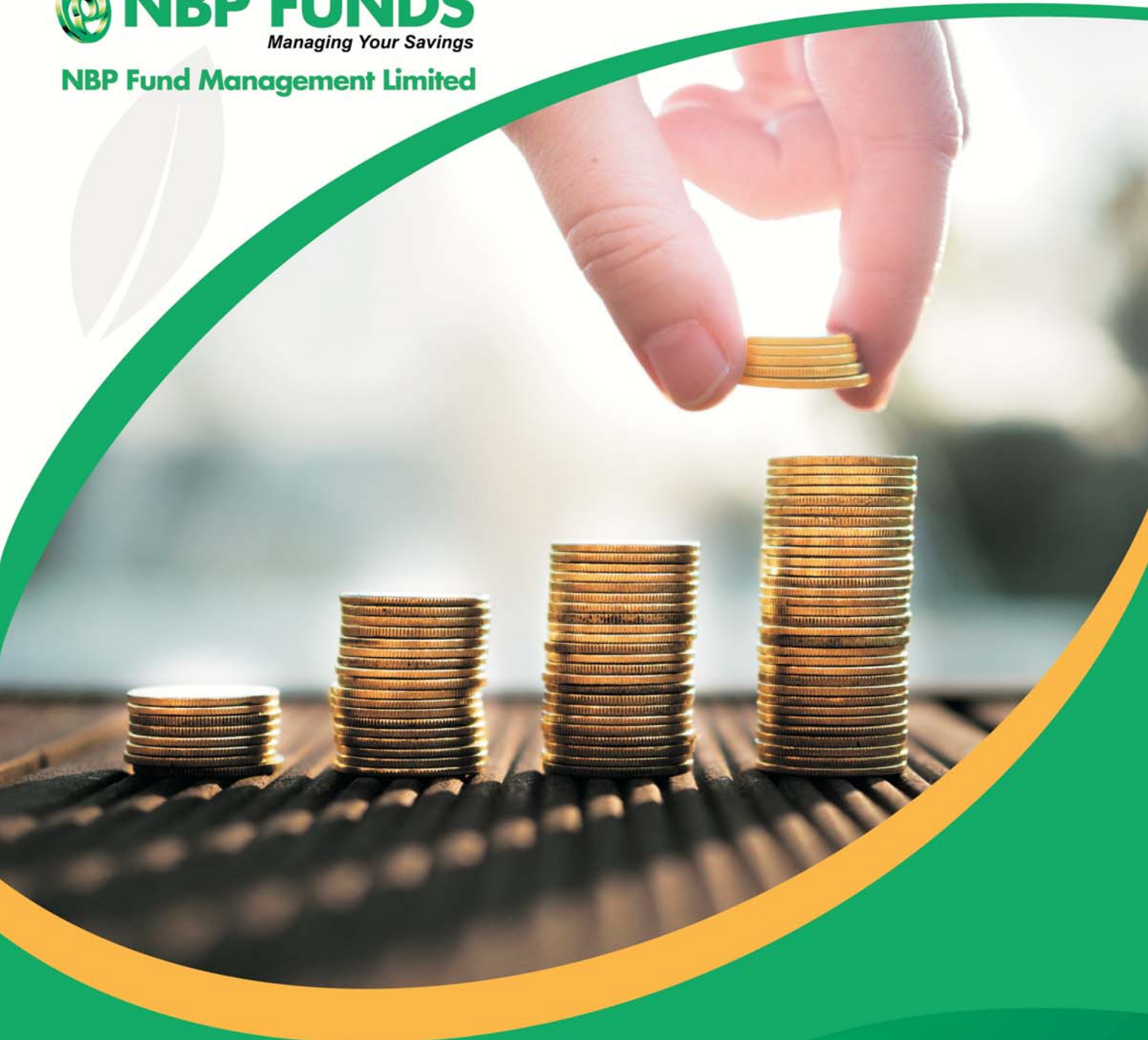




*Managing Your Savings*

**NBP Fund Management Limited**



# **NBP SARMAYA IZAFI FUND**

**HALF YEARLY** REPORT  
DECEMBER 31, 2022

**AM1**  
Rated by PACRA



# MISSION STATEMENT

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



# Contents

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



## 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. Khalid Mansoor	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	MCB Islamic Bank Limited
JS Bank Limited	Faysal Bank Limited
Meezan Bank Limited	Soneri Bank Limited
Habib Bank Limited	Dubai Islamic Bank Limited
United Bank Limited	Telenor Microfinance Bank Limited
Bank Alfalah Limited	Bank Islami Pakistan Limited
Bank Al Habib Limited	U Microfinance Bank Limited
Askari Bank Limited	The Bank of Punjab
Habib Metropolitan Bank Limited	First Microfinance Bank Limited
Allied Bank Limited	
National Bank of Pakistan	

## **Auditors**

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

## **Legal Advisor**

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

## **Head Office:**

7th Floor Clifton Diamond Building, Block No. 4,  
Scheme No. 5, Clifton Karachi.  
UAN: 021 (111-111-632),  
(Toll Free): 0800-20002,  
Fax: (021) 35825329  
Website: [www.nbpfunds.com](http://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 financial statements of **NBP Sarmaya Izafa Fund (NSIF)** for the half year ended December 31, 2022.

### Fund's Performance

During 1HFY23, the equity market performance remained lackluster, as the benchmark KSE-100 Index fell by 1,120 points, translating into a modest decline of 2.7% for the period. During the period, the market remained jittery and the Index exhibited large swings on both sides driven by the news-flow.

Although the listed corporate space announced strong set of pre-tax results for June and Sept period, stock market performance remained muted due to frail investor confidence. Although current account was brought under control as current account deficit (CAD) stood at merely USD 3.7 bn down from USD 9.1 bn a year ago, the burgeoning foreign debt repayments took a toll on external account. Since IMF program faced delays & external inflows dried up significantly; the SBP's FX reserves nose-dived from USD 9.8 bn to USD 5.6 bn on account of contractual loan repayments. Amid dwindling reserves, PKR continued to depreciate, as it fell by PKR 21.6 to settle at 226.43 (drop of 10.5%), which also dented sentiments. Unprecedented rains led to flash floods in the country, that resulted in massive devastation with an estimated economic loss of around USD 30 billion. It further worsened economic outlook, as GDP estimates were trimmed down to 2% from 3-4% and inflation expectations were also revised upwards by the central bank. Inflation which was already on an ascent due to commodity upcycle, further ratcheted up as acute supply disruptions & shortages added further pressure on prices. Average inflation clocked in at around 25% which was at multi-decade high level which prompted the central bank to further raise Policy Rates by 225 basis points during the period. Political uncertainty also remained elevated during the period, due to announcement of long march by PTI during which a failed assassination attempt was made on PTI chief. Furthermore, indications were made to dissolve provincial assemblies where PTI was in power, which further amplified political noise and stirred uncertainty.

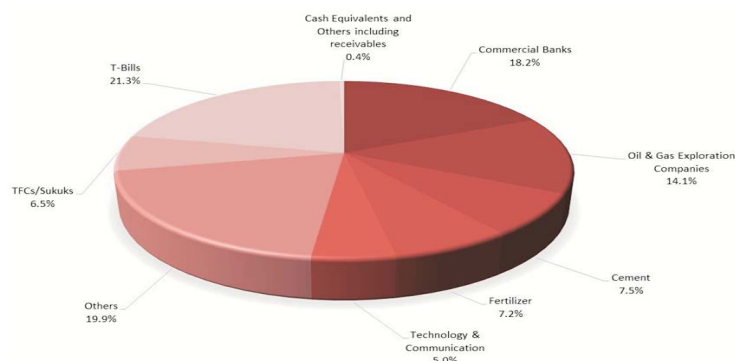
In terms of sector wise performance, Cements, Oil & Gas Exploration Companies, Oil & Gas Marketing Companies, Power Generation & Distribution, Sugar & Allied Industries, Technology & Communication, and Transport sectors outperformed the market. On the other hand, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Chemicals, Engineering, Food & Personal Care, Glass & Ceramics, Paper & Board, Pharmaceutical, Refinery & Textile Composite sectors lagged the market. On participants-wise market activity, Banks/DFIs and Individual emerged the largest net buyers with inflows of around USD 50 million and USD 48 million, respectively. On the contrary, Mutual Funds & Insurance lowered their net holdings by around USD 64 million and USD 63 million, respectively.

During 1HFY23, Monetary Policy Committee (MPC) held four meetings and raised the policy rate by 225 basis points to 16%, with a view to anchor the inflationary pressures, achieve price stability - ensuring economic sustainability and ease pressure on currency. However, inflation expectations have been raised in anticipation of tough measures that may follow post re-entry into an IMF Program. According to SBP, inflation being driven by global & domestic supply shocks is raising input costs, could de-anchor inflation expectations and undermine (medium-short term) growth. Despite the administrative contraction in the current account deficit, external account management still looks challenging whereas these measures have also created supply-chain bottlenecks. Also, the production cuts by firms due to supply constraints have resulted in decline in LSM growth. The lack of fresh financial inflows and ongoing debt repayments have led to a continuous drawdown in official reserves. The net liquid foreign exchange reserves with SBP were recorded at USD 5.6 billion in December 2022 (depleting by USD 4.2 billion in the 1HFY23), posing challenges and risks to the financial stability and fiscal consolidation.

The SBP held thirteen T-Bill auctions, realizing Rs. 19.1 trillion against a target of Rs. 10.8 trillion and maturity of Rs. 10.7 trillion. The T-Bills yields increased by 1.7%, 1.8% and 1.7% for 3-month, 6-month and 12-month tenures, respectively. This uptick in short-term sovereign yields is primarily reflective of increase in policy rates. The market participants constricted in the shorter tenors due to the political noise coupled with global shocks and uncertainty of monetary easing. In the last auction for the half-year ended, cut-off yields on T-Bill for 3-month, 6-month, and 12-month tenures were noted at 16.99%, 16.83% and 16.85%, respectively.

The size of NBP Sarmaya Izafa Fund has decreased from Rs. 786 million to Rs. 696 million during the period, i.e., a decrease of 11%. During the period, the unit price of NBP Sarmaya Izafa Fund has decreased from Rs. 15.4812 on June 30, 2022 to Rs. 15.2298 on December 31, 2022, thus showing a decrease of 1.6%. The Benchmark increase during the same period was 1.6%. Thus, the Fund has underperformed its Benchmark by 3.2% during the period under review. Since inception the NAV of the Fund has increased from Rs. 4.2952 (Ex-Div) on August 20, 2010 to Rs. 15.2298 on December 31, 2022, thus showing an increase of 254.6%. During the said period, the Benchmark increased by 161.8%, translating into outperformance of 92.8%. This performance is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 5.376 million during the period. After deducting total expenses of Rs. 16.684 million, the loss is Rs. 11.308 million. The asset allocation of the Fund as on December 31, 2022 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 Officer**

**Director**

Date: **February 21, 2023**  
 Place: Karachi.



## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بھد مسرت 31 دسمبر 2022ء کو ختم ہونے والی ششماہی کے لئے NBP سرمایہ اضافہ فنڈ (NSIF) کے جائزہ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

مالی سال 2023 کی پہلی ششماہی کے دوران ایکویٹی مارکیٹ کی کارکردگی سُست رہی، جیسا کہ شیخ مارک KSE-100 انڈیکس میں 1,120 پوائنٹس کمی واقع ہوئی، جس کے نتیجے میں اسی مدت کے لیے 2.7 فیصد کمی معمولی کمی واقع ہوئی۔ مدت کے دوران، مارکیٹ اتار چڑھاؤ کا شکار رہی اور انڈیکس خبروں کے باعث دونوں اطراف میں ہی گھومتا رہا۔

اگرچہ لٹڈ کارپوریشن نے جون اور ستمبر کی مدت کے لیے قبل از ٹیکس مستحکم نتائج کا اعلان کیا، لیکن سرمایہ کاروں کے کمزور اعتماد کی وجہ سے اسٹاک مارکیٹ کی کارکردگی ساکن رہی۔ اگرچہ کرنٹ اکاؤنٹ کو کنٹرول کر لیا گیا کیونکہ کرنٹ اکاؤنٹ خسارہ (CAD) ایک سال پہلے 9.1 بلین امریکی ڈالر سے کم ہو کر محض 3.7 بلین امریکی ڈالر رہ گیا، غیر ملکی قرضوں کی بڑھتی ہوئی ادائیگیوں نے بیرونی اکاؤنٹ پر اثر ڈالا۔ چونکہ آئی ایم ایف پروگرام کو تاجر کا سامنا کرنا پڑا اور بیرونی رقوم کی آمد نمایاں طور پر کم ہو گئیں۔ معاہدے کے تحت قرض کی ادائیگیوں کی وجہ سے اسٹیٹ بینک پاکستان کے FX ذخائر 9.8 بلین امریکی ڈالر سے کم ہو کر 5.6 بلین امریکی ڈالر تک رہ گئے۔ کم ہوتے ذخائر کے ساتھ ساتھ، پاکستانی روپیہ مسلسل گرتا رہا، اور 21.6 پاکستانی روپیہ سے گزر کر 226.43 (10.5 فیصد کمی) پر آ گیا، جس سے معاشی جذبات کو بھی نقصان پہنچا۔ غیر معمولی بارشوں کی وجہ سے ملک میں سیلاب آیا، جس کے نتیجے میں بڑے پیمانے پر تباہی ہوئی اور تقریباً 30 بلین امریکی ڈالر کا اقتصادی نقصان ہوا۔ اس نے معاشی نقطہ نظر کو مزید خراب کر دیا، کیونکہ GDP کے تخمینے کو 3-4 فیصد سے کم کر کے 2 فیصد کر دیا گیا تھا اور مرکزی بینک کی طرف سے افراط زر کی توقعات پر بھی نظر ثانی کی گئی۔ مہنگائی جو کہ اجناس کی قیمتوں میں اضافے کی وجہ سے پہلے ہی عروج پر تھی، سپلائی میں شدید رکاوٹ اور نقل کی وجہ سے قیمتوں پر مزید دباؤ بڑھ گیا۔ اوسط مہنگائی تقریباً 25 فیصد تک پہنچ گئی جو کہ دہائیوں کی بلند ترین سطح پر تھی جس نے مرکزی بینک کو اس مدت کے دوران پالیسی ریٹ میں مزید 225 بیس پوائنٹس کا اضافہ کرنے پر مجبور کر دیا۔ پی ٹی آئی کی جانب سے لانگ مارچ کے اعلان جس میں پی ٹی آئی کے سربراہ قاتلانہ حملے کا ناکام کوشش کی گئی، اس عرصے کے دوران سیاسی بے یقینی بھی برقرار رہی۔ مزید برآں، ان صوبائی اسمبلیوں کو تحلیل کرنے کے اشارے دیے گئے جہاں پی ٹی آئی کی حکومت تھی، جس نے سیاسی گہما گہمی کو مزید بڑھا دیا اور غیر یقینی صورتحال کو جنم دیا۔

سیکٹر اور کارکردگی کے لحاظ سے سیمینٹس، آئل اینڈ گیس ایکسلوریشن کمپنیاں، آئل اینڈ گیس مارکیٹنگ کمپنیاں، پاور جنریشن اور ڈسٹری بیوشن، شوگر اینڈ الیٹھ انڈسٹریز، بیکنگ اور کیمیکلیشن اور ٹرانسپورٹ کے شعبوں نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ دوسری جانب آٹو اسمبلرز، آٹو پارٹس اینڈ اسبسیریز، کیبل اینڈ الیکٹریکل اشیا، کیمیکلز، انجینئرنگ، خوراک اور ذاتی نگہداشت، گلاس اینڈ سٹریکس، پیپر اینڈ بورڈ، فارمیسیوں، ریفرنسز اور ٹیکسٹائل کمپوزٹ کے شعبے مارکیٹ میں پیچھے رہے۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر پینکس / DFIs اور انفرادی سرمایہ کار بالترتیب 50 بلین امریکی ڈالر اور 48 بلین امریکی ڈالر کی آمد کے ساتھ سب بڑے خالص خریدار رہے۔ اس کے برعکس، میوچل فنڈز اور انشورنس نے اپنی خالص ہولڈنگز کو بالترتیب 64 بلین امریکی ڈالر اور 63 بلین امریکی ڈالر سے کم کیا۔

مالی سال 23 کی پہلی ششماہی کے دوران، مانیٹری پالیسی کمیٹی (MPC) کے چار اجلاس منعقد ہوئے اور افراط زر کے دباؤ کو قابو کرنے، قیمتوں کا استحکام حاصل کرنے، اقتصادی استحکام کو یقینی بنانے اور کرنسی پر دباؤ کو کم کرنے کے مقصد سے پالیسی شرح کو 225 بیس پوائنٹس سے بڑھا کر 16 فیصد کر دیا گیا۔ تاہم IMF پروگرام میں دوبارہ داخلہ کے باعث متوقع سخت اقدامات کے باعث افراط زر کی توقعات میں مزید اضافہ ہو گیا۔ SBP کے مطابق، عالمی اور ملکی فراہمی کے خطرات کی وجہ سے مہنگائی پیداواری اخراجات کو بڑھا رہی ہے، جو افراط زر کی توقعات کو کم اور (درمیانی مختصر مدت) نمونو کو کم کر سکتی ہے۔

کرنٹ اکاؤنٹ خسارہ میں انتظامی سکتاؤ کے باعث بیرونی کھاتوں کا انتظام اب بھی چیلنجنگ نظر آتا ہے جبکہ ان اقدامات نے سپلائی چین میں رکاوٹیں بھی پیدا کی ہیں۔ نیز سپلائی کی ان رکاوٹوں کی وجہ سے فرم کی طرف سے پیداوار میں کمی کے نتیجے میں LSM کی نمونوں کی واقع ہوئی ہے۔ فریش مالی رقوم کی کمی اور قرضوں کی جاری ادائیگیاں سرکاری ذخائر میں مسلسل کمی کا باعث بنی۔ دسمبر 2022 میں اسٹیٹ بینک نے خالص غیر ملکی زرمبادلہ کے ذخائر 5.6 بلین امریکی ڈالر کا رکاوٹ کے (1HFY23) میں 4.2 بلین امریکی ڈالر کی کمی، جو مالی اور مالیاتی استحکام کے لیے چیلنج اور خطرات پیدا کر رہے ہیں۔

SBP نے ٹی بی بل کی تیرہ بیلابیلوں کا انعقاد کیا، جس سے 10.8 ٹریلین روپے ہدف اور 10.7 ٹریلین روپے مچھوڑنے کے باعث کل 19.1 ٹریلین روپے کی وصولی ہوئی۔ ٹی بلز کی شرح منافع میں 3 ماہ، 6 ماہ اور 12 ماہ کے لئے بالترتیب 1.7 فیصد، 1.8 فیصد اور 1.7 فیصد اضافہ ہوا۔ مختصر مدتی سوریج منافع میں یہ اضافہ بنیادی طور پر پالیسی ریٹس میں اضافے کی عکاسی ہے۔ مارکیٹ شرکاء عالمی خطرات اور مانیٹری آسانی کی غیر یقینی کے ساتھ ساتھ سیاسی گہما گہمی کی وجہ سے مختصر مدتوں تک محدود رہے۔ ختم ہونے والی ششماہی کی آخری تیلامی میں، 3 ماہ، 6 ماہ اور 12 ماہ کے لئے ٹی بی بل پر کٹ آف شرح منافع بالترتیب 16.99 فیصد، 16.83 فیصد اور 16.85 فیصد درج کیا گیا۔

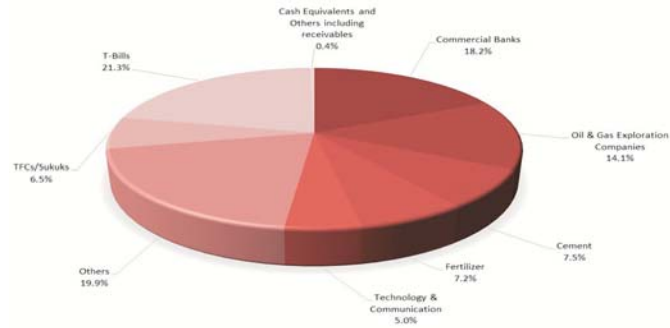




موجودہ مدت کے دوران NBP سرمایہ اضافہ فنڈ کا سائز 786 ملین روپے سے کم ہو کر 696 ملین روپے ہو گیا ہے یعنی 11 فیصد کی کمی ہوئی۔ اس مدت کے دوران، NBP سرمایہ اضافہ فنڈ کی یونٹ قیمت 30 جون 2022 کو 15.4812 روپے سے کم ہو کر 31 دسمبر 2022 کو 15.2298 روپے ہو گئی، جو 1.6 فیصد کی کمی ظاہر کر رہی ہے۔ اسی مدت کے دوران بیچ مارک میں اضافہ 1.6 فیصد تھا۔ چنانچہ زیر جائزہ مدت کے دوران فنڈ کی کارکردگی اپنے بیچ مارک سے 3.2 فیصد اتر رہی۔ اپنے قیام کے بعد 20 اگست 2010 سے فنڈ کا NAV 4.2952 روپے (EX-Div) سے بڑھ کر 31 دسمبر 2022 کو 15.2298 روپے ہو گئی، چنانچہ 254.6 فیصد کا اضافہ ہوا۔ اسی مدت کے دوران بیچ مارک 161.8 فیصد سے بڑھا۔ لہذا فنڈ نے 92.8 فیصد کی اتر کارکردگی دکھائی۔ یہ کارکردگی بیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NBP سرمایہ اضافہ فنڈ کو موجودہ مدت کے دوران 5.376 ملین روپے کی مجموعی آمدنی ہوئی ہے۔ 16.684 ملین روپے کے اخراجات منہا کرنے کے بعد خالص نقصان 11.308 ملین روپے ہے۔

31 دسمبر 2022 کو NBP سرمایہ اضافہ فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



NSIF کی کارکردگی ہفتہ بلدیہ بیچ مارک



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے بیجمنٹ 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 اسٹاف اور آرٹسٹ 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 بیجمنٹ لمیٹڈ**

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 21 فروری 2023ء

مقام: کراچی



## TRUSTEE REPORT TO THE UNIT HOLDERS

### Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Sarmaya Izafa Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 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 27, 2023



## INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP Sarmaya Izafa Fund** (the Fund) as at December 31, 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the half year ended December 31, 2022, together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'). The Management Company (NBP Fund Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement for the quarter ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

### Scope of Review

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

### Conclusion

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

### A.F. Ferguson & Co.

Chartered Accountants

Karachi

Engagement Partner: **Noman Abbas Sheikh**

Dated: February 27, 2023

UDIN: RR202210061CBFsU3ImY



## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2022

	Note	(Un-audited) December 31, 2022	(Audited) June 30, 2022
----- Rupees in '000 -----			
<b>ASSETS</b>			
Bank balances	4	27,713	88,796
Investments	5	693,163	714,591
Profit and dividend receivable		820	1,023
Receivable against sale of investments		21	10,150
Deposits, prepayments and other receivables		3,296	3,452
<b>Total assets</b>		<b>725,013</b>	<b>818,012</b>
<b>LIABILITIES</b>			
Payable to NBP Fund Management Limited - the Management Company	6	25,403	25,407
Payable to Central Depository Company of Pakistan Limited - the Trustee		193	157
Payable to the Securities and Exchange Commission of Pakistan	7	77	224
Payable against redemption of units		2,535	5,543
Accrued expenses and other liabilities	8	787	1,093
<b>Total liabilities</b>		<b>28,995</b>	<b>32,424</b>
<b>NET ASSETS</b>		<b>696,018</b>	<b>785,588</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>696,018</b>	<b>785,588</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9		
-----Number of units-----			
<b>NUMBER OF UNITS IN ISSUE</b>		<b>45,700,983</b>	<b>50,744,805</b>
-----Rupees-----			
<b>NET ASSET VALUE PER UNIT</b>	10	<b>15.2298</b>	<b>15.4812</b>

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

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director



## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Note ----- Rupees in '000 -----				
<b>INCOME</b>				
Profit on bank deposits	4,180	2,835	2,229	1,147
Income on corporate sukuk certificates	2,554	3,574	(210)	1,847
Income on government securities	7,833	3,056	5,286	1,189
Income on commercial paper	1,512	-	1,512	-
Dividend income	27,431	41,684	16,272	24,801
Gain / (loss) on sale of investments - net	4,971	(13,965)	4,015	(11,590)
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.5 (43,105)	(44,913)	(27,123)	18,758
	(38,134)	(58,878)	(23,108)	7,168
<b>Total income / (loss)</b>	5,376	(7,729)	1,981	36,152
<b>EXPENSES</b>				
Remuneration of NBP Fund Management Limited - the Management Company	6.1 7,722	9,733	3,767	4,504
Sindh Sales Tax on remuneration of the Management Company	6.2 1,004	1,265	490	585
Reimbursement of allocated expenses	6.4 772	1,248	377	601
Reimbursement of selling and marketing expenses	6.5 5,019	11,575	2,448	5,405
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	772	1,153	377	552
Sindh Sales Tax on remuneration of the Trustee	100	150	49	72
Annual fee to the Securities and Exchange Commission of Pakistan	7.1 77	130	37	60
Securities transaction costs	189	384	(31)	238
Settlement and bank charges	152	269	145	134
Auditors' remuneration	597	483	588	248
Legal and professional charges	75	266	37	221
Rating fee	171	133	51	66
Listing fee	14	14	(72)	7
Printing charges	20	51	1	26
<b>Total expenses</b>	16,684	26,854	8,264	12,719
<b>Net (loss) / income from operating activities</b>	(11,308)	(34,583)	(6,283)	23,433
Reversal of provision against Sindh Workers' Welfare Fund	-	25,552	-	-
<b>Net (loss) / income for the period before taxation</b>	(11,308)	(9,031)	(6,283)	23,433
Taxation	11 -	-	-	-
<b>Net (loss) / income for the period</b>	(11,308)	(9,031)	(6,283)	23,433
<b>Loss per unit</b>	12			
<b>Allocation of net income for the period</b>				
Net income for the period	-	-	-	-
Income already paid on units redeemed	-	-	-	-
<b>Accounting income available for distribution:</b>				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	-	-	-	-

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

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

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

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

\_\_\_\_\_  
Director



## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- Rupees in '000 -----			
Net (loss) / income for the period	(11,308)	(9,031)	(6,283)	23,433
Other comprehensive income	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<u>(11,308)</u>	<u>(9,031)</u>	<u>(6,283)</u>	<u>23,433</u>

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

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended December 31, 2022			Half year ended December 31, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period (audited)	142,046	643,542	785,588	743,335	710,712	1,454,047
Issue of 9,448,332 units (2021: 11,002,295 units)						
- Capital value (at ex - net asset value per unit)	146,271	-	146,271	185,823	-	185,823
- Element of income / (loss)	1,272	-	1,272	(469)	-	(469)
Total proceeds on issue of units	147,543	-	147,543	185,354	-	185,354
Redemption 14,492,154 of units (2021: 30,474,488 units)						
- Capital value (at ex - net asset value per unit)	(224,356)	-	(224,356)	(514,699)	-	(514,699)
- Element of loss	(1,449)	-	(1,449)	(5,105)	-	(5,105)
Total payments on redemption of units	(225,805)	-	(225,805)	(519,804)	-	(519,804)
Total comprehensive loss for the period	-	(11,308)	(11,308)	-	(9,031)	(9,031)
<b>Net assets at end of the period (un-audited)</b>	<b>63,784</b>	<b>632,234</b>	<b>696,018</b>	<b>408,885</b>	<b>701,681</b>	<b>1,110,566</b>
Undistributed income brought forward						
- Realised gain		767,089			532,700	
- Unrealised (loss) / gain		(123,547)			178,012	
		643,542			710,712	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
<b>Total comprehensive loss for the period</b>		(11,308)			(9,031)	
Undistributed income carried forward		632,234			701,681	
Undistributed income carried forward						
- Realised gain		675,339			746,594	
- Unrealised loss		(43,105)			(44,913)	
		632,234			701,681	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the period			15.4812			16.8895
Net assets value per unit at the end of the period			15.2298			16.6703

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

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

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

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

\_\_\_\_\_  
Director





## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended	
	December 31, 2022	December 31, 2021
	Note	----- Rupees in '000 -----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before taxation	(11,308)	(9,031)
<b>Adjustments:</b>		
Unrealised diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.5	(25,552)
	43,105	44,913
	43,105	19,361
<b>Decrease / (increase) in assets</b>		
Investments - net	136,909	194,449
Profit and dividend receivable	203	(963)
Deposits, prepayments and other receivables	156	121
	137,268	193,607
<b>(Decrease) / increase in liabilities</b>		
Payable to NBP Fund Management Limited - the Management Company	(4)	(1,167)
Payable to Central Depository Company of Pakistan Limited - the Trustee	36	(21)
Payable to the Securities and Exchange Commission of Pakistan	(147)	(157)
Payable against redemption of units	(3,008)	-
Accrued expenses and other liabilities	(306)	(6,240)
	(3,429)	(7,585)
<b>Net cash generated from operating activities</b>	165,636	196,352
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipts from issuance of units - net of refund of element	147,543	194,262
Net payments against redemption of units	(225,805)	(521,165)
<b>Net cash used in financing activities</b>	(78,262)	(326,903)
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	87,374	(130,551)
Cash and cash equivalents at the beginning of the period	88,796	291,618
<b>Cash and cash equivalents at the end of the period</b>	4.3	176,170
	176,170	161,067

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

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director



## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

### 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 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).

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 Sindh Trust Act.

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

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

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

The Pakistan Credit Rating Agency (PACRA) has determined the asset manager rating of the Management Company of AM1 (June 30, 2022: AM1) on June 22, 2022. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, the Pakistan Credit Rating Agency Limited (PACRA) has maintained the stability rating of the Fund at "3-Star" (June 30, 2022: "3-Star" on February 4, 2022) dated August 04, 2022.

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

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

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



Where provisions of and directives issued under the Companies Act, 2017, part VIII A 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 VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

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

**2.1.3** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at and for the half year ended December 31, 2022.

### **3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGMENTS AND CHANGES THEREIN**

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

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

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

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

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

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2023. However, these will not have any significant effects on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

<b>4 BANK BALANCES</b>	<b>Note</b>	<b>(Un-audited)</b>	<b>(Audited)</b>
		<b>December 31, 2022</b>	<b>June 30, 2022</b>
		-----Rupees in '000-----	
- Savings accounts	4.1	27,405	88,488
- Current accounts	4.2	308	308
		<u>27,713</u>	<u>88,796</u>



4.1 These include balances of Rs 0.133 million, Rs 2.612 million and Rs 0.003 million (2022: Rs 0.154 million, Rs 0.356 million and Rs 0.003 million respectively) maintained with National Bank of Pakistan, BankIslami Pakistan Limited and Telenor Microfinance Bank Limited (related parties) respectively, that carry profit at the rates of 14.5%, 15% and 14.5% per annum respectively (2022: 12.25%, 14.5% and 16% per annum) respectively. Other savings accounts of the Fund carry profits at the rates ranging from 7% to 17.65% per annum (2022: 13.5% to 16.6% per annum).

4.2 This represents balance of Rs. 0.308 million (2022: Rs. 0.308 million), maintained with National Bank of Pakistan (related party).

4.3 Cash and cash equivalents	Note	(Un-audited)	(Audited)
		December 31, 2022	June 30, 2022
----- (Rupees in '000) -----			
Balances with banks	4	27,713	88,796
Government securities - Market Treasury Bills	5.2	148,457	-
		<u>176,170</u>	<u>88,796</u>

## 5 INVESTMENTS

### At fair value through profit or loss

Listed equity securities	5.1	499,413	634,649
Government securities - Market Treasury Bills	5.2	148,457	-
Corporate sukuk certificates	5.3	45,293	39,454
Commercial papers	5.4	-	40,488
		<u>693,163</u>	<u>714,591</u>

### 5.1 Listed equity securities

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

Name of the investee company	Number of shares held					Market value as at December 31, 2022	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2022	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at December 31, 2022		total market value of investments	net assets of the Fund	
						(Rupees in 000)	----- % -----		
<b>Oil and gas marketing companies</b>									
Pakistan State Oil Company Limited (note 5.1.2)	135,214	8,600	-	31,774	112,040	16,133	2.33%	2.32%	0.02%
Hascol Petroleum Limited * (note 5.1.2)	1,861	-	-	-	1,861	10	-	-	-
Attock Petroleum Limited	20,800	-	4,575	16,704	8,671	2,512	0.36%	0.36%	0.01%
						18,655	2.69%	2.68%	
<b>Oil and gas exploration companies</b>									
Oil & Gas Development Company Limited	406,300	8,800	-	49,800	365,300	29,100	4.20%	4.18%	0.01%
Pakistan Oilfields Limited	17,596	2,600	-	4,193	16,003	6,287	0.91%	0.90%	0.01%
Pakistan Petroleum Limited	393,169	9,200	-	34,100	368,269	25,094	3.62%	3.61%	0.01%
Mari Petroleum Company Limited	26,130	-	-	1,686	24,444	37,814	5.46%	5.43%	0.02%
						98,295	14.18%	14.12%	
<b>Fertilizer</b>									
Engro Corporation Limited	88,170	10,000	-	5,500	92,670	24,280	3.50%	3.49%	0.02%
Fauji Fertilizer Bin Qasim Limited	432,500	-	-	130,000	302,500	4,637	0.67%	0.67%	0.02%
Fauji Fertilizer Company Limited - a related party	229,500	-	-	18,800	210,700	20,798	3.00%	2.99%	0.02%
						49,716	7.17%	7.14%	
<b>Engineering</b>									
Mughal Iron and Steel Industries Limited	332,194	-	-	22,600	309,594	14,956	2.16%	2.15%	0.09%
						14,956	2.16%	2.15%	



Name of the investee company	Number of shares held					Market value as at December 31, 2022	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2022	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at December 31, 2022		total market value of investments	net assets of the Fund	
<b>Cement</b>									
Kohat Cement Company Limited	169,150	4,100	-	550	172,700	25,508	3.68%	3.66%	0.09%
Fauji Cement Company Limited	709,000	33,500	81,000	109,500	714,000	8,582	1.24%	1.23%	0.03%
Maple Leaf Cement Factory Limited	115,100	2,600	-	35,600	82,100	1,853	0.27%	0.27%	0.01%
Lucky Cement Limited	47,893	500	-	12,790	35,603	15,900	2.29%	2.28%	0.01%
Attock Cement Pakistan Limited	12,400	70	-	-	12,470	705	0.10%	0.10%	0.01%
						52,548	7.58%	7.55%	
<b>Paper &amp; board</b>									
Roshan Packages Limited	95,000	-	-	1,500	93,500	1,023	0.15%	0.15%	0.07%
						1,023	0.15%	0.15%	
<b>Automobile assembler</b>									
Millat Tractors Limited	7,436	-	567	8,003	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	4,760	-	-	4,760	-	-	-	-	-
						-	-	-	-
<b>Cable &amp; electrical goods</b>									
Pak Elektron Limited	314,760	-	-	6,500	308,260	3,992	0.58%	0.57%	0.04%
						3,992	0.58%	0.57%	
<b>Transport</b>									
Pakistan International Bulk Terminal Limited	221,000	-	-	4,000	217,000	1,029	0.15%	0.15%	0.01%
Pakistan National Shipping Corporation	-	50,500	-	-	50,500	5,138	0.74%	0.74%	0.04%
						6,167	0.89%	0.89%	
<b>Technology &amp; communication</b>									
Systems Limited	101,179	-	-	29,720	71,459	34,581	4.99%	4.97%	0.03%
						34,581	4.99%	4.97%	
<b>Textile composite</b>									
Nishat Mills Limited	115,900	-	-	2,000	113,900	6,263	0.90%	0.90%	0.03%
Interloop Limited	119,257	-	2,350	96,250	25,357	1,437	0.21%	0.21%	0.00%
Kohinoor Textile Mills Limited (note 5.1.2)	226,194	1,000	-	-	227,194	10,735	1.55%	1.54%	0.08%
Gul Ahmed Textile Mills Limited - a related party	247,572	-	-	4,000	243,572	6,002	0.87%	0.86%	0.04%
Nishat (Chunian) Limited	92,500	-	-	92,500	-	-	-	-	0.00%
Crescent Textile Mills Limited*	1,875	-	-	-	1,875	24	-	-	0.00%
						24,461	3.53%	3.51%	
<b>Pharmaceuticals</b>									
The Searle Company Limited	61,931	-	15,208	9,800	67,339	3,964	0.57%	0.57%	0.02%
AGP Limited	33,600	-	-	600	33,000	2,145	0.31%	0.31%	0.01%
Highnoon Laboratories Limited	9,987	-	-	200	9,787	5,287	0.76%	0.76%	0.02%
Citi Pharma Limited	53,305	-	-	9,400	43,905	1,060	0.15%	0.15%	0.02%
Glaxo SmithKline Healthcare Pakistan Limited*	2,000	-	-	-	2,000	328	0.05%	0.05%	-
IBL HealthCare Limited	5,000	-	450	500	4,950	186	0.03%	0.03%	0.01%
						12,970	1.87%	1.86%	
<b>Power generation &amp; distribution</b>									
The Hub Power Company Limited	430,579	8,500	-	38,500	400,579	25,269	3.65%	3.63%	0.03%
Lalpir Power Limited	177,000	-	-	3,000	174,000	2,633	0.38%	0.38%	0.05%
Pakgen Power Limited	116,500	-	-	12,000	104,500	3,135	0.45%	0.45%	0.03%
						31,036	4.48%	4.46%	



Name of the investee company	Number of shares held					Market value as at December 31, 2022	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2022	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at December 31, 2022		total market value of investments	net assets of the Fund	
<b>Commercial banks</b>									
Allied Bank Limited	37,200	-	-	37,200	-	-	-	-	-
Bank Al Falah Limited	1,127,950	-	-	89,172	1,038,778	31,309	4.52%	4.50%	0.06%
Bank Al Habib Limited	468,650	-	-	14,300	454,350	25,116	3.62%	3.61%	0.04%
Faysal Bank Limited (note 5.1.2)	355,145	27,600	-	236,600	146,145	3,775	0.54%	0.54%	0.01%
Habib Bank Limited	442,667	-	-	7,500	435,167	27,733	4.00%	3.98%	0.03%
MCB Bank Limited*	43,400	-	-	700	42,700	4,960	0.72%	0.71%	-
United Bank Limited	310,303	-	-	13,000	297,303	29,953	4.32%	4.30%	0.02%
Habib Metropolitan Bank Limited	62,000	-	-	-	62,000	2,105	0.30%	0.30%	0.01%
Meezan Bank Limited*	12,825	-	1,273	100	13,998	1,393	0.20%	0.20%	-
						126,345	18.23%	18.15%	
<b>Chemical</b>									
Engro Polymer & Chemicals Limited	271,702	2,600	-	130,200	144,102	6,098	0.88%	0.88%	0.02%
Lotte Chemical Pakistan Limited	383,500	-	-	383,500	-	-	-	-	-
						6,098	0.88%	0.88%	
<b>Glass and ceramics</b>									
Tariq Glass Industries Limited	95,925	800	19,631	25,000	91,356	5,949	0.86%	0.85%	0.07%
Shabbir Tiles and Ceramics Limited	755,000	-	-	3,000	752,000	6,467	0.93%	0.93%	0.63%
						12,416	1.79%	1.78%	
<b>Automobile parts &amp; accessories</b>									
Baluchistan Wheels Limited*	500	-	-	-	500	35	0.01%	0.01%	-
Panther Tyres Limited	70,200	-	-	2,000	68,200	1,413	0.20%	0.20%	0.04%
						1,449	0.21%	0.21%	
<b>Leather &amp; tanneries</b>									
Service Industries Limited	12,100	-	-	5,900	6,200	2,107	0.30%	0.30%	0.01%
						2,107	0.30%	0.30%	
<b>Food &amp; personal care products</b>									
Shezan International Limited	13,750	-	-	200	13,550	2,008	0.29%	0.29%	0.14%
						2,008	0.29%	0.29%	
<b>Miscellaneous</b>									
Synthetic Products Enterprises Limited	60,652	-	-	1,000	59,652	591	0.09%	0.08%	0.06%
						591	0.09%	0.08%	
<b>Total</b>						499,413	72.04%	71.75%	
Carrying value as at December 30, 2022						540,871			
Market value as at June 30, 2022						634,649			
Carrying value as at June 30, 2022						759,153			

\* Nil figure due to rounding off

**5.1.1** Investments include shares with a market value of Rs 21.305 million (June 30, 2022: Rs. 24.345 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.



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

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

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgment on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, CISs filed a fresh constitutional petition via CP 4653 dated July 11, 2019 in the Sindh High Court. In this regard, on July 15, 2019, the Honourable Sindh High Court had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Fund in lieu of its investments be created in the meantime. The matter is still pending adjudication and the Fund has included these shares in its portfolio, as the management is confident that the decision of the constitutional petition will be in favour of CISs.

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

As at December 31, 2022, the following bonus shares of the Fund have been withheld at the time of declaration of bonus shares:

Name of the investee company	(Un-audited)		(Audited)	
	December 31, 2022		June 30, 2022	
	Bonus shares		Bonus shares	
	Number of shares	Market value	Number of shares	Market value
	(Rupees in 000)		(Rupees in 000)	
Faysal Bank Limited	46,145	1,192	46,145	1,064
Hascol Petroleum Limited	1,861	10	1,861	8
Kohinoor Textile Mills Limited	5,348	253	5,348	267
Pakistan State Oil Company Limited	1,999	288	1,999	344
	<u>55,353</u>	<u>1,743</u>	<u>55,353</u>	<u>1,683</u>

## 5.2 Government securities - Market Treasury Bills

Issue date	Tenor in months	Face value				Market value as at December 31, 2022	Market value as a percentage of		
		As at July 01, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022		total investments of the Fund	net assets of the Fund	
						----- (Rupees in 000) -----		----- (%) -----	
November 3, 2022	3	-	150,000	-	150,000	148,457	21%	21%	





Issue date	Tenor in months	Face value				Market value as at December 31, 2022	Market value as a percentage of	
		As at July 01, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022		total investments of the Fund	net assets of the Fund
----- (Rupees in 000) -----						----- (%) -----		
July 6, 2022	3	-	60,000	60,000	-	-	-	
July 29, 2022	3	-	80,050	80,050	-	-	-	
September 19, 2022	6	-	80,000	80,000	-	-	-	
October 17, 2022	3	-	80,000	80,000	-	-	-	
October 19, 2022	3	-	83,020	83,020	-	-	-	
August 25, 2022	3	-	80,000	80,000	-	-	-	
September 5, 2022	6	-	80,000	80,000	-	-	-	
October 6, 2022	3	-	80,000	80,000	-	-	-	
<b>Total</b>		-	<b>773,070</b>	<b>623,070</b>	<b>150,000</b>	<b>148,457</b>	<b>21.42%</b>	<b>21.33%</b>

Carrying value as at December 31, 2022

148,443

Market value as at June 30, 2022

-

Carrying value as at June 30, 2022

-

## 5.3 Corporate sukuk certificates

Name of the security	Security rating	Profit payments / principal redemptions	Issue Date	Maturity date	Profit rate	As at July 1, 2022	Purchased during the period	Matured / disposed off during the period	As at December 31, 2022	Market value as at December 31, 2022	Percentage in relation to	
						----- Number of certificates -----			(Rupees in 000)	Total market value of the investment	Net assets of the Fund	
										----- % -----		
<b>Listed</b>												
<b>Power generation and distribution</b>												
The Hub Power Company Limited (Face value of Rs 100,000 per certificate)	AA+, PACRA	Quarterly	22-Aug-19	22-Aug-23	3 months KIBOR plus base rate of 1.9%	500	-	-	500	25,293	3.65%	3.63%
<b>Unlisted</b>												
<b>Commercial Bank</b>												
Soneri Bank Limited (Face value of Rs 100,000 per certificate)	A+, PACRA	Semi-annually	26-Dec-22	26-Dec-32	6 months KIBOR plus base rate of 1.7%	-	200	-	200	20,000	2.89%	2.87%
<b>Total</b>										<b>45,293</b>	<b>6.53%</b>	<b>6.51%</b>

Carrying value as at December 31, 2022

46,954

Market value as at June 30, 2022

39,454

Carrying value as at June 30, 2022

38,497

## 5.4 Commercial papers

Name of the investee company	Rating	Number of certificates				As at December 31, 2022			Market value as a percentage of	
		As at July 1, 2022	Purchased during the period	Sold / Matured during the period	As at December 31, 2022	Carrying value	Market value	Unrealised appreciation / (diminution)	Total investments of the fund	Net assets of the fund
----- (Rupees in 000) -----						----- (%) -----				
<b>Power generation and distribution</b>										
China Power Hub Generation Company CP 101	AA+, PACRA	42,000	-	42,000	-	-	-	-	-	-
<b>Total as at December 31, 2022</b>										
<b>Total as at June 30, 2022</b>						40,488	40,488	-	-	-



		(Un-audited) December 31, 2022	(Audited) June 30, 2022
		------(Rupees in '000)-----	
<b>5.5</b>	<b>Unrealised diminution on re-measurement of investments at 'fair value through profit or loss' - net</b>		
	Market value of investments	693,163	714,591
	Less: carrying value of investments	736,268	838,138
		<u>(43,105)</u>	<u>(123,547)</u>
<b>6</b>	<b>PAYABLE TO NBP FUND MANAGEMENT LIMITED -THE MANAGEMENT COMPANY - RELATED PARTY</b>		
	Remuneration of the Management Company	1,210	1,343
	Sindh Sales Tax on remuneration of the Management Company	157	175
	Federal Excise Duty on remuneration of the Management Company	16,000	16,000
	Federal Excise Duty on sales load	3,733	3,733
	Reimbursement of allocated expenses payable	377	436
	Reimbursement of selling and marketing expenses payable	2,449	2,835
	Sales load and transfer load payable	1,284	767
	Sindh Sales Tax on sales load payable	167	100
	ADC charges payable including Sindh Sales Tax	26	18
		<u>25,403</u>	<u>25,407</u>

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

Rate applicable from July 1, 2022 to December 31, 2022	Rate applicable from July 1, 2021 to February 1, 2022	Rate applicable from February 2, 2022 to June 30, 2022
2% of average daily net assets	1.5% of average daily net assets	2% of average daily net assets

The remuneration is payable to the Management Company in arrears.

- 6.2** During the period, an amount of Rs. 1.004 million (December 31, 2021: Rs. 1.265 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 @ 13% (December 31, 2021: 13%).

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

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

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



In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period till June 30, 2016 amounting to Rs 19.733 million (June 30, 2022: Rs 19.733 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the SCP. Had the provision for FED not been made, the net asset value per unit of the Fund as at December 31, 2022 would have been higher by Re. 0.43 (June 30, 2022: Re. 0.39) per unit.

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

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

Rate applicable from July 1, 2022 to December 31, 2022	Rate applicable from July 1, 2021 to September 19, 2021	Rate applicable from September 20, 2021 to June 30, 2022
0.2% of average annual net assets	0.15% of average annual net assets	0.2% of average annual net assets

- 6.5** In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses at the following rates keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008.

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

Rate applicable from July 1, 2022 to December 31, 2022	Rate applicable from July 1, 2021 to September 19, 2021	Rate applicable from September 20, 2021 to February 1, 2022	Rate applicable from February 2, 2022 to June 30, 2022
1.30% of average daily net assets	1.75% of average daily net assets	1.8% of average daily net assets	1.3% of average daily net assets

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
<b>7 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>	<b>Note</b>	<b>----- (Rupees in 000) -----</b>	
Fee payable	7.1	<u>77</u>	<u>224</u>

- 7.1** Under the provisions of the NBFC Regulations, a collective investment scheme is required to pay as annual fee to the SECP, an amount equal to 0.02% (June 30, 2022: 0.02%) of the average annual net assets of the Fund.

**8 ACCRUED EXPENSES AND OTHER LIABILITIES**

Auditors' remuneration payable	510	580
Brokerage charges payable	112	33
Settlement charges payable	22	90
Withholding tax payable	8	84
Capital gain tax payable	14	42
Legal and professional charges payable	73	143
Printing charges payable	48	47
Others	-	74
	<u>787</u>	<u>1,093</u>



## 9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2022 and June 30, 2022.

## 10 NET ASSET VALUE PER UNIT

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

## 11 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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

## 12 LOSS PER UNIT

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

## 13 TOTAL EXPENSE RATIO

The annualised Total Expense Ratio (TER) of the Fund based on the current period is 4.32% (December 31, 2021: 4.14%) which includes 0.30% (December 31, 2021: 0.23%) representing government levies on the Fund such as sales taxes and the annual fee to the SECP. The prescribed limit for the ratio is 4.5% (December 31, 2021: 4.5%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "open ended asset allocation" scheme.

## 14 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

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

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

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

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

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



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

	----- (Un-audited) ----- Half year ended	
	December 31, 2022	December 31, 2021
	----- Rupees in '000 -----	
<b>NBP Fund Management Limited - the Management Company</b>		
Remuneration of the Management Company	7,722	9,733
Sindh Sales Tax on remuneration of the Management Company	1,004	1,265
Reimbursement of allocated expenses	772	1,248
Reimbursement of selling and marketing expenses	5,019	11,575
Sales load and Sindh Sales Tax on sales load	566	2,388
ADC charges including Sindh sales tax	10	11
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Remuneration of the Trustee	772	1,153
Sindh Sales Tax on remuneration of the Trustee	100	150
Settlement charges	2	37
<b>National Clearing Company of Pakistan - common directorship**</b>		
NCCPL charges	-	168
<b>Employees of the Management Company</b>		
Units issued / transferred in: 3,163 units (December 31, 2021: 252,690 units)	50	4,242
Units redeemed / transferred out: 15,128 units (December 31, 2021: 311,740 units)	228	5,200
<b>Portfolios managed by the Management Company</b>		
Units redeemed / transferred out: Nil (December 31, 2021: 3,249,376 units)	-	55,143
<b>International Steels Limited - common directorship</b>		
Shares sold: Nil (December 31, 2021: 26,899 shares)	-	1,955
Dividend income	-	188
<b>Gul Ahmed Textile Mills Limited - common directorship</b>		
Shares sold: 4,000 shares (December 31, 2021: 40,500 shares)	133	2,006
<b>Fauji Fertilizer Company Limited - common directorship</b>		
Shares purchased: Nil (December 31, 2021: 38,500 shares)	-	4,020
Shares sold: 18,800 shares (December 31, 2021: Nil)	1,944	-
Dividend income	1,176	2,128
<b>Telenor Microfinance Bank Limited - common directorship</b>		
Profit on bank balance	18	-
<b>BankIslami Pakistan Limited - common directorship</b>		
Profit on bank balance	85	20
<b>Gul Ahmed Textile Mills Limited Employees Provident Fund Trust</b>		
Issue of units: 1,756,212 (December 31, 2021: Nil)	27,000	-
Redemption of units: 1,711,991 (December 31, 2021: Nil)	26,320	-
<b>Taurus Securities Limited - Subsidiary of Parent of the Management Company</b>		
Brokerage paid	12	20



	(Un-audited) December 31, 2022	(Audited) June 30, 2022
	----- Rupees in '000 -----	
<b>Amounts outstanding as at period / year end are as follows:</b>		
<b>NBP Fund Management Limited - the Management Company</b>		
Remuneration of the Management Company	1,210	1,343
Sindh Sales Tax on remuneration of the Management Company	157	175
Federal excise duty on sales load	3,733	3,733
Federal excise duty on remuneration of the Management Company	16,000	16,000
Reimbursement of allocated expenses payable	377	436
Reimbursement of selling and marketing expenses payable	2,449	2,835
Sales and transfer load payable	1,284	767
Sindh Sales Tax on sales load payable	167	100
ADC charges payable including Sindh Sales Tax	26	18
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	126	139
Sindh Sales Tax on remuneration of the Trustee	16	18
Settlement charges payable	51	60
Security deposit receivable	100	100
<b>National Clearing Company of Pakistan Limited - common directorship **</b>		
Security deposit receivable	-	2,750
NCCPL charges payable	-	30
<b>National Bank of Pakistan - parent of the Management Company</b>		
Bank balances	441	462
<b>Gul Ahmed Textile Mills Limited - common directorship</b>		
Shares held: 243,572 shares (June 30, 2022: 247,572 shares)	6,002	8,370
<b>Fauji Fertilizer Company Limited - common directorship</b>		
Shares held: 210,700 (June 30, 2022: 229,500 shares)	20,798	25,295
<b>BankIslami Pakistan Limited - common directorship</b>		
Bank balances	2,612	356
Profit receivable	1	-
<b>Employees of the Management Company</b>		
Investment held in the Fund: 21,884 units (June 30, 2022: 33,849 units)	333	524
<b>Portfolios managed by the Management Company</b>		
Units held: 2,015,511 units (June 30, 2022: 2,015,511 units)	30,696	31,202
<b>Ronak Iqbal Lakhani - unit holder with more than 10% holding</b>		
Units held: 9,913,583 (June 30, 2022: 9,913,583 units)	150,982	153,474
<b>Telenor Microfinance Bank Limited - common directorship</b>		
Bank balance	3	3
Profit receivable on bank balance	18	-
<b>Khushhali Microfinance Bank Limited - common directorship **</b>		
Bank balance	-	2,423
Profit receivable on bank balance	-	1



(Un-audited) December 31, 2022	(Audited) June 30, 2022
----- Rupees in '000 -----	

**Aftab F. Tapal - unit holder with more than 10% holding**

Units held: 4,784,285 (June 30, 2022: Nil units)

72,864	-
--------	---

**Gul Ahmed Textile Mills Limited Employees Provident Fund Trust**

Units held: 44,221 (June 30, 2022: Nil )

673	-
-----	---

**Mr. Khalid Mehmood - Chief Financial Officer**

Units held: 20 (June 30, 2022: Nil)\*

-	-
---	---

\* Nil figures due to rounding off

\*\* Current period figures have not been presented as the person is not a related party / connected person as at December 31, 2022.

## 15 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

### 15.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at December 31, 2022 and June 30, 2022, the Fund held the following financial instruments measured at fair value.





----- Un-audited -----				
----- As at December 31, 2022 -----				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000-----				
<b>At fair value through profit or loss</b>				
Listed equity securities	499,413	-	-	499,413
Government securities - Market Treasury Bills	-	148,457	-	148,457
Corporate sukuk certificates	-	45,293	-	45,293
	<u>499,413</u>	<u>193,750</u>	<u>-</u>	<u>693,163</u>
----- Audited -----				
----- As at June 30, 2022 -----				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000-----				
<b>At fair value through profit or loss</b>				
Listed equity securities	634,649	-	-	634,649
Government securities - Market Treasury Bills	-	39,454	-	39,454
Corporate sukuk certificates	-	40,488	-	40,488
	<u>634,649</u>	<u>79,942</u>	<u>-</u>	<u>714,591</u>

## 16 GENERAL

- 16.1** Figures in these condensed interim financial statements have been rounded off to the nearest thousand of rupees. Figures in these condensed interim financial statements have been rounded off to the nearest thousand of Rupees, unless otherwise stated.
- 16.2** Corresponding figures have been re-classified and re-arranged in these condensed interim financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current period. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period.

## 17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 21, 2023.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## Head Office

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

**UAN:** 021-111-111-632

**Toll Free:** 0800-20002

**Sms:** INVEST to 9995

**Fax:** 021-35825335

**Email:** [info@nbpfunds.com](mailto:info@nbpfunds.com)

**Website:** [www.nbpfunds.com](http://www.nbpfunds.com)

 /nbpfunds