	<u>165,368</u>	<u>9,408</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	26,905	20,067
Payment against redemption of units	(35,793)	(87,239)
Net cash (used in) financing activities	<u>(8,888)</u>	<u>(67,172)</u>
Net increase / (decrease) in cash and cash equivalents during the period	156,480	(57,764)
Cash and cash equivalents at beginning of the period	554,469	464,789
Cash and cash equivalents at end of the period	5 <u>710,949</u>	<u>407,025</u>

The annexed notes from 1 to 23 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 HALF YEAR ENDED DECEMBER 31, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The NBP Balanced Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited and Central Depository Company of Pakistan Limited (CDC), as Trustee. The Trust Deed was executed on December 06, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 20 December 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The effective date of change of name of the Fund is April 05, 2019.

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 the member of Mutual Fund Association of Pakistan (MUFAP).

The Fund is an open-ended mutual fund classified as a "balanced scheme" by the Management Company as per the criteria for categorization of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters and 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.

The core objective of the Fund is to provide its investors with a combination of capital growth and income. The Fund aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments etc.

The Pakistan Credit Rating Agency (PACRA) has assigned and maintained an asset manager rating of 'AM1' to the Management Company, long term and short term performance ranking of '4 star' and '5 star' to the Fund respectively.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan (CDC) Limited as Trustee of the Fund.

1.2 IMPACT OF COVID-19 ON THE FINANCIAL STATEMENTS

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, "stay-at-home" or "shelter-in-place" orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, has been significantly disrupted by the pandemic.

The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund for the year ended June 30, 2020 due to increase in overall credit risk pertaining to the corporate debt instruments' portfolios of mutual funds, subdued equity market performance due to overall slowdown in economic activity and continuity of business operations. However, to reduce the impact on the performance of the Fund, regulators / governments across the country have introduced a host of measures on both the fiscal and economic fronts by issuing certain circulars and notifications from time to time.

The management of the Fund is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders, and initiated a number of initiatives.

2 SUMMARY OF SIGNIFICANT EVENTS AND TRANSCATIONS

Except for the transactions mentioned in note 19, there were no significant events and transactions that have affected the Fund's financial position and performance.



3 BASIS OF PREPARATION

3.1 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
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ 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 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 IAS 34. 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, 2020.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2020.

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2020.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future periods.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2020.

4 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS

4.1 Standards, amendments and interpretations to the published standards that may be relevant to the Fund and adopted in the current period

The Fund has adopted the following new standards, amendments to published standards and interpretations of IFRSs which became effective during the current period.

New or Revised Standard or Interpretation

Effective Date "(Annual periods beginning on or after)"

IAS 1 and IAS 8 Definition of Material (Amendment to IAS 1 and IAS 8)

January 1, 2020



New or Revised Standard or Interpretation

Effective Date "(Annual periods beginning on or after)"

IFRS 9, IAS 39 and IFRS 7 Investment rate benchmark Reform (Amendment to IFRS 9, IAS 39 and IFRS 7)	January 1, 2020
Annual improvements to IFRSs 2015 - 2017 Cycle	January 1, 2020

Adoption of the above standard have no effect on the amounts of for the period ended December 31, 2020.

4.2 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Fund

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation.

Standard or Interpretation

Effective Date "(Annual periods beginning on or after)"

IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 Interest Rate Benchmark Reform Phase 2	January 1, 2021
IAS 37 Onerous Contracts- Cost of Fulfilling a contract	January 1, 2022
IFRS 1, IFRS 9, IFRS 16 and IAS 41 Annual Improvements to IFRS Standards 2018-2020 cycle	January 1, 2022

The Fund is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the condensed interim financial statements of the Fund.

		December, 31 2020	June 30, 2020
		Unaudited	Audited
5	BANK BALANCES	-----Rupees in 000-----	
	In current accounts	3,756	6,592
	In savings accounts	707,193	547,877
		<u>710,949</u>	<u>554,469</u>

5.1 These include balances of Rs. 0.864 million (June 30, 2020: Rs. 3.7 million) and Rs. 0.221 million (June 30, 2020: Rs. 0.004 million) maintained with National Bank of Pakistan and BankIslami Pakistan Limited (a related party) respectively, that carries profit at the rates ranging from 6% to 7% (June 30, 2020: 7.25%) per annum. Other savings accounts of the Fund carry profit rates ranging from 4.5% to 6.65% (June 30, 2020: 4.5% to 7.65%) per annum.

		December 31, 2020	June 30, 2020
		Unaudited	Audited
6	INVESTMENTS	-----Rupees in 000-----	
	Financial assets 'at fair value through profit or loss'- (FVTPL)		
	- Listed equity securities	780,160	716,571
	- Term finance certificates - listed	-	-
	- Term finance certificates - unlisted	47,738	62,085
	- Term Deposit Receipt	-	76,572
	- Sukuk bonds	76,203	-
		<u>904,101</u>	<u>855,228</u>



6.1 Equity securities - Listed

All shares have a nominal face value of Rs 10 each, except for shares of Thal Limited and Shabbir Tiles and Ceramics Limited which have a face value of Rs 5 and K-Electric Limited which has a face value of Rs. 3.5.

Name of the investee company	Number of shares					Market value as at December 31, 2020	Market value as a percentage of		Holding as a percentage of paid-up capital of the investee company held	
	As at July 01, 2020	Purchases during the period	Bonus/Right shares received during the period	Right shares purchased/subscribed during the period	Sales during the period		As at December 31, 2020	Net assets of the Fund		Total market value of investments
(Number of Shares)						(Rupees in '000)	(%)			
Oil & Gas Exploration Companies										
Oil and Gas Development Company Limited (Refer 6.1.1)	342,096	38,000	-	-	(72,500)	307,596	31,919	2.04	3.53	0.01
Pakistan Oilfields Limited	13,523	19,000	-	-	-	32,523	12,860	0.82	1.42	0.01
Pakistan Petroleum Limited (Refer 6.1.1)	352,342	57,500	-	-	(40,000)	369,842	33,408	2.13	3.70	0.01
Mari Petroleum Limited	36,564	-	-	-	(1,600)	34,964	46,845	2.99	5.18	0.03
	744,525	114,500	-	-	(114,100)	744,925	125,032	7.98	13.83	
Oil & Gas Marketing Companies										
Pakistan State Oil Company Limited (Refer 6.1.2)	113,843	34,000	-	-	(39,900)	107,943	23,240	1.48	2.57	0.02
Attock Petroleum Limited	16,261	-	-	-	-	16,261	5,441	0.35	0.80	0.02
Hascol Petroleum Limited (Refer 6.1.2)	777	-	-	-	-	777	11	-	-	-
Sui Northern gas Pipelines	96,000	-	-	-	(26,500)	69,500	3,087	0.20	0.34	0.01
	226,881	34,000	-	-	(66,400)	194,481	31,779	2.03	3.51	
Fertilizers										
Engro Fertilizers Limited	271,501	25,000	-	-	(103,500)	193,001	12,203	0.78	1.35	0.01
Fauji Fertilizer Bin Qasim Limited	114,500	-	-	-	(114,500)	-	-	-	-	-
Engro Corporation Limited	143,619	10,100	-	-	(54,900)	98,819	30,373	1.94	3.36	0.02
Fauji Fertilizer Company Limited	436,901	14,000	-	-	(122,900)	328,001	35,588	2.27	3.94	0.03
	966,521	49,100	-	-	(395,800)	619,821	78,164	4.99	8.65	
Chemicals										
Engro Polymer & Chemicals Limited	923,123	-	-	-	(348,000)	575,123	27,324	1.74	3.02	0.06
Lotte Chemical Pakistan Ltd	-	532,500	-	-	-	532,500	8,019	0.51	0.89	0.04
	923,123	532,500	-	-	(348,000)	1,107,623	35,343	2.25	3.91	
Cement										
D.G. Khan Cement Pakistan Limited	96,500	14,000	-	-	(92,500)	18,000	2,062	0.13	0.23	-
Fauji Cement Company Limited	454,000	36,000	-	-	(150,500)	339,500	7,357	0.47	0.81	0.02
Kohat Cement Company Limited	74,750	-	-	-	(1,700)	73,050	16,015	1.02	1.77	0.04
Lucky Cement Limited (Refer 6.1.1)	97,664	2,400	-	-	(25,400)	74,664	51,973	3.32	5.75	0.02
Maple Leaf Cement Factory Limited	-	90,000	-	-	-	90,000	4,051	0.26	0.45	0.02
	722,914	142,400	-	-	(270,100)	595,214	81,458	5.20	9.01	
Automobile Parts & Accessories										
Thal Limited	11	-	-	-	-	11	5	-	-	-
	11	-	-	-	-	11	5	-	-	
Textile Composite										
Azgard Nine Limited (Non-voting shares)	807,000	-	-	-	-	807,000	5,649	0.36	0.62	13.53
Gul Ahmed Textile Mills Ltd	491,800	-	-	-	(242,500)	249,300	9,162	0.58	1.01	0.06
Kohinoor Textile Mills Limited (Refer 6.1.2)	179,113	-	-	-	(14,500)	164,613	11,230	0.72	1.24	0.05
Nishat (Chunian) Limited	68,000	36,500	-	-	-	104,500	4,398	0.28	0.49	0.04
Interloop Limited	105,918	37,000	-	-	-	142,918	9,728	0.62	1.08	0.02
Nishat Mills Limited (Refer 6.1.1)	185,200	25,000	-	-	(21,500)	188,700	19,204	1.23	2.12	0.05
	1,837,031	98,500	-	-	(278,500)	1,657,031	59,371	3.79	6.56	
Technology & Communication										
Netsol Technologies Ltd	145,800	-	-	-	(145,800)	-	-	-	-	-
TPL Trackers Limited	-	355,000	-	-	-	355,000	3,603	0.23	0.40	0.19
Systems Limited	83,550	-	-	-	(8,000)	75,550	31,673	2.02	3.50	0.06
	229,350	355,000	-	-	(153,800)	430,550	35,276	2.25	3.90	
Engineering										
Agha Steel Ltd	-	483,500	-	-	-	483,500	19,055	1.22	2.11	0.06
International Steels Limited	98,100	-	-	-	(98,100)	-	-	-	-	-
Mughal Iron & Steel Industries	592,000	-	-	-	(382,000)	210,000	15,903	1.01	1.76	0.08
	690,100	483,500	-	-	(480,100)	693,500	34,958	2.23	3.87	
Balance brought forward							481,386			
Balance carried forward							481,386			

NBP BALANCED FUND



NBP FUNDS
Managing Your Savings

Name of the investee company	Number of shares						Market value as at December 31, 2020	Market value as a percentage of		Holding as a percentage of paid-up capital of the investee company held
	As at July 01, 2020	Purchases during the period	Bonus/Right shares received during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at December 31, 2020		Net assets of the Fund	Total market value of investments	
	(Number of Shares)						(Rupees in '000)	(%)		
Power Generation & Distribution										
Lalpir Power Limited	544,000	-	-	-	(276,000)	268,000	3,436	0.22	0.38	0.07
Pakgen Power Limited	373,000	-	-	-	(217,000)	156,000	3,073	0.20	0.34	0.04
K-Electric Limited	355,000	-	-	-	(355,000)	-	-	-	-	-
Saif Power Limited	130,000	-	-	-	-	130,000	1,888	0.12	0.21	0.03
The Hub Power Company Limited	588,916	-	-	-	(77,001)	511,915	40,610	2.59	4.49	0.04
	1,990,916	-	-	-	(925,001)	1,065,915	49,007	3.13	5.42	
Commercial Banks										
Allied Bank Limited	57,800	-	-	-	-	57,800	4,934	0.31	0.55	0.01
Bank Al-falah Limited	942,576	-	-	-	(85,000)	857,576	30,298	1.93	3.35	0.05
Bank Al-Habib Limited (Refer 6.1.1)	460,400	-	-	-	-	460,400	32,044	2.04	3.54	0.04
Bank of Punjab	410,500	-	-	-	(298,000)	112,500	1,043	0.07	0.12	-
Faysal Bank Limited (Refer 6.1.2)	27,327	-	-	-	-	27,327	472	0.03	0.05	-
Habib Bank Limited	382,180	58,000	-	-	-	440,180	58,227	3.72	6.44	0.03
MCB Bank Limited	140,100	-	-	-	(47,800)	92,500	17,138	1.09	1.90	0.01
Meezan Bank Limited	51,293	-	379	-	(47,500)	4,172	436	0.03	0.05	-
National Bank of Pakistan	132,500	-	-	-	(22,000)	110,500	4,747	0.30	0.53	0.01
United Bank Limited	216,391	30,500	-	-	-	246,891	31,074	1.98	3.44	0.02
	2,821,067	88,500	379	-	(500,100)	2,409,846	180,413	11.50	19.97	
Insurance										
Adamejee Insurance Co. Ltd.	90,500	-	-	-	(18,500)	72,000	2,831	0.18	0.31	0.02
	90,500	-	-	-	(18,500)	72,000	2,831	0.18	0.31	
Glass and Ceramics										
Tariq Glass Industries Limited	183,000	-	-	-	(25,500)	157,500	13,825	0.88	1.53	0.21
Shabbir Tiles & Ceramics Ltd	100,000	-	-	-	(92,000)	8,000	170	0.01	0.02	-
	283,000	-	-	-	(117,500)	165,500	13,995	0.89	1.55	
Paper & Board										
Century Paper & Board Mills Ltd	90,400	14,580	-	-	(17,500)	87,480	10,948	0.70	1.21	0.06
Packages Limited	13,500	-	-	-	(1,800)	11,700	6,987	0.45	0.77	0.01
Roshan Packages Limited	-	75,000	-	-	(7,000)	68,000	2,890	0.18	0.32	0.05
Cherat Packaging Ltd	87,010	-	-	-	(87,010)	-	-	-	-	-
	190,910	89,580	-	-	(113,310)	167,180	20,825	1.33	2.30	
Food and Personal Care Products										
Malco Foods Limited	131,000	-	-	-	(131,000)	-	-	-	-	-
	131,000	-	-	-	(131,000)	-	-	-	-	
Automobile Assembler										
Honda Atlas Cars (Pakistan) Ltd	38,700	-	-	-	(30,100)	8,600	2,822	0.18	0.31	0.01
Indus Motor Company Limited	1,220	-	-	-	-	1,220	1,462	0.09	0.16	-
Milat Tractors Ltd	12,200	-	-	-	(1,000)	11,200	12,254	0.78	1.36	0.02
	52,120	-	-	-	(31,100)	21,020	16,538	1.05	1.83	
Pharma And Biotech										
AGP Limited	-	54,000	-	-	-	54,000	6,150	0.39	0.68	0.02
Hightnoon Laboratories Limited	1,140	-	-	-	(1,140)	-	-	-	-	-
The Searle Company Limited	9,000	33,000	1,170	-	(7,000)	36,170	9,015	0.58	1.00	0.02
	10,140	87,000	1,170	-	(8,140)	90,170	15,165	0.97	1.68	
Miscellaneous										
Synthetic Products Limited	2,080	-	-	-	(2,080)	-	-	-	-	-
	2,080	-	-	-	(2,080)	-	-	-	-	
Total - December 31, 2020	11,912,189	2,074,580	1,549	-	(3,953,531)	10,034,787	780,160	49.78	86.30	
Carrying value at at December 31, 2020							632,980			



- 6.1.1** Investments include shares with market value of Rs. 46 million (June 30, 2020: Rs. 40.06 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, the breakup of which is as follows:

Name of Investee Company	Shares pledged	Market value (Rs. in '000)
Bank ALHabib Ltd.	180,000	12,528
Lucky Cement Limited	9,000	6,265
Nishat Mills Limited	50,000	5,089
Oil & Gas Development Company	144,000	14,943
Pakistan Petroleum Limited	79,500	7,181
		46,006

- 6.1.2** The Finance Act, 2014 introduced amendments to the Income Tax Ordinance, 2001 as a result of which companies are liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including the 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 has been filed by Collective Investment Schemes (CISs) through their Trustees in the Honorable 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 to 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 Honorable High Court of Sindh in favor of CISs.

During the year ended June 30, 2018, the Honorable Supreme Court of Pakistan (HSC) 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. On July 11, 2019, the CISs have filed a fresh constitutional petition vide CP 4653.

In this regard, on July 15, 2019, the Honorable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares, issued to the Funds in lieu of their investments, be created in the meantime. The matter is still pending adjudication and the Fund has included these shares in its portfolio, as the management is confident that the decision of the constitutional petition will be in favor of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the prior period were not withheld by the investee companies.

As at December 31, 2020, the bonus shares amounting to Rs. 1.045 million (June 30, 2020: Rs. 0.738 million) of the Fund have been withheld by a company at the time of declaration of bonus shares. The Fund has included these shares in its portfolio, as the management believes that the decision of the constitutional petition will be in favor of the CISs.



Name of the company	December 31, 2020 (Un-audited)		June 30, 2020 (Audited)	
	Bonus Shares		Bonus Shares	
	Number	Market value	Number	Market value
		Rs in 000		Rs in 000
Pakistan State Oil Limited	1,142	246	1,142	181
Hascol Petroleum Limited	777	11	777	11
Faysal Bank Limited	27,327	472	27,327	381
Kohinoor Textile Mills Limited	4,639	316	4,639	165
	33,885	1,045	33,885	738

6.2 Term finance certificates - listed

All term finance certificates have a face value of Rs 5,000.

Name of the investee company	Number of certificates				Market value As at December 31, 2020	Market value as a percentage of net assets ----- (%) -----	Market value as a percentage of total investments ----- (%) -----
	As at July 01, 2020	Purchases during the period	Disposals during the period	As at December 31, 2020			
	Saudi Pak Leasing Company Limited (note 6.2.1)	10,000	-	-			

6.2.1 This represents investment in term finance certificates with original term of nine years. On October 13, 2011 the investee company defaulted on its obligation on account of principal and profit payment. The investee company rescheduled its term on December 26, 2011 with a new maturity in March 2017. The said TFCs complied with repayment terms since it was rescheduled and had been reclassified as performing as per criteria defined in circular no. 1 of 2009. However, the investee company again defaulted on its obligation on account of principal and profit payment for the month of April 2014 and was therefore declared as Non Performing Asset (NPA) since April 30, 2014. The amount of provision of Rs. 27.547 million 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 circular.

Name of the investee company	Number of certificates				Market value As at December 31, 2020	Market value as a percentage of net assets ----- (%) -----	Market value as a percentage of total investments ----- (%) -----
	As at July 01, 2020	Purchases during the period	Disposals during the period	As at December 31, 2020			
	Jahangir Siddiqui and Company Limited	8,000	-	-			
Jahangir Siddiqui and Company Limited	17,100	-	-	17,100	42,777	2.73	
	25,100	-	-	25,100	47,738	3.05	
Carrying value before fair value adjustment as at December 31, 2020					46,398		

6.3.1 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.



6.4 Significant terms and conditions of term finance certificates outstanding at the period end are as follows

	Number of certificates	Repayment frequency	Face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Secured / Unsecured	Rating
Listed term finance certificates								
Saudi Pak Leasing Company Limited	10,000	Monthly	2,755	6.87% Fixed rate	March 13, 2008	March 13, 2017	Unsecured	Unrated
Unlisted term finance certificates								
Jahangir Siddiqui and Company Limited	8,000	Semi Annually	625	6 Month KIBOR offer rate plus 1.65%	June 24, 2016	June 24, 2021	Secured	AA+
Jahangir Siddiqui and Company Limited	17,100	Semi Annually	2,500	6 Month KIBOR offer rate plus 1.40%	July 18, 2017	July 18, 2022	Secured	AA+

6.5 Sukuk bonds - unlisted - at fair value through profit or loss (FVTPL)

All sukuks have a face value of Rs. 5,000.

Name of the investee company	Number of certificates				Market value As at December 31, 2020 (Rupees in '000)	Market value as a percentage of net assets ----- (%) -----	Market value as a percentage of total investments ----- (%) -----
	As at July 01, 2020	Purchases during the period	Disposals during the period	As at December 31, 2020			
New Allied Electronics Industries (Private) Limited (note 6.5.1)	32,000	-	-	32,000	-	-	-
Eden Housing Limited (note 6.5.2)	10,000	-	-	10,000	-	-	-
The Hub Power Company Limited	500	-	-	500	51,124	3.26	5.65
Shakarganj Foods Limited	30	-	-	30	25,079	1.60	2.77
Total as at December 31, 2020	42,530	-	-	42,530	76,203	4.86	8.42
Carrying value before fair value adjustment as at December 31, 2020					76,572		

6.5.1 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 NPA by MUFAP since January 09, 2009. The amount of provision of Rs. 10 million 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 circular.

6.5.2 This represents investment in privately placed sukuk bonds with a term of five years. On May 06, 2011, the issuer has defaulted its scheduled principal and profit payment and therefore it was classified as NPA by MUFAP. The amount of provision of Rs. 9.844 million 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 circular.

6.5.3 The sukuks 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 sukuk outstanding at the period end are as follows:

	Number of certificates	Repayment frequency	Face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Rating
Secured							
Unlisted sukuk							
New Allied Electronics Industries (Private) Limited	32,000	Quarterly	313	3 Month KIBOR offer rate plus 2.6%	July 27, 2007	July 25, 2016	Unrated
Eden Housing Limited	10,000	Quarterly	984	3 Month KIBOR offer rate plus 3%	March 31, 2008	September 29, 2016	Unrated
The Hub Power Company Limited	500	Quarterly	100,000	3 Month KIBOR offer rate plus 1.9%	August 22, 2019	August 22, 2023	AA+
Shakarganj Foods Limited	30	Quarterly	750,000	3 Month KIBOR offer rate plus 1.75%	July 10, 2018	July 10, 2024	BBB+

6.6 Unrealised appreciation / (diminution) on re-measurement of investments 'at fair value through profit or loss' - net	Note	(Unaudited)	(Audited)
		December 31, 2020	December 31, 2019
		-----Rupees in 000-----	
Market value of investments		904,102	1,177,845
Less: Carrying value of investments		<u>(803,342)</u>	<u>(1,050,075)</u>
		100,760	127,770
Add: Provision against non-performing TFCs and sukuk	6.6.1	<u>47,391</u>	<u>47,391</u>
		<u>148,151</u>	<u>175,161</u>

6.6.1 This amount pertains to provision made against the carrying value of non performing term finance certificates and sukuk as per circular no. 1 of 2009 and circular no. 33 of 2012. The breakup of amount is as follows:

Name of Company	Carrying value (Rupees in '000)
Saudi Pak Leasing Company Limited - Term Finance Certificates	27,547
New Allied Electronics Limited - Sukuk	10,000
Eden House Limited - Sukuk	9,844
	<u>47,391</u>

7 DIVIDEND AND PROFIT RECEIVABLE	Note	(Unaudited)	(Audited)
		December 31, 2020	June 30, 2020
		-----Rupees in 000-----	
Dividend receivable on equity shares		539	-
Profit receivable on savings accounts	7.1	2,925	1,153
Accrued markup on term finance certificates and sukuk		11,807	14,075
Less: income suspended over non-performing term finance certificates and sukuk		<u>(9,188)</u>	<u>(9,188)</u>
		2,619	4,887
		<u>6,083</u>	<u>6,040</u>

7.1 This includes an amount of Rs 0.0616 million (June 30, 2020: Rs 0.0054 million) as profit receivable from Bank Islami Pakistan Limited (a related party).



		(Unaudited) December 31, 2020	(Audited) June 30, 2020
		-----Rupees in 000-----	
8	ADVANCE, DEPOSITS AND PREPAYMENTS		
	Advance tax	882	882
	Security deposits with:		
	- Central Depository Company of Pakistan Limited	100	100
	- National Clearing Company of Pakistan Limited	2,750	2,750
	Prepaid Mutual Fund Rating fees	-	121
	Prepaid listing fees	15	-
		<u>3,747</u>	<u>3,853</u>
9	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY		
	Management remuneration	9.1 1,985	1,729
	Sindh sales tax on management remuneration	258	225
	Allocated expenses	9.2 527	347
	Sales and transfer load	87	51
	Sindh sales tax on sales load	11	7
	Federal excise duty on sales load	818	818
	Marketing and selling expense	9.3 5,812	4,975
	Federal excise duty on management remuneration	9.4 11,587	11,587
		<u>21,085</u>	<u>19,739</u>

9.1 The Management Company has charged its remuneration at the rate of 1.5% of the average annual net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.

9.2 In accordance with clause 60(s) of Non-Banking Finance Companies and Notified Entities Regulations, 2008 the management company is allowed to charge "fees and expenses related to registrar services, accounting, operation and valuation services related to CIS maximum up to 0.1% of average annual net assets of the Fund or actual whichever is less" from the mutual funds managed by it. Accordingly, such expense has been charged at the rate of 0.1% of average annual net assets of the Fund.

9.3 The Management Company based on its own discretion has charged selling and marketing expenses at the below mentioned rates duly approved by the Board of Directors of the Management Company:

Effective dates	Applicable rates
From July 1, 2019 till July 11, 2019	0.4% per annum of average daily net assets
From July 12, 2019 till December 16, 2019	1.15% per annum of average daily net assets
From December 17, 2019 till May 10, 2020	1.35% per annum of average daily net assets
From May 11, 2020 till December 31, 2020	1.5% per annum of average daily net assets

9.4 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration and sale load were already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Honorable High Court of Sindh (HCS) by the Management Company together with various other asset management companies challenging the levy of FED.



With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, HCS passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Honorable Supreme Court of Pakistan (HSC) which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from April 19, 2016 till June 30, 2016 amounting to Rs 11.942 million is being retained in these condensed interim financial statements of the Fund as the matter is pending before the HSC. Had the provision for FED not been made, the net asset value per unit of the Fund as at December 31, 2020 would have been higher by Rs 0.1407 (June 30, 2020: Rs 0.1499) per unit.

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	December 31, 2020 Unaudited	June 30, 2020 Audited
	-----Rupees in 000-----	
	Note	
Trustee remuneration	10.1	220
Sindh Sales Tax on trustee remuneration		199
		<u>28</u>
		<u>225</u>
		<u>248</u>
		<u>225</u>

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provision of the trust deed as follows:

Net assets	Tariff per annum
Upto Rs. 1,000 million	0.20% per annum of net assets,
On an amount exceeding Rs. 1,000 million	Rs. 2.0 million plus 0.10% per annum of net assets exceeding Rs. 1,000 million.

The remuneration is paid to the Trustee monthly in arrears.

11 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	December 31, 2020 Unaudited	June 30, 2020 Audited
	-----Rupees in 000-----	
	Note	
Annual fee payable	11.1	153
		<u>285</u>
		<u>285</u>

11.1 Under the provisions of the NBFC Regulations, a collective investment scheme categorized as a balanced scheme is required to pay an annual fee to Securities and Exchange Commission of Pakistan, an amount equal to 0.085 percent of the average annual net assets of the Fund till June 30, 2019 and with effective from July 01, 2019. SECP has revised its fee rate to 0.02 percent per annum of the average net assets of the Fund. The fee is paid annually in arrears.



12	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December, 31,	June 30,
			2020	2020
			Unaudited	Audited
			Rupees in 000	
	Provision for Sindh Workers' Welfare Fund	12.1	18,197	14,235
	Auditors' remuneration		454	540
	Settlement charges		169	233
	Brokerage fee		-	176
	Dividend payable		493	493
	Legal and professional charges		80	95
	Withholding tax		73	3,591
	Other payable		247	303
	CGT payable		117	88
			19,830	19,754

12.1 The Finance Act, 2008 introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971 whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court. The Honorable Supreme Court of Pakistan vide its judgment dated November 10, 2016, has upheld the view of Lahore High Court and decided that WWF is not a tax and hence the amendments introduced through Finance Act, 2008 are ultra-vires to the Constitution. The Federal Board of Revenue has filed Civil Review Petitions in respect of above judgment with the prayer that the judgment dated November 10, 2016 passed in the Civil Appeal may kindly be reviewed in the interest of justice.

Furthermore, the Sindh Revenue Board (SRB) had written to few mutual funds in January 2016 to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after December 31, 2013. MUFAP reviewed the issue and based on an opinion decided that SWWF is not applicable on mutual funds as they are not financial institutions as required by SWWF Act, 2014. MUFAP wrote to SRB that mutual funds are not establishments and are pass through vehicles hence, they do not have any worker and no SWWF is payable by them. SRB responded back that as mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001, therefore SWWF is applicable on mutual funds. MUFAP has taken up this matter before the Sindh Finance Ministry to exclude mutual funds from SWWF.

In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual funds and considering the legal opinion obtained on these matters, MUFAP has recommended the following to all its members on January 12, 2017:

- based on legal opinion, the entire provision against the Federal WWF held by the CISs till June 30, 2015, to be reversed on January 12, 2017; and
- the provision in respect of Sindh WWF should be made on January 12, 2017 with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015).

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on January 12, 2017 and the SECP vide its letter dated February 01, 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs / mutual funds. The reversal of provision for WWF amounting to Rs. 20.023 million and a provision for SWWF of Rs. 11.619 million upto January 12, 2017 was made. Thereafter, the provision for SWWF is being made on a daily basis. Had the provision of SWWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.2211 (June 30, 2020: Rs 0.1721) per unit.



13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2020 (June 30, 2020: Nil).

14 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders. 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.

Since, the Management Company intends to distribute its accounting income as per its distribution policy for the year ending December 31, 2020 if require to ensure the compliance of this clause. Accordingly, no provision for taxation has been made in these condensed interim financial information.

15 DETAILS OF NON-COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA OF ASSIGNED CATEGORY

The Securities and Exchange Commission of Pakistan (SECP) vide circular no. 7 of 2009 dated March 06, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorization criteria laid down in the circular. The Board has approved the category of the fund as 'Balanced Fund'.

The SECP vide circular no. 16 dated July 07, 2010, prescribed specific disclosures for the scheme holding investments that are non - compliant either with the minimum investment criteria specified for the category assigned to such funds or with investment requirements of their constitutive documents.

The following are the details of non-compliant investments:

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	Value as a percentage of net assets	Value as a percentage of gross assets
			----- (Rupees in '000) -----			----- (%) -----	
New Allied Electronic Industries (Private) Limited	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Term finance certificates	10,000	(10,000)	-	-	-
Saudi Pak Leasing Company	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Term finance certificates	27,547	(27,547)	-	-	-
Eden Housing Limited	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Sukuks	9,844	(9,844)	-	-	-
Shakarganj Foods Limited	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Sukuks	25,079	-	25,079	1.6	1.54



15.1 At the time of purchase, these term finance certificates and sukuks bonds were in compliance with the aforementioned circular. However, they subsequently defaulted or were downgraded to non investment grade.

15.2 The management is taking steps to ensure compliance with the above requirements.

16 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses, including government levies, incurred during the year divided by average net asset value for the year) is 4.24% per annum. Total expense ratio (excluding government levies) is 3.48% per annum.

17 NET ASSET VALUE PER UNIT

The net asset value (NAV) per unit, as disclosed in the condensed interim statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the period / year end.

18 EARNINGS / (LOSS) PER UNIT

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

19 TRANSACTIONS WITH CONNECTED PERSONS

19.1 Connected persons include NBP Fund Management Limited (NBP Funds) 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, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, entities under common management or directorships, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company and unit holders holding 10 percent or more units of the Fund.

19.2 The transactions with connected persons are in the normal course of business, at contracted / agreed rates.

19.3 Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

19.4 Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust of Deed.

19.5 Details of transactions with related parties / connected persons during the period are as follows:

	(Un-audited)	
	December 31, 2020	December 31, 2019
	-----Rupees in 000-----	
NBP Fund Management Limited - Management Company		
Remuneration of NBP Fund Management Limited - Management Company	11,484	10,704
Sindh Sales Tax on remuneration of the Management Company	1,493	1,392
Allocated expenses	905	700
Sales Load	295	771
Selling and Marketing expense	11,484	7,855
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,270	1,202
Sindh Sales Tax on remuneration of Trustee	165	156
CDS charges	61	144



	(Un-audited)	
	December 31, 2020	December 31, 2019
	-----Rupees in 000-----	
Employees of Management Company		
Units redeemed / transferred out 41,773 units (December 31, 2019: 17,269 units)	771	284
Units issued / dividend re - invest 46,157 units (December 31, 2019: 568 units)	848	10
Pakistan Stock Exchange Limited - Common Directorship		
Listing fee paid	25	25
Portfolio managed by Management Company		
Units issued : Nil (December 31, 2019 : 163,569)	-	2,636
Units redeemed : Nil (December 31, 2019 :1,047,940)	-	17,695
Sold T - Bills	73,464	-
Gul Ahmed Textile Mills Limited - Common Directorship		
Shares sold: 242,500 shares (December 31, 2019: Nil)	8,388	-
Fauji Fertilizer Company Limited - Common Directorship		
Purchase of 14,000 shares (December 31, 2019: 204,000 shares)	1,636	19,462
Sold 122,900 shares (December 31, 2019: 152,000 shares)	13,434	14,562
Dividend Income	1,738	3,163
Taurus Securities Limited - Subsidiary of Parent Company		
Brokerage charges	46	34
The Hub Power Company Limited - Common Directorship		
Sales of 77,000 shares (December 31, 2019: 213,500 shares)	6,153	14,633
Purchase of sukuk	-	50,000
Income on sukuk	2,357	3,124
Dividend Income	2,048	-
National Clearing Company of Pakistan Limited - Common Directorship		
NCCPL charges	108	275
National Bank of Pakistan - Parent Company		
Sales of 22,000 shares (December 31, 2019: 62,500 shares)	756	1,908
International Steels Limited - Common Directorship		
Purchase of shares: Nil (December 31, 2019: 124,000 shares)	-	4,605
Sold 98,100 shares (December 31, 2019: 120,000 shares)	6,802	4,775
Dividend income	-	239



19.6 Balances with related parties / connected persons are as follows:	(Un-audited) December 31, 2020	(Audited) June 30, 2020
	-----Rupees in 000-----	
NBP Fund Management Limited - Management Company		
Management remuneration	1,985	1,729
Sindh Sales Tax	258	225
Allocated expenses	527	347
Sales load and sales tax payable	98	58
Selling and Marketing Expense	5,812	4,975
Federal excise duty on sales load	818	818
Marketing and selling expense	5,812	4,975
Federal excise duty on management remuneration	11,587	11,587
Employees of the Management Company		
Units held: 9,644 units (June 30, 2020: 5,260 units)	184	88
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	220	199
Sindh Sales Tax on remuneration of the Trustee	28	26
Settlement charges payable	169	116
Security deposit	100	100
National Bank of Pakistan (Parent of Management company)		
Bank Balance in current account	864	3,700
Shares held : 110,500 (June 30, 2020: 132,500 shares)	4,747	3,664
NBP Employees Pension Fund - Provident Fund of Parent Company		
Units held: 28,090,285 units (June 30, 2020: 28,090,285 units)	534,772	468,875
Karachi Electric Provident Fund - 10% or more holding		
Units held: 34,224,720 units (June 30, 2020: 34,224,720 units)	651,557	571,269
Ronak Iqbal Lakhani - 10% or more holding		
Units held: 8,479,177 (June 30, 2020: 8,479,177 units)	161,423	141,532
Bank Islami Pakistan Limited - Common Directorship		
Bank balance in savings account	225	4
Taurus Securities Limited - Subsidiary of Parent Company		
Brokerage payable	28	2,335
Gul Ahmed Textile Mills Limited - Common Directorship		
Shares held: 249,300 shares (June 30, 2020: 491,800 shares)	9,162	14,080
International Steel Limited - Common Directorship		
Shares held: Nil shares (June 30, 2020: 98,100 shares)	-	5,067
National Clearing Company of Pakistan Limited - Common Directorship		
NCCPL charges payable	61	117
Security deposit	2,750	2,750



	(Un-audited) December 31, 2020	(Audited) June 30, 2020
	-----Rupees in 000-----	
The Hub Power Company Limited - Common Directorship		
Shares held : 511,915 shares (June 30, 2020: 588,922 shares)	40,610	42,697
Sukuk held: 500 units (June 30, 2020: 500 units)	51,124	51,072
Profit receivable	504	-
Fauji Fertilizer Company Limited - Common Directorship		
Shares held : 328,000 shares (June 30, 2020: 436,900 shares)	35,588	48,055

20 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 market prices prevailing on the reporting date. The estimated fair value of all other financial assets and financial liabilities is considered not to be significantly different from respective book values as the items are either short-term in nature or repriced periodically.

20.1 Fair value hierarchy

IFRS 13, 'Fair Value Measurement' requires the Fund to 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:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly ; and
- Level 3: unobservable inputs for the asset or liability.

As at December 31, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

	As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
	----- (Unaudited) -----			
	----- (Rupees in '000) -----			
ASSETS				
Investments - financial assets' at fair value				
- Equity securities - listed	780,160	-	-	780,160
- Term finance certificates - unlisted	-	47,738	-	47,738
- Sukuk bonds	-	76,203	-	76,203
	<u>780,160</u>	<u>123,941</u>	<u>-</u>	<u>904,101</u>



As at June 30, 2020

	Level 1	Level 2	Level 3	Total
	----- (Audited) -----			
	----- (Rupees in '000) -----			
ASSETS				
Investments - financial assets' at fair value				
- Equity securities - listed	716,571	-	-	716,571
- Term deposit receipt	-	62,085	-	62,085
- Term finance certificates - unlisted	-	76,572	-	76,572
	716,571	138,657	-	855,228

21 GENERAL

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

22 RECLASSIFICATION

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison and to reflect the substance of the transactions.

23 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors of the Management Company on February 26, 2021.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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