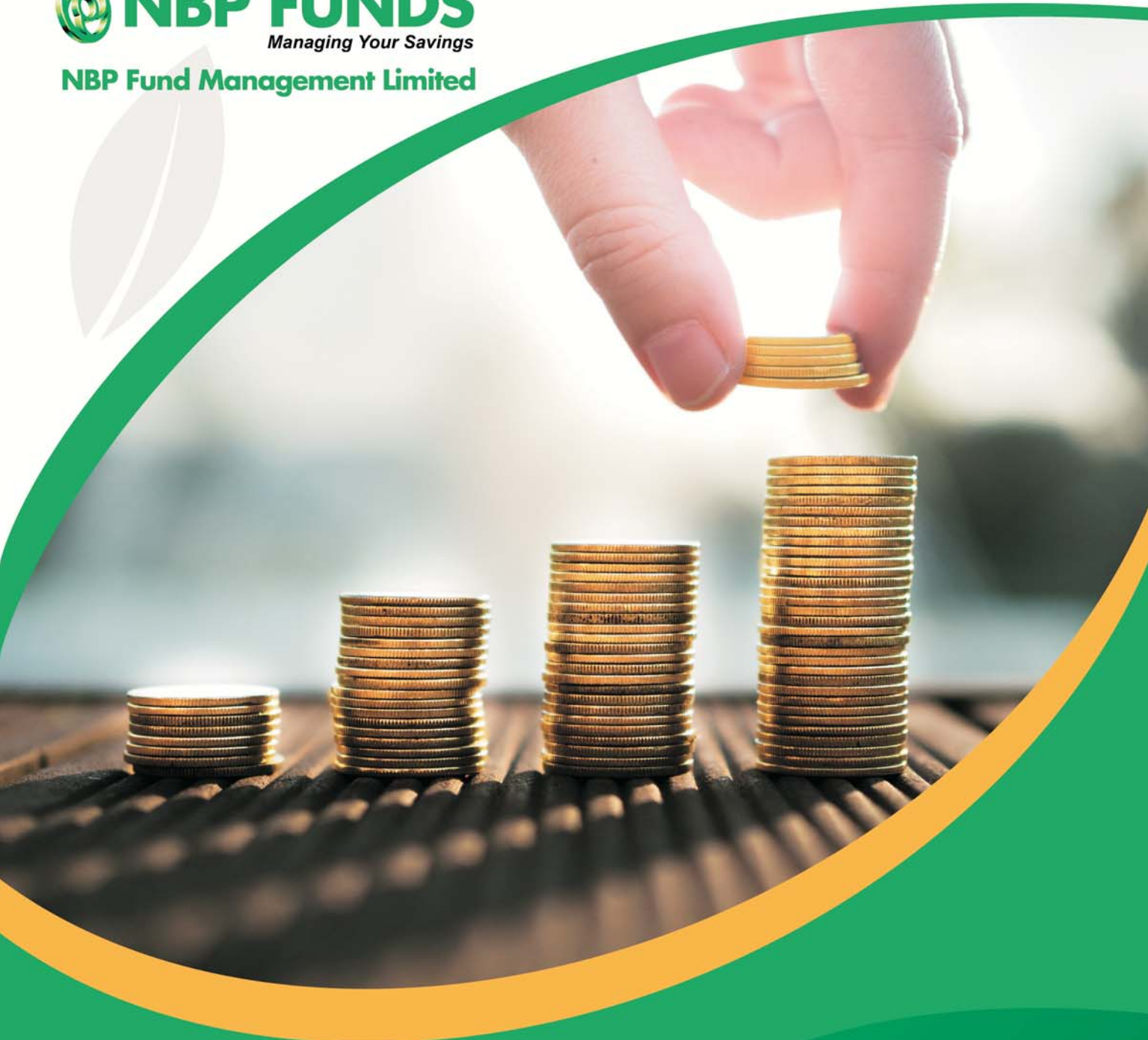




Managing Your Savings

NBP Fund Management Limited



NBP GOVERNMENT SECURITIES FUND-I

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."

Contents

FUND'S INFORMATION	03
DIRECTORS' REPORT	05
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	11
CONDENSED INTERIM INCOME STATEMENT	12
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	13
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	14
CONDENSED INTERIM CASH FLOW STATEMENT	15
NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION	16

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 Shahra-e-Faisal, Karachi.

Bankers to the Fund

Soneri Bank Limited

Auditor

Yousuf Adil
Chartered Accountants
Cavish Court,
A-35, Block 7 & 8,
KCHSU, Sharae Faisal
Karachi-75350 Pakistan.

Legal Advisor

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

Head Office

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

Lahore Office

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

Islamabad Office

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

Peshawar Office

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

Multan Office

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

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited financial statements of **NBP Government Securities Fund - I (NGSF-I)** for the period ended March 31, 2023.

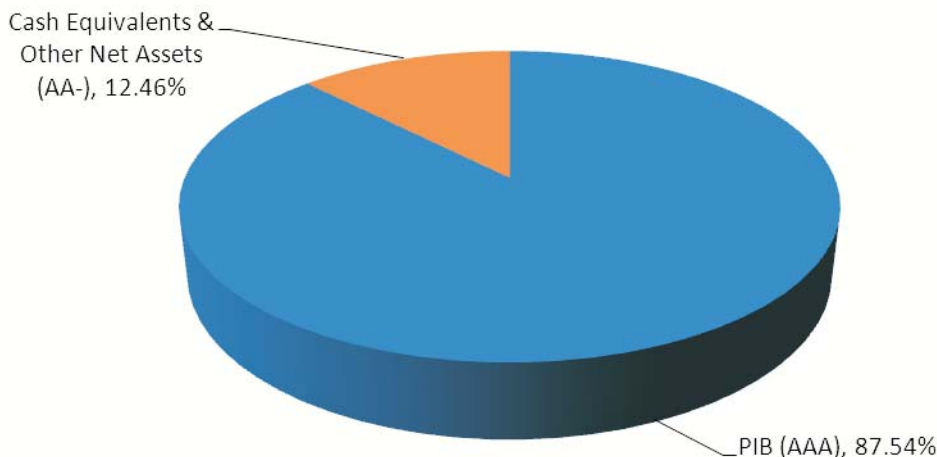
NBP Government Securities Plan - II

Plan's Performance

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 fund NBP Government Securities Plan-II was launched on February 28, 2023 and closed at Rs. 6,069 million on March 31, 2023. During the period, the unit price of the Fund has increased from Rs. 9.9665 (Ex-Div) since inception to Rs. 10.1187, thus showing return of 18.0% as compared to the benchmark return of 20.9%. The performance of the Fund is net of management fee and all other expenses.

The Plan has earned a total income of Rs. 95.784 million during the period. After deducting total expenses of Rs. 4.042 million, the net income is Rs. 91.742 million. The asset allocation of NGSP-II as on March 31, 2023 is as follows:



Income Distribution

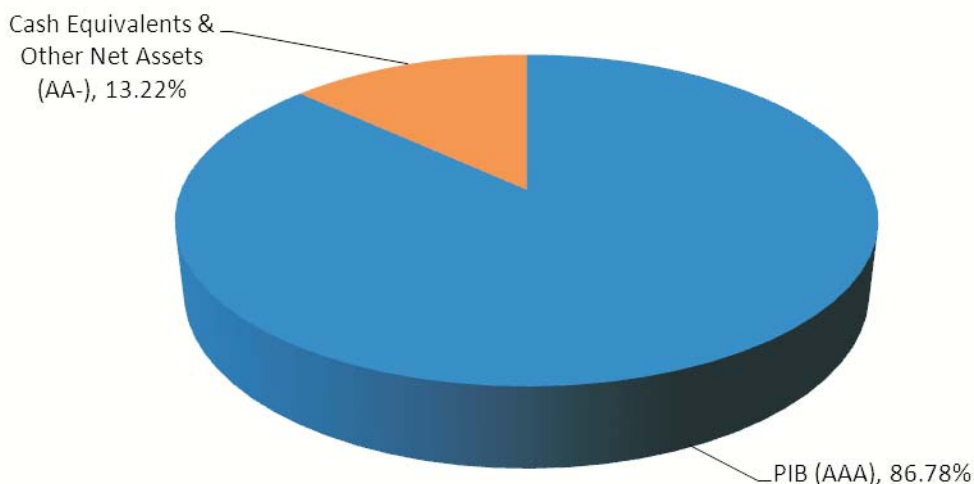
The Board of Directors of the Management Company has approved interim cash dividend of 0.336% of the opening ex-NAV (0.336% of the par value) during the period ended March 31, 2023.

NBP Government Securities Plan - III

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 fund NBP Government Securities Plan-III was launched on March 27, 2023 and closed at Rs. 4,616 million on March 31, 2023. During the period, the unit price of the Fund has increased from Rs. 9.9815 (Ex-Div) since inception to Rs. 10.0110, thus showing return of 26.9% as compared to the benchmark return of 21.38%. The performance of the Fund is net of management fee and all other expenses.

The Plan has earned a total income of Rs. 12.994 million during the period. After deducting total expenses of Rs. 0.482 million, the net income is Rs. 12.512 million. The asset allocation of NGSP-III as on March 31, 2023 is as follows:



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 0.185% of the opening ex-NAV (0.185% of the par value) during the period ended March 31, 2023.

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 میجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2023ء کو ختم ہونے والی نو ماہی کے لئے NBP گورنمنٹ سیکورٹیز فنڈ-I (NGSF-I) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

NBP گورنمنٹ سیکورٹیز پلان-II

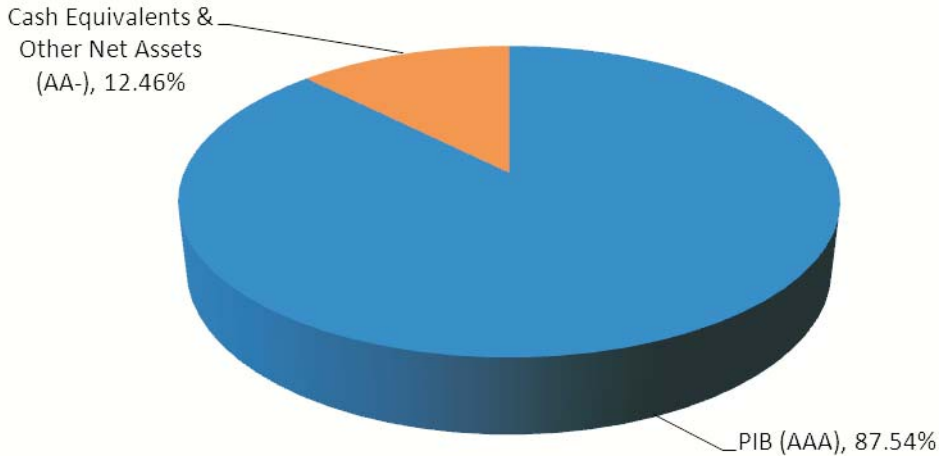
پلان کی کارکردگی

9MFY23 کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (MPC) کے چھ اجلاس منعقد کیے اور پالیسی شرح میں 6.25 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 قبیل 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 وسط CPI افراط زر نے FX ذخائر پر دباؤ ڈالنا جاری رکھا اور شرح مبادلہ میں نمایاں گراؤ کا باعث بنی۔ SBP کے پاس خالص لیکویڈیٹی 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 چیلنجز 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 مقابلہ کل 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۔

28 فروری 2023 کو NBP گورنمنٹ سیکورٹیز پلان II کا آغاز ہوا اور 31 مارچ 2023 کو 6,069 ملین روپے پر بند ہوا۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت آغاز پر 9.9665 روپے (Ex-Div) سے بڑھ کر 10.1187 روپے ہو گئی، لہذا بیچ مارک منافع 20.9% کے مقابلے میں 18.0% کا منافع ظاہر کیا۔ فنڈ کی یہ کارکردگی میجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

پلان نے اس مدت کے دوران 95.784 ملین روپے کی مجموعی آمدنی کمائی۔ 4.042 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 91.742 ملین روپے ہے۔

31 مارچ 2023 کو NSGP-II کی ایسٹ ایلوکیشن درج ذیل ہے:



آمدنی کی تقسیم

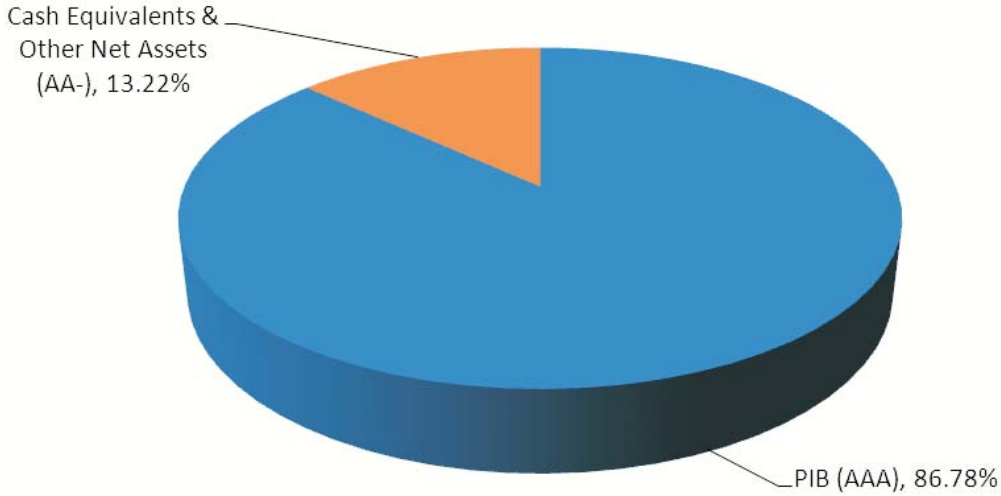
میجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 31 مارچ 2023 کو ختم ہونے والی سہ ماہی کے لئے اوپننگ ex-NAV کا 0.336% (بنیادی قدر کا 0.336%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

III- گورنمنٹ سیکورٹیز پلان

9MFY23 کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (MPC) کے چھ اجلاس منعقد کیے اور پالیسی شرح میں 6.25 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 دباؤ 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 چیلنجز 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 مقابلہ کل 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 دیکھی۔ نو (9) پی آئی بی کی نیلامیاں منعقد ہوئیں جہاں تقریباً 969 بلین روپے کی رقم وصولی ہوئی۔

27 مارچ 2023 کو NBP گورنمنٹ سیکورٹیز پلان III کا آغاز ہوا اور 31 مارچ 2023 کو 4,616 ملین روپے پر بند ہوا۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت آغاز پر 9.9815 روپے (Ex-Div) سے بڑھ کر 10.0110 روپے ہو گئی، لہذا بیچ مارک منافع 21.38% کے مقابلے میں 26.9% کا منافع ظاہر کیا۔ فنڈ کی یہ کارکردگی بیٹجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ نے اس مدت کے دوران 12,994 ملین روپے کی مجموعی آمدنی کمائی۔ 0.482 ملین روپے کے اخراجات متہا کرنے کے بعد خالص آمدنی 12,512 ملین روپے ہے۔

31 مارچ 2023 کو NGSP-III کی ایسٹیلو کیٹیشن درج ذیل ہے:



آمدنی کی تقسیم

بیٹجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 31 مارچ 2023 کو ختم ہونے والی سہ ماہی کے لئے اوپننگ ex-NAV کا 0.185% (بنیادی قدر کا 0.185%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔



اظہار تشکر

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

یورڈ اپنے اسٹاف اور ڈسٹری بیوٹرز کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب یورڈ آف ڈائریکٹرز
NBP فونڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 29 اپریل 2023

مقام: کراچی

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

		<i>Unaudited</i>		
		31 March 2023		
		NGSP II	NGSP III	TOTAL
	Note	----- (Rupees in 000) -----		
ASSETS				
Balances with banks		662,558	541,933	1,204,491
Investments	4	5,336,280	4,005,990	9,342,270
Profit receivables		101,314	76,194	177,508
Total assets		6,100,152	4,624,117	10,724,269
LIABILITIES				
Payable to the Management Company		3,529	436	3,965
Payable to the Trustee		320	29	349
Payable to the Securities and Exchange Commission of Pakistan		103	9	112
Accrued expenses and other liabilities		89	7,427	7,516
Total liabilities		4,041	7,901	11,942
NET ASSETS		6,096,111	4,616,216	10,712,327
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		6,096,111	4,616,216	10,712,327
CONTINGENCIES AND COMMITMENTS				
	5	----- (Number of units) -----		
NUMBER OF UNITS IN ISSUE		602,461,053	461,112,330	
		----- (Rupees) -----		
NET ASSET VALUE PER UNIT		10.1187	10.0110	

The annexed notes 1 to 11 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 PERIOD FROM FEBRUARY 28, 2023 TO MARCH 31, 2023

For the period from 28 February to March 31, 2023		
From 28 February To March 31, 2023	From 27 March To March 31, 2023	Total for the period From 28 February To March 31, 2023

Note ----- (Rupees in 000) -----

INCOME

	NGSP II	NGSP III	Total
Income from Pakistan Investment Bonds	69,667	126	69,793
Mark up income on Pakistan Investment Bonds	2,539	8,630	11,169
Profit on bank deposits	31,647	3,314	34,961
Net unrealised (diminution) / appreciation on re-measurement of investments at FVTPL	(8,069)	924	(7,145)
Total income	95,784	12,994	108,778

EXPENSES

Remuneration of the Management Company	2,504	260	2,764
Sindh Sales Tax on remuneration of the Management Company	326	34	360
Reimbursement of Accounting and operational expenses	399	71	470
Reimbursement of Selling and marketing expenses	300	71	371
Remuneration of the Trustee	283	26	309
Sindh Sales Tax on remuneration of the Trustee	37	3	40
Annual fee of the Securities and Exchange Commission of Pakistan	103	9	112
Auditors' remuneration	46	4	50
Legal and professional charges	19	2	21
Listing Fee	7	1	8
Settlement and bank charges	3	-	3
Printing expenses	15	1	16
Total operating expenses	4,042	482	4,524

Net income from operating activities

91,742 **12,512** **104,254**

Net Income for the period before taxation

91,742 **12,512** **104,254**

Taxation

7 - - -

Net Income for the period after taxation

91,742 **12,512** **104,254**

Allocation of net income for the period:

- Net income for the period after taxation	91,742	12,512	104,254
- Income already paid on units redeemed	-	-	-
	91,742	12,512	104,254

Accounting income available for distribution

- Relating to capital gains	-	924	924
- Excluding capital gains	91,742	11,588	103,330
	91,742	12,512	104,254

The annexed notes 1 to 11 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 PERIOD FROM FEBRUARY 28, 2023 TO MARCH 31, 2023

	For the period from 28 February to March 31, 2023		
	From 28 February To March 31, 2023	From 27 March To March 31, 2023	Total for the period From 28 February To March 31, 2023
	NGSP II	NGSP III	Total
Note	----- (Rupees in 000) -----		
Net profit for the period after taxation	91,742	12,512	104,254
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	91,742	12,512	104,254

The annexed notes 1 to 11 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 PERIOD FROM FEBRUARY 28, 2023 TO MARCH 31, 2023

	For the period from 28 February to March 31, 2023			For the period from 27 March to March 31, 2023			For the period from 28 February to March 31, 2023		
	NGSP II			NGSP III			Total		
(Rupees in '000)									
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed (loss) / income	Total
Net Assets at beginning of the year	-	-	-	-	-	-	-	-	-
Issuance of Units (NGSP-II 6,024,610,525 units)									
Issuance of Units (NGSP-III 461,112,330 units)									
- Capital value	6,024,611	-	6,024,611	4,611,124	-	4,611,124	10,635,735	-	10,635,735
- Element of loss	-	-	-	1,108	-	1,108	1,108	-	1,108
Total proceeds on issuance of units	6,024,611	-	6,024,611	4,612,232	-	4,612,232	10,636,843	-	10,636,843
Redemption of units Nil									
- Capital value	-	-	-	-	-	-	-	-	-
- Element of income	-	-	-	-	-	-	-	-	-
Total payments on redemption of units	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	91,742	91,742	-	12,512	12,512	-	104,254	104,254
Interim distributions made during the period:									
NGSP-II (Mar 07, 2023, Re. 0.0336)									
NGSP-III (Mar 30, 2023, Re. 0.0185)	-	(20,242)	(20,242)	(1,108)	(7,420)	(8,528)	(1,108)	(27,662)	(28,770)
Net assets at end of the period (un-audited)	6,024,611	71,500	6,096,111	4,611,124	5,092	4,616,216	10,635,735	76,592	10,712,327
Undistributed Income brought forward									
Realized Income		-			-			-	
Unrealized Income		-			-			-	
Accounting income available for distribution									
- Relating to capital gains		-			924			924	
- Excluding capital gains		91,742			11,588			103,330	
		91,742			12,512			104,254	
Interim distributions made during the period:		(20,242)			(7,420)			(27,662)	
Undistributed income carried forward		71,500			5,092			76,592	
Undistributed income carried forward									
- Realised Income		79,569			12,237			91,806	
- Unrealised (loss) / income		(8,069)			(7,145)			(15,214)	
		71,500			5,092			76,592	
			(Rupees)			(Rupees)			
Net assets value per unit at beginning of the period			10.0000			10.0000			
Net assets value per unit at end of the period			10.1187			10.0110			

The annexed notes 1 to 11 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 PERIOD FROM FEBRUARY 28, 2023 TO MARCH 31, 2023

	For the period from 28 February to March 2023		
	From 28 February To March 31, 2023	From 27 March To March 31, 2023	Total for the period From 28 February To March 31, 2023
	NGSP II	NGSP III	Total
Note ----- (Rupees in 000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the period before taxation	91,742	12,512	104,254
Adjustments:			
Net unrealised diminution / (appreciation) on re-measurement of investments or loss (FVTPL) - net	8,069	(924)	7,145
	99,811	11,588	111,399
Decrease / (Increase) in assets			
Investments	(5,344,349)	(4,005,066)	(9,349,415)
Profit receivables	(101,314)	(76,194)	(177,508)
	(5,445,663)	(4,081,260)	(9,526,923)
Increase / (decrease) in liabilities			
Payable to the Management company	3,529	436	3,965
Payable to the Trustee	320	29	349
Payable to the Securities and Exchange Commission of Pakistan	103	9	112
Accrued expenses and other liabilities	89	7,427	7,516
	4,041	7,901	11,942
Net cash (used in) / generated from operating activities	(5,341,811)	(4,061,771)	9,403,582
CASH FLOWS FROM FINANCING ACTIVITIES			
Total proceeds on issuance of units	6,024,611	4,611,124	10,635,735
Distribution paid	(20,242)	(7,420)	(27,662)
Net cash (used in) financing activities	6,004,369	4,603,704	10,608,073
Net increase / (decrease) in cash and cash equivalents during the period	662,558	541,933	1,204,491
Cash and cash equivalents at the beginning of the period	-	-	-
Cash and cash equivalents at the end of the period	662,558	541,933	1,204,491

The annexed notes 1 to 11 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 PERIOD FROM FEBRUARY 28, 2023 TO MARCH 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Government Securities Fund – I ("the Fund") was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 05 December 2018 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the 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 the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended 'Income scheme' and is listed on Pakistan Stock Exchange. The units are transferable and can be redeemed by surrendering them to the Fund. The units of the Fund were initially offered for public subscription at initial price of Rs. 10. The maturity of NBP Government Securities Plan - II is on 10 September 2024 and NBP Government Securities Plan - III is on 28 August 2023.

The Fund has initially offered NBP Government Securities Plan - I (NGSP - I) there after NBP Government Securities Plan - II (NGSP - II), NBP Government Securities Plan - III (NGSP - III) and may offer upto a total of five allocation plans. The objective of the NBP Government Securities Fund – I is to provide attractive return with capital preservation at maturity of the plan, by investing primarily in Government Securities not exceeding maturity of the plan.

The Pakistan Credit Rating Agency (PACRA) has reaffirmed an asset manager rating of 'AM1' to the Management Company.

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

2 BASIS OF PREPERATION

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 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 declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2023.

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

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2022 that have a material effect on the financial statements of the Fund.

4 INVESTMENTS	Notes	31 March 2023		
		Unaudited		
		NGSP II	NGSP III	Total
Financial Assets at fair value through profit or loss Government Securities		(Rupees in '000)		
Pakistan Investment Bonds	4.1	5,336,280	4,005,990	9,342,270
		<u>5,336,280</u>	<u>4,005,990</u>	<u>9,342,270</u>

NBP GOVERNMENT SECURITIES PLAN-II

4.1 Pakistan Investment Bonds

Issue date	Tenor	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 a %age of net assets	Market value as a %age of total Investments
		Rupees in '000			(%)			
8-Sep-22	03 years	-	5,400,000	-	5,400,000	5,336,280	0.88	1.33
		-	<u>5,400,000</u>	-	<u>5,400,000</u>	<u>5,336,280</u>	<u>0.88</u>	<u>1.33</u>

Carrying value before fair value adjustment as at 31 March 2023 5,344,349

4.1.1 This carries a rate of return at 20.97% per annum

NBP GOVERNMENT SECURITIES PLAN-III

Pakistan Investment Bonds

26-Aug-21	02 years	-	4,010,000	-	4,010,000	4,005,990	65.71	100.00
		-	<u>4,010,000</u>	-	<u>4,010,000</u>	<u>4,005,990</u>	<u>65.71</u>	<u>100.00</u>

Carrying value before fair value adjustment as at 31 March 2023 4,005,066

4.2.1 This carries a rate of return at 20.97% per annum

5 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2023

6 REIMBURSEMENT OF SELLING AND MARKETING EXPENSES

As per Circular 5 of 2018 dated 4 June 2018 issued by SECP, the Asset Management Company was entitled to charge selling and marketing expense to Collective Investment Scheme up to 0.4% per annum of net assets of Fund or actual expenses whichever is lower for initial three years. Circular 11 of 2019 dated 5 July 2019, issued by SECP superseded the above stated Circular and has revised the conditions and waived capping for charging selling and marketing expense. However, the management company has continued to charge selling and marketing expenses at the rate of 0.15 % per annum of average net assets of the Fund or actual expenses whichever is lower.

7 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 its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Management Company intends to distribute its accounting income as per its distribution policy for the year ending 30 June 2023 if require to ensure the compliance of this clause. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

8 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2023 is 0.79% - NGSP-II, 0.98 - NGSP-III which includes 0.09% - NGSP-II and 0.09% - NSP-III representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% (as amended by S.R.O 639 dated June 20, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorised as 'Income scheme'.

9 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

9.1 Connected persons include NBP Fund Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and its connected persons, 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.

9.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

9.4 Remuneration to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

9.5 Details of transactions with related parties / connected persons during the period are as follows:

	----- (Unaudited) -----		
	From 28 February To March 31, 2023	From 27 March To March 31, 2023	Total for the period From 28 February To March 31, 2023
----- (Rupees in 000) -----			
	NGSP-II	NGSP-III	
NBP Fund Management Limited - Management Company			
Remuneration of the Management Company	2,504	260	2,764
Sindh sales tax on remuneration	326	34	360
Reimbursement of Accounting and operational expenses	399	71	470
Reimbursement of Selling and marketing expenses	300	71	371
Central Depository Company of Pakistan Limited - Trustee			
Remuneration	283	26	309
Sindh sales tax on remuneration of Trustee	37	3	40
Employees of the Management Company			
Units issued / Transferred in: 1,575,552 units	5,011	-	5,011
Harobanx Industries Private Limited.			
(Unit holder of 10% or more of units of the CIS)			
Units issued / Transferred in: NGSP- II : 601,959,935 units	6,091,052	-	6,091,052
Units issued / Transferred in: NGSP-III :401,112,330 Units	-	4,015,536	4,015,536
Stingray Technologies Private Limited			
(Unit holder of 10% or more of units of the CIS)			
Units issued / Transferred in: 59,889,205 units	-	600,000	600,000

Unaudited

31 March 2023

9.6 Amounts / balances outstanding as at period end:

	----- (Rupees in 000) -----		
	NGSP II	NGSP III	
NBP Fund Management Limited - Management Company			
Management fee payable	2,504	260	2,764
Sindh sales tax on remuneration of the Management Company	326	34	360
Reimbursement of Accounting and operational expenses	399	71	470
Reimbursement of Selling and marketing expenses	300	71	371
Central Depository Company of Pakistan Limited - Trustee			
Remuneration payable	283	26	309
Sales tax payable trustee fee	37	3	40
Employees of the Management Company			
Units held: NGSP-II 501,117 Units & NGSP-III	5,071	-	5,071
Harobanx Industries Private Limited.*			
(Unit holder of 10% or more of units of the CIS)			
Units held: NGSP-II 601,959,935 Units	6,091,052	-	6,091,052
Units held: NGSP-III 401,112,330 Units	-	4,015,536	4,015,536
Stingray Technologies Private Limited*			
(Unit holder of 10% or more of units of the CIS)			
Units held:NGSP-III 60,000,000 units	-	600,660	600,660

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

10 DATE OF AUTHORISATION FOR ISSUE

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

11 GENERAL

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

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

Website: www.nbpfunds.com

 /nbpfunds