



Managing Your Savings

NBP Fund Management Limited



NBP GOVERNMENT SECURITIES SAVINGS FUND

QUARTERLY REPORT
SEPTEMBER 30, 2022

AM1
Rated by PACRA

MISSION STATEMENT

"To become country's most
investor-focused company,
by assisting investors
in achieving their financial goals."



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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Saad Amanullah Khan	Director
Mr. Ruhail Muhammad	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Ruhail Muhammad	Chairman
Mr. Saad Amanullah Khan	Member
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member

Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Mr. Tauqeer Mazhar	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Ruhail Muhammad	Member

Trustee

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

Bankers to the Fund

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
Khushali Microfinance Bank Limited
MCB Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Mobilink Microfinance Bank Limited
Telenor Microfinance Bank Limited
HBL Microfinance Bank Limited
United Bank Limited
U Microfinance Bank Limited
Samba Bank Limited



Auditors

A.F. Ferguson & Co. Chartered Accountants
State Life Building No. 1-C
I.I. Chundrigar Road,
P.O.Box 4716
Karachi.

Legal Advisor

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

Head Office:

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

Lahore Office:

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

Islamabad Office:

1st Floor, Ranjha Arcade
Main Double Road, Gulberg Greens,
Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

Opposite Gul Haji Plaza, 2nd Floor
National Bank Building
University Road Peshawar,
UAN: 091-111 111 632
Fax: 091-5703202

Multan Office:

Khan Center, 1st Floor,
Abdali Road, Multan.
Phone No. : 061-4540301-6, 061-4588661-2&4

DIRECTORS' REPORT

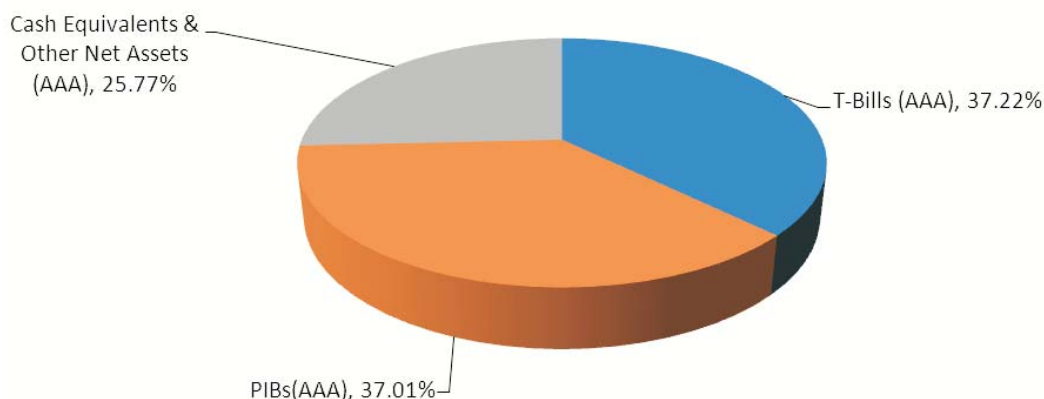
The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited condensed Interim financial statements of **NBP Government Securities Savings Fund (NGSSF)** for the quarter ended September 30, 2022.

Fund's Performance

During the quarter, SBP held two Monetary Policy Committee meetings and increased the policy rate by 125 basis points to 15%. The sovereign yields responded as PIB yields increased by 38 bps and 19 bps for 3 years and 5 years, respectively. SBP held three PIB auctions, realizing a total of Rs. 687 billion against the maturity of Rs. 1,132 billion and target of Rs. 500 billion. Inflation as measured by the CPI, escalated sharply and averaged 25.1% during the period as compared to 8.6% in 1QFY22. Amid spike in the perishable item prices, the utilities also increased significantly. Owing to the global and domestic uncertainties, and due to pressure on the exchange rate, the inflation outlook remains elevated for FY23. The exacerbating political noise as well as the global unrest due to the Russia-Ukraine conflict intensifying; significant uncertainties prevail around the outlook for international commodity prices and domestic fiscal consolidation. Also, following the increase in FED rates, the central banks across the world are pushed to confront with challenging outlook.

The size of NBP Government Securities Savings Fund decreased from Rs. 138 million to Rs. 134 million during the period (i.e., a drop of 3%). During the period, the unit price of the Fund has increased from Rs. 10.4090 on June 30, 2022 to Rs. 10.7740 on September 30, 2022, thus showing return of 13.9% p.a. as compared to the benchmark return of 15.7% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses. The Fund has been assigned a stability rating of 'AA- (f)' by PACRA.

The Fund has earned a total income of Rs. 5.32 million during the year. After deducting total expenses of Rs. 0.67 million the net income is Rs. 4.65 million. The asset allocation of NGSSF as on September 30, 2022 is as follows:



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: October 29, 2022

Place: Karachi.

ڈائریکٹرز رپورٹ

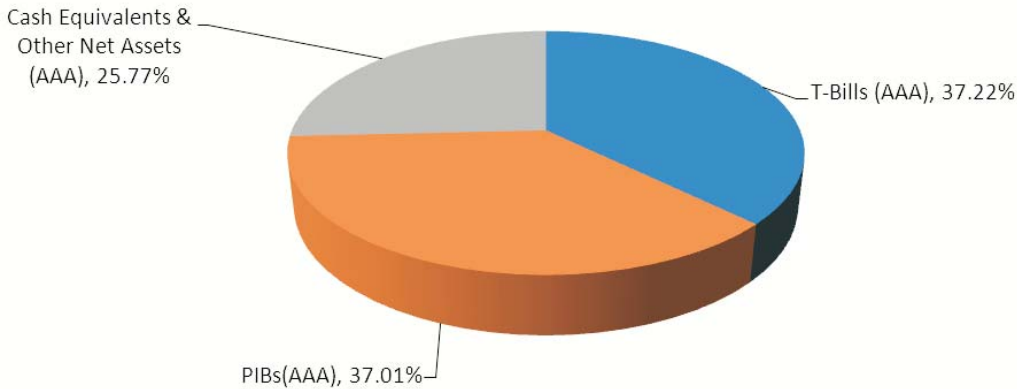
NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2022ء کو ختم ہونے والی سہ ماہی کے لئے NBP گورنمنٹ سیکورٹیز سیونگ فنڈ (NGSSF) کے غیر جانچ شدہ کنڈینسڈ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

سہ ماہی کے دوران، SBP نے دو ماہی پالیسی کمیٹی کے اجلاس منعقد کیے اور پالیسی کی شرح کو 125 بیسس پوائنٹس بڑھا کر 15% کر دیا۔ حکومتی شرح منافع فائدہ مند رہا کیونکہ PIB کے منافع میں بالترتیب 3 سال اور 5 سال کے لیے 38bps اور 19bps کا اضافہ ہوا۔ SBP نے PIB کی تین نیلامیوں کا انعقاد کیا، جس سے 1,132 بلین روپے میچورٹی اور 500 بلین روپے ہدف کے مقابلے میں کل 687 بلین روپے کی وصولی ہوئی۔ اس کے علاوہ، کارپوریٹ بانڈ کی سرگرمی سست رہی، جس کی تجارت کی مجموعی قدر میں ستمبر 2021 کے مقابلے میں 6% کمی واقع ہوئی۔ اگرچہ کارپوریٹ ڈیٹ سیکورٹیز کا نیا اجراء ہوا تاہم ثانوی مارکیٹ میں تجارتی سرگرمی 2.11 بلین روپے کے برعکس 1.98 بلین روپے درج کی گئی۔ اسی عرصے کے دوران CPI کی پیمائش کردہ افراط زر تیزی سے بڑھی اور اوسطاً 25.1% رہی جو کہ مالی سال 2022 کی پہلی سہ ماہی میں 8.6% تھی۔ خراب ہونے والی اشیاء کی قیمتوں اور پوٹیلٹی میں بھی نمایاں اضافہ ہوا۔ عالمی اور ملکی غیر یقینی صورتحال اور شرح مبادلہ پر دباؤ کی وجہ سے، مالی سال 23 کے لیے افراط زر کا نقطہ نظر بلند ہے۔ روس اور یوکرین کے تنازع کی شدت سے بڑھتا ہوا سیاسی شورا اور عالمی بدنامی؛ بین الاقوامی اجناس کی قیمتوں اور ملکی مالی استحکام کے نقطہ نظر کو نمایاں غیر یقینی صورتحال کا سامنا ہے۔ نیز، FED کی شرح میں اضافے کے بعد، دنیا بھر کے مرکزی بینکوں کو چیلنجنگ نقطہ نظر کا سامنا کرنے پر مجبور کر دیا گیا ہے۔

موجودہ مدت کے دوران NBP گورنمنٹ سیکورٹیز سیونگ فنڈ (NGSSF) کا ساٹھ ماہی 138 بلین روپے سے کم ہو کر 134 بلین روپے ہو گیا (یعنی 3% کمی)۔ موجودہ مدت کے دوران، فنڈ کے پونٹ کی قیمت 30 جون 2022 کو 10.4090 روپے سے بڑھ کر 30 ستمبر 2022 کو 10.7740 روپے ہو گئی، لہذا اسی مدت کے دوران فنڈ نے اپنے بیچ مارک 15.7% کے مقابلے میں 13.9% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد نفاصل ہے۔ فنڈ کو PACRA کے ذریعے AA-(f) کی مستحکم درجہ بندی تفویض کی گئی ہے۔

NBP گورنمنٹ سیکورٹیز سیونگ فنڈ کو موجودہ مدت کے دوران 5.32 بلین روپے کی مجموعی آمدنی ہوئی ہے۔ 0.67 بلین روپے کے اخراجات منہا کرنے کے بعد مجموعی نقصان 4.65 بلین روپے ہے۔ 30 ستمبر 2022 کو NGSSF کی ایسٹ ایلویشن درج ذیل ہے:





اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمیٹی 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 اسٹاف اور ڈسٹی 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 آفیسر

تاریخ: 29 اکتوبر 2022

مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2022

	Un-Audited September 30,2022	Audited June 30,2022
	Note -----(Rupees in '000)-----	
ASSETS		
Bank Balances	4 38,377	45,832
Investments	5 99,514	98,269
Profit receivable	1,934	1,453
Deposits and prepayments	807	874
Total assets	140,632	146,428
LIABILITIES		
Payable to NBP Fund Management Limited - Management Company	5,839	5,872
Payable to Central Depository Company of Pakistan Limited - Trustee	7	7
Payable to Securities and Exchange Commission of Pakistan	7	34
Payable against redemption of units	1	-
Accrued expenses and other liabilities	728	2,191
Total liabilities	6,582	8,104
NET ASSETS	<u>134,050</u>	<u>138,324</u>
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)	<u>134,050</u>	<u>138,324</u>
CONTINGENCIES AND COMMITMENTS	6 -	-
Number of units in issue	<u>12,441,989</u>	<u>13,288,874</u>
NET ASSET VALUE PER UNIT	<u>10.7740</u>	<u>10.4090</u>

The annexed notes 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 QUARTER ENDED SEPTEMBER 30, 2022

	Quarter Ended	
	September 30, 2022	September 30, 2021
Note	------(Rupees in '000)-----	
INCOME		
Income from Government Securities	1,964	1,146
Income from Pakistan Investment Bonds	1,971	1,616
Profit on bank deposits	1,448	1,525
Capital (Loss) on sale of investments - net	(4)	(85)
Net unrealised diminution on re-measurement of investments classified 'at fair value through profit or loss'	(60)	(410)
Total income	5,319	3,792
EXPENSES		
Remuneration of the Management Company	75	108
Sindh sales tax on remuneration of the Management Company	10	14
Reimbursement of Allocated expenses	43	65
Reimbursement of Selling and Marketing Expense	238	363
Remuneration of Central Depository Company of Pakistan Limited - Trustee	19	34
Sindh sales tax on remuneration of Trustee	2	4
Annual fee - Securities and Exchange Commission of Pakistan	7	10
Legal & Professional charges	55	29
Settlement and bank charges	7	46
Annual listing fee	7	7
Auditors' remuneration	160	120
Fund rating fee	43	96
Printing charges	5	46
Total Expenses	671	942
Net Income from operating activities	4,648	2,850
Reversal for Sindh Workers' Welfare Fund	-	4,682
Net Income for the period before taxation	4,648	7,532
Taxation	-	-
Net Income for the period after taxation	4,648	7,532
Earnings per unit	-	-
Allocation of net income for the period		
- Net income for the period after taxation	4,648	7,532
- Income already paid on units redeemed	(139)	(986)
	4,509	6,546
Accounting income available for distribution:		
- Relating to capital gains	-	-
- Excluding capital gains	4,509	6,546
	4,509	6,546

The annexed notes 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 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Quarter Ended	
	September 30, 2022	September 30, 2021
	------(Rupees in '000)-----	
Net Income for the period after taxation	4,648	7,532
Other Comprehensive Income	-	-
Total comprehensive income for the period	<u>4,648</u>	<u>7,532</u>

The annexed notes 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 STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Quarter Ended Sep-22			Quarter Ended Sep-21		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the Period	95,984	42,340	138,324	170,323	42,214	212,537
Issuance of 435,761 units (2021: 9,664,809 units)						
Income on term deposit receipts						
- Capital value	4,536		4,536	29,905		29,905
- Element of Income	60	-	60	927	-	927
Total proceeds on issuance of units	4,596	-	4,596	30,832	-	30,832
Redemption of 1,282,646 units (2021: 54,914,660 units)						
- Capital value	(13,351)		(13,351)	(50,043)		(50,043)
- Element of loss	(28)	(139)	(167)	(271)	(986)	(1,257)
Total payments on redemption of units	(13,379)	(139)	(13,518)	(50,314)	(986)	(51,300)
Total comprehensive Loss / income for the period	-	4,648	4,648	-	7,532	9,329
Net assets at end of the period	87,201	46,849	134,050	150,841	48,760	199,601
Undistributed income brought forward						
- Realised		42,794			42,641	
- Unrealised		(454)			(427)	
		42,340			42,214	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		4,509			6,546	
		4,509			6,546	
Total comprehensive Loss / income for the period		-			-	
Undistributed income carried forward		46,849			48,760	
Undistributed income carried forward						
- Realised		46,909			49,170	
- Unrealised		(60)			(410)	
		46,849			48,760	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the Period			10.4090			10.3991
Net assets value per unit at end of the Period			10.7740			10.7883

The annexed notes 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 QUARTER ENDED SEPTEMBER 30, 2022

	Quarter Ended	
	September 30, 2022	September 30, 2021
------(Rupees in '000)-----		
CASH FLOW FROM OPERATING ACTIVITIES		
Net Income for the period	4,648	7,532
Net unrealised diminution on re-measurement of investments classified 'at fair value through profit or loss'	60	410
	4,708	7,942
(Increase) / Decrease in assets		
Investments	(1,305)	46,566
Profit receivable	(481)	2,230
Deposits and prepayments	67	77
	(1,719)	48,873
(Decrease) in liabilities		
Payable to the NBP Funds Management Limited - Management Company	(33)	22
Payable to Central Depository Company of Pakistan Limited - Trustee	-	(2)
Payable to the Securities and Exchange Commission of Pakistan	(27)	(48)
Payable against purchase of investments	-	(46,114)
Accrued expenses and other liabilities	(1,463)	(5,774)
	(1,523)	(51,916)
Net cash generated from operating activities	1,466	4,899
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts from issue of units	4,596	30,832
Net payments on redemption of units	(13,517)	(54,091)
Net cash (used in) financing activities	(8,921)	(23,259)
Net (decrease) in cash and cash equivalents during the period	(7,455)	(18,360)
Cash and cash equivalents at the beginning of the period	45,832	141,405
Cash and cash equivalents at the end of the period	38,377	123,045

The annexed notes 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 QUARTER ENDED SEPTEMBER 30, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

NBP Government Securities Savings Fund (the Fund) was established under a Trust Deed entered into between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 30, 2014 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

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

The Fund has been categorised as an open ended income scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited.

The objective of the Fund is to provide unit holders with competitive return from a portfolio of low credit risk securities by investing primarily in government securities.

The Pakistan Credit Rating Agency Limited (PACRA) has reaffirmed the asset manager rating of AM1 as at June 22, 2022 (2021: AM1) to the Management Company. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, PACRA has maintained the stability rating of "AA-(f)" to the Fund dated March 29, 2022 (2021: "AA-(f)" dated March 29, 2021).

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

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 14, 2021 the above-mentioned Trust Deed has been registered under the Trust Act.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2022.

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

3. SUMMARY OF ACCOUNTING POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2022.

4. BANK BALANCES

	Note	Un-audited As at September 30, 2022	Audited As at June 30, 2022
		(Rupees in '000)	
In current accounts		-	-
In savings accounts	4.1	38,377	45,832
		<u>38,377</u>	<u>45,832</u>

4.1 These accounts carry rates of return ranging from 6.5% to 16.5% (30 June 2022: 6.5% to 18.28%) per annum.

5. INVESTMENTS

	Note	Un-audited September 30, 2022	Audited June 30, 2022
		(Rupees in '000)	
At fair value through profit or loss			
Market Treasury Bills	5.1	49,899	48,669
Pakistan Investment Bonds	5.2	49,615	49,600
		<u>99,514</u>	<u>98,269</u>

5.1 Investment in Treasury Bills

Issue date	Tenor in months	Face Value				Market Value (Rs. In '000') September 30, 2022	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2022	Purchased during the period	Disposed / matured during the period	As at September 30, 2022			
10-Mar-22	6 Months	50,000	-	50,000	-	-	-	
13-Jan-22	3 Months	-	15,000	15,000	-	-	-	
27-Jan-22	3 Months	-	15,000	15,000	-	-	-	
10-Feb-22	3 Months	-	10,000	10,000	-	-	-	
30-Jun-22	3 Months	-	50,000	50,000	-	-	-	
14-Jul-22	6 Months	-	50,000	-	50,000	49,899	37.22	
						49,899	37.22	
						49,897		

Carrying value before fair value adjustment as at September 30, 2022

5.2 Investment in Pakistan Investment Bonds

Issue date	Tenor in years	Face Value				Market Value (Rs. In '000') September 30, 2022	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2022	Purchased during the period	Disposed / matured during the period	As at September 30, 2022			
22-Oct-20	3	50,000	-	-	50,000	49,615	37.01	
						49,615	37.01	
						49,677		

Carrying value before fair value adjustment as at September 30, 2022

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2022 and June 30, 2022

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 0.7% 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 as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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

9 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 1.98% (September 30, 2021: 1.82%) which includes 0.06% (September 30, 2021: 0.05%) representing Government Levies and the SECP Fee. The prescribed limit for the ratio is 2.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "income" scheme.

10 TRANSACTIONS WITH CONNECTED PERSONS

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 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 are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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

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

	Quarter ended September 30, 2022	Quarter ended September 30, 2021
	(Rupees in '000)	
10.5 Details of the transactions with connected persons are as follows:		
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	75	108
Sindh sales tax on remuneration of the Management Company	10	14
Reimbursement of Allocated expenses	43	65
Reimbursement of Selling and Marketing Expense	238	363
Sales load and transfer generated	1	40
Sales tax on sale load	-	5
ADC charges including Sindh sales tax	-	3
Employees of the Management Company		
Units redeemed / transferred out: 15,626 units (2021: 20,031 units)	166	215
Units Issued / transferred in: 12,280 (2021: 9,272 units)	130	100
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	19	34
Sindh sales tax on remuneration of Trustee	2	4
National Bank of Pakistan - parent company		
Profit on bank deposits	1	14
BankIslami Pakistan Limited - common directorship*		
Profit on bank balances	4	24
Khushhali Bank Limited - common directorship *		
Profit on bank balances	579	11

	Un-audited As at September 30, 2022	Audited As at June 30, 2022
	(Rupees in '000)	
10.6 Amounts outstanding as at period end		
NBP Fund Management Limited - Management Company		
Management remuneration payable	22	24
Sindh Sales Tax payable	3	3
Federal Excise Duty on remuneration of the Management Company	1,865	1,865
Federal Excise Duty on sales load	371	371
Reimbursement of Allocated expenses	43	2,848
Sales load and transfer load payable	2,849	390
Sales tax on sale load	391	47
Other payable	45	262
Selling and Marketing expense	238	17
ADC charges payable including Sindh sales tax	12	45
Employees of the Management Company		
Units held: 9,358 units (2022: 12,703 units)	101	132
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	6	6
Security deposit	102	102
Sindh Sales Tax payable	1	1
National Bank of Pakistan - Parent Company		
Bank balance in savings account	80	89
Profit receivable	2	1
Bank Islami Pakistan Limited - Common Directorship		
Bank balance in savings account	550	556
Profit receivable	-	-
Telenor Microfinance Bank Limited - common directorship		
Bank balance in savings account	85	84
Profit receivable	-	1
Khushhali Bank Limited - common directorship		
Bank balance in savings account	21,333	50
Profit receivable	294	2
Ms Franey N. Irani - Holding more than 10%		
Units held: 2,496,836 (June 30, 2022: 2,496,836 units)	26,901	25,990
ASML Employees Provident Fund Trust - Unit holder with 10% or more holding		
Units held: 2,303,418 (June 30, 2022: 2,303,418 units)	24,817	23,976

* Prior period comparative has not been shown as the company was not a related party / connected person as at September 30, 2022.

11 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 29, 2022.

12 GENERAL

12.1 Figures have been rounded off to the nearest thousand rupees.

12.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation.

**For NBP Fund Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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