



NBP FUNDS

Managing Your Savings

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NBP STOCK 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 Shahra-e-Faisal, Karachi.

Bankers to the Fund

MCB Bank Limited
MCB Islamic 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
Samba Bank Limited
Zarai Taraqiati Bank Limited
Faysal Bank Limited
Soneri Bank Limited
The Bank of Punjab
Albaraka Bank of Pakistan
Silk Bank Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
U Microfinance Bank Limited
Telenor Microfinance Bank Limited
Khushhali Microfinance Bank Limited
The First Microfinance Bank Limited
Mobilink Microfinance Bank Limited

Auditors

KPMG Taseer Hadi & Co.
Sheikh Sultan Trust Buildings,
Ground No. 2 Shaheed Chaudary Aslam Rd,
Civil Lines, Karachi, 75530

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 Stock Fund (NSF)** for the half year ended December 31, 2020.

Fund's Performance

The size of NBP Stock Fund has increased from Rs. 13,702 million to Rs. 18,120 million during the period, i.e., an increase of 32%. During the period, the unit price of NBP Stock Fund (NSF) has increased from Rs. 11.9682 on June 30, 2020 to Rs. 15.2704 on December 31, 2020, thus showing an increase of 27.6%. The Benchmark for the same period increase by 25.5%. Thus, the Fund has outperformed its Benchmark by 2.1% during the period under review. Since inception the NAV of the Fund has increased from Rs. 2.7226 (Ex-Div) on January 19, 2007 to Rs 15.2704 on December 31, 2020, thus showing an increase of 460.9%. During the said period, the Benchmark increased by 104.5%, translating into outperformance of 356.4%. This performance is net of management fee and all other expenses.

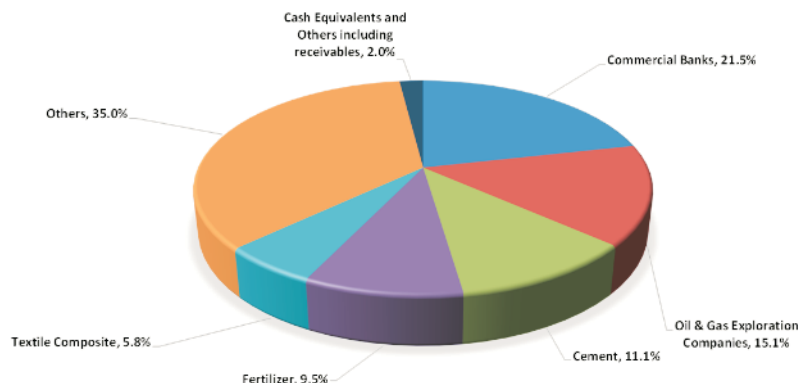
During 1HFY2021, riding on the positive momentum, the stock market delivered robust returns as the benchmark KSE-100 Index surged by around 27%. To recall, the market staged a sharp recovery after Coronavirus-induced sell-off of equities in March 2020. The rally at the local bourse is attributable to 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.

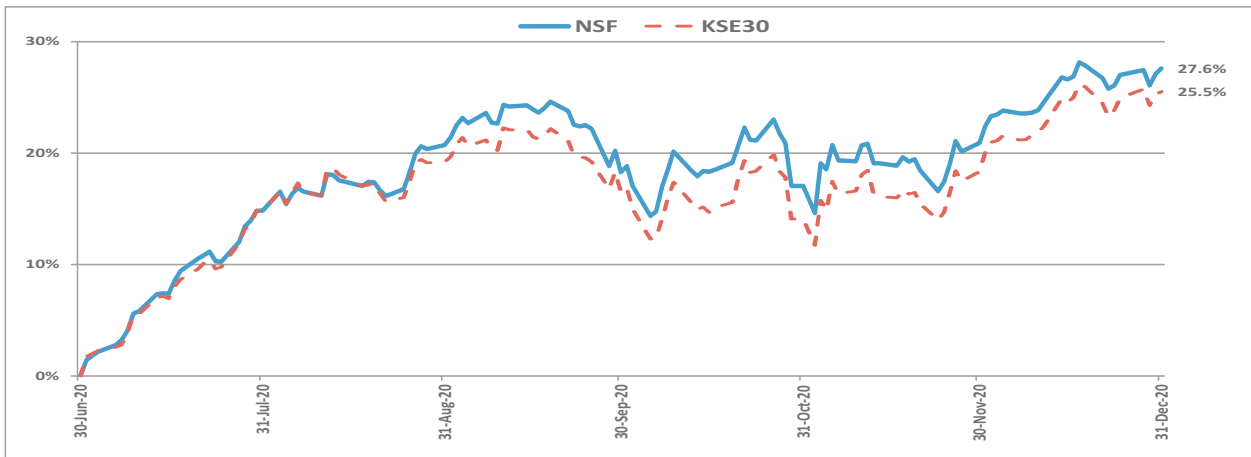
The Fund has earned a total income of Rs. 4,198.76 million during the period. After deducting total expenses of Rs. 393.98 million, the net income is Rs. 3,804.78 million.

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





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

فنڈ کی کارکردگی

اس مدت کے دوران NBP اسٹاک فنڈ (NSF) کا سائز 13,702 ملین روپے سے بڑھ کر 18,120 ملین روپے ہو گیا ہے، یعنی 32% کا اضافہ ہوا۔ اس مدت کے دوران NBP اسٹاک فنڈ (NSF) کے یونٹ کی قیمت 30 جون 2020 کو 11.9682 روپے سے بڑھ کر 31 دسمبر 2020ء کو 15.2704 روپے تک پہنچ چکی ہے، لہذا 27.6% کا اضافہ ہوا۔ اسی مدت کے دوران بیچ مارک 25.5% سے بڑھا۔ لہذا فنڈ نے زیر جائزہ مدت کے دوران اپنے بیچ مارک سے 2.1% کی بہتر کارکردگی کا مظاہرہ کیا۔ اپنے قیام کے وقت سے لے کر اب تک اس فنڈ کی NAV 19 جنوری 2007 کو 2.7226 روپے (Ex-Div) سے بڑھ کر 31 دسمبر 2020ء کو 15.2704 روپے ہو گئی، یعنی 460.9% کا اضافہ ہوا۔ جبکہ مذکورہ بالا مدت کے دوران بیچ مارک 104.5% سے بڑھا، لہذا اب تک فنڈ نے 356.4% کی بہتر کارکردگی کا مظاہرہ کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

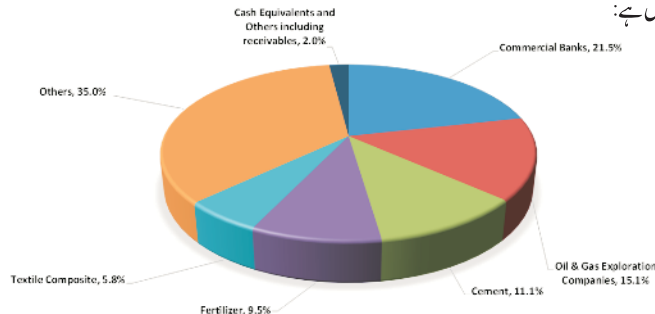
اسٹاک مارکیٹ نے مالی سال 2021 کی پہلی ششماہی کے دوران مضبوط کارکردگی کا تاثر دیا جیسا کہ بیچ مارک KSE-100 انڈیکس میں 27 فیصد کا اضافہ ہوا۔ کورونا وائرس کے تناظر میں مارچ 2020 میں ایک یونٹ کی فروخت کے بعد مارکیٹ نے تیزی سے بحالی کا مظاہرہ کیا۔ مقامی سطح پر ہونے والی بحالی غیر معمولی مالیاتی اور مالی پالیسی کے ردعمل، لاک ڈاؤن کو بہتر بنانے 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 چیک 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، سہمت 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 ٹیلی 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 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 ملین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس درج کرایا ہے جبکہ گذشتہ سال کے اسی عرصے میں کرنٹ اکاؤنٹ خسارہ 2.0 ملین 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 پرکشش قیمتوں نے مارکیٹ کے بڑھنے کو فروغ دیا۔

مارکیٹ کی ٹیکسٹائز کارکردگی کے تناظر میں، آٹوموبائل، کیمبل اور الیکٹریک کا سامان، سہمت، انجینئرنگ، شیشہ اور سرائیکس، کاغذ اور بورڈ، ریفاٹریز، ٹیکنالوجی اور ٹیکسٹائل نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا جبکہ کھاد، خوراک اور ذاتی نگہداشت، انشورنس، آئل اینڈ گیس ایکسپلوریشن، دوا سازی، بجلی پیداوار اور تقسیم کرنے، چینی اور ٹرانسپورٹ کے شعبے پیچھے رہے۔ شریک اور سرگرمی کے لحاظ سے، زیر جائزہ مدت 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۔

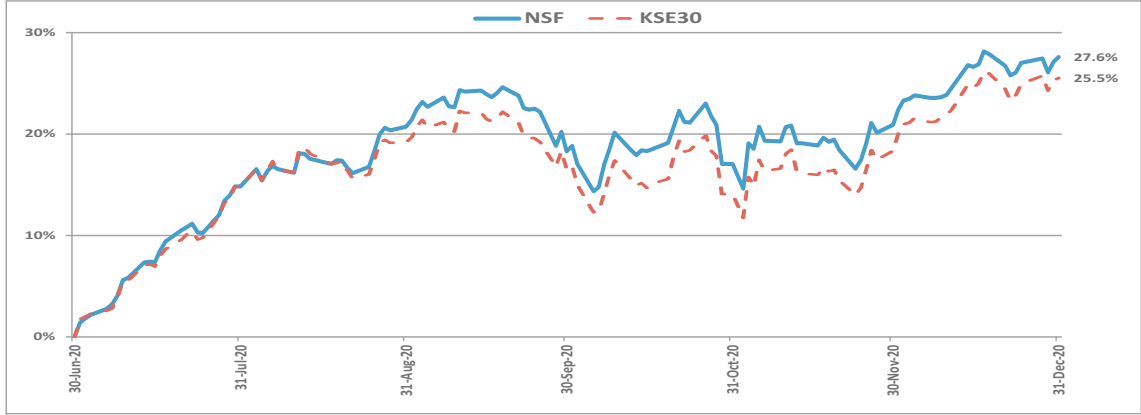
NBP اسٹاک فنڈ کو اس مدت کے دوران 4,198.76 ملین روپے کی کل آمدنی ہوئی۔ 393.98 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 3,804.78 ملین روپے ہے۔

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





NSF کی کارکردگی بہتابلہ شیج مارک



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر پونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ اینڈاکیٹمنٹ 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 آرٹھٹی 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 Stock 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 Stock Fund (“the Fund”) as at 31 December 2020 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders’ fund, condensed interim cash flow statement and notes to the condensed interim financial statements for the six months period then ended (herein-after referred to as the “interim financial statements”). Management Company is responsible for the preparation and presentation of these 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 interim financial statements 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 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 figures for the three months period ended 31 December 2020 and 31 December 2019 in the interim financial statements have not been reviewed and we do not express a conclusion on them.

The engagement partner on the engagement resulting in this independent auditors’ review report is **Amyr Malik**.

Date: February 26, 2021
Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants



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

	Note	31 December 2020 (Un-audited) (Rupees in '000)	30 June 2020 (Audited)
Assets			
Bank balances	6	647,018	563,575
Investments	7	17,760,502	13,362,869
Dividend and profit receivables		13,521	2,788
Receivable against sale of investments		-	46,766
Receivable against conversion of units		68,310	1,708
Advance, deposits and prepayment		7,204	7,312
Total assets		18,496,555	13,985,018
Liabilities			
Payable to NBP Fund Management Limited - Management Company	8	109,815	71,625
Payable to Central Depository Company of Pakistan Limited - Trustee	9	1,778	1,377
Payable to Securities and Exchange Commission of Pakistan	10	1,671	2,620
Payable against purchase of investments		29,427	-
Payable against redemption of units		1,761	56,816
Accrued expenses and other liabilities	11	231,719	150,961
Total liabilities		376,171	283,399
Net assets		18,120,384	13,701,619
Unit holders' fund (as per statement attached)		18,120,384	13,701,619
Contingency and commitment	12		
		(Number of units)	
Number of units in issue		1,186,635,764	1,144,834,476
		(Rupees)	
Net assets value per unit		15.2704	11.9682

The annexed notes 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 SIX AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2020

	Note	Six months period ended 31 December		Three months period ended 31 December	
		2020	2019	2020	2019
----- (Rupees in '000) -----					
Income					
Dividend income		307,498	359,266	236,033	198,999
Gain / (loss) on sale of investments - net		618,479	(31,531)	275,950	176,949
Income from government securities		15,228	-	5,892	-
Profit on bank deposits		10,812	60,074	5,555	33,172
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	7.3	3,246,745	2,008,194	953,820	2,508,795
Total income		4,198,762	2,396,003	1,477,250	2,917,915
Expenses					
Remuneration of NBP Fund Management Limited - Management Company	8.1	125,156	91,759	63,676	50,880
Sindh Sales Tax on remuneration of the Management Company	8.2	16,270	11,929	8,278	6,615
Remuneration to Central Depository Company of Pakistan Limited - Trustee	9.1	8,860	6,501	4,509	3,644
Sindh Sales Tax on remuneration of Trustee	9.2	1,152	845	586	474
Annual fee - Securities and Exchange Commission of Pakistan	10	1,671	1,200	851	679
Allocation of expenses related to registrar services, accounting, operation and valuation services	8.3	9,887	5,998	5,788	3,392
Selling and marketing expenses	8.4	137,590	67,548	76,110	40,271
Auditors' remuneration		519	462	269	231
Securities transaction cost		13,974	14,880	6,454	11,106
Settlement and bank charges		914	1,018	290	-
Listing fee		14	14	7	6
Professional charges		160	100	115	45
Mutual fund rating fee		121	110	60	55
Printing and other charges		45	59	22	-
Total expenses		316,333	202,423	167,015	117,398
Net income from operating activities		3,882,429	2,193,580	1,310,235	2,800,517
Provision for Sindh Workers' Welfare Fund	11.1	(77,649)	(43,872)	(26,205)	(43,872)
Net income for the period before taxation		3,804,780	2,149,708	1,284,030	2,756,645
Taxation	13	-	-	-	-
Net income for the period		3,804,780	2,149,708	1,284,030	2,756,645
Allocation of Net income for the period:					
Net income for the period		3,804,780	2,149,708	1,284,030	2,756,645
Income already paid on units redeemed		(511,949)	(110,401)	(320,517)	(110,401)
Accounting income available for distribution		<u>3,292,831</u>	<u>2,039,307</u>	<u>963,513</u>	<u>2,646,244</u>
- Relating to capital gains		3,341,990	1,900,984	1,012,672	1,900,984
- Excluding capital gains		(49,159)	138,323	(49,159)	745,260
		<u>3,292,831</u>	<u>2,039,307</u>	<u>963,513</u>	<u>2,646,244</u>

The annexed notes 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 SIX AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2020

	Six months period ended 31 December		Three months period ended ended 31 December	
	2020	2019	2020	2019
	----- (Rupees in '000) -----			
Net income for the period	3,804,780	2,149,708	1,284,030	2,756,645
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	3,804,780	2,149,708	1,284,030	2,756,645

The annexed notes 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 SIX MONTHS PERIOD ENDED 31 DECEMBER 2020

	Six months period ended 31 December					
	2020			2019		
	Value	Undistributed (loss) / income	Total	Value	Undistributed (loss) / income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the period	14,382,261	(680,642)	13,701,619	12,191,631	(296,372)	11,895,259
Issuance of 340,739,030 units (2019: 396,622,628 units)						
- Capital value	4,078,033	-	4,078,033	4,756,061	-	4,756,061
- Element of income	821,353	-	821,353	168,802	-	168,802
Total proceeds on issuance of units	4,899,386	-	4,899,386	4,924,863	-	4,924,863
Redemption of 298,937,742 units (2019: 311,971,595 units)						
- Capital value	(3,577,747)	-	(3,577,747)	(3,740,976)	-	(3,740,976)
- Element of loss	(195,705)	(511,949)	(707,654)	124,484	(110,401)	14,083
Total payments on redemption of units	(3,773,452)	(511,949)	(4,285,401)	(3,616,492)	(110,401)	(3,726,893)
Total comprehensive income for the period	-	3,804,780	3,804,780	-	2,149,708	2,149,708
Net assets at end of the period	15,508,195	2,612,189	18,120,384	13,500,002	1,742,935	15,242,937
Undistributed loss brought forward						
- Realised		27,819			2,064,579	
- Unrealised		(708,461)			(2,360,951)	
		(680,642)			(296,372)	
Accounting income available for distribution:						
- Relating to capital gains		3,341,990			1,900,984	
- Excluding capital gains		(49,159)			138,323	
		3,292,831			2,039,307	
Total comprehensive income for the period		-			-	
Undistributed income carried forward		2,612,189			1,742,935	
Undistributed income carried forward						
- Realised		(634,556)			(265,259)	
- Unrealised		3,246,745			2,008,194	
		2,612,189			1,742,935	
----- (Rupees) -----						
Net assets value per unit at beginning of the period			11.9682			11.9914
Net assets value per unit at end of the period			15.2704			14.1580

The annexed notes 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 SIX MONTHS PERIOD ENDED 31 DECEMBER 2020

	Six months period ended 31 December	
	2020	2019
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	3,804,780	2,149,708
Adjustments for:		
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(3,246,745)	(2,008,194)
	558,035	141,514
(Increase) / decrease in assets		
Investments - net	(1,150,888)	(1,253,201)
Dividend and profit receivable	(10,733)	26,023
Receivable against sale of investments	46,766	136,329
Advances, deposit and prepayment	108	96
	(1,114,747)	(1,090,753)
Increase / (decrease) in liabilities		
Payable to NBP Fund Management Limited - Management Company	38,190	4,852
Payable to Central Depository Company of Pakistan Limited - Trustee	401	311
Payable to Securities and Exchange Commission of Pakistan	(949)	(12,948)
Payable against purchase of investments - net	29,427	8,907
Accrued expenses and other liabilities	80,758	49,764
	147,827	50,886
Net cash used in operating activities	(408,885)	(898,353)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issue of units	4,832,784	4,921,300
Payments against redemption of units	(4,340,456)	(3,710,753)
Net cash flow from financing activities	492,328	1,210,547
Net increase in cash and cash equivalents during the period	83,443	312,194
Cash and cash equivalents at beginning of the period	563,575	702,620
Cash and cash equivalents at end of the period	647,018	1,014,814

The annexed notes 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 THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The NBP Stock Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on 06 December 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 01 December 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of (MUFAP).
- 1.3 The Fund is an open-ended mutual fund classified as an "equity 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.
- 1.4 The core objective of the Fund, is to provide investors with long term capital growth from an actively managed portfolio invested primarily in listed companies in Pakistan.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has assigned and maintained an asset manager rating of AM1' of Management Company and has assigned performance rating of '4-Star' to the Fund.
- 1.6 Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.7 **Impact of COVID- 19 on the condensed interim 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 BASIS OF PREPARATION

2.1 Statement of Compliance

The condensed interim financial information has 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).

In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, and the NBFC Regulations have been followed.

2.1.1 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended 30 June 2020. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last annual financial statements.

2.1.2 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (2) (f) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

2.2 New or Amendments / Interpretations to Existing Standards, Interpretation and Forthcoming Requirements

There are certain amendments which are effective from annual period beginning on or after 1 July 2020. These amendments are not likely to have an impact on the Fund's financial position. Therefore these are not stated in this condensed interim financial information.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2021:

- COVID-19-Related Rent Concessions (Amendment to IFRS 16) – the International Accounting Standards Board (the Board) has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised



lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
 - there is no substantive change to the other terms and conditions of the lease.
- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 1 January 2021, with earlier application permitted. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an ‘economically equivalent’ basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. The amendments also allow a series of exemptions from the regular, strict rules around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.
 - Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
 - **Annual Improvements to IFRS standards 2018-2020:**

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022.

- IFRS 9 - The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the ‘10 per cent’ test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 - The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- IAS 41 - The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique



- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the" annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3 . An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.
- Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) - In response to" concerns regarding temporary accounting mismatches and volatility, and increased costs and complexity, the Board issued amendments to IFRS 4 Insurance Contracts in 2017. The two optional solutions raised some considerations which required detailed analysis and management judgement. On the issue of IFRS 17 (Revised) Insurance Contracts in June 2020, the end date for applying the two options under the IFRS 4 amendments was extended to 1 January 2023, aligned with the effective date of IFRS 17.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS" 10 and IAS 28) - The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.

The above amendments are effective from annual period beginning on or after 01 January 2021 and are not likely to have an impact on Fund's condensed interim financial statements.

2.4 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest thousand of rupees except otherwise stated.



3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund as at and for the year ended 30 June 2020.

4 USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed interim financial statement, management has made judgement, estimates and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively. Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the condensed interim financial information to the carrying amount of the assets and liabilities and assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment are the same as those that applied to annual financial statements as at and for the year ended 30 June 2020.

5 FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2020.

6 BANK BALANCES

	<i>Note</i>	31 December 2020 (Un-audited) (Rupees in '000)	30 June 2020 (Audited)
In current accounts		26,530	25,456
In savings accounts	6.1 & 6.2	<u>620,488</u>	<u>538,119</u>
		<u>647,018</u>	<u>563,575</u>

6.1 These carry a rate of return ranging from 4.5% to 9.8% (30 June 2020: 3.00% to 15.50%) per annum.

6.2 These include cheques amounting to Rs. Nil (30 June 2020: Rs. 2.116 million) issued on account of redemption of units and cheques amounting to Rs. 13.317 million (30 June 2020: Rs. 2.482 million) received on account of issuance of units as at period / year end.

7 INVESTMENTS

	<i>Note</i>	31 December 2020 (Un-audited) (Rupees in '000)	30 June 2020 (Audited)
Financial assets at fair value through profit or loss			
Listed equity securities	7.1	<u>17,760,502</u>	<u>13,362,869</u>

7.1 Investment in listed equity securities

All shares have a nominal face value of Rs.10 each except for the shares of Thal Limited, Dynea Pakistan Limited, Shabbir Tiles and Ceramics Limited and Agriauto Industries Limited NC which have a face value of Rs.5, K-Electric Limited which has a face value of Rs. 3.5 and Hum Network Limited which has a face value of Rs.1 each.



Name of the Investee Company	As at 01 July 2020	Purchases during the period	Bonus Shares issued during the period	Right shares subscribed during the period	Sales during the period	As at 31 December 2020	Market value /carrying value as at 31 December 2020	Market value as a percentage of net assets	Market value as a percentage of total investment	Percentage of the paid up capital of the investee company held
	(Number of shares)						(Rupees in '000)		(%)	
Oil and Gas Exploration Company										
Pakistan Oilfields Limited	1,205,154	82,000	-	-	217,500	1,069,654	422,952	2.33	2.38	0.38
Pakistan Petroleum Limited	8,203,711	973,000	-	-	1,077,500	8,099,211	731,602	4.04	4.12	0.30
Mari Petroleum Company Limited	711,906	-	-	-	14,200	697,706	934,800	5.16	5.26	0.52
Oil & Gas Development Company Limited	6,551,309	834,500	-	-	1,219,106	6,166,703	639,919	3.53	3.60	0.14
	16,672,080	1,889,500	-	-	2,528,306	16,033,274	2,729,273	15.06	15.36	
Oil and Gas Marketing Company										
Pakistan State Oil Company Limited (refer note 7.1.2)	1,804,219	963,000	-	-	186,000	2,581,219	555,737	3.07	3.13	0.55
Attock Petroleum Limited	154,970	-	-	-	-	154,970	51,858	0.29	0.29	0.16
Shell Pakistan Limited	51,900	-	-	-	51,900	-	-	-	-	-
Hascol Petroleum Limited (refer note 7.1.2)	4,073	-	-	-	-	4,073	60	-	-	-
Sui Northern Gas Pipelines Limited	3,652,500	285,000	-	-	1,312,261	2,625,239	116,613	0.64	0.66	0.41
	5,667,662	1,248,000	-	-	1,550,161	5,365,501	724,268	4.00	4.08	
Investment Banks / Investment Company / Securities Company										
Dawood Hercules Corporation Limited	112,900	-	-	-	112,900	-	-	-	-	-
Fertilizer										
Engro Corporation Limited	2,252,153	677,500	-	-	469,800	2,459,853	756,060	4.17	4.26	0.43
Engro Fertilizers Limited	7,296,971	-	-	-	3,816,000	3,480,971	220,102	1.21	1.24	0.26
Fauji Fertilizer Bin Qasim Company Limited	6,210,500	9,938,000	-	6,702,345	11,154,000	11,696,845	296,164	1.63	1.67	1.25
Fauji Fertilizer Company Limited	4,242,700	740,000	-	-	877,648	4,105,052	445,398	2.46	2.51	0.32
	20,002,324	11,355,500	-	6,702,345	16,317,448	21,742,721	1,717,724	9.47	9.68	
Chemical										
Dynea Pakistan Limited*	19,000	-	-	-	-	19,000	3,911	0.02	0.02	0.10
Engro Polymer & Chemicals Limited	10,727,474	2,893,500	-	-	1,486,000	12,134,974	576,533	3.18	3.25	1.34
I.C.I Pakistan Limited	142,050	-	-	-	-	142,050	107,971	0.60	0.61	0.15
Lotte Chemical Pakistan Limited	-	6,238,000	-	-	-	6,238,000	93,944	0.52	0.53	0.41
	10,888,524	9,131,500	-	-	1,486,000	18,534,024	782,359	4.32	4.41	
Automobile Parts and Accessories										
Thal Limited	426,589	400	-	-	63,500	363,489	171,814	0.95	0.97	0.45
Baluchistan Wheels Limited	87,000	-	-	-	-	87,000	7,656	0.04	0.04	0.65
Agriauto Industries Limited NC*	7,000	-	-	-	-	7,000	1,640	0.01	0.01	0.05
	520,589	400	-	-	63,500	457,489	181,110	1.00	1.02	
Cement										
D.G. Khan Cement Company Limited	-	257,000	-	-	-	257,000	29,447	0.16	0.17	0.06
Lucky Cement Limited	1,373,233	313,500	-	-	311,100	1,375,633	957,564	5.28	5.39	0.43
Maple Leaf Cement Factory Limited	6,421,001	2,938,000	-	-	3,580,500	5,778,501	260,090	1.44	1.46	0.53
Fecto Cement Limited	243,200	-	-	-	-	243,200	8,344	0.05	0.05	0.48
Kohat Cement Company Limited	1,723,320	712,000	-	-	80,000	2,355,320	516,380	2.85	2.91	1.17
Fauji Cement Company Limited	9,516,000	3,667,000	-	-	3,437,000	9,746,000	211,196	1.17	1.19	0.71
Cherat Cement Company Limited	-	190,000	-	-	20,000	170,000	24,852	0.14	0.14	0.09
	19,276,754	8,077,500	-	-	7,428,600	19,925,654	2,007,873	11.09	11.31	
Paper and Board										
Century Paper and Board Mills Limited	2,931,100	-	535,220	-	664,500	2,801,820	350,648	1.94	1.97	1.59
Cherat Packaging Limited	378,499	-	-	-	377,500	999	237	-	-	-
Roshan Packages Limited	46,000	1,592,500	-	-	144,000	1,494,500	63,516	0.35	0.36	1.05
	3,355,599	1,592,500	535,220	-	1,186,000	4,297,319	414,401	2.29	2.33	



Name of the Investee Company	As at 01 July 2020	Purchases during the period	Bonus Shares issued during the period	Right shares subscribed during the period	Sales during the period	As at 31 December 2020	Market value /carrying value as at 31 December 2020	Market value as a percentage of net assets	Market value as a percentage of total investment	Percentage of the paid up capital of the investee company held
	----- (Number of shares) -----						(Rupees in '000)	----- (%) -----		
Automobile Assembler										
Honda Atlas Cars (Pakistan) Limited	790,900	43,000	-	-	616,500	217,400	71,331	0.39	0.40	0.15
Indus Motor Company Limited	55,470	-	-	-	24,350	31,120	37,281	0.21	0.21	0.04
Millat Tractors Limited	224,150	96,700	-	-	14,750	306,100	334,901	1.85	1.89	0.61
Pak Suzuki Motor Company Limited	-	492,900	-	-	224,000	268,900	65,060	0.36	0.37	0.33
	1,070,520	632,600	-	-	879,600	823,520	508,573	2.81	2.87	
Pharmaceuticals										
Abbot Laboratories (Pakistan) Limited	3,950	-	-	-	3,950	-	-	-	-	-
Ferozsons Laboratories Limited	39,000	-	-	-	39,000	-	-	-	-	-
GlaxoSmithKline (Pakistan) Limited	250,100	-	-	-	30,300	219,800	42,164	0.23	0.24	0.07
GlaxoSmithKline Consumer Healthcare Pakistan Limited	15,600	-	-	-	-	15,600	4,136	0.02	0.02	0.01
The Searle Company Limited (refer note 7.1.2)	978,577	93,931	-	332,756	241,802	1,163,462	289,970	1.60	1.63	0.55
AGP Limited	385,000	251,500	-	-	-	636,500	72,485	0.40	0.41	0.23
	1,672,227	345,431	-	332,756	315,052	2,035,362	408,755	2.25	2.30	
Engineering										
International Industries Limited	85,890	-	-	-	85,890	-	-	-	-	-
Agha Steel Industries Limited	-	6,091,500	-	-	-	6,091,500	240,066	1.32	1.35	1.06
International Steel Limited	2,582,700	364,000	-	-	2,582,500	354,200	33,022	0.18	0.19	0.08
Amreli Steels Limited	4,882,500	1,000,000	-	-	3,493,000	2,389,500	115,317	0.64	0.65	0.80
Ittefaq Iron Industries Limited	2,199,500	-	-	-	2,199,500	-	-	-	-	-
Mughal Iron and Steel Industries Limited (refer note 7.1.2)	4,032,387	1,485,500	-	-	1,444,000	4,073,887	308,515	1.70	1.74	1.62
	13,782,977	8,941,000	-	-	9,814,890	12,909,087	696,920	3.84	3.93	
Textile Composite										
Azgard Nine Limited (Non-voting)	806,400	-	-	-	-	806,400	5,645	0.03	0.03	0.17
Gul Ahmed Textile Mills Limited	8,388,800	613,000	-	-	4,161,000	4,840,800	177,899	0.98	1.00	1.13
Kohinoor Textile Mills Limited (refer note 7.1.2)	1,895,519	955,500	-	-	117,500	2,733,519	186,481	1.03	1.05	0.91
Nishat (Chunian) Limited	1,947,800	1,730,000	-	-	511,000	3,166,800	133,291	0.74	0.75	1.32
Nishat Mills Limited	3,705,200	270,000	-	-	737,500	3,237,700	329,501	1.82	1.86	0.92
Interloop Limited	2,266,701	1,045,500	-	-	24,000	3,288,201	223,828	1.24	1.26	0.38
	19,010,420	4,614,000	-	-	5,551,000	18,073,420	1,056,645	5.84	5.95	
Vanaspati & Allied Industries										
Unity Foods Limited	-	4,140,000	-	-	858,000	3,282,000	105,221	0.58	0.59	0.33
	-	4,140,000	-	-	858,000	3,282,000	105,221	0.58	0.59	
Food and Personal Care Products										
Matco Foods Limited	15,450	-	-	-	15,450	-	-	-	-	-
Al-Shaheer Corporation Limited (refer note 7.1.2)	1,992,928	-	-	-	1,969,453	23,475	365	-	-	0.01
	2,008,378	-	-	-	1,984,903	23,475	365	-	-	



Name of the Investee Company	As at 01 July 2020	Purchases during the period	Bonus Shares issued during the period	Right shares subscribed during the period	Sales during the period	As at 31 December 2020	Market value /carrying value as at 31 December 2020	Market value as a percentage of net assets	Market value as a percentage of total investment	Percentage of the paid up capital of the investee company held
	----- (Number of shares) -----						(Rupees in '000)	----- (%) -----		
Technology and Communication										
Avanceon Limited (refer note 7.1.2)	17,962	-	-	-	-	17,962	1,668	0.01	0.01	0.01
TPL Trakker Limited.	-	2,590,000	-	-	2,566,000	24,000	244	-	-	0.01
Hum Network Limited	1,573,000	-	-	-	1,573,000	-	-	-	-	-
NetSol Technologies Limited	1,104,600	-	-	-	1,104,600	-	-	-	-	-
Systems Limited	1,542,610	333,000	-	-	239,400	1,636,210	685,948	3.79	3.86	1.33
	4,238,172	2,923,000	-	-	5,483,000	1,678,172	687,860	3.80	3.87	
Power Generation and Distribution										
K-Electric Limited	10,164,000	-	-	-	1,100,000	9,064,000	35,440	0.20	0.20	0.03
Kot Addu Power Company Limited	2,101,000	150,000	-	-	800,000	1,451,000	39,467	0.22	0.22	0.16
Lalpir Power Limited	5,776,500	-	-	-	638,500	5,138,000	65,869	0.36	0.37	1.35
Nishat Chunian Power Limited	1,367,000	-	-	-	-	1,367,000	20,642	0.11	0.12	0.37
Nishat Power Limited.	35,000	-	-	-	-	35,000	826	-	-	0.01
Pakgen Power Limited	1,614,500	-	-	-	1,047,000	567,500	11,180	0.06	0.06	0.15
Saif Power Limited	570,000	-	-	-	-	570,000	8,276	0.05	0.05	0.15
The Hub Power Company Limited	9,545,111	465,000	-	-	958,000	9,052,111	718,104	3.96	4.04	0.70
	31,173,111	615,000	-	-	4,543,500	27,244,611	899,804	4.96	5.06	
Commercial Banks										
Allied Bank Limited	3,305,601	-	-	-	397,500	2,908,101	248,265	1.37	1.40	0.25
Askari Bank Limited	-	1,300,000	-	-	-	1,300,000	30,407	0.17	0.17	0.10
Bank Al-Falah Limited	18,181,314	-	-	-	2,113,000	16,068,314	567,694	3.13	3.20	0.90
Bank Al-Habib Limited	9,185,948	527,818	-	-	910,228	8,803,538	612,726	3.38	3.45	0.79
Bank of Punjab	8,925,500	-	-	-	3,000,000	5,925,500	54,929	0.30	0.31	0.22
Faysal Bank Limited (refer note 7.1.2)	5,401,038	3,541,500	-	-	4,709,500	4,233,038	73,147	0.40	0.41	0.28
Habib Bank Limited	6,977,733	2,820,709	-	-	210,000	9,588,442	1,288,359	7.00	7.14	0.65
MCB Bank Limited	1,400,978	-	-	-	160,556	1,240,422	229,825	1.27	1.29	0.10
Meezan Bank Limited	481,567	-	36,357	-	517,924	-	-	-	-	-
National Bank of Pakistan	330,000	-	-	-	330,000	-	-	-	-	-
United Bank Limited	4,318,882	2,171,481	-	-	67,000	6,423,363	808,445	4.46	4.55	0.52
	58,508,561	10,361,508	36,357	-	12,415,708	56,490,718	3,893,797	21.48	21.92	
Modarabas										
Sindh Modaraba	159,000	-	-	-	159,000	-	-	-	-	-
Glass and Ceramics										
Ghani Value Glass Limited	11,625	-	-	-	-	11,625	505	-	-	0.03
Shabbir Tiles & Ceramics Limited	-	7,461,500	-	-	250,000	7,211,500	153,244	0.85	0.86	2.20
Tariq Glass Industries Limited	3,653,100	632,000	-	-	844,000	3,441,100	302,060	1.67	1.70	3.12
	3,664,725	8,093,500	-	-	1,094,000	10,664,225	455,809	2.52	2.56	
Insurance										
Adamjee Insurance Company Limited	2,502,000	97,000	-	-	305,500	2,293,500	90,180	0.50	0.51	0.66
IGI Holding Limited	-	321,100	-	-	-	321,100	65,325	0.36	0.37	0.23
TPL Insurance Limited	2,500,000	-	-	-	1,500	2,498,500	75,680	0.42	0.43	2.66
	5,002,000	418,100	-	-	307,000	5,113,100	231,185	1.28	1.31	



Name of the Investee Company	As at 01 July 2020	Purchases during the period	Bonus Shares issued during the period	Right shares subscribed during the period	Sales during the period	As at 31 December 2020	Market value /carrying value as at 31 December 2020	Market value as a percentage of net assets	Market value as a percentage of total investment	Percentage of the paid up capital of the investee company held
	----- (Number of shares) -----						(Rupees in '000)		----- (%) -----	
Exchange Traded Funds										
NBP Pakistan Growth - Exchange Traded Fund	-	4,900,000	-	-	-	4,900,000	53,655	0.30	0.30	98.00
	-	4,900,000	-	-	-	4,900,000	53,655	0.30	0.30	
Transport										
Pakistan International Bulk Terminal Limited	-	17,873,500	-	-	1,940,000	15,933,500	204,905	1.12	1.15	0.89
	-	17,873,500	-	-	1,940,000	15,933,500	204,905	1.12	1.15	
Miscellaneous										
Synthetic Products Enterprises Limited	180,960	-	-	-	180,960	-	-	-	-	-
	180,960	-	-	-	180,960	-	-	-	-	-
Total - 31 December 2020							17,760,502	98.01	100.00	
Carrying value before fair value adjustment as at 31 December 2020							14,513,757			

7.1.1 Investments include shares with market value of Rs. 224.792 million (30 June 2020: Rs. 185.026 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular number 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

7.1.2 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has led a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of Second Schedule of Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Accordingly, the investee company(s) has withheld the shares equivalent to 5% of bonus announcement amounting to Rs. 8.909 million (30 June 2020: 5.775 million) and not deposited in CDC account of department of Income Tax.

7.2 Market Treasury Bills

During the period, the Fund purchased Treasury Bills amounting Rs. 3.9 billion which have been redeemed / matured before the reporting period.

7.3 Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	Note	31 December 2020	31 December 2019
		(Un-audited) (Rupees in '000)	
Market value of investments	7.1	17,760,502	14,507,154
Less: carrying value of investments	7.1	(14,513,757)	(12,498,960)
		3,246,745	2,008,194



8	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY	<i>Note</i>	31 December 2020 (Un-audited) (Rupees in '000)	30 June 2020 (Audited)
	Management remuneration	8.1	22,263	17,044
	Sindh Sales Tax on management remuneration	8.2	2,894	2,216
	Sales load and others		2,745	816
	Allocation of expenses related to registrar services, accounting, operation and valuation services	8.3	5,789	3,355
	Selling and marketing expenses	8.4	76,110	48,194
	Other payable		14	-
			109,815	71,625

8.1 Under the revised Non-Banking Finance Companies & Notified Entities Regulations 2008, notified on 25 November 2015, the Management Company of the Fund is entitled to a remuneration of an amount not exceeding 2% of average annual net assets. The Management Company has charged its remuneration at the rate of 2% of the average annual net assets of the Fund till 11 July 2019 and with effective from 12 July 2019, the Management Company has charged its remuneration at the rate of 1.5% of the average annual net assets of the Fund

8.2 The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Management Company and sales load through Sindh Sales Tax on Services Act, 2011, effective from 01 July 2011. During the period, Sindh Sales Tax at the rate of 13% (30 June 2020: 13%) was charged on management remuneration and sales load.

8.3 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. On 20 June 2019 SECP vide S.R.O. 639 (I)/2019 has substitute clause (s) of sub regulation 3 of regulation 60 and accordingly has removed cap charging 0.1% per annum of average daily net asset on account of fee and expenses related to registrar services, accounting, operation and valuation services. However, the Management Company continued to charge 0.1% of average daily net assets till 26 Oct 2020 and with effective from 27 October 2020, the Management Company has charged its allocated expenses at the rate of 0.15% of the average annual net assets of the Fund.

8.4 As per Circular 5 of 2018 dated 4 June 2018 issued by SECP, the Asset Management Company was entitled to charge selling and marketing expense to Collective Investment Scheme upto 0.4% per annum of net assets of Fund or actual expenses whichever is lower for initial three years. Circular 11 of 2019 dated 5 July 2019, issued by SECP superseded the above stated Circular and has revised the conditions and waived capping for charging selling and marketing expense. Subsequently, the Management Company has revised selling and marketing expenses rate during the year ended 30 June 2020 and charged accordingly as follows:

Period	Rate per annum
1 July 2019 to 11 July 2019	0.4% of net assets or actual expenses whichever is lower.
12 July 2019 to 16 December 2019	1.15% of net assets or actual expenses whichever is lower.
17 December 2019 to 10 May 2019	1.35% of net assets or actual expenses whichever is lower.
11 May 2020 to 26 October 2020	1.5% of net assets or actual expenses whichever is lower.
27 October 2020 to 31 December 2020	1.9% of net assets or actual expenses whichever is lower.



9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	<i>Note</i>	31 December 2020 (Unaudited) (Rupees in '000)	30 June 2020 (Audited)
	Trustee remuneration	9.1	1,574	1,218
	Sindh Sales Tax on Trustee remuneration	9.2	204	159
			1,778	1,377

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund as stated below under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets value of the Fund:

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.

9.2 The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011, effective from 01 July 2015. During the period, Sindh Sales Tax at the rate of 13% (30 June 2020: 13%) was charged on trustee remuneration.

10 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Under the provisions of the NBFC Regulations, a collective scheme categorized as an equity scheme is required to pay an annual fee to SECP at an amount equal to 0.02 percent per annum of the average net assets of the Fund. The fee is paid annually in arrears.

11	ACCRUED EXPENSES AND OTHER LIABILITIES	<i>Note</i>	31 December 2020 (Unaudited) (Rupees in '000)	30 June 2020 (Audited)
	Provision for Sindh Workers' Welfare Fund	11.1	186,621	108,972
	Federal Excise Duty on management remuneration	11.2	32,183	32,183
	Federal Excise Duty on sales load		3,904	3,904
	Auditors' remuneration		505	556
	Brokerage fee		2,042	1,351
	Settlement charges		379	246
	Withholding tax		365	278
	Capital gain tax		3,321	1,006
	Printing charges		16	67
	Professional fees		67	71
	Time barred cheques		917	917
	Bank charges		183	194
	Others		1,216	1,216
			231,719	150,961

- 11.1 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 10 November 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 10 November 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 31 December 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 12 January 2017:

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

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and the SECP vide its letter dated 01 February 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. 45.575 million and a provision for SWWF of Rs. 107.215 million upto 12 January 2017 was made. Thereafter, the provision for SWWF is being made on a daily basis. Had the SWWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.1573 per unit (June 2020: Rs 0.0952 per unit).

- 11.2 The status of Federal Excise Duty (FED) is same as disclosed in annual financial statements for the year ended 30 June 2020. Since the appeal is pending in the Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 32.713 million out of which Rs. 0.530 million have been paid to the Management Company (30 June 2020: 32.713 million) . Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs. 0.0276 (30 June 2020: Rs. 0.0286) per unit.

12 CONTINGENCY AND COMMITMENT

There was no other contingency and commitment as at 31 December 2020 (30 June 2020: Nil).

13 TAXATION

- 13.1 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 realised or unrealised, 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 30 June 2021 if require to ensure the compliance of this clause. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

13.2 Income already paid on redemption of units

Distribution of income by collective investment schemes includes (a) the income already distributed upon redemption of units and (b) the amount of income distributed by way of cash dividend.

Open end mutual funds continuously offer issuance and redemption of units at prevailing Net Assets Value (NAV) applicable at the time of offer and redemption. The unit-holder who invests in the open end mutual fund during the year and redeems during the same year has effectively taken his due share of income for the year and the differential amount (proceeds received less original investment) is and should be treated as “distribution of profit”. In case of unit holder who existed at the beginning of the year and makes redemption during the year, the amount representing his due share of income from the current year’s income is and should be considered as “distribution of profit”.

In few mutual funds, the said exemption has been denied by the Additional Commissioner – Audit (AC), on the ground that the amount paid as income on units redeemed by investors during the tax year cannot be treated as distribution of income as per criteria envisaged under Clause 99 of Part 1 of the Second Schedule of the Ordinance and AC due to this, commented that the distribution by the Fund fell short of 90% distribution threshold.

In response to the order, the management filed appeal with Commissioner Appeal office. In his judgment, the Commissioner Appeals upheld Assessment Order passed by AC. The Fund has now initiated appeal in Appellate Tribunal, which is pending adjudication.

Meanwhile, the management filed petition for stay in High Court of Sindh (SHC), and stay order has been granted by SHC. In its judgment, SHC held that since the subject matter is pending before Appellate Tribunal, therefore, the recovery of impugned demand will not be enforced till the final decision of Tribunal.

Further, the issue of distribution of income is also being contested by MUFAP on behalf of the mutual funds industry at various regulatory and Government levels and management is hopeful that the matter will be resolved soon as the matter has merely arisen due to incorrect interpretation by the relevant commissioners as to what construes as distribution of profit by an open end mutual fund. SECP agrees with MUFAP’s interpretation and is also actively following up with FBR to resolve the matter at the earliest.

Based on the opinion of the tax advisor, the management believes that the fund has distributed required amount of income to be eligible for tax exemption under clause 99 of Part 1 of the Second Schedule of the Income Tax Ordinance, 2001 and hence, no provision for taxation is required to be made in the financial statements.

14 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 4.71 per annum (2019: 4.10% per annum). Total expense ratio (excluding government levies) is 3.56% per annum (2019: 3.14% per annum).

15 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

15.1 Connected persons include NBP Fund Management Limited being the Management Company (NAFA), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP), and its connected persons, and Baltoro Growth Fund being the sponsors and NAFA Pension Fund, NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and unit holders holding ten percent or more units of the Fund.

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

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

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

	Six months period ended	
	31 December	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
15.5 Transactions during the period:		
NBP Fund Management Limited		
- Management Company		
Issue of Nil units (2019: 16,900,653 units)	-	198,595
Redemption of Nil units (2019: 13,096,617 units)	-	158,889
Remuneration of NBP Fund Management Limited - Management Company	125,156	91,759
Sindh Sales Tax on remuneration to Management Company	16,270	11,929
Allocation of expenses related to registrar services, accounting, operation and valuation services	9,887	5,998
Selling and marketing expenses	137,590	67,548
Sales load and others	8,031	3,309
Employees of the Management Company		
Units issued / transferred in: 7,340,998 units (2019: 1,293,193 units)	104,301	16,992
Units redeemed / transferred out: 7,363,969 units (2019: 1,026,999 units)	104,877	13,194
Dr. Amjad Waheed - Chief Executive Officer		
Units issued / transferred in: 5,271 units (2019: 816,047 units)	75	10
Units redeemed / transferred out: 20,216 units (2019: Nil units)	271	-
Mr. Haider Amjad		
Units issued / transferred in: 155,737 units (2019: Nil units)	2,375	-
Units redeemed / transferred out: 160,363 units (2019: Nil units)	2,288	-
Mr. Khalid Mehmood - Chief Financial Officer		
Units issued / transferred in: 95,291 units (2019: 22,961 units)	1,350	325
Units redeemed / transferred out: Nil units (2019: 98,445 units)	-	1,400
Mr. Humayun Bashir - Directors		
Units issued / transferred in: 2,607,622 units (2019: 2,507,145 units)	39,282	33,991
Units redeemed / transferred out: 1,362,944 units (2019: 3,271,288 units)	19,984	45,889



	Six months period ended	
	31 December	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
Central Depository Company of Pakistan Limited - Trustee		
Trustee Remuneration	8,860	6,501
Sales tax on remuneration to Trustee	1,152	845
CDC charges	339	275
National Fullerton Asset Management Employee Provident Fund		
Units issued / transferred in: 382,061 units (2019: 193,381 units)	5,551	2,236
Units redeemed / transferred out: 44,043 units (2019: 58,513 units)	608	682
Ms. Rohma Amjad		
Units issued / transferred in: 402 units (2019: 74,260 units)	6	1,000
Units redeemed / transferred out: 11,055 units (2019: 10650 units)	159	152
Taurus Securities Limited		
Brokerage charges	1,308	951
International Steels Limited		
Shares Purchased : 364,000 shares (2019: 2,487,000 shares)	25,398	118,751
Shares Sold : 2,592,500 shares (2019: 1,472,500 shares)	174,840	57,776
Dividend income	-	1,324
** Telenor Microfinance Bank Limited		
Mark-up on bank balances	24	-
Bank Islami Pakistan Limited		
Mark-up on bank balances	44	2,181
** Khushhali Microfinance Bank Limited		
Mark-up on bank balances	21	-
Portfolio managed by Management Company		
Units issued : 9,613,651 (2019 : 24,531,163 units)	139,502	300,773
Units redeemed : 31,264,812 (2019 : 12,489,173 units)	438,129	156,311
Sindh Province Pension Fund		
Units issued : Nil units (2019 : 50,122,835 units)	-	659,000
The Hub Power Company Limited		
Shares Purchased : 465,000 shares (2019: 1,678,000 shares)	35,649	130,981
Shares Sold : 958,000 shares (2019: 1,684,500 shares)	76,927	138,901
Dividend income	35,768	-
Fauji Fertilizer Company Limited		
Shares Purchased : 740,000 shares (2019: 503,000 shares)	83,106	49,487
Dividend income	24,050	29,134
Shares Sold : 877,648 shares (2019: 3,965,500 shares)	92,681	375,845
Gul Ahmed Textile Mills Limited		
Shares Purchasd : 613,000 shares (2019 : 1,497,500 shares)	21,002	66,367
Shares Sold : 4,161,000 (2019 : 2,960,000)	142,404	123,514
Dividend income	-	12,358

	Six months period ended 31 December	
	2020 (Unaudited) (Rupees in '000)	2019 (Unaudited) (Rupees in '000)
National Clearing Company of Pakistan Limited		
NCCPL Charges	552	586
Units issued: 674,386 units (2019: Nil units)	10,000	-
Pakistan Stock Exchange Limited*		
Listing fee paid	25	25
	31 December 2020 (Unaudited)	30 June 2020 (Audited)
	(Rupees in '000)	
15.6 Amount outstanding as at period / year end:		
NBP Fund Management Limited (Management Company)		
Units held: 3,971,185 (2020 : 3,971,185 units)	60,642	47,528
Remuneration of the Management Company	22,263	17,044
Sindh Sales Tax on remuneration of the Management Company	2,894	2,216
Allocation of expenses related to registrar services, accounting, operation and valuation services	5,789	3,355
Selling and marketing expenses	76,110	48,194
Sales load	2,745	816
Other payable	14	-
National Bank of Pakistan		
Units held: 31,347,445 (2020: 31,347,445 units)	478,688	375,172
Bank Balance	4,936	5,031
Central Depository Company of Pakistan Limited - Trustee		
Remuneration Payable	1,574	1,218
Sindh Sales Tax on Trustee remuneration	204	159
CDC charges	235	130
Security deposit	100	100
National Clearing Company Of Pakistan Limited		
Units held: 3,254,624 (2020: 2,580,238 units)	49,699	30,881
NCCPL charges payable	145	116
Employees of the Management Company		
Units held: 1,731,751 (2020: 1,764,826 units)	26,445	21,122
Dr. Amjad Waheed - Chief Executive Officer		
Units held: 157,696 (2020: 172,641 units)	2,408	2,066
Mr. Khalid Mehmood - Chief Financial Officer		
Units held: 188,415 (2020: 93,124 units)	2,877	1,115
Mr. Humayun Bashir - Director		
Units held: 2,607,622 (2020: 1,362,944 units)	39,819	16,312
Mr. Haider Amjad		
Units held :150,618 (2020: 155,243 units)	2,300	1,858



	31 December 2020 (Unaudited) (Rupees in '000)	30 June 2020 (Audited)
Ms. Rohma Amjad Units held: 29,569 (2020: 40,222 units)	452	481
NBP Employees Pension Fund Units held: 62,721,184 (2020: 62,721,184 units)	957,778	750,660
National Fullerton Asset Management Limited Employee Provident Fund Units held: 491,136 (2020: 153,119 units)	7,500	1,833
Sindh Province Pension Fund Units held : 149,334,604 (2020 : 149,334,604 units)	2,280,399	1,787,266
International Steels Limited* Shares held: 354,200 shares (2020: 2,582,700 shares)	33,022	133,396
Gul Ahmed Textile Mills Limited Shares held: 4,840,800 (2020: 8,388,800 shares)	177,899	240,171
Taurus Securities Limited Brokerage payable	6	139
** Telenor Microfinance Bank limited Bank balance	9	-
Mark-up on balance	3	-
Bank Islami Pakistan Limited Bank balance	7,494	79
Mark-up on balance	5	9
Portfolio managed by Management Company Units held : 13,691,633 (2020 : 37,845,592 units)	209,075	452,944
** Khushali Bank Limited Bank balance	138	-
Mark-up on balance	5	-
The Hub Power Company Limited Shares held: 9,052,111 (2020: 9,545,111 shares)	718,104	692,021
Fauji Fertilizer Company Limited Shares held: 4,105,052 (2020:4,242,700 shares)	445,398	466,655

* Current balances with these parties have not been disclosed as they did not remain connected persons and related parties as at the period end.

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

16 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.



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.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- 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 (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		31 December 2020 (Unaudited)								
		Carrying amount				Fair value				
		At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
On-balance sheet financial instruments		----- (Rupees in '000) -----								
Financial assets measured at fair value										
Investments										
- Listed equity securities		17,760,502	-	-	17,760,502	17,760,502	-	-	17,760,502	
Financial assets not measured at fair value		16.1								
Bank balances		-	647,018	-	647,018					
Dividend and profit receivables		-	13,521	-	13,521					
Receivable against conversion of units		-	68,310	-	68,310					
Security deposits		-	2,600	-	2,600					
		17,760,502	731,449	-	18,491,951					
Financial liabilities not measured at fair value		16.1								
Payable to NBP Fund Management Limited - Management Company		-	-	109,815	109,815					
Payable to Central Depository Company of Pakistan		-	-	1,778	1,778					
Payable against purchase of investments		-	-	29,427	29,427					
Payable against redemption of units		-	-	1,761	1,761					
Accrued expenses and other liabilities		-	-	5,325	5,325					
		-	-	148,106	148,106					



		30 June 2020 (Audited)							
		Carrying amount				Fair value			
		At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments		(Rupees in '000)							
Financial assets measured at fair value									
Investment									
- Listed equity securities		13,362,869	-	-	13,362,869	13,362,869	-	-	13,362,869
Financial assets not measured at fair value		16.1							
Bank balances		-	563,575	-	563,575				
Dividend and profit receivables		-	2,788	-	2,788				
Receivable against sale of investments		-	46,766	-	46,766				
Security deposits		-	2,600	-	2,600				
Receivable for conversion of units		-	1,708	-	1,708				
		13,362,869	617,437	-	13,980,306				
Financial liabilities not measured at fair value		16.1							
Payable to NBP Fund Management Limited - Management Company		-	-	71,625	71,625				
Payable to Central Depository Company of Pakistan		-	-	1,377	1,377				
Accrued expenses and other liabilities		-	-	4,618	4,618				
Payable against redemption of units		-	-	58,816	58,816				
		-	-	136,436	136,436				

16.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically.

Therefore, their carrying amounts are reasonable approximation of fair value.

16.2 Financial instruments not measured at fair value include net assets attributable to unitholders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these condensed interim financial information. Accordingly, the carrying amount of net assets attributable to unitholders approximates their fair value. The units are categorized into Level 2 of the fair value hierarchy.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 26, 2021 by the Board of Directors of the Management Company.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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