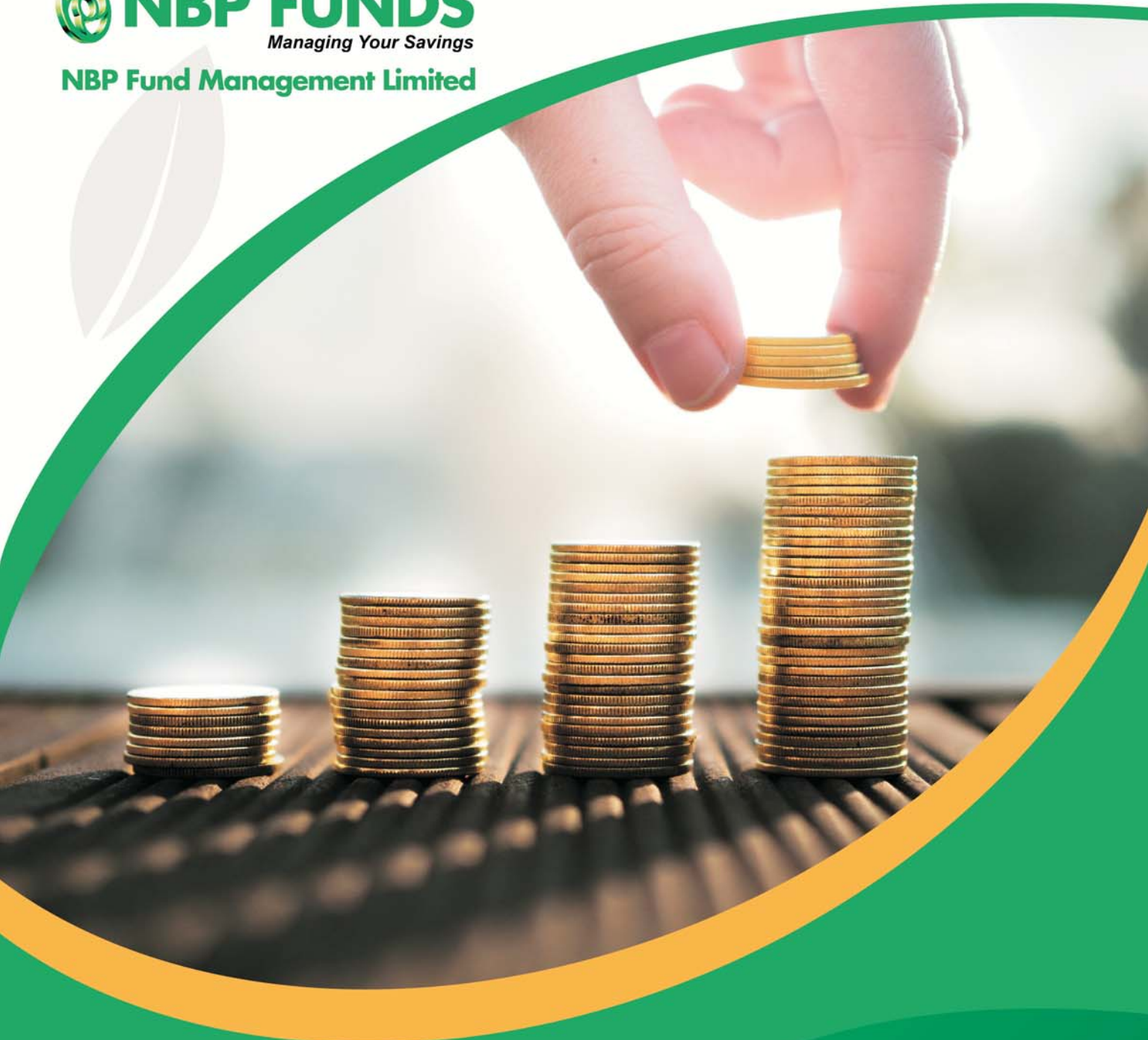




*Managing Your Savings*

**NBP Fund Management Limited**



# **NBP BALANCED FUND**

**QUARTERLY** REPORT  
MARCH 31, 2023

**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. Khalid Mansoor	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	MCB Bank Limited
Askari Bank Limited	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan
Bank Al Habib Limited	Zarai Taraqati Bank Limited
Bank Islami Pakistan Limited	Dubai Islamic Bank Limited
Faysal Bank Limited	Soneri Bank Limited
Habib Bank Limited	Summit Bank Limited
Habib Metropolitan Bank Limited	United Bank Limited
JS Bank Limited	

## **Auditors**

Grant Thornton Anjum Rahman.  
1st & 3rd Floor,  
Modern Motors House, Beaumont Road,  
Karachi, 75530

## **Legal Advisor**

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

## **Head Office:**

7th Floor Clifton Diamond Building, Block No. 4,  
Scheme No. 5, Clifton Karachi.  
UAN: 021 (111-111-632),  
(Toll Free): 0800-20002,  
Fax: (021) 35825329  
Website: [www.nbpfunds.com](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 unaudited condensed interim financial statements of **NBP Balanced Fund (NBF)** for the period ended March 31, 2023.

### Fund's Performance

The equity market performance during 9MFY23 remained subdued, as the Benchmark KSE-100 Index fell by 1,540 points, translating into a decline of 3.7%. However, during the period, the market remained very choppy and the Index exhibited large swings on both sides shaped by the news-flow.

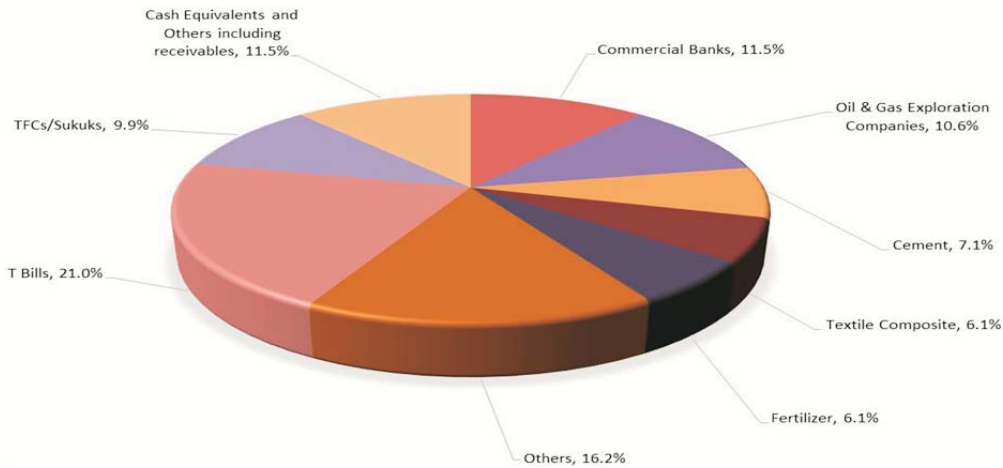
The robust corporate profitability exhibited by the listed companies during September and December periods failed to excite investors. Rather, their focus remained on the state of economy which faced multi-faceted challenges continuing into this year, especially the precarious situation on the balance of payment (BOP) front held their attention. Compared to the previous year, though the current account deficit (CAD) was brought under control due to various administrative measures by the authorities, however, this year, the BOP was adversely affected by the elevated external debt repayments. Due to delay in meeting conditions of IMF, the program remained in abeyance and the external inflows dried up. Hence, SBP's FX reserves slipped from USD 9.8 billion to USD 4.2 billion on account of contractual loan repayments. Amid dwindling FX reserves, PKR witnessed steep devaluation (an unprecedented drop of 39% to settle at 283.8 against USD) at March-23 end, which also dented sentiments. Unprecedented rains led to massive floods in the country that not only caused massive devastation but further worsened economic outlook as GDP estimates were trimmed down in successive revisions. Inflation, which was already on an ascent due to commodity upcycle and retail fuel & power prices adjustments, further ratcheted up as acute supply disruptions & shortages put more pressure on prices. Average inflation clocked in at around 27.3% in 9MFY23 with highest ever monthly inflation of 35.4% recorded in March-23. This prompted the central bank to aggressively increase Policy Rate to 20% from 13.75% at the start of the period. Political uncertainty also remained elevated during the period and weighed on investors' sentiments after provincial assemblies in Punjab and KPK were dissolved and the opposition, government and the apex court engaged in a face-off.

In terms of sector performance, Cements, Banks, Fertilizer, Oil & Gas Exploration Companies, Power Generation & Distribution, Sugar & Allied Industries, Technology & Communication, and Transport sectors outperformed the market. On the contrary, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Chemicals, Engineering, Food & Personal Care, Glass & Ceramics, Insurance, Leather & Tanneries, Oil & Gas Marketing, Paper & Board, Pharmaceutical, Refinery & Textile Composite sectors lagged the market. On participants-wise market activity, Companies, Banks/DFIs and Individual emerged the largest net buyers with inflows of around USD 82 million, USD 60 and USD 58 million, respectively. On the contrary, Mutual Funds & Insurance lowered their net holdings by around USD 111 million & USD 105 million, respectively.

The trading activity in corporate debt securities also, recording cumulative trade value of Rs. 6.2 billion versus Rs. 7.6 billion in the same period last year. During 9MFY23, the State Bank of Pakistan (SBP) held six Monetary Policy Committee (MPC) meetings and increased the Policy Rate by 6.25% to 20%. Various stringent administrative measures were taken, however, near-term risks to inflation outlook from external and fiscal adjustments persisted. The CPI inflation averaging at 27.3% YoY coupled with a decline in financial inflows, rising global interest rates and domestic uncertainties, continued to exert pressure on FX reserves and led to significant deterioration in exchange rate. The net liquid foreign exchange reserves with SBP stands at only USD 4.2 billion at March end, posing serious challenges and persistent risks to the financial stability & fiscal consolidation. Sovereign yields also responded to these policy actions and to the rising inflation & interest rate outlook. During the period, SBP held twenty (20) T-Bill auctions realizing a total of Rs. 14.8 trillion against the target of Rs. 16.2 trillion. The yields on T-Bills for 3-month, 6-month and 12-month tenures increased by 6.4%, 6.0% and 5.9% respectively. Similarly, PIB yields increased by 4.8%, 2.3% and 2.1% for 3-year, 5-year and 10-year tenure, however, there was no market interest in 10-year bond due to the rising interest rate scenario. There were nine (9) PIB auctions held where an amount of around Rs. 969 billion was realized.

The size of NBP Balanced Fund has decreased from Rs. 819 million to Rs. 702 million during the period, i.e., a decrease of 14%. During the period, the unit price of NBP Balanced Fund (NBF) has decreased from Rs. 18.1367 on June 30, 2022 to Rs. 18.1120 on March 31, 2023, thus showing a decrease of 0.1%. The Benchmark increase during the same period was 7.1%. Thus, the Fund has underperformed its Benchmark by 7.2% during the period under review. Since inception the NAV of the Fund has increased from Rs.3.4582 (Ex-Div) on January 19, 2007 to Rs. 18.1120 on March 31, 2023, thus showing an increase of 423.7%. During the said period, the Benchmark increased by 250.5%, translating into outperformance of 173.2%. This performance is net of management fee and all other expenses.

NBP Balanced Fund earned a total income of Rs. 26.99 million during the period. After deducting total expenses of Rs. 28.86 million, the net loss is Rs. 1.87 million. The asset allocation of the Fund as on March 31, 2023 is as follows:



NBF 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: April 29, 2023  
Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز یصد مسرت 31 مارچ 2023ء کو ختم ہونے والی نو ماہی کے لئے NBP بیلنسڈ فنڈ (NBF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فٹڈ کی کارکردگی

9MFY23 کے دوران ایکویٹی مارکیٹ کی کارکردگی سست رہی، کیونکہ شیخ مارک KSE-100 انڈیکس 1,540 پوائنٹس گر گیا، جس کے نتیجے میں 3.7 فیصد کمی واقع ہوئی۔ تاہم، اس عرصے کے دوران، مارکیٹ بہت اتار چڑھاؤ کا شکار رہی اور انڈیکس خسروں کے باعث دونوں اطراف گھومتا رہا۔

ستمبر اور دسمبر کے دوران لٹڈ کمپنیوں کی طرف سے پیش کردہ مضبوط کارپوریٹ منافع سرمایہ کاروں کو پُر جوش کرنے میں ناکام رہا۔ جبکہ، ان کی توجہ معیشت پر مرکوز رہی جس نے اس سال تک جاری رہنے والے کثیرالجہتی چینلجیز کا سامنا کیا، خاص طور پر ادائیگی کے توازن (BOP) پر غیر یقینی صورتحال ان کی توجہ کا مرکز رہی۔ گزشتہ سال کے مقابلے میں، اگرچہ حکام کی جانب سے مختلف انتظامی اقدامات کے باعث کرنٹ اکاؤنٹ خسارہ (CAD) کو کنٹرول میں لایا گیا، تاہم، اس سال، بیرونی قرضوں کی ادائیگیوں میں اضافہ سے BOP بُری طرح متاثر ہوا۔ آئی ایم ایف کی شرائط پوری کرنے میں تاخیر کی وجہ سے پروگرام نقل کا شکار رہا اور بیرونی قوم کا بہاؤ کم ہو گیا۔ لہذا، معاہدے کے تحت قرض کی ادائیگیوں کی وجہ سے اسٹیٹ بینک پاکستان کے FX ذخائر 9.8 بلین امریکی ڈالر سے کم ہو کر 4.2 بلین امریکی ڈالر رہ گئے۔ کم ہوتے FX کے ذخائر کے ساتھ ساتھ پاکستانی روپیہ میں مارچ-23 کے آخر میں زبردست گراؤ (ایک امریکی ڈالر کے مقابلے میں 283.8 روپے یعنی 39 فیصد کی غیر معمولی کمی) دیکھی، جس نے معاشی جذبات کو بھی نقصان پہنچایا۔ غیر معمولی بارشوں کے نتیجے میں ملک میں تباہ کن سیلاب آیا جس نے نصف بڑے پیمانے کی تباہی مچائی بلکہ اقتصادی نقطہ نظر کو مزید خراب کر دیا کیونکہ GDP کے تخمینے لگانا نظر ثانی میں کم کیے گئے تھے۔ مہنگائی، جو کہ تجارتی اشیاء کو دوبارہ کارآمد بنانا اور خوردہ ایندھن اور بجلی کی قیمتوں میں مطابقت کی وجہ سے پہلے ہی عروج پر تھی، مزید بڑھ گئی کیونکہ رسد میں شدید رکاوٹ اور نقل و حرکت نے قیمتوں پر مزید باؤ ڈالا۔ مارچ-23 میں ریکارڈ کی گئی اب تک کی سب سے زیادہ ماہانہ افراط زر 35.4 فیصد کے ساتھ 9MFY23 میں اوسط مہنگائی تقریباً 27.3 فیصد تک پہنچ گئی۔ اس نے مرکزی بینک کو جارحانہ انداز میں پالیسی ریٹ کو 13.75 فیصد سے بڑھا کر 20 فیصد کرنے پر آمادہ کیا۔ اس عرصہ کے دوران سیاسی غیر یقینی صورتحال کا بھی سامنا رہا پنجاب اور KPK میں صوبائی اسمبلیاں تحلیل ہونے اور اپوزیشن، حکومت اور سپریم کورٹ کے آمنے سامنے ہونے کے بعد سرمایہ کاروں کے جذبات بُری طرح متاثر ہوئے۔

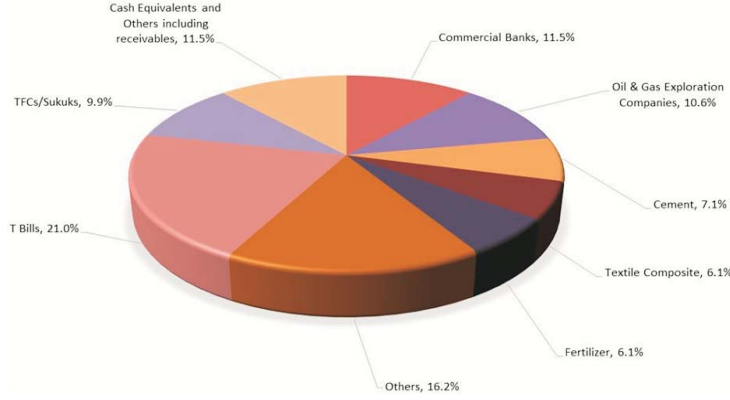
سکیورٹیاں اور کارکردگی کے لحاظ سے سینٹ، بینک، فریڈیلانڈ، آئل اینڈ گیس ایکسپلوریشن کمپنیاں، پاور جنریشن اینڈ ڈسٹری بیوٹن، شوگر اینڈ اینڈ اینڈ سٹریٹس، چیکنا، لوہی اور کمپنیوں، اور انیسورٹ سیکورٹس مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ اس کے برعکس، آٹو اسمبلرز، آٹو پارٹس اور ایسیریز، کیبل اور الیکٹریکل سامان، کیمیکل، انجینئرنگ، فوڈ اینڈ پراسسنگ، گلاس اینڈ سیرامکس، انشورنس، لیڈر اینڈ ٹیکسٹائل، آئل اینڈ گیس مارکیٹنگ، پیپر اینڈ بورڈ، فارماسیوٹیکل، ریفرنسری اور ٹیکسٹائل کمپوزٹ سیکٹرز مارکیٹ میں پیچھے رہ گئے۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر، کمپنیاں، بینک/DFIs اور انفرادی سرمایہ کار بالترتیب 82 بلین امریکی ڈالر، 60 بلین امریکی ڈالر اور 58 بلین امریکی ڈالر کی آمد کے ساتھ بڑے خالص خریدار رہے۔ اس کے برعکس، میوچل فنڈز اور انشورنس نے اپنی خالص ہولڈنگ میں بالترتیب 111 بلین امریکی ڈالر اور 105 بلین امریکی ڈالر کی ظاہری۔

کارپوریٹ ڈیٹ سیکورٹیز نے بھی، پچھلے سال کی اسی مدت میں 7.6 بلین روپے کے برعکس 6.2 بلین روپے کی مجموعی تجارتی قیمت ریکارڈ کی ہے۔ 9MFY23 کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (MPC) کے چھ اجلاس منعقد کیے اور پالیسی شرح میں 25.25 فیصد سے 20 فیصد تک کا اضافہ کیا۔ مختلف سخت انتظامی اقدامات اٹھائے گئے، تاہم، بیرونی اور مالیاتی مطابقت کے باعث افراط زر کے نقطہ نظر سے قلیل مدت کے خطرات برقرار رہے۔ مالیاتی بہاؤ میں کمی، بڑھتی ہوئی عالمی شرح سود اور مقامی غیر یقینی صورتحال کے ساتھ ساتھ 27.3 فیصد سالانہ اوسط CPI افراط زر نے FX ذخائر پر باؤ ڈالنا جاری رکھا اور شرح مبادلہ میں نمایاں گراؤ کا باعث بنی۔ SBP کے پاس خالص لیکویڈ غیر ملکی زرمبادلہ کے ذخائر مارچ کے آخر میں صرف 4.2 بلین امریکی ڈالر رہ گئے، جو مالیاتی اور مالی استحکام کے لیے سنگین چینلجیز اور مستقل خطرات کا باعث ہیں۔ حکومتی شرح منافع نے بھی ان پالیسی اقدامات اور بڑھتی ہوئی افراط زر اور شرح سود کے نقطہ نظر کا اثر لیا۔ اس مدت کے دوران، SBP نے بیس (20) ٹی۔ بلز نیلامیوں کا انعقاد کیا جس میں 16.2 ٹریلین روپے کے ہدف کے مقابلے میں 14.8 ٹریلین روپے کی وصولی ہوئی۔ 3- ماہ، 6- ماہ اور 12- ماہ کی مدت کے لیے ٹی۔ بلز پر منافع میں بالترتیب 6.4 فیصد، 6.0 فیصد اور 5.9 فیصد کا اضافہ ہوا۔ اسی طرح، 3- سالہ، 5- سالہ اور 10- سالہ مدت کے لیے PIB کے منافع میں بالترتیب 4.8 فیصد، 2.3 فیصد اور 2.1 فیصد کا اضافہ ہوا، تاہم، شرح سود کے بڑھتے ہوئے تناظر میں 10 سالہ بانڈ میں کسی مارکیٹ نے دلچسپی نہیں دیکھائی (نو (9) پی آئی بی کی نیلامیاں منعقد ہوئیں جہاں تقریباً 969 بلین روپے کی رقم وصولی ہوئی۔

NBP بیلنسڈ فنڈ (NBF) کا سائز اس مدت کے دوران 819 ملین روپے سے کم ہو کر 702 ملین روپے ہو گیا، یعنی 14% کمی کی ہوئی۔ اس مدت کے دوران NBP بیلنسڈ فنڈ (NBF) کے پونٹ کی قیمت 30 جون 2022 کو 18.1367 روپے سے کم ہو کر 31 مارچ 2023 کو 18.1120 روپے پر پہنچ چکی ہے۔ لہذا 0.1% کی کمی دیکھنے میں آئی۔ اسی مدت کے دوران شیخ مارک بڑھ کر 7.1% ہو گیا۔ لہذا فنڈ نے زبردست مدت کے دوران اپنے شیخ مارک سے 7.2% اہتر کارکردگی دکھائی۔ اپنے قیام سے اب تک فنڈ کی NAV 19 جنوری 2007 کو 3.4582 روپے (EX-Div) سے بڑھ کر 31 مارچ 2023 کو 18.1120 روپے ہو گئی، لہذا 423.7% کا اضافہ ہوا۔ اس مدت کے دوران، شیخ مارک میں 250.5% اضافہ ہوا۔ جس کا نتیجہ فنڈ کی 173.2% بہتر کارکردگی کی صورت میں سامنے آیا ہے۔ فنڈ کی ریکارڈنگ منجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔



NBP بیلنس فنڈ کو موجودہ سہ ماہی کے دوران 26.99 بلین روپے کی مجموعی آمدنی ہوئی ہے۔ 28.86 بلین روپے کے مجموعی اخراجات منہا کرنے کے بعد خالص آمدنی 1.87 بلین روپے ہے۔ 31 مارچ 2023 کے مطابق فنڈ کی ایٹ ایلوکیشن حسب ذیل ہے:



NBF کی کارکردگی بمقابلہ بیچ مارک (اپنے قیام سے)



## اظہار تشکر

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

بورڈ اپنے اسٹاف اور 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 اپریل 2023

مقام: کراچی

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2023

	Unaudited March 31, 2023	Audited June 30, 2022
Note	-----Rupees in '000-----	
<b>ASSETS</b>		
Balances with banks	82,890	177,792
Investments	621,315	657,233
Dividend and profit receivable	14,218	5,191
Advances, deposits, prepayments and other receivables	3,984	3,891
<b>Total assets</b>	<b>722,407</b>	<b>844,107</b>
<b>LIABILITIES</b>		
Payable to NBP Fund Management Limited - Management Company	4,846	5,242
Payable to Central Depository Company of Pakistan Limited - Trustee	136	156
Payable to the Securities and Exchange Commission of Pakistan	119	238
Payable against Purchase of Investment	-	5,375
Payable against redemption of units	682	5
Accrued expenses and other liabilities	14,192	14,267
<b>Total liabilities</b>	<b>19,975</b>	<b>25,283</b>
<b>NET ASSETS</b>	<b>702,432</b>	<b>818,824</b>
<b>UNIT HOLDERS' FUND (As per statement attached)</b>	<b>702,432</b>	<b>818,824</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		
	-----Number of units-----	
Number of units in issue	38,782,633	45,147,265
	-----Rupees-----	
Net Asset Value per unit	18.1120	18.1367

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2023

	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Rupees in '000			
<b>INCOME</b>				
(Loss) / gain on sale of investments - net	16	(37,752)	(3,745)	2,965
Income from term finance certificates and sukuk bonds	10,794	11,724	3,682	4,052
Income from government securities	20,687	8,926	6,215	872
Income from commercial paper	900	-	900	-
Dividend income	30,079	54,254	11,179	15,240
Income from bank Balances	5,886	8,032	1,583	2,929
Unrealised (diminution) on re-measurement of investments at fair value through profit or loss -held-for trading' - net	(41,376)	(31,394)	(4,475)	(11,932)
<b>Total Income</b>	<b>26,986</b>	<b>13,790</b>	<b>15,339</b>	<b>14,126</b>
<b>EXPENSES</b>				
Remuneration of NBP Fund Management Limited - Management Company	14,834	15,326	4,542	4,067
Sindh sales tax on remuneration on the Management Company	1,928	1,992	590	528
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,187	1,693	363	446
Sindh Sales Tax on remuneration of Trustee	154	220	48	58
Reimbursement of Accounting and operational charges to the Management Company	1,187	1,892	363	446
Reimbursement of Selling and marketing expenses	7,714	16,698	2,362	3,305
Annual fee - Securities and Exchange Commission of Pakistan	119	195	37	45
Securities transaction cost	339	925	164	(64)
Settlement and bank charges	276	242	90	52
Annual listing fee	21	21	7	7
Legal and professional charges	112	168	37	(83)
Auditors' remuneration	719	652	140	372
Printing expenses	34	34	12	11
Fund's rating fee	237	199	78	66
<b>Total Expenses</b>	<b>28,861</b>	<b>40,257</b>	<b>8,833</b>	<b>9,256</b>
<b>Net (Loss) / Income from operating activities</b>	<b>(1,875)</b>	<b>(26,467)</b>	<b>6,506</b>	<b>4,870</b>
Reversal of / (Provision) against Sindh Workers' Welfare Fund	-	19,666	-	-
<b>Net (Loss) / Income for the period before taxation</b>	<b>(1,875)</b>	<b>(6,801)</b>	<b>6,506</b>	<b>4,870</b>
<b>Taxation</b>	-	-	-	-
<b>Net (Loss) / Income for the period after taxation</b>	<b>(1,875)</b>	<b>(6,801)</b>	<b>6,506</b>	<b>4,870</b>
<b>Allocation of net income for the period</b>				
Net income for the period	-	-	6,506	4,870
Income already paid on units redeemed	-	-	-	-
	-	-	6,506	4,870
<b>Accounting income available for distribution:</b>				
Relating to capital gains	-	-	-	-
Excluding capital gains	-	-	-	-
	-	-	6,506	4,870

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2023

	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- Rupees in '000 -----			
Net (Loss) / Income for the period after taxation	(1,875)	(6,801)	6,506	4,870
<b>Other comprehensive income / (loss)</b>				
<b>Total comprehensive income / (loss) for the period</b>	<u>(1,875)</u>	<u>(6,801)</u>	<u>6,506</u>	<u>4,870</u>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	2023			2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	148,571	670,253	818,824	865,049	742,624	1,607,673
Issue of 439,247 units (2022: 1,622,481 units)						
- Capital value	7,966	-	7,966	31,410	-	31,410
- Element of Income	(1)	-	(1)	455	-	455
Total proceeds on issuance of units	7,965	-	7,965	31,865	-	31,865
Redemption of 6,803,879 units ( 2022: 38,328,815 units)						
- Capital value	(123,400)	-	(123,400)	(742,026)	-	(742,026)
- Element of income / (loss)	918	-	918	17,055	-	17,055
Total payments on redemption of units	(122,482)	-	(122,482)	(724,971)	-	(724,971)
Total comprehensive income / (loss) for the period	-	(1,875)	(1,875)	-	(6,801)	(6,801)
<b>Net assets at end of the period</b>	<b>34,053</b>	<b>668,378</b>	<b>702,432</b>	<b>171,943</b>	<b>735,823</b>	<b>907,766</b>
Undistributed income brought forward						
- Realised		776,736			554,672	
- Unrealised		(106,483)			187,952	
		670,253			742,624	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
		-			-	
Net income / (loss) for the period		(1,875)			(6,801)	
Undistributed income carried forward		668,378			735,823	
Undistributed income carried forward						
- Realised		709,754			767,217	
- Unrealised		(41,376)			(31,394)	
		668,378			735,823	
				(Rupees)		(Rupees)
Net assets value per unit at beginning of the period			18.1367			19.3595
Net assets value per unit at end of the period			18.1120			19.5906

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Nine months ended	
	March 31, 2023	March 31, 2022
----- Rupees in '000 -----		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (Loss) / Income for the period before taxation	(1,875)	(6,801)
<b>Adjustments</b>		
Unrealised diminution / (appreciation) in the value of investments classified as 'at fair value through profit or loss'	41,376	31,394
(Reversal of) / Provision against Sindh Workers' Welfare Fund	-	(19,666)
Loss / (gain) on sale of investments - net	(16)	37,752
	<b>39,485</b>	<b>42,679</b>
<b>Decrease / (Increase) in assets</b>		
Investments - net	(5,442)	355,909
Receivable against sale of investments	-	(1,555)
Advances, deposits, prepayments and other receivables	(93)	9,364
Dividend and profit receivable	(9,027)	(1,860)
	<b>(14,562)</b>	<b>361,858</b>
<b>(Decrease) / increase in liabilities</b>		
Payable to the Management Company	(396)	(4,593)
Payable to Central Depository Company of Pakistan Limited - Trustee	(20)	(75)
Payable to the Securities and Exchange Commission of Pakistan	(119)	(117)
Payable against purchase of investments	(5,375)	-
Accrued expenses and other liabilities	(75)	(1,978)
	<b>(5,985)</b>	<b>(6,763)</b>
<b>Net cash generated / (used in) operating activities</b>	<b>18,938</b>	<b>397,774</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Amounts received from issuance of units	7,965	32,014
Amounts paid on redemption of units	(121,805)	(724,753)
<b>Net cash used in financing activities</b>	<b>(113,840)</b>	<b>(692,739)</b>
<b>Net decrease in cash and cash equivalents during the period</b>	<b>(94,902)</b>	<b>(294,965)</b>
Cash and cash equivalents at the beginning of the period	177,792	403,868
<b>Cash and cash equivalents at the end of the period</b>	<b>82,890</b>	<b>108,903</b>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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 NINE MONTHS PERIOD ENDED MARCH 31, 2023

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The NBP Balanced Fund 'the Fund' was established under a Trust Deed executed between the NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Trust Deed was executed on 06 December 2006 and was authorised by the Securities and Exchange Commission of Pakistan (SECP) on 01 December 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The effective date of change of name of the Fund is 5 April 2019.
- 1.2 Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of Mutual Fund Association of Pakistan (MUFAP).
- 1.3 The Fund is an open-ended mutual fund classified as a "balanced scheme" by the Management Company as per the criteria for categorization of open end collective investment scheme as specified by Securities and Exchange (SECP) and other allied matters and is listed on Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4 During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to 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.
- 1.5 The core objective of the Fund is to provide its investors with a combination of capital growth and income. The Fund aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments etc.
- 1.6 The Pakistan Credit Rating Agency (PACRA) has assigned and maintained an asset manager rating of 'AM1' to the Management Company, a short term performance ranking of 'star' and long term ranking of '4 star' to the Fund.
- 1.7 Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan (CDC) Limited as Trustee of Fund

### 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 and for the period ended March 31, 2023.

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

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3** 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.
- 3.1** 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 expenses and other factors. 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 audited 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.

## 4 INVESTMENTS

Investment by category	Note	Unaudited	Audited
		March 31, 2023	June 30, 2022
<b>Financial assets 'at fair value through profit or loss'</b>		<b>(Rupees in '000)</b>	
Equity securities - listed	4.1.1	<b>404,467</b>	528,179
Government Securities	4.1.3	<b>147,189</b>	-
Term finance certificates - unlisted	4.1.6	<b>10,777</b>	30,859
Commercial papers		-	24,100
Term finance certificates - listed	4.1.4	<b>20,000</b>	-
Sukuk Bonds	4.2.1	<b>38,882</b>	74,095
		<b>621,315</b>	<b>657,233</b>



## 4.1.1 Equity securities - Listed

All shares have a nominal face value of Rs 10 each, except for shares of Thal Limited and Shabbir Tiles and Ceramics Limited which have a face value of Rs 5 and K Electric Limited which has a face value of Rs 3.5.

Name of the investee company	As at 1 July 2022	Purchases during the period	Bonus issue during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at 31 March 2023	Market value / carrying value as at 31 March 2023	Market value as a percentage of net assets	Market value as a percentage of investments	Market value as Percentage of paid -up capital of the investee company held
	(Number of Shares)				(Rupees in '000)		(%)			
<b>Oil &amp; Gas Exploration Companies</b>										
Oil and Gas Development Company Limited (Refer 4.1.2)	259,786	90,900	-	-	79,200	271,486	22,631	0.03	0.04	0.01
Pakistan Oilfields Limited	15,529	550	-	-	5,985	10,094	4,026	0.01	0.01	-
Pakistan Petroleum Limited (Refer 4.1.1)	251,291	135,600	-	-	46,300	340,791	21,797	0.03	0.04	0.01
Mari Petroleum Limited	20,634	-	-	-	3,329	17,305	26,187	0.04	0.04	0.01
	<b>547,240</b>	<b>227,250</b>	<b>-</b>	<b>-</b>	<b>134,814</b>	<b>639,676</b>	<b>74,641</b>	<b>0.11</b>	<b>0.12</b>	
<b>Oil &amp; Gas Marketing Companies</b>										
Pakistan State Oil Company Limited (Refer 4.1.2)	75,350	4,700	-	-	23,372	56,678	6,682	0.01	0.01	0.01
Attock Petroleum Limited	14,161	-	3,105	-	17,265	1	0	0.00	0.00	-
Hascol Petroleum Limited	777	-	-	-	-	777	5	0.00	0.00	-
	<b>90,288</b>	<b>4,700</b>	<b>3,105</b>	<b>-</b>	<b>40,637</b>	<b>57,456</b>	<b>6,687</b>	<b>0.01</b>	<b>0.01</b>	
<b>Fertilizers</b>										
Engro Fertilizers Limited	1	-	-	-	-	1	0	0.00	0.00	-
Fauji Fertilizer Bin Qasim Limited (Refer 4.1.2)	275,000	-	-	-	86,500	188,500	2,351	0.00	0.00	0.01
Engro Corporation Limited	69,319	10,800	-	-	12,800	67,319	18,633	0.03	0.03	0.01
Fauji Fertilizer Company Limited (Refer 4.1.2)	184,701	55,000	-	-	19,500	220,201	22,013	0.03	0.04	0.02
	<b>529,021</b>	<b>65,800</b>	<b>-</b>	<b>-</b>	<b>118,800</b>	<b>476,021</b>	<b>42,997</b>	<b>0.06</b>	<b>0.07</b>	
<b>Chemicals</b>										
Engro Polymer & Chemicals Limited (Refer 4.1.2)	213,923	28,800	-	-	124,600	118,123	5,526	0.01	0.01	0.01
Lotte Chemical Pakistan Ltd	243,000	-	-	-	243,000	-	-	-	-	-
	<b>456,923</b>	<b>28,800</b>	<b>-</b>	<b>-</b>	<b>367,600</b>	<b>118,123</b>	<b>5,526</b>	<b>0.01</b>	<b>0.01</b>	
<b>Cables &amp; Electrical Goods</b>										
Pak Elektron Ltd	463,380	-	-	-	81,500	381,880	4,315	0.01	0.01	0.08
<b>Cement</b>										
Fauji Cement Company Limited (Refer 4.1.2)	479,500	23,500	59,313	-	407,500	154,813	1,852	0.00	0.00	0.01
Attock Cement Pakistan Limited (Refer 4.1.2)	83,300	1,000	-	-	-	84,300	4,844	0.01	0.01	-
Kohat Cement Company Limited	191,250	40,556	-	-	14,637	217,169	30,280	0.04	0.05	0.11
Lucky Cement Limited (Refer 4.1.2)	44,497	600	-	-	15,990	29,107	11,714	0.02	0.02	0.01
Maple Leaf Cement Cement Factory Limited	144,319	37,000	-	-	126,618	54,701	1,421	0.00	0.00	-
	<b>942,866</b>	<b>102,656</b>	<b>59,313</b>	<b>-</b>	<b>564,745</b>	<b>540,090</b>	<b>50,110</b>	<b>0.07</b>	<b>0.08</b>	
<b>Automobile Parts &amp; Accessories</b>										
Thal Limited	11	-	-	-	-	11	2	0.00	0.00	-
Panther Tyres Limited	64,200	-	-	-	28,500	35,700	682	0.00	0.00	-
	<b>64,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,500</b>	<b>35,711</b>	<b>684</b>	<b>0.00</b>	<b>0.00</b>	
<b>Textile Composite</b>										
Azgard Nine Limited (Non-voting shares)	807,000	-	-	-	-	807,000	5,649	0.01	0.01	14.61
Gul Ahmed Textile Mills Ltd	283,160	-	-	-	38,500	244,660	5,167	0.01	0.01	0.06
Kohinoor Textile Mills Limited	372,613	150,000	-	-	66,500	456,113	23,905	0.03	0.04	0.15
Nishat (Chunian) Limited	15,800	-	-	-	15,800	-	-	-	-	-
Interloop Limited	54,091	-	948	-	55,037	2	0	0.00	0.00	-
The Crescent Textile Mills Limited	12,000	154,000	-	-	-	166,000	1,911	0.00	0.00	0.05
Nishat Mills Limited (Refer 4.1.2)	137,300	-	-	-	16,400	120,900	6,362	0.01	0.01	0.03
	<b>1,681,964</b>	<b>304,000</b>	<b>948</b>	<b>-</b>	<b>192,237</b>	<b>1,794,675</b>	<b>42,994</b>	<b>0.06</b>	<b>0.07</b>	

# NBP BALANCED FUND

Name of the investee company	As at 1 July 2022	Purchases during the period	Bonus issue during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at 31 March 2023	Market value / carrying value as at 31 March 2023	Market value as a percentage of net assets	Market value as a percentage of investments	Market value as Percentage of paid -up capital of the investee company held
	(Number of Shares)					(Rupees in '000)		(%)		
<b>Technology &amp; Communication</b>										
Avanceon Limited	-	97	-	-	-	97	6	0.00	0.00	-
Systems Limited	101,149	-	-	-	36,580	64,569	29,835	0.04	0.05	0.05
	<b>101,149</b>	<b>97</b>	<b>-</b>	<b>-</b>	<b>36,580</b>	<b>64,666</b>	<b>29,841</b>	<b>0.04</b>	<b>0.05</b>	
<b>Engineering</b>										
Aisha Steel Ltd (Refer 4.1.2)	230,500	-	-	-	-	230,500	1,574	0.00	0.00	0.03
International Industries Limited	200	-	-	-	-	200	15	0.00	0.00	-
Mughal Iron & Steel Industries (Refer 4.1.2)	393,020	30,000	-	-	75,032	347,988	17,097	0.02	0.03	0.14
	<b>623,720</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>75,032</b>	<b>578,688</b>	<b>18,686</b>	<b>0.03</b>	<b>0.03</b>	
<b>Power Generation &amp; Distribution</b>										
Lalpir Power Limited	231,500	-	-	-	19,500	212,000	3,362	0.00	0.01	0.06
Pakgen Power Limited	131,000	5,000	-	-	85,000	51,000	1,591	0.00	0.00	0.01
The Hub Power Company Limited	164,415	4,000	-	-	36,400	132,015	8,915	0.01	0.01	0.01
	<b>526,915</b>	<b>9,000</b>	<b>-</b>	<b>-</b>	<b>140,900</b>	<b>395,015</b>	<b>13,868</b>	<b>0.02</b>	<b>0.02</b>	
<b>Commercial Banks</b>										
Allied Bank Limited (Refer 4.1.2)	37,800	-	-	-	37,800	-	-	-	-	-
Askari Bank Limited	-	6,500	975	-	-	7,475	116	0.00	0.00	-
Bank Al-Halab Limited	811,801	-	-	-	54,000	757,801	21,810	0.03	0.04	0.07
Bank Al-Halab Limited (Refer 4.1.2)	334,400	-	-	-	14,200	320,200	13,609	0.02	0.02	0.01
Bank of Punjab	2,813	-	281	-	-	3,094	12	0.00	0.00	-
Faysal Bank Limited	255,327	27,100	-	-	172,089	110,338	2,402	0.00	0.00	0.01
Habib Bank Limited (Refer 4.1.2)	313,880	-	-	-	24,800	289,080	21,184	0.03	0.03	0.02
MCB Bank Limited (Refer 4.1.2)	22,500	6,000	-	-	-	28,500	3,278	0.00	0.01	-
Meezan Bank Limited	198	4,500	20	-	-	4,718	449	0.00	0.00	-
United Bank Limited (Refer 4.1.2)	176,891	-	-	-	11,900	164,991	17,581	0.03	0.03	0.01
	<b>1,955,610</b>	<b>44,100</b>	<b>1,276</b>	<b>-</b>	<b>314,789</b>	<b>1,686,197</b>	<b>80,441</b>	<b>0.11</b>	<b>0.13</b>	
<b>Glass and Ceramics</b>										
Tariq Glass Industries Limited	127,490	2,200	28,448	-	48,598	109,540	7,710	0.01	0.01	0.03
Shabbir Tiles & Ceramics Ltd	776,000	50,000	-	-	24,000	802,000	6,825	0.01	0.01	0.25
	<b>903,490</b>	<b>52,200</b>	<b>28,448</b>	<b>-</b>	<b>72,598</b>	<b>911,540</b>	<b>14,536</b>	<b>0.02</b>	<b>0.02</b>	
<b>Paper &amp; Board</b>										
Packages Limited	1,450	-	-	-	1,450	-	-	-	-	-
Roshan Packages Limited	68,000	-	-	-	68,000	-	-	-	-	-
	<b>69,450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Food and Personal Care Products</b>										
Shezan International Limited	6,930	-	-	-	-	6,930	758	0.00	0.00	-
<b>Automobile Assembler</b>										
Honda Atlas Cars (Pakistan) Ltd	3,700	-	-	-	3,700	-	-	-	-	-
Millat Tractors Ltd	10,669	-	624	-	11,290	4	2	0.00	0.00	-
	<b>14,369</b>	<b>-</b>	<b>624</b>	<b>-</b>	<b>14,990</b>	<b>4</b>	<b>2</b>	<b>0.00</b>	<b>0.00</b>	
<b>Pharma And Biotech</b>										
AGP Limited	37,500	-	-	-	-	37,500	2,033	0.00	0.00	0.01
IBL HealthCare Ltd	46,460	-	4,396	-	4,500	46,356	1,576	0.00	0.00	0.09
Highnoon Laboratories Limited	11,242	-	-	-	-	11,242	5,301	0.01	0.01	0.01
Abbott Laboratories Pak Ltd	2,900	-	-	-	2,900	-	-	-	-	-
Citi Pharma Limited	52,098	-	-	-	9,000	43,098	1,102	0.00	0.00	-
The Searle Company Limited	22,083	-	5,521	-	3,109	24,495	1,261	0.00	0.00	0.01
	<b>172,283</b>	<b>-</b>	<b>9,917</b>	<b>-</b>	<b>19,509</b>	<b>162,691</b>	<b>11,272</b>	<b>0.02</b>	<b>0.02</b>	
<b>Transport</b>										
Pakistan National Shipping Co.	-	56,000	-	-	-	56,000	5,434	0.01	0.01	0.24
Pakistan Intl. Bulk Terminal Ltd.	328,500	-	-	-	158,500	170,000	717	0.00	0.00	-
	<b>328,500</b>	<b>56,000</b>	<b>-</b>	<b>-</b>	<b>158,500</b>	<b>226,000</b>	<b>6,152</b>	<b>0</b>	<b>0</b>	

Name of the investee company	As at 1 July 2022	Purchases during the period	Bonus issue during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at 31 March 2023	Market value / carrying value as at 31 March 2023	Market value as a percentage of net assets	Market value as a percentage of investments	Market value as Percentage of paid -up capital of the investee company held	
											(Number of Shares)
<b>Miscellaneous</b>											
Service Global Footwear Limited	44,690	-	-	-	44,690	-	-	-	-	-	
Service Industries Ltd.	16,800	-	-	-	12,300	4,500	959	0.00	0.00	-	
	<b>61,490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,990</b>	<b>4,500</b>	<b>959</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	
<b>Total - 31 March 2023</b>	<b>9,539,799</b>	<b>924,603</b>	<b>103,631</b>	<b>-</b>	<b>2,488,171</b>	<b>8,079,863</b>	<b>404,467</b>	<b>1</b>	<b>1</b>	<b>-</b>	
Carrying value before fair value adjustment as at 31 March 2023							<u>441,618</u>				

**4.1.2** Investments include shares with market value of Rs. 101.663 million (30 June 2022: Rs. 85.66 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 23 October 2007 issued by the SECP.

#### 4.1.3 Investment in government securities - Market Treasury bills

ISSUE DATE	Tenor	Face Value				Investment as a percentage of				
		As at July 01, 2022	Purchases during the period	Sales/ matured during the period	As at March 31, 2023	Market value as at March 31, 2023	Market value as percentage of net assets	Percentage of total investments		
Rupees in '000'										
April 28, 2022	July 28, 2022	3 Months	-	80,000	80,000	-	-	-	-	
June 2, 2022	August 25, 2022	3 Months	-	175,000	175,000	-	-	-	-	
March 10, 2022	September 8, 2022	6 Months	-	175,000	175,000	-	-	-	-	
June 30, 2022	September 22, 2022	3 Months	-	175,000	175,000	-	-	-	-	
July 14, 2022	October 6, 2022	3 Months	-	175,000	175,000	-	-	-	-	
July 28, 2022	October 20, 2022	3 Months	-	175,000	175,000	-	-	-	-	
August 11, 2022	November 3, 2022	3 Months	-	235,000	235,000	-	-	-	-	
August 25, 2022	November 17, 2022	3 Months	-	235,000	235,000	-	-	-	-	
November 17, 2022	February 9, 2023	3 Months	-	235,000	75,000	-	-	-	-	
February 9, 2023	May 4, 2023	3 Months	-	150,000	-	150,000	147,189	20.95	23.69	
						<u>150,000</u>	<u>147,189</u>			
Carrying Value as at March 31, 2023							<u>147,669</u>			

#### 4.1.4 Term finance certificates and Sukuk - listed

All term finance certificates have a face value of Rs 5,000 each unless stated otherwise

Name of the investee company	Number of certificates / bonds				Market value as at March 31, 2023	Investment as a percentage of		
	As at July 1, 2022	Purchases during the period	Sales during the period	As at March 31, 2023		Net assets	Market value as a percentage of	
Rupees in '000'								
Saudi Pak Leasing Company Limited (note 4.1.5)	10,000	-	-	10,000	-	-	-	
Soneri 26-DEC-22 26-DEC-32	-	200	-	200	20,000	2.85	3.22	
	<b>10,000</b>	<b>200</b>	<b>-</b>	<b>10,200</b>	<b>20,000</b>			
Carrying value as at March 31, 2023						<u>47,547</u>		
Provision for impairment loss as at March 31, 2023						<u>27,547</u>		

**4.1.5** This represents investment in term finance certificates with original term of nine years. On October 13, 2011 the investee company defaulted on its obligation on account of principal and profit payment. The investee company rescheduled its term on December 26, 2011 with a new maturity in March 2017. The said TFCs complied with repayment terms since it was rescheduled and had been reclassified as performing as per criteria defined in circular no. 1 of 2009. However, the investee company again defaulted on its obligation on account of principal and profit payment for the month of April 2014 and was therefore declared as Non-performing Asset (NPA) since April 30, 2014. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

#### 4.1.6 Term finance certificates - unlisted

All term finance certificates have a face value of Rs 5,000 each unless stated otherwise

Name of the investee company	Number of certificates / bonds				Market value as at March 31, 2023	Investment as a percentage of	
	As at July 1, 2022	Purchases during the period	Sales during the period	As at March 31, 2023		Net assets	Market value as a percentage of
Rupees in '000'							
Jahangir Siddiqui and Company Limited (18.07.2017 to 18.07.2023)	17,100	-	-	17,100	10,777	1.53	1.73
	<u>17,100</u>	<u>-</u>	<u>-</u>	<u>17,100</u>	<u>10,777</u>		
Carrying value as at March 31, 2023					<u>11,621</u>		

#### 4.2.1 Sukuk Bonds - unlisted

New Allied Electronics Industries (Private) Limited (note 4.2.2)	32,000	-	-	32,000	-	-	-
Eden Housing Limited (note 4.2.3)	10,000	-	-	10,000	-	-	-
The Hub Power Company limited	500	-	-	500	12,595	1.79	2.03
Shakarganj Food Products Limited	30	-	-	30	15,025	2.14	2.42
Mughal Suk 02-MAR-21 02-MAR-26	50	-	35	15	11,262	1.60	1.81
	<u>42,580</u>	<u>-</u>	<u>35</u>	<u>42,545</u>	<u>38,882</u>		
Carrying value as at March 31, 2023					<u>42,720</u>		
Provision for impairment loss as at March 31, 2023					<u>19,844</u>		

**4.2.2** This represents investment in privately placed sukuk with a term of five years. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly has been classified as NPA by MUFAP since January 9, 2009. The amount of provision as per circular 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

**4.2.3** This represents investment in privately placed sukuk bonds with a term of five years. On May 06, 2011, the issuer has defaulted its scheduled principal and profit payment and therefore it was classified as NPA by MUFAP. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

## 5 REIMBURSEMENT OF SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 1.3% per annum of the net assets of the Fund.

## 6 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 4.87% (March 31, 2022: 4.14%) which includes 0.37% (March 31, 2022: 0.25%) representing Government Levy, and the SECP Fee. The prescribed limit for the ratio is 4.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme.

## 7 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.

## 8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2023 and June 30, 2022.

## 9 DETAILS OF NON COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA AS DEFINED BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

The Securities and Exchange Commission of Pakistan (SECP) vide circular no. 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. The Board has approved the category of the fund as 'Balanced Scheme'.

The SECP vide circular no. 16 dated July 07, 2010, prescribed specific disclosures for the scheme holding investments that are non - compliant either with the minimum investment criteria specified for the category assigned to such schemes or with investment requirements of their constitutive documents.

The following are the details of non-compliant investments:

Type of Investment	Name of non-compliant investment	Value of investment before provision	Provision held, if any	Value of investment after provision	Percentage of net assets	Percentage of gross assets
.....Rupees in '000'.....						
<b>Investment in Debt Securities</b>						
	a) Saudi Pak Leasing Company Limited-TFC	27,547	27,547	-	-	-
	b) Eden Housing Industries Private Limited - Sukuk	9,844	9,844	-	-	-
	c) New Allied Electronics Limited	10,000	10,000	-	-	-
	d) Shakarganj Foods Limited*	15,025	-	15,025	2.14	2.08

\* At the time of purchase, these term finance certificates and sukuks bonds were in compliance with the aforementioned circular. However, they subsequently defaulted or were downgraded to non investment grade.

The management is taking steps to ensure compliance with the above requirements.

## 10 TRANSACTIONS WITH CONNECTED PERSONS

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

**10.2** The transactions with connected persons are at contracted rates.

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

**10.4** Transactions during the period

	----- (Un-audited) -----	
	Nine Months Ended	
	March 31,	March 31,
	2023	2022
	---Rupees in '000 ----	
<b>NBP Fund Management Limited</b>		
Management fee expense	14,834	15,326
Reimbursement of Accounting and operational charges to the Management Company	1,187	1,892
Sindh Sales Tax on remuneration of the Management Company	1,928	1,992
Reimbursement of Selling and marketing expenses	7,714	16,698
Sales load including SST on sale load	84	492
<b>International Steels Limited - Common Directorship</b>		
Shares purchased Nil shares ( March 31, 2022: 4,000 shares)	-	407
Shares sold: Nil shares ( March 31, 2021: 29,600 shares )	-	2,003
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration	1,187	1,693
Sindh Sales Tax on remuneration of the Trustee	154	220
CDS charges	2	37
<b>Employees of Management Company</b>		
Units Issued / Transferred in 220,742 units; (March 31, 2022: 7 units)	3,980	-
Units Redeemed / Transferred out 222,239 units (March 31, 2022: 319 units)	3,990	6
<b>**Ronak Iqbal Lakhani</b>		
<b>(Units holder of 10% or more of units holding)</b>		
Units Redeemed / Transferred out 4,350,421 units (March 31, 2022: Nil units)	78,000	-
<b>Taurus Securities Limited - Subsidiary of Parent Company</b>		
Brokerage charges	17	163
<b>Portfolios managed by the Management Company</b>		
Units Redeemed / Transferred out Nil units (March 31, 2022: 41,513 units)	-	674
<b>National Clearing Company of Pakistan Limited (common directorship)*</b>		
NCCPL Charges	-	115
<b>Fauji Fertilizer Company Limited - (common directorship)</b>		
Purchase of 55,000 shares ( March 31, 2022: 45,500)	5,632	4,768
Sell of 18,500 shares ( March 31, 2022: 189,500)	2,021	18,624
Dividend Income	1,644	207
<b>Gul Ahmed Textile Mills Limited. -(common directorship)</b>		
Sell of 38,500 shares ( March 31, 2022: 59,500)	816	2,553

10.5 Balances outstanding as at period end	Un-audited March 31, 2023	Audited June 30, 2022
	----- Rupees in '000 -----	
<b>NBP Fund Management Limited</b>		
Remuneration payable to Management Company	1,512	1,692
Sindh Sales Tax payable to Management Company	196	220
Sindh Sales Tax on remuneration of Trustee	2,586	-
Selling and Marketing Expense	-	2,794
Reimbursement of Accounting and operational charges to the Management Company	363	430
Sale and transfer load including SST thereon	188	104
ADC charges and sales tax on ADC	1	2
<b>National Bank of Pakistan - Parent company</b>		
Balance in current account	81	270
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	123	138
Sindh Sales Tax on remuneration of the Trustee	13	18
CDC charges payable	94	123
Security deposit	100	100
<b>NBP Employees Pension Fund</b>		
Units held: 28,886,715 units (June 30, 2022: 28,886,715 units)	523,196	523,910
<b>**Ronak Iqbal Lakhani</b>		
<b>(Units holder of 10% or more of units holding)</b>		
Units held: 4,333,102 ( June 30, 2022: 8,683,522 units)	78,481	157,490
<b>Employees of Management Company</b>		
Units held: 6,255 units (June 30, 2022: 7,752 units)	113	141
<b>Bankislami Pakistan Limited -(common directorship)</b>		
Bank balance in savings account	413	167
Profit receivable	1	0
<b>National Bank of Pakistan - (Parent of Management company)</b>		
Bank Balance current account	169	270
<b>National Clearing Company of Pakistan Limited (common directorship)*</b>		
NCCPL Charges payable	-	9
Security deposits	-	2,750
<b>Taurus Securities Limited - Subsidiary of Parent Company</b>		
Brokerage payable	2	-
<b>Gul Ahmed Textile Mills Limited. -(common directorship)</b>		
Shares held: 244,660 shares (June 30, 2022: 283,160 shares)	5,167	9,574
<b>Fauji Fertilizer Company Limited - (common directorship)</b>		
Shares held: 220,201 shares (June 30, 2022: 328,000 shares)	22,013	20,358

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

\*\*Prior period balances with these parties have not been disclosed as they were not connected persons and related parties during prior periods.

## 11 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 tradable in an open market are revalued at the market prices prevailing at the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

### 11.1 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).

## 12 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorized for issue by the Board of Directors of the Management Company on April 29, 2023.

## 13 GENERAL

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

13.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant reclassifications have been made during the current period.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director



## Head Office

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