



NBP FUNDS

Managing Your Savings

AM1

Rated by PACRA

NBP SARMAYA IZAFI 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.**



Contents

FUND'S INFORMATION	03
DIRECTORS' REPORT	05
REPORT OF THE TRUSTEE TO THE UNITHOLDERS	09
INDEPENDENT AUDITORS' REVIEW REPORT TO THE UNITHOLDERS	10
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	11
CONDENSED INTERIM INCOME STATEMENT	12
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	13
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	14
CONDENSED INTERIM CASH FLOW STATEMENT	15
NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION	16



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	Director
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

MCB Bank Limited
Summit Bank Limited
JS Bank Limited
Meezan Bank Limited
Habib Bank Limited
United Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Askari Bank Limited
Habib Metropolitan Bank Limited
Allied Bank Limited
National Bank of Pakistan
Zarai Taraqati Bank Limited
MCB Islamic Bank Limited
Faysal Bank Limited
Soneri Bank Limited
Dubai Islamic Bank Limited
Telenor Microfinance Bank Limited
Bank Islami Pakistan Limited
U Microfinance Bank Limited
The Bank of Punjab
First 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 4, Scheme 5,
Clifton, Karachi 75600, Pakistan.

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 021 (111-111-632),
(Toll Free): 0800-20002,
Fax: (021) 35825329
Website: www.nbpfunds.com

Lahore Office:

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

Islamabad Office:

1st Floor, Ranjha Arcade
Main Double Road, Gulberg Greens,
Islamabad.
UAN: 051-111-111-632
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 Sarmaya Izafa Fund (NSIF)** for the half year ended December 31, 2020.

Fund's Performance

The size of NBP Sarmaya Izafa Fund has increased from Rs. 1,258 million to Rs. 1,579 million during the period, i.e. an increase of 26%. During the period, the unit price of NBP Sarmaya Izafa Fund has increased from Rs. 14.6242 on June 30, 2020 to Rs. 16.7781 on December 31, 2020, thus showing an increase of 14.7%. The Benchmark increase during the same period was 14.5%. Thus, the Fund has outperformed its Benchmark by 0.2% during the period under review. Since inception the NAV of the Fund has increased from Rs. 4.4462 (Ex-Div) on August 20, 2010 to Rs. 16.7781 on December 31, 2020, thus showing an increase of 277.4%. During the said period, the Benchmark increased by 158.3%, translating into outperformance of 119.1%. 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.

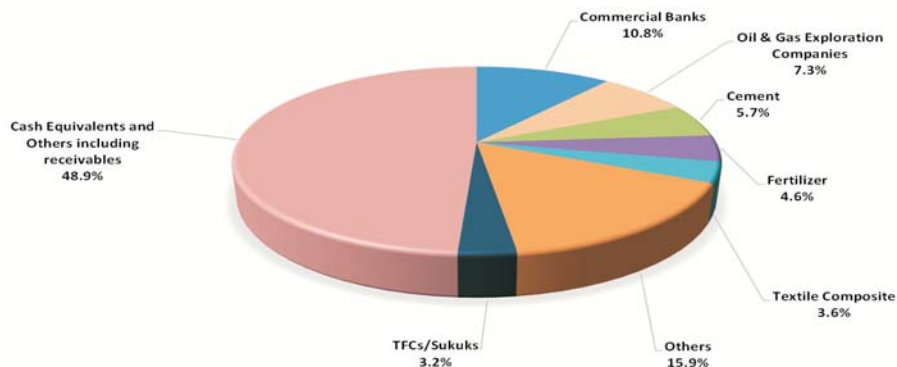
Looking at the sector wise performance of the market, Automobiles, Cable & Elec. Goods, Cements, Engineering, Glass & Ceramics, Paper & Board, Refineries, Technology and Textiles outperformed the market, while Fertilizers, Food & Personal Care, Insurance, Oil & Gas Exploration, Pharmaceuticals, Power 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.

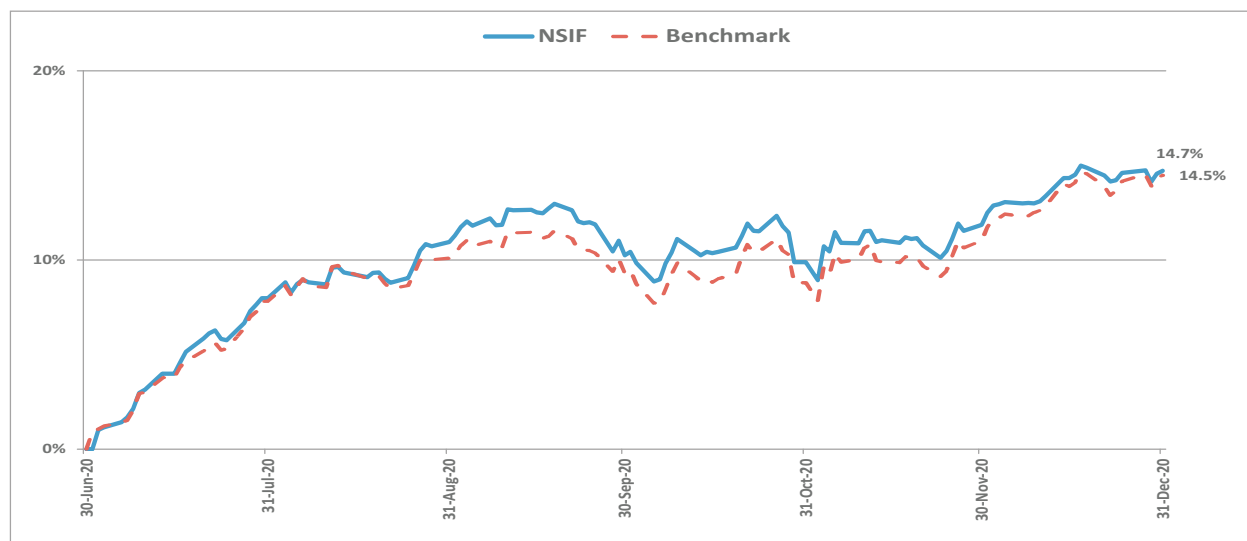
During the period, the SBP realized Rs. 5.1 trillion in thirteen T-Bills auctions. The market interest tilted towards shorter tenors given the market expectation of the bottoming out of the Policy Rate and the likelihood of reversal of monetary easing cycle in the coming months. In the last auction, 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. 213.10 million during the period. After deducting total expenses of Rs. 29.37 million, the net income is Rs. 183.73 million. The asset allocation of the Fund as on December 31, 2020 is as follows:



NSIF 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 میجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2020ء کو ختم ہونے والی ششماہی کے لئے NBP سرمایہ اضافہ فنڈ (NSIF) کے جائزہ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

موجودہ مدت کے دوران NBP سرمایہ اضافہ فنڈ کا سائز 1,258 ملین روپے سے بڑھ کر 1,579 ملین روپے ہو گیا ہے یعنی 26% کا اضافہ ہوا۔ اس مدت کے دوران NBP سرمایہ اضافہ فنڈ کی پونٹ قیمت 30 جون 2020 کو 14.6242 روپے سے بڑھ کر 31 دسمبر 2020ء کو 16.7781 روپے ہو گئی، جو 14.7% کا اضافہ ظاہر کر رہی ہے۔ اسی مدت کے دوران بیچ مارک میں اضافہ 14.5% ہوا۔ چنانچہ زیر جائزہ مدت کے دوران فنڈ کی کارکردگی اپنے بیچ مارک سے 0.2% بہتر رہی۔ اپنے آغاز 20 اگست 2010 سے فنڈ کی NAV 4.4462 روپے (EX-Div) سے بڑھ کر 31 دسمبر 2020ء کو 16.7781 روپے ہو گئی، چنانچہ 277.4% کا اضافہ ہوا۔ اس مدت کے دوران بیچ مارک 158.3% سے بڑھا۔ لہذا فنڈ نے 119.1% سے بہتر کارکردگی دکھائی۔ فنڈ کی یہ کارکردگی بیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

اسٹاک مارکیٹ نے مئی سال 2021 کی پہلی ششماہی کے دوران مضبوط کارکردگی کا ہنردیا 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 مارکیٹ نے تیزی سے بحالی کا مظاہرہ کیا۔ مقامی سطح پر ہونے والی بحالی غیر معمولی مالیاتی اور مالی پالیسی کے رد عمل، لاک ڈاؤن کو بندرتیج اٹھانے، اور موثر دیکسٹیوں 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، سہنت کی تریل، 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 چلی سطح پر پہنچنے کے بعد کاروباری 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 زر نے سالانہ بنیاد پر مئی سال 2021 کی پہلی ششماہی میں 25 فیصد کا نمایاں اضافہ ظاہر کیا ہے۔ نتیجتاً ملک نے مئی سال 2021 کی پہلی ششماہی میں 1.1 ٹریلین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس درج کرایا ہے جبکہ گزشتہ سال کے اسی عرصے میں کرنٹ اکاؤنٹ خسارہ 2.0 ٹریلین 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 پُرکشش قیمتوں نے مارکیٹ کے بڑھنے کو فروغ دیا۔

مارکیٹ کی سیکٹر وائز کارکردگی کے تناظر میں، آٹوموبائل، کیبل اور الیکٹریک کا سامان، سہنت، انجینئرنگ، شیشہ اور سرکس، کاغذ اور بورڈ، ریفاٹریز، میکینا لوجی اور نیٹسٹائل نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا جبکہ کھاد، خوراک اور ذاتی نگہداشت، انشورنس، آئل اینڈ گیس ایکسپلوریشن، دواسازی، بجلی پیداوار تقسیم کرنے، چینی اور ٹرانسپورٹ کے شعبے پیچھے رہے۔ شریک و سرگرمی کے لحاظ سے، زیر جائزہ مدت کے دوران انفرادی سرمایہ کار 159 ملین امریکی ڈالر کی خالص انفلوز کے ساتھ بڑے خریدار رہے۔ اس کے علاوہ کمپنیز 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۔ ایشیائے خورد و نوش کی قیمتوں میں اضافے اور آمد کی 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 عرصے میں بالترتیب 2bps، 13bps، اور 23bps کا اضافہ ہوا۔ قلیل مدتی گورنمنٹ منافع میں یہ اضافہ بنیادی طور پر طلب کے مقابلے رسد کی عکاسی کرتا ہے۔

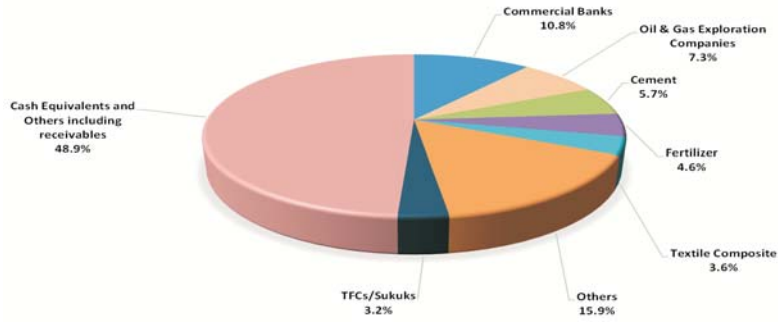
اسٹیٹ بینک آف پاکستان نے اس عرصے کے دوران تیرہ T-Bills کی نیلامی کی، جس میں مجموعی طور پر 5.1 ٹریلین روپے حاصل کئے۔ پالیسی کی شرح کا کم ترین سطح پر پہنچنے کی توقع اور آئندہ مہینوں میں



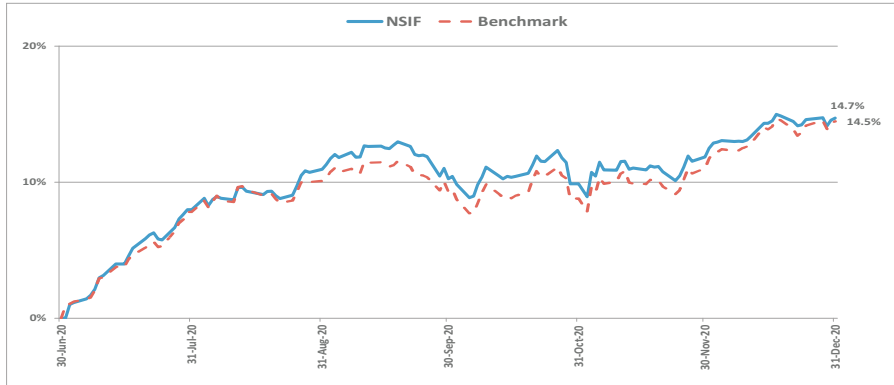
مانیٹری آسانی کے باعث واپسی کے امکان کی وجہ سے مارکیٹ کی دلچسپی مختصر مدت کی سرمایہ کاری کی طرف مائل ہوئی۔ گزشتہ بنیادی میں، T-Bills کی کٹ آف منافع 3 ماہ، 6 ماہ اور 12 ماہ کی مدت کے لئے بالترتیب 7.15 فیصد، 7.20 فیصد اور 7.29 فیصد رہا۔ چھ PIB بنیادوں میں، اسٹیٹ بینک کو مجموعی 292 بلین روپے کی رقم حاصل 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۔

فونڈ نے موجودہ مدت کے دوران 213.10 بلین روپے کی مجموعی آمدنی کمائی ہے۔ 29.37 بلین روپے کے اخراجات متہا کرنے کے بعد خالص آمدنی 183.73 بلین روپے ہے۔

31 دسمبر 2020 کو NBP سرمایہ اضافہ فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



NSIF کی کارکردگی بمقابلہ بیچ مارک (اپنے قیام سے)



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے بینجمنٹ کھنی 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 ٹرسٹی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ بینجمنٹ 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 Sarmaya Izafa 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 Sarmaya Izafa 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 unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year ended December 31, 2020. The Management Company (NBP Fund Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and December 31, 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2020.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed 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 condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The condensed interim financial statements of the Fund for the half year ended December 31, 2019 and the financial statements for the year ended June 30, 2020 were reviewed and audited respectively by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 29, 2020 and September 30, 2020 respectively.

A.F. Ferguson & Co.

Chartered Accountants

Engagement Partner: **Noman Abbas Sheikh**

Dated: **February 26, 2021**

Karachi



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

	(Un-audited) December 31, 2020	(Audited) June 30, 2020
Note	----- Rupees in '000 -----	
ASSETS		
Bank balances	4 839,699	619,145
Investments	5 807,291	701,053
Profit and dividend receivable	4,644	2,869
Receivable against sale of investments	-	2,563
Receivable against transfer of units	1,702	9,587
Deposits, prepayments and other receivables	3,324	3,405
Total assets	1,656,660	1,338,622
LIABILITIES		
Payable to NBP Fund Management Limited - Management Company	6 32,404	31,677
Payable to Central Depository Company of Pakistan Limited - Trustee	233	210
Payable to the Securities and Exchange Commission of Pakistan	7 138	275
Payable against redemption of units	596	13,856
Payable against purchase of investment	19,306	-
Accrued expenses and other liabilities	8 25,389	34,162
Total liabilities	78,066	80,180
NET ASSETS	<u>1,578,594</u>	<u>1,258,442</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	<u>1,578,594</u>	<u>1,258,442</u>
CONTINGENCIES AND COMMITMENTS	9	
	-----Number of units-----	
NUMBER OF UNITS IN ISSUE	<u>94,086,722</u>	<u>86,051,906</u>
	-----Rupees-----	
NET ASSET VALUE PER UNIT	10 <u>16.7781</u>	<u>14.6242</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

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		Quarter ended	
December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019

Note ----- Rupees in '000 -----

INCOME

Profit on bank deposits	7,516	26,304	4,530	6,069
Income on term deposit receipts	-	5,915	-	5,915
Income on corporate sukuk certificates	2,356	3,324	1,147	1,976
Income on government securities	17,181	-	8,695	-
Gain / (loss) on sale of investments - net	32,914	(3,809)	4,748	7,379
Dividend income	12,535	34,020	9,463	19,425
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.4 140,604	181,369	40,517	222,723
Total income	213,106	247,123	69,100	263,487

EXPENSES

Remuneration of NBP Fund Management Limited - Management Company	6.1 10,357	11,080	5,222	5,358
Sindh Sales Tax on remuneration of the Management Company	6.2 1,346	1,440	678	696
Allocated expenses	6.4 816	721	473	357
Selling and marketing expenses	6.5 10,357	8,009	5,222	4,226
Remuneration of Central Depository Company of Pakistan Limited -Trustee	1,195	1,224	601	609
Sindh Sales Tax on remuneration of the Trustee	155	159	78	79
Annual fee to the Securities and Exchange Commission of Pakistan	138	144	70	71
Securities transaction costs	615	795	248	397
Settlement and bank charges	208	546	187	301
Auditors' remuneration	276	430	78	240
Legal and professional charges	37	61	19	46
Fund rating fee	101	111	50	60
Annual listing fee	7	14	-	7
Printing charges	18	25	9	13
Total expenses	25,626	24,759	12,935	12,460

Net income from operating activities	187,480	222,364	56,165	251,027
Provision for Sindh Workers' Welfare Fund	(3,750)	(4,447)	(1,124)	-

Net income for the period before taxation	183,730	217,917	55,041	251,027
Taxation	11 -	-	-	-

Net income for the period after taxation	183,730	217,917	55,041	251,027
---	---------	---------	--------	---------

Allocation of net income for the period

Net income for the period after taxation	183,730	217,917	55,041	251,027
Income already paid on units redeemed	(22,526)	(18,451)	(7,838)	-
	161,204	199,466	47,203	251,027

Accounting income available for distribution

- Relating to capital gains	161,204	164,018	47,203	230,102
- Excluding capital gains	-	35,448	-	20,925
	161,204	199,466	47,203	251,027

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020

	Half year ended		Quarter ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	----- Rupees in '000 -----			
Net income for the period after taxation	183,730	217,917	55,041	251,027
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>183,730</u>	<u>217,917</u>	<u>55,041</u>	<u>251,027</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

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

	Half year ended December 31, 2020			Half year ended December 31, 2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at the beginning of the period (audited)	689,515	568,927	1,258,442	1,217,096	552,301	1,769,397
Issue of 30,566,935 units (2019: 7,309,866 units)						
- Capital value (at net asset value per unit at the beginning of the period)	447,017	-	447,017	105,717	-	105,717
- Element of income	53,190	-	53,190	10,207	-	10,207
Total proceeds on issue of units	500,207	-	500,207	115,924	-	115,924
Redemption 22,532,119 of units (2019: 45,249,535 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(329,514)		(329,514)	(654,412)	-	(654,412)
- Element of (loss) / (income)	(11,745)	(22,526)	(34,271)	5,964	(18,451)	(12,487)
Total payments on redemption of units	(341,259)	(22,526)	(363,785)	(648,448)	(18,451)	(666,899)
Total comprehensive income for the period	-	183,730	183,730	-	217,917	217,917
Net assets at end of the period	848,463	730,131	1,578,594	684,572	751,767	1,436,339
Undistributed income brought forward						
- Realised		560,107			753,682	
- Unrealised		8,820			(201,381)	
		<u>568,927</u>			<u>552,301</u>	
Accounting income available for distribution						
- Relating to capital gain		161,204			164,018	
- Excluding capital gains		-			35,448	
		<u>161,204</u>			<u>199,466</u>	
Undistributed income carried forward						
- Realised		589,527			570,398	
- Unrealised		140,604			181,369	
		<u>730,131</u>			<u>751,767</u>	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		<u>14.6242</u>			<u>14.4623</u>	
Net assets value per unit at end of the period		<u>16.7781</u>			<u>17.0171</u>	

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

**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

	Half year ended	
	December 31, 2020	December 31, 2019
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	183,730	217,917
Adjustments:		
Profit on bank deposits	(7,516)	(26,304)
Income on corporate sukuk certificates	(2,356)	(5,915)
Income on government securities	(17,181)	(3,324)
Dividend income	(12,535)	(34,020)
Provision against Sindh Workers' Welfare Fund	3,750	4,447
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	(140,604)	(181,369)
	(176,442)	(246,485)
Decrease in assets		
Investments - net	56,235	357,604
Deposits, prepayments and other receivables	81	98
	56,316	357,702
Increase / (decrease) in liabilities		
Payable to NBP Fund Management Limited - Management Company	727	(1,742)
Payable to Central Depository Company of Pakistan Limited - Trustee	23	(46)
Payable to the Securities and Exchange Commission of Pakistan	(137)	(2,407)
Accrued expenses and other liabilities	(12,523)	591
	(11,910)	(3,604)
Profit received on bank deposits, corporate sukuk certificates and government securities	25,798	37,039
Dividend received	12,015	34,020
	37,813	71,059
Net cash generated from operating activities	89,507	396,589
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issuance of units	508,092	110,924
Amounts paid against redemption of units	(377,045)	(666,787)
Net cash generated from / used in financing activities	131,047	(555,863)
Net Increase / (decrease) in cash and cash equivalents during the period	220,554	(159,274)
Cash and cash equivalents at the beginning of the period	619,145	526,947
Cash and cash equivalents at the end of the period	4 839,699	367,673

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

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

NBP Sarmaya Izafa Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 29, 2014 and was approved by Securities and Exchange Commission of Pakistan (SECP) on July 14, 2010.

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

The Fund has been categorised as an open ended asset allocation scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from August 20, 2010 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to generate income by investing in debt and money market securities and to generate capital appreciation by investing in equity and equity related securities. The Fund also undertakes transactions under margin trading system.

The Pakistan Credit Rating Agency (PACRA) has determined the asset manager rating of the Management Company of AM1 (2019: AM1 on December 24, 2019) on June 24, 2020. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, PACRA has maintained the stability rating of "3-Star" to the Fund dated August 28, 2020 (2019: "3-Star" dated February 28, 2020).

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

1.1 Impact of COVID-19

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 half year ended December 31, 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 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 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 Regulation) Rules, 2003 (the NBFC Rules), 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 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.

2.1.2 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.

2.1.3 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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGEMENTS AND CHANGES THEREIN

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, 2020.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting



standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. 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 these 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 in the audited annual financial statements as at and for the year ended June 30, 2020. 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, 2020.

3.3 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are effective in the current period:

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are not yet effective:

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2021. However, these will not have any significant effects on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

		(Un-audited) December 31, 2020	(Audited) June 30, 2020
4	BANK BALANCES		
		-----Rupees in '000-----	
	- Savings accounts	4.1 835,650	607,955
	- Current accounts	4.2 4,049	11,190
		<u>839,699</u>	<u>619,145</u>

4.1 This includes a balance of Rs 3.496 million (June 30, 2020: Rs 0.465 million), Rs 0.003 million (June 30, 2020: Nil) and Rs 0.383 million (June 30, 2020: Nil) maintained with Bank Islami Pakistan Limited, Telenor Microfinance Bank Limited and Khushhali Bank Limited (related parties) respectively that carries profit at the rate of 7% (June 30, 2020: 6.75%) per annum, 7% (June 30, 2020: Nil) per annum and 9.8% (June 30, 2020: Nil) per annum respectively. Other savings accounts of the Fund carry profit at the rate ranging from 6.25% to 7% per annum (June 30, 2020: 6.50% to 15.30% per annum).

4.2 These include a balance of Rs. 1.563 million (June 30, 2020: Rs. 8.866 million), maintained with National Bank of Pakistan (related party).

		(Un-audited) December 31, 2020	(Audited) June 30, 2020
5	INVESTMENTS		
		-----Rupees in '000-----	
	At fair value through profit or loss		
	Listed equity securities	5.1 756,167	649,981
	Government securities - Market Treasury Bills	5.2 -	-
	Corporate sukuk certificates	5.3 51,124	51,072
		<u>807,291</u>	<u>701,053</u>



5.1 Listed equity securities

Shares of listed companies - fully paid up ordinary shares with a face value of Rs 10 each unless otherwise stated .

Name of the investee company	Number of shares held					Market value as at December 31, 2020	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2020	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at December 31, 2020		Total market value of Investments	Net assets of the Fund	
----- % -----									
OIL AND GAS MARKETING COMPANIES									
Pakistan State Oil Company Limited	58,008	51,300	-	3,600	105,708	22,759	2.82%	1.44%	0.02%
Hascol Petroleum Limited***	1,861	-	-	-	1,861	27	-	-	-
Attock Petroleum Limited	15,400	-	-	2,000	13,400	4,484	0.56%	0.28%	0.01%
Sui Northern Gas Pipelines Limited	75,700	-	-	70,500	5,200	231	0.03%	0.01%	-
						27,501	3.41%	1.73%	
OIL AND GAS EXPLORATION COMPANIES									
Oil & Gas Development Company Limited	239,400	91,000	-	67,100	263,300	27,323	3.38%	1.73%	0.01%
Pakistan Oilfields Limited	13,120	20,800	-	3,300	30,620	12,107	1.50%	0.77%	0.01%
Pakistan Petroleum Limited	323,569	53,700	-	40,600	336,669	30,411	3.77%	1.93%	0.01%
Mari Petroleum Company Limited	34,790	-	-	1,500	33,290	44,603	5.53%	2.83%	0.02%
						114,444	14.18%	7.26%	
FERTILIZER									
Engro Corporation Limited	97,070	31,500	-	19,100	109,470	33,647	4.17%	2.13%	0.02%
Fauji Fertilizer Bin Qasim Limited	173,500	-	-	173,500	-	-	-	-	-
Engro Fertilizers Limited	153,000	23,000	-	62,000	114,000	7,208	0.89%	0.46%	0.01%
Fauji Fertilizer Company Limited - a related party	364,500	42,000	-	119,500	287,000	31,139	3.86%	1.97%	0.02%
						71,994	8.92%	4.56%	
ENGINEERING									
Mughal Iron and Steel Industries Limited	477,500	42,000	-	326,500	193,000	14,616	1.81%	0.93%	0.08%
International Steels Limited - a related party	85,300	-	-	85,300	-	-	-	-	-
Agha Steel Industries Limited	-	480,000	-	-	480,000	18,917	2.34%	1.20%	0.08%
						33,533	4.15%	2.13%	
CEMENT									
Kohat Cement Company Limited	127,950	-	-	15,000	112,950	24,763	3.07%	1.57%	0.06%
Fauji Cement Company Limited	400,500	-	-	103,000	297,500	6,447	0.80%	0.41%	0.02%
Maple Leaf Cement Factory Limited	-	122,500	-	-	122,500	5,514	0.68%	0.35%	0.01%
D.G. Khan Cement Company Limited	42,000	13,500	-	12,500	43,000	4,927	0.61%	0.31%	0.01%
Lucky Cement Limited	93,300	9,500	-	33,600	69,200	48,169	5.97%	3.05%	0.02%
						89,820	11.13%	5.69%	
PAPER & BOARD									
Packages Limited	14,000	-	-	6,400	7,600	4,537	0.56%	0.29%	0.01%
Century Paper & Board Mills Limited	198,500	-	21,900	89,000	131,400	16,445	2.04%	1.04%	0.07%
Roshan Packages Limited	-	105,000	-	10,000	95,000	4,037	0.50%	0.26%	0.07%
Cherat Packaging Limited	75,389	-	-	75,389	-	-	-	-	-
						25,019	3.10%	1.59%	



Name of the investee company	Number of shares held					Market value as at December 31, 2020	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2020	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at December 31, 2020		Total market value of Investments	Net assets of the Fund	
----- % -----									
AUTOMOBILE ASSEMBLER									
Millat Tractors Limited	15,900	2,450	-	1,550	16,800	18,381	2.28%	1.16%	0.03%
Honda Atlas Cars (Pakistan) Limited	35,100	-	-	35,100	-	-	-	-	-
Indus Motor Company Limited	969	-	-	-	969	1,161	0.14%	0.07%	-
						19,542	2.42%	1.23%	
TECHNOLOGY & COMMUNICATION									
Systems Limited	94,250	-	-	32,500	61,750	25,887	3.21%	1.64%	0.05%
NetSol Technologies Limite	84,500	-	-	84,500	-	-	-	-	-
TPL Trakker Limited	-	333,500	-	-	333,500	3,385	0.42%	0.21%	0.18%
						29,272	3.63%	1.85%	
TEXTILE COMPOSITE									
Nishat Mills Limited	180,000	59,000	-	33,500	205,500	20,914	2.59%	1.32%	0.06%
Interloop Limited	162,177	33,000	-	26,000	169,177	11,516	1.43%	0.73%	0.02%
Kohinoor Textile Mills Limited	246,194	-	-	65,500	180,694	12,327	1.53%	0.78%	0.06%
Gul Ahmed Textile Mills Limited - a related party	438,560	-	-	225,000	213,560	7,848	0.97%	0.50%	0.05%
Nishat (Chunian) Limited	65,500	35,500	-	16,500	84,500	3,557	0.44%	0.23%	0.04%
						56,162	6.96%	3.56%	
PHARMACEUTICALS									
The Searle Company Limited	9,415	30,900	7,158	6,000	41,473	10,336	1.28%	0.65%	0.02%
AGP Limited	10,000	44,000	-	-	54,000	6,150	0.76%	0.39%	0.02%
Highnoon Laboratories Limited	8,954	3,800	-	4,500	8,254	4,951	0.61%	0.31%	0.02%
						21,437	2.65%	1.35%	
POWER GENERATION & DISTRIBUTION									
The Hub Power Company Limited - a related party	572,687	-	-	102,600	470,087	37,291	4.62%	2.36%	0.04%
Lalpir Power Limited	756,000	-	-	420,000	336,000	4,308	0.53%	0.27%	0.09%
K-Electric Limited**	625,000	-	-	625,000	-	-	-	-	-
Pakgen Power Limited	274,500	-	-	74,000	200,500	3,950	0.49%	0.25%	0.05%
Saif Power Limited	93,000	-	-	-	93,000	1,350	0.17%	0.09%	0.02%
						46,899	5.81%	2.97%	
COMMERCIAL BANKS									
Allied Bank Limited***	37,200	-	-	-	37,200	3,176	0.39%	0.20%	-
Bank Al-Falah Limited	872,450	21,000	-	-	893,450	31,566	3.91%	2.00%	0.05%
Bank of Punjab	369,500	-	-	369,500	-	-	-	-	-
Bank Al Habib Limited	438,150	-	-	21,500	416,650	28,999	3.59%	1.84%	0.04%
Faysal Bank Limited	46,145	-	-	-	46,145	797	0.10%	0.05%	-
Habib Bank Limited	350,567	68,700	-	-	419,267	55,461	6.87%	3.51%	0.03%
MCB Bank Limited	150,700	-	-	57,900	92,800	17,194	2.13%	1.09%	0.01%
National Bank of Pakistan - a related party	102,500	-	-	39,000	63,500	2,728	0.34%	0.17%	-
United Bank Limited	193,803	44,500	-	-	238,303	29,992	3.72%	1.90%	0.02%
						169,913	21.05%	10.76%	



Name of the investee company	Number of shares held					Market value as at December 31, 2020	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2020	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at December 31, 2020		Total market value of Investments	Net assets of the Fund	
----- % -----									
CHEMICAL									
Engro Polymer & Chemicals Limited	684,857	16,000	-	154,000	546,857	25,982	3.22%	1.65%	0.06%
Lotte Chemical Pakistan Limited	-	473,000	-	-	473,000	7,124	0.88%	0.45%	0.05%
						33,106	4.10%	2.10%	
GLASS AND CERAMICS									
Tariq Glass Industries Limited	214,200	-	-	74,500	139,700	12,263	1.52%	0.78%	0.13%
						12,263	1.52%	0.78%	
INSURANCE									
Adamjee Insurance Company Limited	154,000	-	-	68,000	86,000	3,382	0.42%	0.21%	0.02%
						3,382	0.42%	0.21%	
AUTOMOBILE PARTS & ACCESSORIES									
Baluchistan Wheels Limited	7,500	-	-	-	7,500	659	0.08%	0.04%	0.06%
						659	0.08%	0.04%	
FOOD & PERSONAL CARE PRODUCTS									
Matco Foods Limited	1,250	-	-	1,250	-	-	-	-	-
						-	-	-	
MISCELLANEOUS									
Synthetic Products Enterprises Limited	28,080	-	1,264	1,264	28,080	1,221	0.15%	0.08%	0.03%
						1,221	0.15%	0.08%	
Total - December 31, 2020						<u>756,167</u>	<u>93.68%</u>	<u>47.89%</u>	
Carrying value as at December 31, 2020						<u>615,615</u>			
Market value as at June 30, 2020						<u>649,981</u>			
Carrying value as at June 30, 2020						<u>641,161</u>			

* ordinary shares with a face value of Rs 5 each.

** ordinary shares with a face value of Rs 3.5 each.

*** Nil figure due to rounding off difference.

5.1.1 Investments include shares with a market value of Rs 34.868 million (June 30, 2020: Rs. 32.391 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 SECP.



5.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance, 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld 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 bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

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

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, 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 year ended June 30, 2019. During the year ended June 30, 2020, CISs filed a fresh constitutional petition via CP 4653 dated July 11, 2019 in the Honourable High Court of Sindh. In this regard, on July 15, 2019, the Honourable High Court of Sindh had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Fund in lieu of its 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 favour of CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 which required 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 period were not withheld by the investee companies.

As at December 31, 2020, the following bonus shares of the Fund have been withheld at the time of declaration of bonus shares:

Name of the investee company	(Un-audited)		(Audited)	
	December 31, 2020		June 30, 2020	
	Bonus shares		Bonus shares	
	Number of shares	Market value	Number of shares	Market value
	(Rupees in 000)		(Rupees in 000)	
Faysal Bank Limited	46,145	797	46,145	643
Hascol Petroleum Limited	1,861	27	1,861	25
Kohinoor Textile Mills Limited	5,348	365	5,348	190
Pakistan State Oil Company Limited	1,999	430	1,999	316
	<u>55,353</u>	<u>1,619</u>	<u>55,353</u>	<u>1,174</u>



5.2 Government securities - Market Treasury Bills

Issue date	Tenor in months	Face value				Market value as at December 31, 2020	Market value as a percentage of		
		As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at December 31, 2020		total investments of the Fund	net assets of the Fund	
						(Rupees in 000)		(%)	
July 18, 2019	12	-	500,000	500,000	-	-	-	-	-
July 16, 2020	12	-	100,000	100,000	-	-	-	-	-
July 16, 2020	3	-	450,000	450,000	-	-	-	-	-
July 16, 2020	6	-	75,000	75,000	-	-	-	-	-
August 29, 2019	12	-	100,000	100,000	-	-	-	-	-
April 23, 2020	6	-	525,000	525,000	-	-	-	-	-
October 22, 2020	3	-	250,000	250,000	-	-	-	-	-
May 7, 2020	6	-	325,000	325,000	-	-	-	-	-
November 5, 2020	3	-	250,000	250,000	-	-	-	-	-
August 27, 2020	3	-	75,000	75,000	-	-	-	-	-
November 19, 2020	3	-	100,000	100,000	-	-	-	-	-
Total		-	2,750,000	2,750,000	-	-	-	-	-

Carrying value as at December 31, 2020

-

Market value as at June 30, 2020

-

Carrying value as at June 30, 2020

-

5.3 Corporate sukuk certificates

All term finance certificates have a face value of Rs. 100,000 each unless stated otherwise.

Name of the security	Security rating	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2020	Purchases during the period	Matured / disposed off during the period	As at December 31, 2020	Market value as at December 31, 2020	Percentage in relation to			
										Total market value of the investment	Net assets of the Fund		
									(Rupees in 000)		%		
										Number of certificates			

POWER GENERATION AND DISTRIBUTION

Hub Power Company Limited (traded) (related party) (Face value of Rs. 100,000 per certificate)	AA+, PACRA	Quarterly	August 22, 2023	03 Months KIBOR plus base rate of 1.9%	500	-	-	500	51,124	6.33%	3.24%
--	---------------	-----------	--------------------	--	-----	---	---	-----	--------	-------	-------

Total

51,124 6.33% 3.24%

Carrying value as at December 31, 2020

51,072

Market value as at June 30, 2020

51,072

Carrying value as at June 30, 2020

52,144



		(Un-audited) December 31, 2020	(Audited) June 30, 2020
------(Rupees in '000)-----			
5.4	Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	Note	
	Market value of investments	5.1, 5.2 & 5.3 807,291	701,053
	Less: carrying value of investments	5.1, 5.2 & 5.3 666,687	693,305
		<u>140,604</u>	<u>7,748</u>
6	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY		
	Remuneration of the Management Company	6.1 1,818	1,556
	Sindh Sales Tax on remuneration of the Management Company	6.2 236	202
	Federal excise duty on remuneration of the Management Company	6.3 16,000	16,000
	Federal excise duty on sales load	6.3 3,733	3,733
	Allocated expenses payable	6.4 474	309
	Selling and marketing expenses payable	6.5 5,222	4,440
	Sales load and transfer load payable	4,352	4,811
	Sindh Sales Tax on sales load payable	566	626
	Other payable	3	-
		<u>32,404</u>	<u>31,677</u>

6.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration under the following rates:

Rate applicable from July 1, 2020 to December 31, 2020	Rate applicable from July 1, 2019 to July 11, 2019	Rate applicable from July 12, 2019 to June 30, 2020
1.5% of average daily net assets	0.4% of average daily net assets	1.15% of average daily net assets

The remuneration is payable to the Management Company in arrears.

6.2 During the period, an amount of Rs. 1.346 million (2019: Rs. 1.44 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 @ 13% (2019: 13%).

6.3 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 sales 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 Honourable 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 Honourable 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 till June 30, 2016 amounting to Rs 19.733 million (June 30, 2020: Rs 19.733 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 Re. 0.21 (June 30, 2020: Re. 0.23) per unit.

- 6.4** In accordance with Regulation 60 of the NBFC Regulations, an asset management company is entitled to charge fees and expenses for registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Until June 19, 2019 there was a maximum cap of 0.1% per annum of the average annual net assets of the scheme or actual whichever is less, for allocation of such expenses to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 has removed the maximum cap of 0.1%.

Accordingly, the Management Company based on its discretion has charged accounting and operational charges under the following rates:

Rate applicable from July 1, 2020 to October 26, 2020	Rate applicable from October 27, 2020 to December 31, 2020	Rate applicable from July 1, 2019 to June 30, 2020
0.1% of average annual net assets	0.15% of average annual net assets	0.1% of average annual net assets

- 6.5** The SECP has allowed the asset management companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019) subject to maximum cap of 0.4% per annum of the average annual net assets of the Fund or actual expenses whichever is lower.

During the year ended June 30, 2020, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% had been removed and an asset management company was required to set a maximum limit for charging of such expenses to the Fund and the same has to be approved by the Board of Directors of the Management Company as part of an annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

Accordingly, the Management Company has currently charged selling and marketing expenses at following rates:

Rate applicable from July 1, 2020 to December 31, 2020	Rate applicable from July 1, 2019 to July 11, 2019	Rate applicable from July 12, 2019 to June 30, 2020
1.5% of average daily net assets	0.4% of average daily net assets	1.15% of average daily net assets



		(Un-audited) December 31, 2020	(Audited) June 30, 2020
7	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	----- (Rupees in 000) -----
	Annual fee payable	7.1	<u>138</u> <u>275</u>

7.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

As per the guideline issued by the SECP vide its SRO No. 685(I)/2019 dated June 28, 2019, the Fund has charged the SECP fee at the rate of 0.02% (June 30, 2020: 0.02%) of average annual net assets of the Fund.

		(Un-audited) December 31, 2020	(Audited) June 30, 2020
8	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	-----Rupees in '000-----
	Auditors' remuneration payable		358 581
	Provision for Sindh Workers' Welfare Fund	8.1	24,245 20,495
	Brokerage charges payable		215 769
	Settlement charges payable		240 258
	Withholding tax payable		80 11,569
	Capital gain tax payable		96 12
	Legal and professional charges payable		28 99
	Printing charges payable		33 85
	Others		94 294
			<u>25,389</u> <u>34,162</u>

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that, as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014.

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period ended December 31, 2020, the net asset value per unit of the Fund as at December 31, 2020 would have been higher by Re 0.26 (June 20, 2020: Re. 0.24) per unit.

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2020 and June 30, 2020.

10 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.

11 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2021 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these condensed interim financial statements during the period.

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

12 EARNINGS PER UNIT

Earnings 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.

13 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 4.25% (December 31, 2019: 4.06%) which includes 0.78% (December 31, 2019: 0.86%) representing Government Levy, Sindh Worker's Welfare Fund and the SECP Fee. The prescribed limit for the ratio is 4.5% (December 31, 2019: 4.5%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "open ended asset allocation" scheme.

14 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

14.1 Connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

14.2 Transactions with connected persons / related parties are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments. The transactions with connected persons / related parties are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

14.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

14.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

14.5 Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.



14.6 The details of transactions with related parties / connected persons during the period are as follows:

	----- (Un-audited) -----	
	Half year ended	
	December 31, 2020	December 31, 2019
	----- Rupees in '000 -----	
NBP Fund Management Limited - the Management Company		
Remuneration of the Management Company	10,357	11,080
Sindh Sales Tax on remuneration of the Management Company	1,346	1,440
Allocated expenses	816	721
Selling and marketing expenses	10,357	8,009
Sales load and Sindh Sales Tax on sales load	7,020	1,256
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	1,195	1,224
Sindh Sales Tax on remuneration of the Trustee	155	159
Settlement charges	92	39
National Bank of Pakistan - Parent Company		
Shares sold: 39,000 shares (2019: Nil shares)	1,366	-
National Clearing Company of Pakistan - common directorship		
NCCPL Charges	42	334
Pakistan Stock Exchange - common directorship		
Listing fee	25	14
Employees of the Management Company		
Units issued / transferred in: 403,651 units (2019: 72,174 units)	6,553	1,202
Units redeemed / transferred out: 228,240 units (2019: 97,963 units)	3,662	1,608
Portfolios managed by the Management Company		
Units issued / transferred in: 6,364,026 units (2019: Nil)	106,068	-
Units redeemed / transferred out: Nil units (2019: 1,600,563 units)	-	24,320
Market treasury bills sold	73,464	-
International Steels Limited - common directorship		
Shares purchased: Nil shares (2019: 100,000 shares)	-	3,987
Shares sold: 85,300 shares (2019: 187,000 shares)	5,963	7,492
Dividend income	-	219
Gul Ahmed Textile Mills Limited - common directorship		
Shares sold: 225,000 shares (2019: 478,500 shares)	7,747	20,144
Dividend income	-	1,185
Fauji Fertilizer Company Limited - common directorship		
Shares purchased: 42,000 shares (2019: 37,000 shares)	4,616	3,599
Shares sold: 119,500 shares (2019: 276,500 shares)	12,939	26,480
Dividend income	1,498	1,932
The Hub Power Company Limited - common directorship		
Shares purchased: Nil shares (2019: 80,000 shares)	-	5,275
Shares sold: 102,600 shares (2019: 93,000 shares)	8,153	6,886
Sukuk certificates purchased: 8,150 units (2019: 8,150 certificates)	-	50,450
Profit on sukuk certificates	2,356	-
Dividend income	1,880	-

----- (Un-audited) -----
 Half year ended
December 31, 2020 **December 31, 2019**
 ----- Rupees in '000 -----

Telenor Microfinance Bank Limited - common directorship*

Profit on bank balance 24 -

Khushhali Bank Limited - common directorship*

Profit on bank balance 24 -

Taurus Securities Limited - Subsidiary of Parent of the Management Company

Brokerage paid 46 50

* Prior period figures have not been presented as the person was not a related party / connected person as at June 30, 2020 and December 31, 2019.

December 31, 2020 **June 30, 2020**

14.7 Amounts outstanding as at period / year end are as follows:

----- Rupees in '000 -----

NBP Fund Management Limited - Management Company

Remuneration of the Management Company	1,818	1,556
Sindh Sales Tax on remuneration of the Management Company	236	202
Federal excise duty on sales load	3,733	3,733
Federal excise duty on remuneration of the Management Company	16,000	16,000
Allocated expenses payable	474	309
Selling and marketing expenses	5,222	4,440
Sales and transfer load payable	4,352	4,811
Sindh Sales Tax on sales load payable	566	626
Other payable	3	-

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	206	186
Sindh sales tax on remuneration of the Trustee	27	24
CDS charges	217	133
Security deposit	100	100

***National Clearing Company of Pakistan (Common directorship)**

Security deposit	2,750	2,750
NCCPL charges payable	23	125

National Bank of Pakistan Parent company

Bank balance	1,563	8,866
Shares held: 63,500 shares (June 30, 2020: 102,500 shares)	2,728	2,834

International Steels Limited (Common Directorship)

Shares held: Nil shares (June 30, 2020: 85,300 shares)	-	4,406
--	---	-------

Gul Ahmed Textile Mills Limited (Common Directorship)

Shares held: 213,560 shares (June 30, 2020: 438,560 shares)	7,848	12,556
---	-------	--------



	December 31, 2020	June 30, 2020
	----- Rupees in '000 -----	
Fauji Fertilizer Company Limited (Common Directorship)		
Shares held: 287,000 (June 30, 2020: 364,500 shares)	31,139	40,091
Hub Power Company Limited (Common Directorship)		
Ordinary shares held: 470,087 (June 30, 2020: 572,687) shares	37,291	41,520
Mark-up accrued on sukuks	504	550
Sukuks held	51,124	51,072
BankIslami Pakistan Limited (Common Directorship)		
Bank balances	3,496	465
Mark-up accrued on bank balances	26	7
Employees of the Management Company		
Investment held in the Fund: 200,225 units (June 30, 2020: 24,814 units)	3,359	363
Taurus Securities Limited (Subsidiary of Parent of the Management Company)		
Brokerage payable	38	-
Portfolios managed by the Management Company		
Units held: 7,629,398 (June 30, 2020: 1,265,372) units	128,007	18,506
Ronak Iqbal Lakhani - unit holder with more than 10% holding		
Units held: 9,623,809 (June 30, 2020: 9,623,809) units	161,469	140,741
Telenor Microfinance Bank Limited - common directorship*		
Bank balances - savings account	3	-
Profit receivable on bank balances	25	-
Khushhali Bank Limited - common directorship*		
Bank balances - savings account	383	-
Profit receivable on bank balances	47	-

* Prior period figures have not been presented as the person was not a related party / connected person as at June 30, 2020 and December 31, 2019.

** Current period figures have not been presented as the person is not a related party / connected person as at December 31, 2020.

15 FAIR VALUE MEASUREMENT

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 tradeable 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 the respective book values as the items are either short-term in nature or repriced periodically.



15.1 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).

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

----- Un-audited -----				
----- As at December 31, 2020 -----				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000-----				
At fair value through profit or loss				
Listed equity securities	756,167	-	-	756,167
Government Securities - Market Treasury Bills	-	-	-	-
Corporate sukuk certificates	-	51,124	-	51,124
	<u>756,167</u>	<u>51,124</u>	<u>-</u>	<u>807,291</u>
----- Audited -----				
----- As at June 30, 2020 -----				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000-----				
At fair value through profit or loss				
Listed equity securities	649,981	-	-	649,981
Government securities - Market Treasury Bills	-	-	-	-
Corporate sukuk certificates	-	51,072	-	51,072
	<u>649,981</u>	<u>51,072</u>	<u>-</u>	<u>701,053</u>

16 GENERAL

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

16.2 Corresponding figures have been reclassified wherever necessary.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised 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

7th Floor, Clifton Diamond Building, Block No.4,
Scheme No.5, Clifton, Karachi.

UAN: 021-111-111-632

Toll Free: 0800-20002

Sms: INVEST to 9995

Fax: 021-35825335

Email: info@nbpffunds.com

Website: www.nbpffunds.com

 /nbpffunds