



# NBP FUNDS

*Managing Your Savings*

**AM1**

Rated by PACRA

## NBP SARMAYA IZAFI FUND



QUARTERLY REPORT  
**MARCH 31, 2021**



# **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
Ms. Mehnaz Salar	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
Mr. Saad Amanullah Khan	Member

### Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Syed Hasan Irtiza Kazmi	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 Shahr-e-Faisal, Karachi.

### Bankers to the Fund

MCB Bank Limited	National Bank of Pakistan
Summit Bank Limited	Zarai Taraqati Bank Limited
JS Bank Limited	MCB Islamic Bank Limited
Meezan Bank Limited	Faysal Bank Limited
Habib Bank Limited	Soneri Bank Limited
United Bank Limited	Dubai Islamic Bank Limited
Bank Alfalah Limited	Telenor Microfinance Bank Limited
Bank Al Habib Limited	Bank Islami Pakistan Limited
Askari Bank Limited	U Microfinance Bank Limited
Habib Metropolitan Bank Limited	The Bank of Punjab
Allied Bank Limited	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.nbp-funds.com](http://www.nbp-funds.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 unaudited financial statements of **NBP Sarmaya Izafa Fund (NSIF)** for the period ended March 31, 2021.

### Fund's Performance

The size of NBP Sarmaya Izafa Fund has increased from Rs. 1,258 million to Rs.1,442 million during the period, i.e., an increase of 15%. During the period, the unit price of NBP Sarmaya Izafa Fund has increased from Rs. 14.6242 on June 30, 2020 to Rs. 16.8148 on March 31, 2021, thus showing an increase of 15.0%. The Benchmark increase during the same period was 16.2%. Thus, the Fund has underperformed its Benchmark by 1.2% 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. 16.8148 on March 31, 2021, thus showing an increase of 278.2%. During the said period, the Benchmark increased by 162.3%, translating into outperformance of 115.9%. This performance is net of management fee and all other expenses.

During 9MFY21, the stock market (KSE-100 Index) delivered robust return of 29.5%. This sharp market recovery was driven by attractive stock market valuations; earlier than expected lifting of business restrictions and the resultant sharp economic recovery; development of effective vaccines; and well-coordinated and decisive policy response by the monetary and fiscal authorities.

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 that allowed re-opening of the economy. The economic recovery picked-up steam as reflected by the frequently released economic data such as cement dispatches, retail fuels sales and automobile sales volume. On the policy response fronts, SBP slashed the Policy Rate by a cumulative 6.25% in a short span of time and government announced a Rs. 1.2 trillion stimulus package, equivalent to 2.8% of the GDP, which included relief for all sectors of the society including the under privileged, businesses, and the industries. External account also remained beneficiary of the Coronavirus pandemic thanks to a robust 24% growth in remittances during 8MFY21. The country posted a current account surplus of USD 881 million during 8MFY21 versus a Current Account Deficit (CAD) of USD 2.7 billion in the comparative period last year. The Extended Fund Facility (EFF) with the International Monetary Fund (IMF) that was put on hold in April last year, finally resumed, and as a result the central bank secured the IMF tranche of around USD 500 million. The resumption of IMF program allowed the country to borrow USD 2.5 billion by issuing Eurobonds in the international debt market.

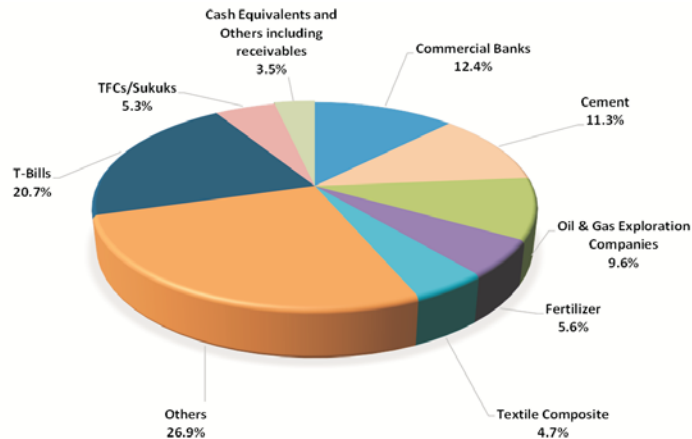
The rally at the local bourse picked up steam during 1QFY21 as value money entered the stock market. Robust economic recovery and strong earnings growth also lifted market sentiment. However, rising noise in the domestic politics surrounding the senate elections led to elevated market volatility and subdued market performance during 3QFY21. Overall, the market (KSE-100) delivered a robust 29.5% return during 9MFY21. In terms of sectoral performance, Auto Assemblers, Cements, Chemicals, Engineering, Glass & Ceramics, Oil & Gas Marketing Companies, Paper & Board, Power Generation & Distribution, Refinery, Technology, and Textile Composite sectors performed better than the market. On the contrary, Auto Parts & Accessories, Commercial Banks, Fertilizers, Food & Personal Care, Insurance, Oil & Gas Exploration, and Pharmaceuticals sectors lagged behind. On participants-wise market activity, Individuals, Companies, and Insurance Companies stood as main buyers in the market, with net inflows amounting to USD 248 million, USD 118 million and USD 53 million, respectively. On the other hand, Foreign Investors and Banks/DFIs were large sellers with net outflows of around USD 295 million and USD 91 million, respectively.

On the income side, trading activity in corporate debt securities remained subdued during the period. The cumulative traded value stood at Rs. 19.8 billion versus Rs. 20.4 billion in the same period last year. During 9MFY21, the State Bank of Pakistan (SBP) held four Monetary Policy Committee (MPC) meetings wherein the benchmark Policy Rate was left unchanged at 7%. Sovereign yields responded to these monetary policy actions, and inflation & interest rate outlook. SBP held twenty T-Bill auctions during the period, realizing a total of Rs. 9.88 trillion. The yields on T-Bills for 3-month, 6-month and 12-month tenures increased by 33 basis points, 72 basis points and 84 basis points, respectively. Similarly, 10-year PIB yields increased by 173 bps during the same period.

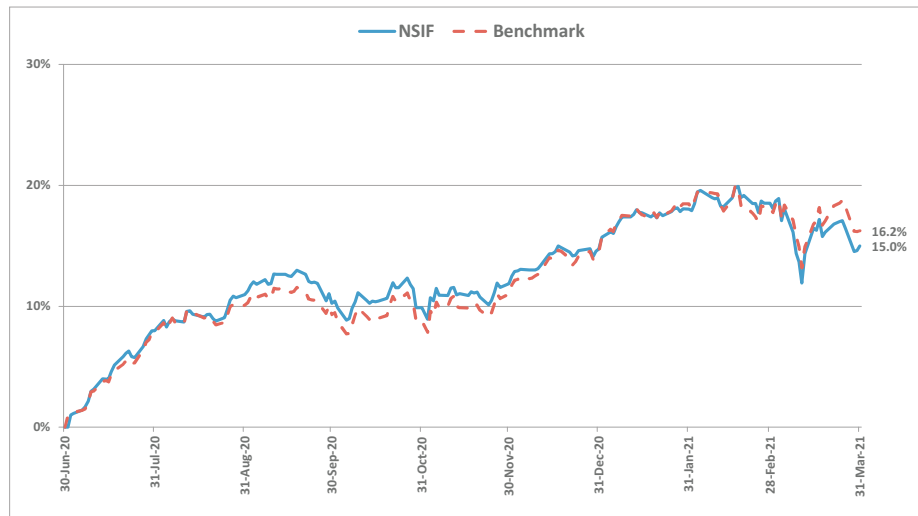
The Fund has earned a total income of Rs 236.46 million during the period. After deducting total expenses of Rs 44.71 million, the net income is Rs. 191.75 million.



The asset allocation of the Fund as on March 31, 2021 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: **April 30, 2021**  
Place: Karachi.



## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2021ء کو ختم ہونے والی نو ماہی کے لئے NBP سرمایہ اضافہ فنڈ (NSIF) کے غیر جانچ 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 1,442 ملین روپے ہو گیا ہے یعنی 15% کا اضافہ ہوا۔ اس مدت کے دوران، NBP سرمایہ اضافہ فنڈ کی یونٹ قیمت 30 جون 2020 کو 14.6242 روپے سے بڑھ کر 31 مارچ 2021ء کو 16.8148 روپے ہو گئی، جو 15.0% کا اضافہ ظاہر کر رہی ہے۔ اسی مدت کے دوران بیچ مارک میں اضافہ 16.2% تھا۔ چنانچہ زیر جائزہ مدت کے دوران فنڈ کی کارکردگی اپنے بیچ مارک سے 1.2% اتر رہی۔ اپنے آغاز کے بعد 20 اگست 2010 سے فنڈ کی NAV 4.4462 روپے (EX-Div) سے بڑھ کر 31 مارچ 2021ء کو 16.8148 روپے ہو گئی، چنانچہ 278.2% کا اضافہ ہوا۔ اس مدت کے دوران بیچ مارک 162.3% سے بڑھا۔ لہذا فنڈ نے 115.9% کی بہتر کارکردگی دکھائی۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

مالی سال 21 کی نو ماہی کے دوران، اسٹاک مارکیٹ (KSE-100 انڈیکس) نے 29.5 فیصد مضبوط منافع مہیا کیا۔ مارکیٹ میں یہ تیز ترین بحالی اسٹاک مارکیٹ کی پرکشش قیمتوں، توقع سے قبل کاروباری پابندیوں کے خاتمے اور اس کے نتیجے میں تیز معاشی بحالی، موثر ویکسینوں کی تیاری، اور مانیٹری اور مالیاتی حکام کی طرف سے اچھی طرح مربوط اور فیصلہ کن پالیسی ردعمل کی وجہ سے حاصل ہوئی۔

جولائی میں بلندی پر پہنچنے کے بعد کوویڈ 19 کے فعال کیسز میں نمایاں کمی؛ اموات کی شرح میں تیزی سے کمی اور انفیکشن تناسب بھی کم ہو کر واحد ہندسے پر آ گیا جس نے معیشت کو دوبارہ کھولنے کی اجازت دی۔ معاشی بحالی کی رفتار سیمینٹ کی ترسیل، خوردہ ایندھن کی فروخت اور آٹو موٹائل کے فروخت حجم کے اکثر جاری کردہ معاشی اعداد و شمار سے ظاہر ہوتی ہے۔ پالیسی سازی کے تناظر میں، اسٹیٹ بینک آف پاکستان نے قلیل مدت میں پالیسی شرح کو مجموعی طور پر 6.25 فیصد تک کم کر دیا اور حکومت نے ایک 1.2 ٹریلین روپے کے محرک پیکیج کا اعلان کیا، جو بی ڈی پی کے 2.8 فیصد کے مساوی ہے، جس میں معاشرے کے تمام شعبوں کو ریلیف دیا گیا ہے جن میں پسماندہ افراد، کاروبار اور صنعتیں شامل ہیں۔ 8MFY21 کے دوران وبائی مرض کرونا وائرس کے بدولت بیرونی اکاؤنٹ پر مثبت اثر ہوا اور ترسیلات زر میں 24 فیصد اضافہ ہوا۔ ملک نے گزشتہ سال کے تقابلی دورانیہ میں 2.7 ملین امریکی ڈالر کے کرنٹ اکاؤنٹ خسارہ (CAD) کے مقابلے میں 8MFY21 کے دوران 881 ملین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس درج کیا ہے۔ بین الاقوامی مالیاتی فنڈ (IMF) کے ساتھ توسیعی فنڈ کی سہولت (EFF) جسے پچھلے سال اپریل میں روک دیا گیا تھا، آخر کار دوبارہ شروع ہو گئی، اور اس کے نتیجے میں مرکزی بینک نے آئی ایم ایف سے قریباً 500 ملین ڈالر کی رقم حاصل کی۔ آئی ایم ایف پروگرام کے دوبارہ آغاز سے بین الاقوامی ڈیٹ مارکیٹ میں یورو بانڈز جاری کر کے ملک کو 2.5 ارب ڈالر قرض لینے کا موقع ملا۔

مالی سال 21 کے دوران مقامی اسٹاک مارکیٹ کی بحالی میں تیزی آئی کیونکہ اسٹاک مارکیٹ میں قابل قدر رقم کا اندرج ہوا۔ مضبوط معاشی بحالی اور مضبوط آمدنی میں اضافے نے بھی مارکیٹ کو سرحال تانہ، سینیٹ انتخابات کے گرد مقامی سیاست میں بڑھتی ہوئی آوازوں کے باعث مارکیٹ میں اتار چڑھاؤ زیادہ ہوا اور 3QFY21 کے دوران مارکیٹ کی کارکردگی میں کمی واقع ہوئی۔ مجموعی طور پر، 9MFY21 کے دوران مارکیٹ (KSE-100) نے 29.5 فیصد مضبوط منافع ظاہر کیا۔ شعبہ دار کارکردگی کے لحاظ سے، آٹو اسمبلر، سیمینٹ، کیمیکل، انجینئرنگ، گلاس اور سرائیکس، آئل اینڈ گیس مارکیٹنگ کمپنیاں، پیپرائنڈ بورڈ، پاور جنریشن اینڈ ڈسٹری بیوشن، ریفرنسری، بیکنائوجی اور نیکیٹائل کمپوزٹ سیکٹرز نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ اس کے برعکس، آٹو پارٹس اور لوازمات، کمرشل بینک، کھاد، خوراک اور ذاتی نگہداشت، انشورنس، تیل اور گیس کی تلاش اور دوا سازی کے شعبے پیچھے رہے۔ شرکاء کے لحاظ سے مارکیٹ سرگرمی پر، افراد، کمپنیاں اور انشورنس کمپنیاں مارکیٹ میں بالترتیب 248 ملین امریکی ڈالر، 118 ملین امریکی ڈالر اور 53 ملین امریکی ڈالر کے ساتھ خالص خریدار رہے۔ دوسری طرف، غیر ملکی سرمایہ کار اور بینک / DFIs بالترتیب 295 ملین امریکی ڈالر اور 91 ملین امریکی ڈالر خالص اخراج کے ساتھ بڑے فروخت کنندگان رہے۔

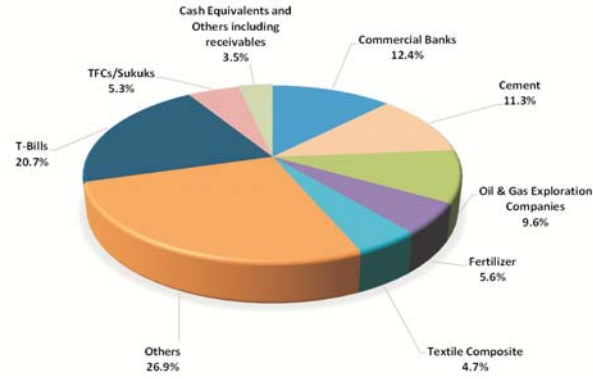
آمدنی کے لحاظ سے، اس عرصہ کے دوران کارپوریٹ ڈیٹ سیکورٹیز میں تجارتی سرگرمی دباؤ کا شکار رہی۔ مجموعی تجارت کی مالیت پچھلے سال کے اسی عرصے میں 20.4 ملین روپے کے مقابلے میں 19.8 ملین روپے رہی۔ مالی سال 21 کی نو ماہی کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (MPC) کے چار اجلاس منعقد کئے جن میں بیچ مارک پالیسی کی شرح کو 7 فیصد برقرار رکھا۔ ان مانیٹری پالیسی کارروائیوں، اور افراط زر اور سود کی شرح کے نقطہ نظر پر گورنمنٹ منافع میں اضافہ ہوا۔ اس مدت کے دوران اسٹیٹ بینک آف پاکستان نے بیس (20) T-Bills تین بلایاں کا انعقاد کیا، جس میں کل 9.88 ٹریلین روپے وصول کئے۔ 3 ماہ 6 ماہ اور 12 ماہ کی مدتوں والے T-Bills کے منافع میں بالترتیب 33bps پوائنٹس، 72bps پوائنٹس اور 84bps پوائنٹس کا اضافہ ہوا۔ اسی طرح، اسی مدت کے دوران 10 سالہ PIB پیداوار میں 173bps کا اضافہ ہوا۔

NBP سرمایہ اضافہ فنڈ کو موجودہ مدت کے دوران 236.46 ملین روپے کی مجموعی آمدنی ہوئی ہے۔ 44.71 ملین روپے کے مجموعی اخراجات منہا کرنے کے بعد خالص آمدنی 191.75 ملین روپے ہے۔

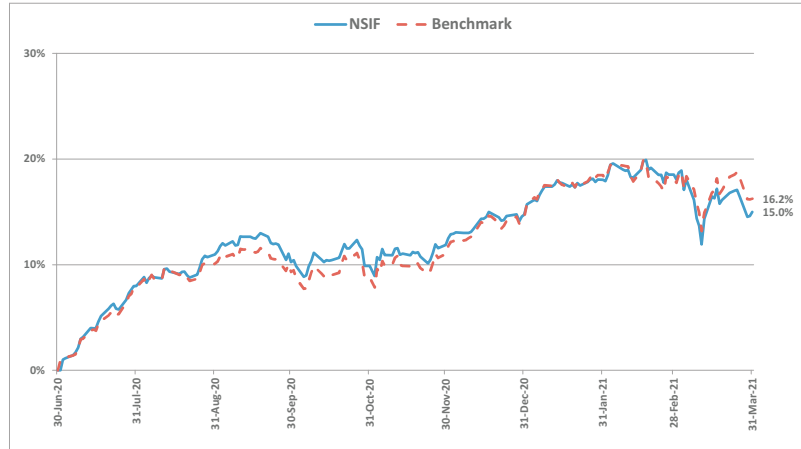




31 مارچ 2021 کو NBP سرمایہ اضافہ فنڈ کی ایسٹ ایلو کیشن درج ذیل ہے:



NSIF کی کارکردگی بمقابلہ بیچ مارک (اپنے قیام سے)



**اظہار تشکر**

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

بورڈ اپنے اسٹاک اور ڈیٹ 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 مینجمنٹ لمیٹڈ**

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 30 اپریل 2021ء

مقام: کراچی



## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- Rupees in '000 -----	
<b>ASSETS</b>			
Bank balances		398,850	619,145
Investments	4	1,390,735	701,053
Mark-up accrued and dividend receivable		8,510	2,869
Receivable against sale of investments		-	2,563
Receivable against transfer of units		1,027	9,587
Deposits, prepayments and other receivables		3,288	3,405
<b>Total assets</b>		<b>1,802,410</b>	<b>1,338,622</b>
<b>LIABILITIES</b>			
Payable to NBP Fund Management Limited - Management Company		16,275	15,677
Payable to Central Depository Company of Pakistan Limited - Trustee		237	210
Payable to the Securities and Exchange Commission of Pakistan		215	275
Payable against redemption of units		3,254	13,856
Payable against purchase of investment		298,761	-
Accrued expenses and other liabilities		41,242	50,162
<b>Total liabilities</b>		<b>359,984</b>	<b>80,180</b>
<b>NET ASSETS</b>		<b>1,442,426</b>	<b>1,258,442</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>1,442,426</b>	<b>1,258,442</b>
<b>Contingencies and commitments</b>			
	6		
		-----Number of units-----	
<b>Number of units in issue</b>		<b>85,783,016</b>	<b>86,051,906</b>
		-----Rupees-----	
<b>Net asset value per unit</b>		<b>16.8148</b>	<b>14.6242</b>

The annexed notes from 1 to 12 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

		Nine months ended		Quarter ended	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Note		Rupees in '000			
<b>INCOME</b>					
Return / mark-up on:					
	- Bank balances	13,297	36,109	5,781	9,805
	- Term deposit receipts	-	5,915	-	-
	- Debt / government securities	25,370	10,708	5,833	7,384
Net gain on sale of investments					
	Dividend income	36,464	26,232	3,550	30,041
		27,717	43,805	15,182	9,785
Net unrealised gain / (loss) on re-measurement of investments classified as fair value through profit or loss					
		133,612	(110,659)	(6,992)	(292,028)
<b>Total income / (loss)</b>		<b>236,460</b>	<b>12,110</b>	<b>23,354</b>	<b>(235,013)</b>
<b>EXPENSES</b>					
Remuneration of NBP Fund Management Limited					
	- Management Company	16,106	16,282	5,749	5,202
Sindh Sales Tax on remuneration of the Management Company					
		2,094	2,117	748	677
Reimbursement of operational expenses to the Management Company					
		1,391	1,068	575	347
7	Selling and marketing expenses	16,791	12,691	6,434	4,682
Remuneration of Central Depository Company of Pakistan Limited					
	-Trustee	1,824	1,819	629	595
Sindh Sales Tax on remuneration of the Trustee					
		237	236	82	77
Annual fee to the Securities and Exchange Commission of Pakistan					
		215	214	77	70
Securities transaction costs					
		984	1,251	369	456
Settlement and bank charges					
		226	700	18	154
Auditors' remuneration					
		671	668	395	238
Legal and professional charges					
		55	105	18	44
Fund rating fee					
		151	161	50	50
Annual listing fee					
		21	21	14	7
Printing charges					
		27	37	9	12
<b>Total expenses</b>		<b>40,793</b>	<b>37,370</b>	<b>15,167</b>	<b>12,611</b>
<b>Net income / (loss) from operating activities</b>		<b>195,667</b>	<b>(25,260)</b>	<b>8,187</b>	<b>(247,624)</b>
5	Provision / Reversal for Sindh Workers' Welfare Fund	(3,913)	-	(163)	4,447
<b>Net income / (loss) for the period before taxation</b>		<b>191,754</b>	<b>(25,260)</b>	<b>8,024</b>	<b>(243,177)</b>
8	Taxation	-	-	-	-
<b>Net income / (loss) for the period after taxation</b>		<b>191,754</b>	<b>(25,260)</b>	<b>8,024</b>	<b>(243,177)</b>
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		191,754	-	8,024	-
Income already paid on units redeemed		(47,669)	-	(25,143)	-
		144,085	-	(17,119)	-
<b>Accounting income available for distribution:</b>					
- Relating to capital gains		144,085			
- Excluding capital gains		-			
		144,085			

The annexed notes from 1 to 12 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Nine months ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	----- Rupees in '000 -----			
Net income / (loss) for the period after taxation	<b>191,754</b>	(25,260)	<b>15,850</b>	(243,177)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>191,754</b>	(25,260)	<b>15,850</b>	(243,177)

The annexed notes from 1 to 12 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

	Nine Months Period Ended March 31,					
	2021			2020		
	Rupees in '000					
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
Net assets at beginning of the period	689,515	568,927	1,258,442	1,217,096	552,301	1,769,398
Issue of 40,432,875 units (2020: 14,110,789 units)						
- Capital value	591,299	-	591,299	204,075	-	204,075
- Element of income / (loss)	77,998	-	77,998	29,123	-	29,123
Total proceeds on issue of units	669,297	-	669,297	233,198	-	233,198
Redemption of 40,701,765 units (2020: 57,117,735 units)						
- Capital value	(595,231)	-	(595,231)	(826,054)	-	(826,054)
- Element of income / (loss)	(34,167)	(47,669)	(81,836)	(33,507)	-	(33,507)
Total payments on redemption of units	(629,398)	(47,669)	(677,067)	(859,561)	-	(859,561)
Total comprehensive loss for the period	-	191,754	191,754	-	(25,260)	(25,260)
Net assets at end of the period	729,414	713,012	1,442,426	590,733	527,041	1,117,775
Undistributed income brought forward						
- Realised		560,107			753,682	
- Unrealised		8,820			(201,381)	
		568,927			552,301	
Accounting income available for distribution						
- Relating to capital gain		144,085			-	
- Excluding capital gains		-			-	
		144,085			-	
Net loss for the period after taxation		-			(25,260)	
Undistributed income carried forward						
- Realised		579,400			637,700	
- Unrealised		133,612			(110,659)	
		713,012			527,041	
		- (Rupees) -			- (Rupees) -	
Net assets value per unit at beginning of the period		14.6242			14.4623	
Net assets value per unit at end of the period		16.8148			14.0887	

The annexed notes from 1 to 12 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 NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Nine Months Period Ended March 31,	
	2021	2020
Note	----- Rupees in '000 -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income / (loss) for the period before taxation	191,754	(25,260)
<b>Adjustments:</b>		
Net gain on sale of investments	(36,464)	(26,232)
Net unrealised (gain) / loss on re-measurement of investments classified as fair value through profit or loss	(133,612)	110,659
	(170,076)	84,427
<b>Decrease / (increase) in assets</b>		
Investments - net	(519,606)	394,664
Mark-up accrued and dividend receivable	(5,641)	(11,585)
Receivable against sale of investments	2,563	80,315
Deposits, prepayments and other receivables	117	121
	(522,567)	463,515
<b>(Decrease) / increase in liabilities</b>		
Payable to the Management Company	598	(3,584)
Payable to the Trustee	27	(67)
Payable to the Securities and Exchange Commission of Pakistan	(60)	(2,337)
Payable against purchase of investment	298,761	-
Accrued expenses and other liabilities	(8,920)	5,911
	290,406	(77)
	(210,483)	522,605
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts received on issue of units	677,857	233,149
Amounts paid on redemption of units	(687,669)	(858,435)
<b>Net cash used in financing activities</b>	<b>(9,812)</b>	<b>(625,286)</b>
<b>Net decrease in cash and cash equivalents during the period</b>	<b>(220,295)</b>	<b>(102,681)</b>
Cash and cash equivalents at the beginning of the period	619,145	526,947
<b>Cash and cash equivalents at the end of the period</b>	<b>398,850</b>	<b>424,266</b>

The annexed notes from 1 to 12 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 STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021

### 1. LEGAL STATUS AND NATURE OF BUSINESS

NBP Sarmaya Izafa Fund (the Fund) was established under a Trust Deed executed 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, 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 18, 2010 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

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 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 Fund is an open-ended mutual fund categorised as "asset allocation scheme" and its units are listed on Pakistan Stock Exchange Limited (PSX). Units of the Fund are offered for public subscription on a continuous basis. Units of the Fund are transferable and can be redeemed by surrendering them to the Fund.

The investment 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 Limited (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company as at December 24, 2019 and has assigned performance ranking of "3 star" to the Fund.

Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

### 2. STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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





In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

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

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2020.

	(Un-audited) March 31, 2021	(Audited) June 30, 2020
Note	-----Rupees in '000-----	

### 4 INVESTMENTS

#### Financial asset at fair value through profit or loss

- Listed equity securities	4.1	1,016,051	649,981
- Treasury Bills	4.2	298,761	-
- Sukuks	4.3	75,923	51,072
		<b>1,390,735</b>	<b>701,053</b>

#### 4.1 Listed equity securities

Name of the investee company	As at July 01, 2020	Purchased during the period	Bonus / right issue	Sold during the period	As at March 31, 2021	Market value as at March 31, 2021	Market value as a percentage of net assets	Market value as a percentage of total investment	Investment as percentage of paid up capital of investee company
----- Number of shares -----						Rupees in '000 -----	% -----		

All shares have a nominal face value of Rs. 10 each except for shares of Thal Limited and K-Electric Limited which have a face value of Rs. 5 and Rs. 3.5 each respectively.

#### OIL AND GAS MARKETING COMPANIES

Attock Petroleum Limited	15,400	9,100	-	2,000	22,500	7,358	0.51	0.53	0.23
Hascol Petroleum Limited	1,861	-	-	-	1,861	19	0.00	-	0.01
Pakistan State Oil Company Limited	58,008	78,300	-	3,600	132,708	30,606	2.12	2.20	3.39
Sui Northern Gas Pipelines Limited	75,700	-	-	70,500	5,200	204	0.01	0.01	0.01
	<b>150,969</b>	<b>87,400</b>	<b>-</b>	<b>76,100</b>	<b>162,269</b>	<b>38,187</b>	<b>2.65</b>	<b>2.74</b>	<b>3.64</b>

#### OIL AND GAS EXPLORATION COMPANIES

Mari Petroleum Company Limited	34,790	820	-	1,500	34,110	52,233	3.62	3.77	0.28
Oil and Gas Development Company Limited	239,400	186,500	-	67,100	358,800	36,458	2.53	2.62	0.08
Pakistan Oilfields Limited	13,120	27,800	-	3,300	37,620	14,291	0.99	1.03	0.13
Pakistan Petroleum Limited	323,569	114,400	-	40,600	397,369	34,702	2.41	2.50	0.18
	<b>610,879</b>	<b>329,520</b>	<b>-</b>	<b>112,500</b>	<b>827,899</b>	<b>137,684</b>	<b>9.55</b>	<b>9.92</b>	<b>0.67</b>



Name of the investee company	As at July 01, 2020	Purchased during the period	Bonus / right issue	Sold during the period	As at March 31, 2021	Market value as at March 31, 2021	Market value as a percentage of net assets	Market value as a percentage of total investment	Investment as percentage of paid up capital of investee company
----- Number of shares ----- Rupees in '000 ----- % -----									
<b>FERTILIZER</b>									
Engro Corporation Limited	97,070	45,800	-	19,100	123,770	34,324	2.38	2.47	1.45
Engro Fertilizers Limited	153,000	23,000	-	87,000	89,000	5,554	0.39	0.40	0.07
Fauji Fertilizer Bin Qasim Limited	173,500	410,000	-	173,500	410,000	11,234	0.78	0.81	0.44
Fauji Fertilizer Company Limited	364,500	42,000	-	119,500	287,000	29,989	2.08	2.16	0.60
	788,070	520,800	-	399,100	909,770	81,100	5.62	5.84	2.56
<b>CHEMICALS</b>									
Engro Polymer & Chemicals Limited	684,857	225,000	-	154,000	755,857	41,565	2.88	2.99	1.14
Lotte Chemical Pakistan Limited	-	965,000	-	-	965,000	15,392	1.07	1.11	0.64
	684,857	1,190,000	-	154,000	1,720,857	56,956	3.95	4.10	1.78
<b>FOOD AND PERSONAL CARE PRODUCTS</b>									
Unity Foods Limited	-	192,000	-	-	192,000	5,710	0.40	0.41	0.35
Matco Foods Limited	1,250	-	-	1,250	-	-	-	-	-
	1,250	192,000	-	1,250	192,000	5,710	0.40	0.41	0.35
<b>ENGINEERING</b>									
International Steels Limited	85,300	-	-	85,300	-	-	-	-	-
Aisha Steel Mills Limited	-	55,000	-	-	55,000	1,306	0.09	0.09	0.41
Agha Steel Industries Limited	-	595,000	-	98,000	497,000	15,347	1.06	1.10	3.73
Amreli Steels Limited	-	135,000	-	-	135,000	5,627	0.39	0.40	0.05
Mughal Iron & Steel Industries Limited	477,500	90,000	-	326,500	241,000	22,432	1.56	1.61	0.96
Mughal Iron & Steel Industries Limited -Right	-	-	38,560	-	38,560	872	0.06	0.06	0.00
	562,800	875,000	38,560	509,800	966,560	45,585	3.16	3.26	5.14
<b>CEMENT</b>									
D.G. Khan Cement Company Limited	42,000	118,500	-	12,500	148,000	17,835	1.24	1.28	0.32
Lucky Cement Limited	93,300	32,200	-	34,600	90,900	74,319	5.15	5.34	0.68
Maple Leaf Cement Factory Limited	-	346,500	-	10,000	336,500	15,075	1.05	1.08	0.03
Cherat Cement Company Limited	-	47,500	-	5,200	42,300	6,793	0.47	0.49	0.09
Kohat Cement Company Limited	127,950	40,000	-	15,000	152,950	31,694	2.20	2.28	0.11
Fauji Cement Company Limited	400,500	457,000	-	103,000	754,500	17,218	1.19	1.24	3.59
	663,750	1,041,700	-	180,300	1,525,150	162,935	11.30	11.71	4.82
<b>TEXTILE COMPOSITE</b>									
Nishat Mills Limited	180,000	76,500	-	33,500	223,000	20,632	1.43	1.48	0.02
Gul Ahmed Textile Mills Limited	438,560	35,000	-	265,000	208,560	9,865	0.68	0.71	0.02
Nishat (Chunian) Limited	65,500	205,500	-	16,500	254,500	11,732	0.81	0.84	0.02
Interloop Limited	162,177	66,500	-	36,000	192,677	12,740	0.88	0.92	0.00
Kohinoor Textile Mills Limited	246,194	28,000	-	65,500	208,694	12,801	0.89	0.92	1.57
	1,092,431	411,500	-	416,500	1,087,431	67,770	4.70	4.87	1.62
<b>POWER GENERATION AND DISTRIBUTION</b>									
The Hub Power Company Limited	572,687	86,000	-	130,608	528,079	42,848	2.97	3.08	0.05
Saif Power Limited	93,000	-	-	-	93,000	1,638	0.11	0.12	0.31
Lalpur Power Limited	756,000	-	-	420,000	336,000	5,759	0.40	0.41	0.84
Pakgen Power Limited	274,500	-	-	74,000	200,500	6,155	0.43	0.44	0.66
K-Electric Limited	625,000	-	-	625,000	-	-	-	-	-
	2,321,187	86,000	-	1,249,608	1,157,579	56,400	3.91	4.05	1.85
<b>COMMERCIAL BANKS</b>									
Allied Bank Limited	37,200	1	-	-	37,201	2,635	0.18	0.19	0.00
Bank Al-falah Limited	872,450	154,500	-	-	1,026,950	31,301	2.17	2.25	0.06
Bank Al-Habib Limited	438,150	40,500	-	21,500	457,150	29,733	2.06	2.14	0.04
Bank of Punjab	369,500	-	-	369,500	-	-	-	-	-
MCB Bank Limited	150,700	-	-	57,900	92,800	15,976	1.11	1.15	0.01
United Bank Limited	193,803	90,700	-	-	284,503	33,839	2.35	2.43	0.02
Faysal Bank Limited	46,145	160,000	-	-	206,145	3,335	0.23	0.24	0.01
Habib Metropolitan Bank Limited	-	62,000	-	-	62,000	2,230	0.15	0.16	0.01
Meezan Bank Limited	-	35,500	-	-	35,500	4,018	0.28	0.29	0.00
Habib Bank Limited	350,567	126,100	-	-	476,667	55,379	3.84	3.98	0.03
National Bank of Pakistan	102,500	-	-	102,500	-	-	-	-	-
	2,561,015	669,301	-	551,400	2,678,916	178,446	12.37	12.83	0.19

# NBP SARMAYA IZAFI FUND



**NBP FUNDS**  
Managing Your Savings

Name of the investee company	As at July 01, 2020	Purchased during the period	Bonus / right issue	Sold during the period	As at March 31, 2021	Market value as at March 31, 2021	Market value as a percentage of net assets	Market value as a percentage of total investment	Investment as percentage of paid up capital of investee company
	----- Number of shares -----				Rupees in '000 -----		----- % -----		
<b>PAPER AND BOARD</b>									
Century Paper and Board Mills Limited	198,500	-	21,900	102,000	118,400	11,205	0.78	0.81	0.14
Roshan Packages Limited	-	105,000	-	10,000	95,000	2,726	0.19	0.20	0.04
Cherat Packaging Limited	75,389	-	-	75,388	1	0	0.00	-	0.00
Packages Limited	14,000	-	-	7,800	6,200	3,136	0.22	0.23	0.02
	287,889	105,000	21,900	195,188	219,601	17,067	1.18	1.24	0.20
<b>LEATHER &amp; TANNERIES</b>									
Service Industries Limited	-	11,200	-	3,000	8,200	9,190	0.64	0.66	0.01
	-	11,200	-	3,000	8,200	9,190	0.64	0.66	0.01
<b>AUTOMOBILE ASSEMBLER</b>									
Indus Motor Company Limited	969	-	-	-	969	1,120	0.08	0.08	0.01
Pak Suzuki Motor Company Limited	-	26,500	-	-	26,500	8,344	0.58	0.60	0.01
Millat Tractors Limited	15,900	6,650	2,625	1,550	23,625	25,982	1.80	1.87	0.18
Honda Atlas Cars Pakistan Limited	35,100	-	-	35,100	-	-	-	-	-
	51,969	33,150	2,625	36,650	51,094	35,446	2.46	2.55	0.19
<b>AUTOMOBILE PARTS AND ACCESSORIES</b>									
Baluchistan Wheels Limited	7,500	-	-	-	7,500	578	0.04	0.04	0.01
Panther Tyres Limited	-	35,000	-	-	35,000	2,256	0.16	0.16	0.01
	7,500	35,000	-	-	42,500	2,833	0.20	0.20	0.02
<b>CABLE &amp; ELECTRICAL GOODS</b>									
Pak Elektron Limited	-	240,000	-	-	240,000	7,930	0.55	0.57	0.02
	-	240,000	-	-	240,000	7,930	0.55	0.57	0.02
<b>TECHNOLOGY AND COMMUNICATION</b>									
Systems Limited	94,250	-	6,175	32,500	67,925	31,961	2.22	2.30	0.23
Avanceon Limited	-	17,500	-	-	17,500	1,546	0.11	0.11	0.06
TPL Trakker Limited	-	333,500	-	10,000	323,500	3,209	0.22	0.23	0.01
Netsol Technology Limited	84,500	-	-	84,500	-	-	-	-	-
	178,750	351,000	6,175	127,000	408,925	36,716	2.55	2.64	0.29
<b>GLASS AND CERAMICS</b>									
Tariq Glass Industries Limited	214,200	-	34,925	74,500	174,625	14,609	1.01	1.05	0.58
Shabbir Tiles and Ceramics Limited	-	604,000	-	-	604,000	14,266	0.99	1.03	0.04
	214,200	604,000	34,925	74,500	778,625	28,876	2.00	2.08	0.62
<b>PHARMACEUTICALS</b>									
The Searle Company Limited	9,415	47,100	7,158	6,000	57,673	14,247	0.99	1.02	0.43
IBL HealthCare Limited	-	22,500	-	-	22,500	2,049	0.14	0.15	0.02
Highnoon Laboratories Limited	8,954	3,800	-	4,500	8,254	5,361	0.37	0.39	0.02
AGP Limited	10,000	88,500	-	-	98,500	11,242	0.78	0.81	0.25
	28,369	161,900	7,158	10,500	186,927	32,899	2.28	2.37	0.72
<b>SYNTHETIC PRODUCTS</b>									
Synthetic Products Enterprises Limited	28,080	-	-	-	28,080	1,079	0.07	0.08	0.09
	28,080	-	-	-	28,080	1,079	0.07	0.08	0.09
<b>INSURANCE PRODUCTS</b>									
Adamjee Insurance Company Limited	154,000	35,000	-	68,000	121,000	4,747	0.33	0.34	0.08
IGI Holdings Limited	-	50,000	-	-	50,000	8,494	0.59	0.61	0.03
	154,000	85,000	-	68,000	171,000	13,241	0.92	0.95	0.11
<b>Total as at March 31, 2021</b>	<b>10,387,966</b>	<b>7,029,471</b>	<b>111,343</b>	<b>4,165,396</b>	<b>13,363,384</b>	<b>1,016,051</b>	<b>70.44</b>	<b>73.07</b>	
<b>Carrying value before mark to market as at March 31, 2021</b>	<b>882,290</b>								



## 4.2 Treasury Bills

Issue Date	Tenor	Face Value				Market value / carrying value as at March 31, 2021	Investment as a percentage of		
		As at July 1, 2020	Purchased during the year	Sales / Matured during the year	As at March 31, 2021			Net Assets	Market value of total investments
(Rs in '000)						%			
5-Nov-20	3 Months	-	250,000	250,000	-	-	-	-	
7-May-20	3 Months	-	325,000	325,000	-	-	-	-	
14-Jan-21	3 Months	-	700,000	700,000	-	-	-	-	
16-Jul-20	3 Months	-	450,000	450,000	-	-	-	-	
16-Jul-20	6 Months	-	75,000	75,000	-	-	-	-	
16-Jul-20	12 Months	-	100,000	100,000	-	-	-	-	
16-Jul-19	12 Months	-	500,000	500,000	-	-	-	-	
19-Nov-20	3 Months	-	700,000	700,000	-	-	-	-	
22-Oct-20	3 Months	-	250,000	250,000	-	-	-	-	
23-Apr-20	6 Months	-	525,000	525,000	-	-	-	-	
27-Aug-20	3 Months	-	75,000	75,000	-	-	-	-	
28-Jan-21	3 Months	-	300,000	-	300,000	298,761	20.71	-	
29-Aug-19	12 Months	-	100,000	100,000	-	-	-	-	
31-Dec-20	3 Months	-	200,000	200,000	-	-	-	-	
		-	4,550,000	4,250,000	300,000	298,761	20.71	-	

Carrying value before mark to market as at March 31, 2021

298,761

## 4.3 Sukuks

Name of the investee company	Number of certificates				Market value / carrying value as at March 31, 2021	Investment as a percentage of		
	As at July 1, 2020	Purchased during the year	Sales / Matured during the year	As at March 31, 2021		Net assets	Market value of total investments	Issue size
Rs in '000						----- % -----		

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

Hub power company sukuk-2	500	-	-	500	50,923	3.53	3.66	0.01%
Mughal Iron & Steel Limited -Sukuk	-	25	-	25	25,000	1.73	1.80	0.01%
					<u>75,923</u>			

Carrying value before mark to market as at March 31, 2021

76,072

## 5 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 17 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

The Fund, being prudent, recognised provision for SWWF amounting to Rs.24.409 million for the period ended March 31, 2021 in this condensed interim financial information, Had the provision not been made, net assets value per unit at March 31, 2021 would have been higher by Rs. 0.28 per unit (June 30, 2020: Rs. 0.24 per unit).

## 6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.



## 7 SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 1.75% per annum of the net assets of the Fund.

## 8 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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

## 9 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2021 is 4.16% (2020: 3.51%) which includes 0.60% (2020: 0.24%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% (as amended by S.R.O 639 dated June 20, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorised as 'asset allocation scheme'.

## 10 TRANSACTION WITH CONNECTED PERSONS AND RELATED PARTIES

- 10.1 Connected persons and related parties include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan being the Parent of the Management Company and Baltoro Growth Fund Management Limited being the sponsor of the Management Company. It also includes associated companies of Management Company due to common directorship, post-employment benefit funds of the Management Company, its parent and sponsor. It also includes subsidiaries and associated companies of the Parent of the Management Company and other collective investment schemes (CIS) managed by the Management Company, directors and key management personnel of the Management Company and any person or company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.
- 10.2 The transactions with connected persons and related parties are carried at agreed rates and terms.
- 10.3 Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations.
- 10.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.



## 10.5 Details of transactions with connected persons and related parties are as follows:

### NBP Fund Management Limited - Management Company

Remuneration of the Management Company	16,106	16,282
Sindh Sales Tax on remuneration of the Management Company	2,094	2,117
Reimbursement of operational expenses to the Management Company	1,391	1,068
Selling and marketing expenses	16,791	12,691
Sales load and related Sindh Sales Tax and Federal Excise Duty	12,456	3,218

### Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	1,824	1,819
Sindh Sales Tax on remuneration of the Trustee	237	236
CDS charges	107	98

### Employees of the Management Company

Units issued / transferred in 463,598 units (2020: 72,174 units)	7,580	1,202
Units redeemed / transferred out 327,764 units (2020: 97,963 units)	5,371	1,608

### Muhammad Murtaza Ali - Company Secretary / COO

Units Redeemed / Transferred Out Nil Unit (2020: 1 Unit)	-	1
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### Portfolio Managed by the Management Company

Units issued / transferred in 5,617,900 Units (2020: 1,320,030 Units)	93,568	20,482
Units Redeemed / Transferred Out 641,886 Units (2020: Nil Units)	11,100	-
Treasury Bill Sold	73,464	-

### BankIslami Pakistan Limited (Common Directorship)

Markup accrued on bank balances	25	3,678
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### NBP Money Market Fund - (CIS manage by the management company)

Treasury Bill Sold	-	343,899
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### NBP Financial Sector Fund - (CIS manage by the management company)

Shares Purchased	9,526	-
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### International Steels Limited (Common Directorship)

Ordinary shares purchased Nil (2020: 100,000 shares)	-	3,987
Ordinary shares sold 85,300 Nil (2020: 187,000 shares)	5,963	7,492
Dividend income	-	219

### Fauji Fertilizer Company Limited (Common Directorship)

Ordinary shares purchased 42,000 (2020: 37,000 shares)	4,616	3,599
Ordinary shares sold 119,500 (2020: 361,500 shares)	12,939	35,347
Dividend income	2,473	4,238

### The Hub Power Company Limited (Common Directorship)

Ordinary shares purchased 86,000 (2020: 80,000 shares)	7,656	5,275
Ordinary shares sold 130,600 (2020: 299,500 shares)	10,560	26,614
Sukuk purchased (2020: 500 units)	-	50,000

### Taurus Securities Limited - (Subsidiary of Parent of the Management Company)

Brokerage paid	57	75
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**10.6 Amounts outstanding as at period / year end are as follows:**

(Un-audited) (Audited)  
March 31, June 30,  
2021 2020  
----- Rupees in '000 -----

**NBP Fund Management Limited - Management Company**

Remuneration of the Management Company	1,878	1,556
Sindh Sales Tax on remuneration of the Management Company	244	202
Operational expenses	575	309
Selling and Marketing expenses - Management Company	6,434	4,440
Sales load and transfer load	3,000	4,811
Sindh Sales tax and Federal Excise Duty on sales load	4,123	4,359
Other Payable	21	-

**Central Depository Company of Pakistan Limited (Trustee)**

Remuneration of the Trustee	210	186
Sindh sales tax on remuneration of the Trustee	27	24
CDS charges	13	133
Security deposit	100	100

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

Security deposit	2,750	2,750
NCCPL charges payable	36	125

**National Bank of Pakistan (Parent of the Management Company)**

Bank balances	1,434	8,866
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**International Steels Limited (Common Directorship)**

Ordinary shares held Nil (June 2020: 85,300 shares)	-	4,406
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**Gul Ahmed Textile Mills Limited (Common Directorship with the Management Company)**

Ordinary shares held; 208,560 (2020: 438,560) shares	9,865	12,556
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**Fauji Fertilizer Limited Company (Common Directorship with the Management Company)**

Ordinary shares held; 287,000 (2020: 364,500 shares)	29,989	40,091
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**Summit Bank Limited (Common Directorship with the Management Company)**

Bank balances	-	2,323
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**BankIslami Pakistan Limited (Common Directorship with the Management Company)**

Bank balances	371	465
Markup accrued on bank balances	26	7

**The Hub Power Company Limited**

**(Common Directorship with the Management Company)**

Ordinary shares held; 528,087 (2020: 572,687) shares	42,848	41,520
Markup accrued on sukuks	469	550
Sukuks held	50,923	51,072

**Employees of the Management Company**

Investment held in the Fund 160,649 (2020: 24,814) units	2,701	363
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**Taurus Securities Limited (Subsidiary of Parent of the Management Company)**

Brokerage payable	7	-
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**Portfolio managed by the Management Company**

Units held; 5,732,603 (2020 : 1,265,372) units	96,393	18,506
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## 11 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 30, 2021 by the Board of Directors of the Management Company.

## 12 GENERAL

12.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

12.2 Corresponding figures have been reclassified, wherever necessary, for the purpose of better presentation.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## Head Office

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 /nbpfunds