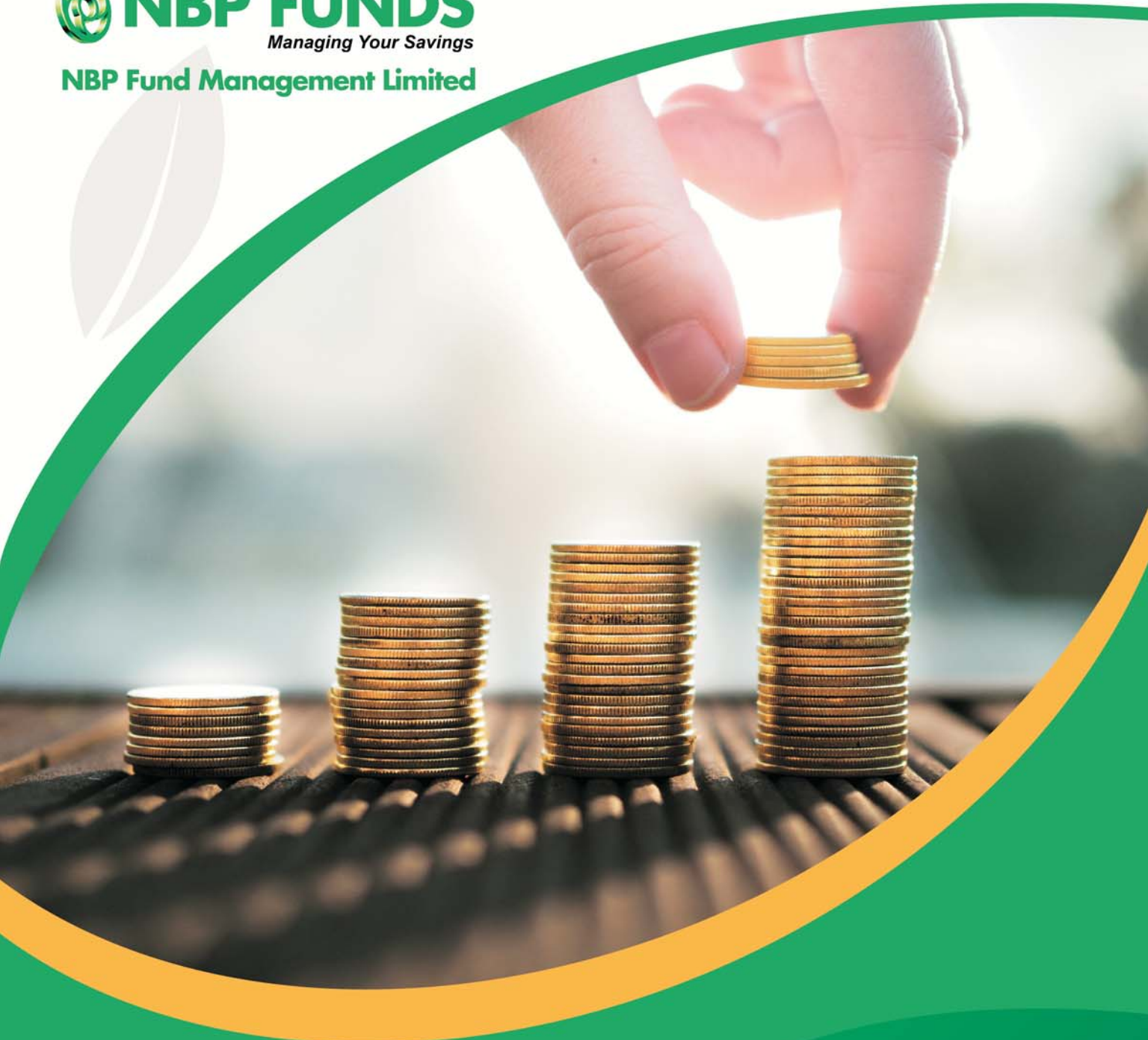




*Managing Your Savings*

**NBP Fund Management Limited**



# **NBP INCOME OPPORTUNITY 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."

## Contents

<b>FUND'S INFORMATION</b>	<b>03</b>
<b>DIRECTORS' REPORT</b>	<b>05</b>
<b>CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES</b>	<b>09</b>
<b>CONDENSED INTERIM INCOME STATEMENT</b>	<b>10</b>
<b>CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME</b>	<b>11</b>
<b>CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS FUND</b>	<b>12</b>
<b>CONDENSED INTERIM CASH FLOW STATEMENT</b>	<b>13</b>
<b>NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION</b>	<b>14</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 Shakra-e-Faisal, Karachi.

### Bankers to the Fund

Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
MCB Bank Limited  
JS Bank Limited  
Meezan Bank Limited  
Habib Bank Limited  
United Bank Limited  
Bank Al Habib Limited  
Habib Metropolitan Bank Limited  
National Bank of Pakistan  
Samba Bank Limited  
Zarai Taraqiati Bank Limited  
MCB Islamic Bank Limited  
Al Baraka Bank Pakistan Limited

Faysal Bank Limited  
Silk Bank Limited  
Soneri Bank Limited  
Telenor Microfinance Bank Limited  
U Microfinance Bank Limited  
Dubai Islamic Bank Limited  
Khushhali Bank Limited  
Bankislami Pakistan Limited  
NRSP Microfinance Bank Limited  
HBL Microfinance Bank Limited  
Mobilink Microfinance Bank Limited  
The Bank of Khyber

#### **Auditors**

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

#### **Legal Advisor**

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

#### **Head Office:**

7th Floor Clifton Diamond Building, Block No. 4,  
Scheme No. 5, Clifton Karachi.  
UAN: 021 (111-111-632),  
(Toll Free): 0800-20002,  
Fax: (021) 35825329  
Website: [www.nbpfunds.com](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  
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 Income Opportunity Fund (NIOF)** for the period ended March 31, 2023.

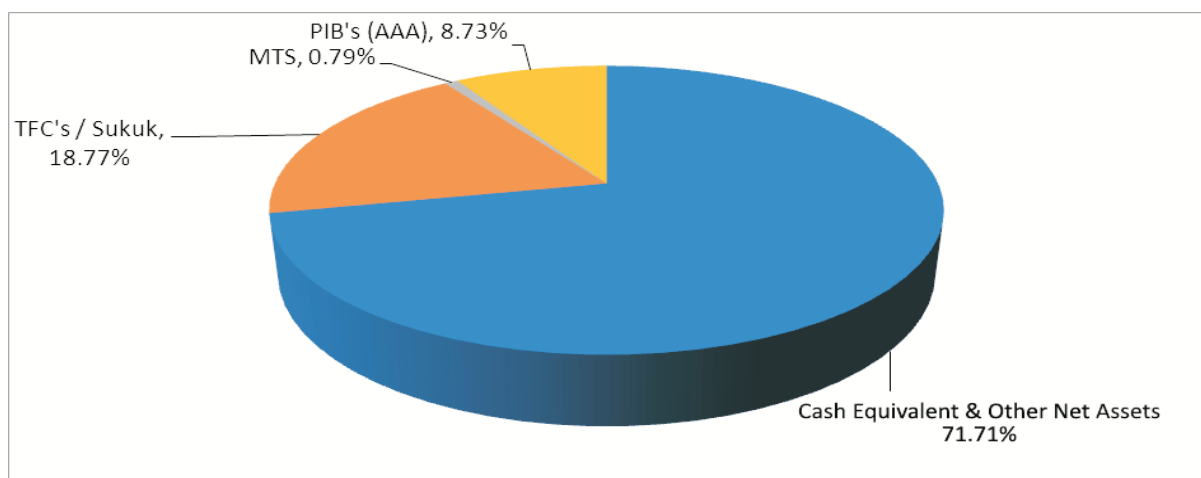
### Fund's Performance

NIOF is categorized as an Income Scheme and has been awarded stability rating of 'A+ (f)' by PACRA. 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 Income Opportunity Fund has decreased from Rs. 7,375 million to Rs. 5,437 million during the period (a decline of 26%). During the period, the unit price of the Fund has increased from Rs. 10.7953 on June 30, 2022 to Rs. 11.9758 on March 31, 2023, thus showing a return of 14.6% as compared to the benchmark return of 17.1% for the same period. The performance of the Fund is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 772.76 million during the period. After deducting total expenses of Rs. 125.44 million, the net income is Rs. 647.32 million.

The chart below presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIOF.



## 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**

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**Chief Executive Officer**

---

**Director**

Date April 29, 2023

Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2023ء کو ختم ہونے والی نو ماہی کے لئے NBP انکم اپرچونٹی فنڈ (NIOF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

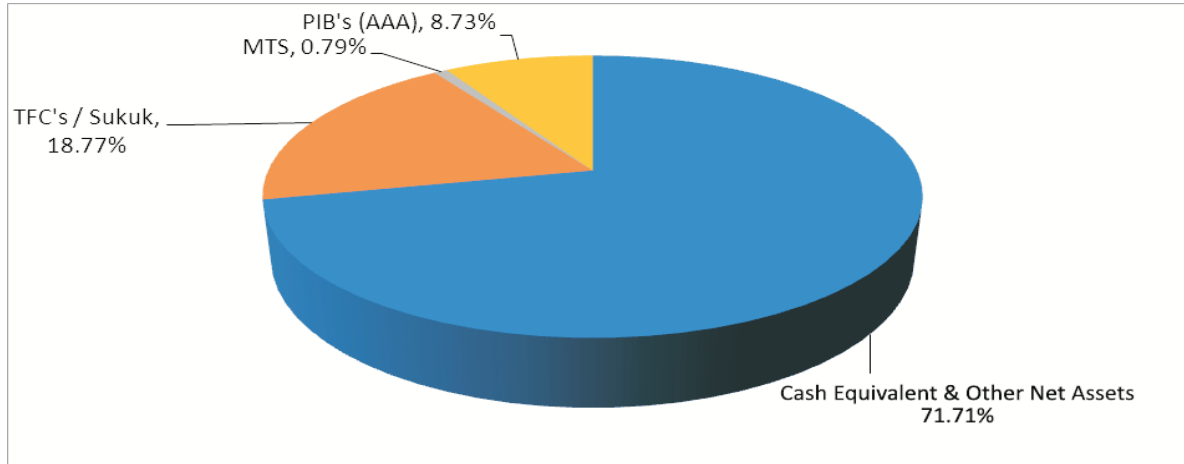
### فنڈ کی کارکردگی

NIOF کی انکم اسکیم کے طور پر درجہ بندی کی گئی ہے اور PACRA کی طرف سے 'A+(f)' کی مستحکم ریٹنگ دی گئی ہے۔ 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 کی 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 مقابل 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۔

موجودہ مدت کے دوران NBP انکم اپرچونٹی فنڈ (NIOF) کا سائز 7,375 ملین روپے سے کم ہو کر 5,437 ملین روپے ہو گیا ہے یعنی 26% کی کمی ہوئی۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2022 کو 10.7953 روپے سے بڑھ کر 31 مارچ 2023 کو 11.9758 روپے ہو گئی، لہذا اس مدت کے دوران فنڈ نے اپنے بیخ مارک 17.1% کے مقابلے میں 14.9% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے موجودہ مدت کے دوران 772.76 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 125.44 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 647.32 ملین روپے ہے۔

درج ذیل چارٹ NIOF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:







## اظہار تشکر

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

بورڈ اپنے اسٹاف اور رٹرنیٹی 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

	Note	(Un-audited) March 31, 2023	(Audited) June 30, 2022
-----Rupees in '000-----			
<b>ASSETS</b>			
Bank balances	4	3,860,128	6,289,721
Investments	5	1,494,820	1,655,898
Receivable against margin trading system		42,775	-
Mark-up accrued and dividend receivable		120,899	95,615
Receivable against sale of units		-	1,298
Deposits, prepayments and other receivables		13,238	12,754
<b>Total assets</b>		<b>5,531,860</b>	<b>8,055,286</b>
<b>LIABILITIES</b>			
Payable to NBP Fund Management Limited - Management Company		61,381	65,806
Payable to Central Depository Company of Pakistan Limited - Trustee		398	556
Payable to the Securities and Exchange Commission of Pakistan		944	1,980
Payable against redemption of units		27,951	537,441
Accrued expenses and other liabilities		4,584	74,960
<b>Total liabilities</b>		<b>95,258</b>	<b>680,743</b>
<b>NET ASSETS</b>		<b>5,436,602</b>	<b>7,374,543</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>5,436,602</b>	<b>7,374,543</b>
<b>Contingencies and commitments</b>	11		
-----Number of units-----			
<b>Number of units in issue</b>		<b>453,964,543</b>	<b>683,124,305</b>
-----Rupees-----			
<b>Net asset value per unit</b>		<b>11.9758</b>	<b>10.7953</b>

The annexed notes from 1 to 14 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 period ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Note -----Rupees in '000-----				
<b>INCOME</b>				
Return / mark-up on:				
- bank balances and term deposits	331,985	424,928	113,923	142,078
- term finance certificates and sukus	137,312	112,107	47,187	28,677
- government securities	247,212	103,422	72,775	36,915
- certificate of investment	-	1,449	-	1,449
- letter of placement and commercial paper	59,234	40,094	19,071	23,952
- margin trading system	5,345	4,059	3,116	-
Other Income	1,307	5,820	1,307	4,181
Income on spread transactions	-	27,591	-	837
Dividend income on spread transactions	-	9,355	-	-
Net gain / (loss) on sale of investments	2,092	21,788	2,510	16,252
Net unrealised appreciation / (diminution) on re-measurement of investments at fair value through profit or loss	(11,723)	9,486	(5,492)	(6,991)
<b>Total income</b>	<b>772,764</b>	<b>760,099</b>	<b>254,397</b>	<b>247,350</b>
<b>EXPENSES</b>				
Remuneration of Management Company	40,876	44,516	13,017	13,038
Sindh Sales Tax on remuneration of the Management Company	5,314	5,787	1,692	1,695
Reimbursement of operational expenses to the Management Company	5,958	9,729	1,803	2,797
Reimbursement of Selling and marketing expense	33,029	54,483	9,764	15,663
Remuneration of trustee	3,539	5,837	1,046	1,678
Sindh Sales Tax on remuneration of the Trustee	460	759	136	218
Annual fee to the Securities and Exchange Commission of Pakistan	944	1,557	279	448
Securities transaction cost	92	4,727	18	74
Settlement and bank charges	1,392	1,047	539	214
Auditors' remuneration	1,162	600	495	197
Legal and professional charges	169	774	90	433
Fund rating fee	446	416	145	64
Annual listing fee	21	22	7	7
Printing and other charges	162	116	68	74
Impairment against Non-performing assets	31,872	14,241	9,672	14,241
<b>Total expenses</b>	<b>125,436</b>	<b>144,611</b>	<b>38,771</b>	<b>50,841</b>
<b>Net income from operating activities</b>	<b>647,328</b>	<b>615,488</b>	<b>215,626</b>	<b>196,509</b>
Reversal / (Provision) for Sindh Workers' Welfare Fund	-	52,133	-	-
<b>Net income for the period before taxation</b>	<b>647,328</b>	<b>667,621</b>	<b>215,626</b>	<b>196,509</b>
Taxation	-	-	-	-
<b>Net income for the period after taxation</b>	<b>647,328</b>	<b>667,621</b>	<b>215,626</b>	<b>196,509</b>
<b>Earnings per unit</b>				
<b>Allocation of net income for the period</b>				
Net income for the period after taxation	647,328	667,621	215,626	196,509
Income already paid on units redeemed	(125,049)	(210,302)	(59,902)	(87,950)
	<b>522,279</b>	<b>457,319</b>	<b>155,724</b>	<b>108,559</b>
<b>Accounting income available for distribution:</b>				
- Relating to capital gains	-	31,274	-	9,261
- Excluding capital gains	522,279	426,045	155,724	99,298
	<b>522,279</b>	<b>457,319</b>	<b>155,724</b>	<b>108,559</b>

The annexed notes from 1 to 14 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 period ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	-----Rupees in '000-----			
Net income for the period after taxation	<b>647,328</b>	667,621	<b>215,626</b>	196,509
<b>Total comprehensive income for the period</b>	<b>647,328</b>	667,621	<b>215,626</b>	196,509

The annexed notes from 1 to 14 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

	Nine months ended March 31.					
	2023			2022		
	(Rupees in '000)					
Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total	
Net assets at beginning of the period	6,844,143	530,400	7,374,543	7,441,129	512,491	7,953,620
Issue of 141,355,027 units (2022: 995,868,300 units)						
- Capital value (at net asset value per unit at the beginning of the period)	1,525,972	-	1,525,972	10,722,614	-	10,722,614
- Element of income	66,371	-	66,371	269,773	-	269,773
Total proceeds on issuance of units	1,592,343	-	1,592,343	10,992,387	-	10,992,387
Redemption of 370,514,788 units (2022: 969,897,875 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(3,999,818)	-	(3,999,818)	(10,442,987)	-	(10,442,987)
- Amount paid out of element of income						
- Relating to 'Net income for the period after taxation'	(52,745)	(125,049)	(177,794)	(171,758)	(210,302)	(382,060)
Total payments on redemption of units	(4,052,563)	(125,049)	(4,177,612)	(10,614,745)	(210,302)	(10,825,047)
Total comprehensive income for the period	-	647,328	647,328	-	667,621	667,621
<b>Net assets at end of the period</b>	<b>4,383,923</b>	<b>1,052,679</b>	<b>5,436,602</b>	<b>7,818,771</b>	<b>969,810</b>	<b>8,788,581</b>
Undistributed income brought forward						
- Realised		501,889			481,867	
- Unrealised		28,511			30,624	
		530,400			512,491	
Accounting income available for distribution						
- Relating to capital gain		-			31,274	
- Excluding capital gains		522,279			426,045	
		522,279			457,319	
<b>Undistributed income carried forward</b>		<b>1,052,679</b>			<b>969,810</b>	
Undistributed income carried forward						
- Realised		1,064,402			960,324	
- Unrealised		(11,723)			9,486	
		1,052,679			969,810	
Net assets value per unit at beginning of the period			(Rupees) - 10.7953			(Rupees) - 10.7671
Net assets value per unit at end of the period			11.9758			11.4933

The annexed notes from 1 to 14 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	
	31 March 2023	31 March 2022
	-----Rupees-----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	647,328	667,621
<b>Adjustments:</b>		
Net unrealised (appreciation) in the fair value of investments classified as financial assets at 'fair value through profit or loss' - net	11,723	(9,486)
Net (gain) on sale of investment	(2,092)	(49,379)
(Reversal) / Provision for Sindh Workers' Welfare Fund	-	(52,133)
	<b>656,959</b>	<b>556,623</b>
<b>Decrease / (Increase) in assets</b>		
Receivable against Marginal Trading System	(42,775)	169,506
Investments - net	151,447	(119,300)
Deposits, prepayments and other receivables	(484)	1,348
Dividend and profit receivable	(25,284)	(13,074)
	<b>82,904</b>	<b>38,480</b>
<b>(Decrease) / increase in liabilities</b>		
Payable to Management Company	(4,425)	(5,850)
Payable to Trustee	(158)	4
Payable to Securities and Exchange Commission of Pakistan	(1,036)	157
Payable against purchase of investments	-	972,176
Accrued expenses and other liabilities	(70,376)	(49,378)
	<b>(75,995)</b>	<b>917,109</b>
<b>Net cash generated from operating activities</b>	<b>663,868</b>	<b>1,512,212</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net receipts against issue of units	1,593,641	11,038,532
Net payments against redemption of units	(4,687,102)	(10,842,308)
<b>Net cash used in financing activities</b>	<b>(3,093,461)</b>	<b>196,224</b>
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	<b>(2,429,593)</b>	<b>1,708,436</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>6,289,721</b>	<b>5,048,428</b>
<b>Cash and cash equivalents at end of the period</b>	<b>3,860,128</b>	<b>6,756,864</b>

The annexed notes from 1 to 14 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

NBP Income Opportunity Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered between NBP Fund Management Limited as the Management Company and the 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 30 January 30, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (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 was required to be registered under the Sindh Trust Act. Accordingly, on November 3, 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 'Income Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription under pre - IPO at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from February 11, 2006 and are transferable and redeemable by surrendering them to the Fund.

The Fund is an open-ended mutual fund classified as an 'income scheme' by the Management Company and is listed on the 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.

The objective of the Fund is to seek maximum preservation of capital and a reasonable rate of return by investing in money market and debt securities having good credit rating and liquidity. Other avenues of investments include ready future arbitrage in listed securities and 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 A+(f) (June 30, 2022: A+(f) on October 19, 2022) dated April 13, 2023.

Title to the assets of the Fund is held in the name of CDC as a trustee of the 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.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.
- 3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income 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.

		Un-Audited Mar 31, 2023	Audited June 30, 2022
<b>4. Bank Balances</b>			
Current Accounts		70	70
Saving Accounts	4.1	3,860,058	6,289,651
		<u><u>3,860,128</u></u>	<u><u>6,289,721</u></u>



4.1 These accounts of the Fund carry profit rates ranging from 18.50% to 21% (2021: 13% to 17.25%) per annum.

## 5. INVESTMENTS

At fair value through profit or loss	Note	Un-Audited Mar 31, 2023	Audited June 30, 2022
Equity securities	5.1	-	-
Government securities - Pakistan Investment Bonds	5.2	474,400	-
Government securities - Market Treasury Bills	5.3	-	-
Term finance certificates	5.4	180,645	284,805
Term finance certificates - non-performing securities	5.5	40,900	72,771
Corporate sukuk certificates	5.6	798,875	712,797
Corporate sukuk certificates - non-performing securities	5.7	-	-
Commercial papers	5.8	-	585,525
Letter of Placement	5.9	-	-
		<b>1,494,820</b>	<b>1,655,898</b>

### 5.1 Equity securities - listed

Name of the investee company	Number of shares				Market value / Carrying value as at March 31, 2023	Investment as a percentage of		
	As at July 1, 2022	Purchased during the period	Sold during the period	As at March 31, 2023		Net assets	Market value of total investments	Paid-up capital of investee company
	----- Number of shares -----				Rs in '000	----- % -----		

All shares have nominal face value of Rs. 10 each.

#### PERSONAL GOODS

Azgard Nine Limited - Non-voting	308	-	-	308	-	-	-	-
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Carrying value before mark to market as at March 31, 2023 -----

Accumulated impairment -----

### 5.2 Government securities - Pakistan Investment Bonds

Issue Date	Tenor in years	Face value				Market value as at March 31, 2023	Investment as a percentage of	
		As at July 01, 2022	Purchased during the period	Sold / matured during the period	As at March 31, 2023		Net assets	Market value of total investments
		-----Rupees in '000-----				Rs in '000	----- % -----	

November 17, 2022	5	-	500,000	-	500,000	474,400	-	-
August 26, 2021	2	-	1,500,000	1,500,000	-	-	-	-
						<b>474,400</b>	-	-

Carrying value before mark to market as at March 31, 2023 **479,261**



## 5.5 Term finance certificates - Non Performing

Name of the security	Profit payments / principal redemptions	Maturity date	As at July 1, 2022	Purchases during the period	Sales / redemptions during the period	As at March 31, 2023	Market value as at March 31, 2023	Percentage in relation to	
								Net assets of the Fund	Total market value of the investment
----- Number of certificates-----							Rupees in '000	----- % -----	
<b>CEMENT</b>									
Dewan Cement Limited (Face value of Rs. 5,000 per certificate)	-	January 17, 2022	30,000	-	-	30,000	-	-	-
<b>CHEMICAL</b>									
Agritech Limited V (Face value of Rs. 5,000 per certificate)	-	January 1, 2025	6,464	-	-	6,464	-	-	-
Agritech Limited I (Face value of Rs. 4,995 per certificate)	-	November 29, 2025	30,000	-	-	30,000	-	-	-
<b>LEASING COMPANIES</b>									
Saudi Pak Leasing Company Limited - II (Face value of Rs. 2,755 per certificate)	-	March 13, 2013	15,000	-	-	15,000	-	-	-
<b>TECHNOLOGY &amp; COMMUNICATION</b>									
Worldcall Telecom Limited - III (Face value of Rs. 1,666	Quarterly	October 7, 2013	45,000	-	-	45,000	-	-	-
<b>TEXTILE COMPOSITE</b>									
Azgard Nine Limited VII (PPTFC) (Face value of Rs. 5,000 per certificate)	-	29-Apr-31	-	16,095	-	16,095	-	-	-
Azgard Nine Limited VIII (PPTFC) Zero Coupon (Face value of Rs. 5,000 per certificate)	-	29-Apr-31	-	39,093	-	39,093	-	-	-
<b>MISCELLANEOUS</b>									
PACE Pakistan Limited (Face value of Rs. 4,994 per certificate)	-	February 15, 2017	30,000	-	-	30,000	-	-	-
New Allied Electronic Industries (Private) Limited (Face value of Rs. 2,114 per certificate)	-	November 15, 2022	15,000	-	-	15,000	-	-	-
<b>COMMERCIAL BANKS</b>									
Silk Bank Limited (Face value of Rs. 4,997 per certificate)	Semi-Annually	August 10, 2025	20,000	-	-	20,000	40,900	0.89%	2.79%
<b>Total</b>							<b>40,900</b>	<b>0.89%</b>	<b>2.79%</b>
Carrying value as at March 31, 2023							-		
Market value as at June 30, 2022							72,771		
Carrying value as at June 30, 2022							72,771		

**5.5.1** This represents investment in privately placed term finance certificates. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly has been classified as non performing asset by MUFAP since January 9, 2009. 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 circulars.

## 5.6 Corporate Sukuk Certificates

Name of the security	Profit payments / principal redemp-tions	Maturity date	As at July 1, 2022	Purchases during the period	Sales / redemp-tions during the period	As at March 31, 2023	Market value as at March 31, 2023	Percentage in relation to	
								Net assets of the Fund	Total market value of the investment
							(Rupees in '000)	%	
<b>CEMENT</b>									
Javedan Corporation Limited Sukuk I (Face value of Rs. 83,333 per certificate)	Semi-Annually	October 4, 2026	400	-	250	150	9,800	0.11%	0.33%
<b>POWER GENERATION &amp; DISTRIBUTION</b>									
K-Electric Limited - Sukuk V (Face value of Rs. 5,000 per certificate)	Quarterly	August 3, 2027	71,000	-	-	71,000	325,219	3.70%	10.84%
The Hub Power Company Limited (3rd Issue) (related (Face value of Rs. 100,000 per certificate)	Quarterly	August 22, 2023	1,000	-	-	1,000	25,190	0.29%	0.84%
<b>MISCELLANEOUS</b>									
Hub Power Holding Limited (related party) (Face value of Rs. 100,000 per certificate)	Semi-Annually	November 12, 2025	2,000	-	250	1,750	178,483	3.28%	11.94%
Shakarganj Food Products Limited (Face value of Rs. 850,000 per certificate)	Quarterly	July 10, 2024	70	-	-	70	35,058	0.64%	1.17%
Albaraka Bank Limited Sukuk II (Face value of Rs.1,000,000 per certificate)	Semi-Annually	December 22, 2021	-	25	-	25	25,125	0.46%	0.84%
<b>POWER GENERATION &amp; DISTRIBUTION</b>									
K-Electric Limited PPSTS -II (Face value of Rs. 100,000 per certificate)	Semi-Annually	April 5, 2023	-	800	600	200	200,000	3.68%	6.67%

## 5.7 Corporate Sukuk Certificates - Non Performing

Name of the security	Profit payments / principal redemptions	Maturity date	As at July 1, 2022	Purchases during the period	Sales / redemptions during the period	As at March 31, 2023	Market value as at March 31, 2023	Percentage in relation to	
								Net assets of the Fund	Total market value of the investment
							(Rupees in '000)	%	
New Allied Electronic Industries (Private) Limited II - Sukuk (Note 5.6.1) (Face value of Rs. 4,905 per certificate)	-	December 3, 2025	9,000	-	-	9,000	-	-	-
Eden Housing Limited 2nd (Issue) (Note 5.6.1) (Face value of Rs. 984 per certificate)	-	September 29, 2025	9,200	-	-	9,200	-	-	-
<b>Total</b>							<b>798,875</b>	<b>12.16%</b>	<b>32.63%</b>
Carrying value as at March 31, 2023							<b>802,863</b>		
Market value as at June 30, 2022							<b>712,797</b>		
Carrying value as at June 30, 2022							<b>705,572</b>		

**5.7.1** This represents investment in privately placed sukuks 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 non performing asset by MUFAP since January 9, 2009. 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 circulars.

## 5.8 Commercial papers

Name of Investee Company	Face value				Market value as at March 31, 2023	Market value as a percentage of total investments	Market value as a percentage of net assets	
	As at July 1, 2022	Purchased during the period	Disposed off / matured during the period	As at March 31, 2023				
							(Rupees in '000)	%
<b>POWER GENERATION &amp; DISTRIBUTION</b>								
Waves Singer Pakistan Limited	100,000	-	100,000	-	-	-	-	
Lucky Electric Power Company Limited	250,000	-	250,000	-	-	-	-	
Lucky Electric Power Company Limited	250,000	-	250,000	-	-	-	-	
<b>Total</b>								
Carrying value as at March 31, 2023								
Market value as at June 30, 2022					<b>585,525</b>			
Carrying value as at June 30, 2022					<b>585,525</b>			

## 5.9 Letter of Placement

Name of Investee Company	Maturity date	Profit rate	As at July 1, 2022	Amount placed during the period	Amount redeemed during the period	As at March 31, 2023	Market value as at March 31, 2023	Market value as a percentage of total investments	Market value as a percentage of net assets
<b>COMMERCIAL BANKS</b>									
Pak Oman Investment Company Limited	25-Aug-22	14.75%	-	650,000	650,000	-	-	-	-
Askari Bank Limited	22-Jul-22	14.10%	-	700,000	700,000	-	-	-	-
PAIR Investment Company Limited	5-Aug-22	15.05%	-	700,000	700,000	-	-	-	-
Askari Bank Limited	29-Jul-22	14.25%	-	700,000	700,000	-	-	-	-

Name of Investee Company	Maturity date	Profit rate	As at July 1, 2022	Amount placed during the period	Amount redeemed during the period	As at March 31, 2023	Market value as at March 31, 2023	Market value as a percentage of total investments	Market value as a percentage of net assets
----- (Rupees in '000) ----- % -----									
Pak Oman Investment Company Limited	2-Sep-22	15.10%	-	500,000	500,000	-	-	-	-
Pak Libya Holding Company Private Limited	6-Sep-22	15.10%	-	500,000	500,000	-	-	-	-
Pak Libya Holding Company Private Limited	12-Sep-22	15.15%	-	500,207	500,207	-	-	-	-
Pak Oman Investment Company Limited	16-Sep-22	15.10%	-	500,000	500,000	-	-	-	-
Pak Libya Holding Company Private Limited	16-Dec-22	16.00%	-	200,000	200,000	-	-	-	-
Pak Libya Holding Company Private Limited	16-Feb-23	15.75%	-	200,000	200,000	-	-	-	-
Pak Libya Holding Company Private Limited	6-Jan-23	16.75%	-	250,000	250,000	-	-	-	-
Pak Libya Holding Company Private Limited	27-Jan-23	17.50%	-	252,409	252,409	-	-	-	-
Pak Libya Holding Company Private Limited	30-Jan-23	17.50%	-	204,130	204,130	-	-	-	-
Pak Libya Holding Company Private Limited	9-Mar-23	20.25%	-	252,409	252,409	-	-	-	-
Pak Libya Holding Company Private Limited	9-Mar-23	20.25%	-	204,130	204,130	-	-	-	-
<b>Total</b>									
							-----	-----	-----
Carrying value as at March 31, 2023							-----	-----	-----
Market value as at June 30, 2022							-----	-----	-----
Carrying value as at June 30, 2022							-----	-----	-----

## 6. DETAILS OF NON-COMPLIANT INVESTMENTS

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 'Income 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.

Following is the detail of non-compliant investments:

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	% of net assets	% of gross assets
----- Rupees in '000 ----- % -----							
Azgard Nine Limited VII	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (6.1)	80,475	(80,475)	-	-	-
Azgard Nine Limited VIII	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (6.1)	195,465	(195,465)	-	-	-
AgriTech Limited I	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (15.1)	148,553	(148,553)	-	-	-

# NBP INCOME OPPORTUNITY FUND

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	% of net assets	% of gross assets
			-----Rupees in '000-----			-----(% )-----	
Agritech Limited V	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (6.1)	32,320	(32,320)	-	-	-
Dewan Cement Limited	Rating is below investment grade as prescribed in clause 9 (v) of the	Term finance	150,000	(150,000)	-	-	-
Eden Housing Limited	Rating is below investment grade as prescribed in clause 9 (v) of the	Sukuks (6.1)	9,056	(9,056)	-	-	-
New Allied Electronics Industries (Private) Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (6.1)	31,707	(31,707)	-	-	-
New Allied Electronics Industries (Private) Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Sukuks (6.1)	44,149	(44,149)	-	-	-
Pace Pakistan Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (6.1)	149,820	(149,820)	-	-	-
Saudi Pak Leasing Company Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (6.1)	41,321	(41,321)	-	-	-
Worldcall Telecom Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (6.1)	69,157	(69,157)	-	-	-
Azgard Nine Limited (Non-voting)	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Shares (6.1)	13	(13)	-	-	-
Silk Bank Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates	99,920	(59,020)	40,900	0.75%	0.74%
			<b><u>(1,011,056)</u></b>				

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

## 7 CONTINGENCIES AND COMMITMENTS

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

## 8 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 0.70% per annum of the net assets of the Fund.

## 9 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.

## 10 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 1.99% (March 31, 2022: 1.60%) which includes 0.15% (March 31, 2022: 0.10%) representing Government Levy, and the SECP Fee. The prescribed limit for the ratio is 2.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "income" scheme.

## 11. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS AND RELATED PARTIES

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



**11.5 Details of Transactions with connected persons and related parties are as follows:**

	----- (Un-audited) -----	
	Nine months ended	
	March 31, 2023	March 31, 2022
	----- Rupees in '000 -----	
<b>NBP Fund Management Limited (Management Company)</b>		
Remuneration of the Management Company	40,876	44,516
Sindh Sales Tax on remuneration of the Management Company	5,314	5,787
Sales and transfer load charged	2,648	9,871
Reimbursement of operational expenses to the Management Company	5,958	9,729
Reimbursement of Selling and marketing expense	33,029	54,483
Units Redeemed / Transferred Out 32,261 Units (2022: 3,732,302 units)	352	41,051
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the Trustee	3,539	5,837
Sindh sales tax on remuneration of the Trustee	460	759
CDS charges	508	274
<b>Employees of the Management Company</b>		
Units issued / transferred in 5,129,233 units (2022: 12,176,123 units)	58,279	135,537
Units redeemed / transferred out 5,073,378 units (2022: 11,663,642 units)	57,624	130,961
<b>Muhammad Murataz Ali - Company Secretary / COO</b>		
Units Redeemed / Transferred Out units 120 (2022: Nil Units)	1	-
<b>Portfolios Managed by Management Company</b>		
Units issued / transferred in nil units (2022: 240,510,413 units)	-	2,642,350
Units redeemed / transferred out 11,232,223 units (2022: 218,391,874 units)	131,079	2,434,291
<b>National Bank of Pakistan</b>		
Markup on saving account	-	4,081
Purchase of market treasury bill	-	1,735,173
<b>NBP Islamic Mahana Amdani Fund (CIS managed by Management Company)</b>		
Sale of Sukuk	-	88,362
<b>K-Electric Limited**</b>		
Purchase of short term sukuk	200,000	-
Profit of sukuk certificate	17,626	-
<b>BankIslami Pakistan Limited (Common directorship)</b>		
Profit on bank deposit	91	2,246
<b>Khushali Microfinance Bank Limited*</b>		
Profit on bank deposit	-	45,632
<b>National Clearing Company of Pakistan</b>		
NCCPL Charges	214	229
Laga and Levy	281	341
<b>Taurus Securities Limited</b>		
Brokerage	-	203

	(Un-audited) March 31, 2023	(Audited) June 30, 2022
	----- Rupees in '000 -----	
<b>11.6 Amounts outstanding as at period / year end are as follows:</b>		
<b>NBP Fund Management Limited (Management Company)</b>		
Remuneration of the Management Company	4,520	5,726
Sindh sales tax on remuneration of the Management Company	588	744
Reimbursement of Operational expenses	1,804	2,644
Reimbursement of selling and marketing expense	9,764	14,809
Sales load payable to management company	3,259	611
Sindh Sales Tax on sales load	484	141
Federal Excise Duty and related Sindh Sales Tax on Management Fee and Sales Load	40,695	40,695
ADC charges payable including Sindh Sales Tax	267	436
Units held: Nil units (2022: 32,261 units)	-	348
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the trustee	352	492
Sindh Sales Tax on remuneration of the trustee	46	64
CDC charges payable	307	51
Security deposit	100	100
<b>National Bank of Pakistan (Parent of the Management Company)</b>		
Bank balance	2,502	2,190
Accrued Markup	13	69
<b>BankIslami Pakistan Limited (Common Directorship with the Management Company)</b>		
Bank Balance	2,420	6,312
Accrued markup on bank balances	4	525
<b>NBP Employees Pension Fund (Pension Fund of the parent of the Management Company)</b>		
Investment held in the Fund: 126,565,293 units (June 2022: 126,565,593 units)	1,515,721	1,366,310
<b>Muhammad Murtaza Ali (Company Secretary of the Management Company)</b>		
Investment held in the Fund: 94 units (June 2022: 215 units)	1	2
<b>Portfolios Managed by Management Company</b>		
Investment held in the Fund: 17,780,994 units (June 2022: 18,042,444 units)	212,941	194,774
<b>Employees of the Management Company</b>		
Investment held in the Fund: 543,110 units (June 2022: 422,485 units)	6,504	4,561
<b>Khushali Microfinance Bank Limited*</b>		
Bank Balance	-	329,901
Markup Accrued	-	7
<b>Telenor Microfinance Bank Limited</b>		
Bank Balance	7	7
Markup Accrued	4	14

\*Current period figure has not been presented as the person is not classified as a related party / connected person of the Fund as at March 31, 2023.

## 12 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.

## 12.1 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 March 31, 2023 and June 30, 2022 the Fund held the following financial instruments measured at fair value:

----- Un-audited -----			
----- As at March 31, 2023 -----			
Level 1	Level 2	Level 3	Total

### At fair value through profit or loss

Government securities			
- Pakistan Investment Bonds	-	474,400	-
Term finance certificates	-	221,545	-
Corporate sukuk certificates	-	798,875	-
	-	1,494,820	-
			1,494,820

----- Audited -----			
----- As at June 30, 2022 -----			
Level 1	Level 2	Level 3	Total

### At fair value through profit or loss

Term finance certificates	-	357,576	-
Corporate sukuk certificates	-	712,797	-
Commercial papers*	-	585,525	-
	-	1,655,898	-
			1,655,898

## 13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 29, 2023 by the Board of directors of the Management Company.

## 14. GENERAL

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

14.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## Head Office

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