



## **NBP BALANCED FUND**

**HALF YEARLY** REPORT  
DECEMBER 31, 2023

# MISSION STATEMENT

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



# Contents

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



## FUND'S INFORMATION

### Management Company

**NBP Fund Management Limited - Management Company**

### Board of Directors of Management Company

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

### Company Secretary & COO

Mr. Muhammad Murtaza Ali

### Chief Financial Officer

Mr. Khalid Mehmood

### Audit & Risk Committee

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

### Human Resource & Remuneration Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Tauqeer Mazhar	Member

### Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
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

Allied Bank Limited	MCB Bank Limited
Askari Bank Limited	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan
Bank Al Habib Limited	Zarai Taraqiat 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.nbpfund.com](http://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  
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 half year ended December 31, 2023.

### Fund's Performance

During the first half of fiscal year 2024, the stock market showcased outstanding performance as the benchmark KSE-100 index surged by an impressive 21,000 points, translating into a remarkable 51% return over the period.

Equities started off on a strong footing, and this momentum persisted throughout the period. The turning point for the market was the signing of the Staff Level Agreement (SLA) with the IMF on June 29th, which ignited significant investor interest. Subsequently, the IMF executive board approved a USD 3 billion Stand-By Agreement (SBA) for nine months until March 2024. Concurrently, the country received USD 2 billion from Saudi Arabia, and later the UAE approved a deposit of USD 1 billion. Following these developments, the first loan tranche of USD 1.2 billion from the SBA was received from the IMF. Fitch also upgraded Pakistan's Long-Term Foreign Currency Issuer Rating. In tandem with the SLA, Pakistan's dollar bonds rallied in the international market, almost doubling during the period. Multilateral inflows, particularly from ADB and World Bank, gained momentum. Consequently, the State Bank of Pakistan's reserves improved from USD 4.4 billion to USD 8.2 billion at the end of the period. The improving reserves, coupled with a crackdown against illicit trade in the open market, brought much-needed stability to the foreign exchange market, resulting in a slight appreciation of the PKR by 1.45%. Other economic indicators also pointed towards stability and gradual improvement. According to data released by the Pakistan Bureau of Statistics (PBS), GDP growth for 1QFY2024 stood at 2.1%, led by robust agricultural growth. The current account deficit during 1H narrowed considerably, reaching USD 831 million compared to USD 3.6 billion in the same period last year. Inflation, on a sequential basis, tapered off but remained elevated, averaging around 28.8% during the period, primarily due to a massive increase in energy component of the CPI basket and unabated food inflation. During the period, the Monetary Policy Committee (MPC) of SBP kept the Policy Rate unchanged at 22%. However, secondary market yields across various tenures fell sharply from their peak, reflecting investors' expectations of imminent rate cuts. The listed corporate space declared stellar results with equally impressive dividend announcements by selected companies. It is noteworthy that the cumulative profitability of KSE-100 Index surged by around 59% YoY during September quarter results. Sequential improvement in earnings was also broad-based. In a significant development, one of the largest auto players announced its intention to delist its shares from the bourse, acting as a key catalyst. The delisting price was 7x higher than the prevailing price, reflecting the potential of the stock market. Other contributing factors included the government's approval of revised gas tariffs. The announcement of election date by ECP further alleviated political uncertainties. Towards the end, the country successfully completed the first review of the IMF.

In terms of sector-wise performance, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Commercial Banks, Engineering, Leather & Tanneries, Oil & Gas Exploration, Power Generation & Distribution, Refinery, Tobacco, and Transport sectors outperformed the market. On the other hand, Cement, Fertilizers, Food & Personal Care, Glass & Ceramics, Insurance, Miscellaneous, Paper & Board, Pharmaceutical, Sugar & Allied, Technology & Communication, and Textile Composite sectors lagged behind the market. Regarding participants' market activity, Foreigners, Insurance, and Companies emerged as the largest net buyers with inflows of around USD 71 million, USD 60 million, and USD 52 million, respectively. Conversely, Banks/DFIs and Mutual Funds reduced their net holdings by around USD 92 million and USD 51 million, respectively.

During the first half of fiscal year 2024, the State Bank of Pakistan (SBP) held four Monetary Policy Committee meetings, maintaining the Policy Rate at 22%. Various external and internal factors were considered, with the decision primarily attributed to the upside risks in the inflation outlook. The period was characterized by economic slowdown and uncertainty stemming from increased political noise ahead of the upcoming general elections. Scheduled debt repayments and weak investment inflows impeded the increase in foreign exchange (FX) reserves. Sovereign yields exhibited volatility initially owing to the prevailing uncertainty. However, the pressure on sovereign yields started to ease in the later part of the period due to the growing expectation of an interest rate cut in the 2H FY24, with market participants gradually elongating their maturities.

The measures taken to address the ailing economic activity hinge on continued targeted fiscal consolidation and the timely realization of planned external inflows. As of the end of December, the net liquid foreign exchange reserves held with the SBP stood at around USD 8.23 billion. The SBP conducted thirteen T-Bill auctions, realizing around Rs. 15.8 trillion against the target of Rs. 16.3 trillion and maturity of Rs. 17.7 trillion. Yields decreased by 1.4%, 1.5%, and 1.6% for 3-month, 6-month, and 12-month tenures, respectively. In the last auction for the half-year, cut-off yields for 3-month, 6-month, and 12-month tenures were noted at 21.45%, 21.40%, and 21.43%, respectively.

The size of NBP Balanced Fund has Increased from Rs. 666 million to Rs. 860 million during the period, i.e., an increase of 29.0%. During the period, the unit price of NBP Balanced Fund (NBF) has increased from Rs. 18.1595 on June 30, 2023 to Rs. 24.1315 on December 31, 2023, thus showing an Increase of 32.9%. The Benchmark increase during the

# NBP BALANCED FUND

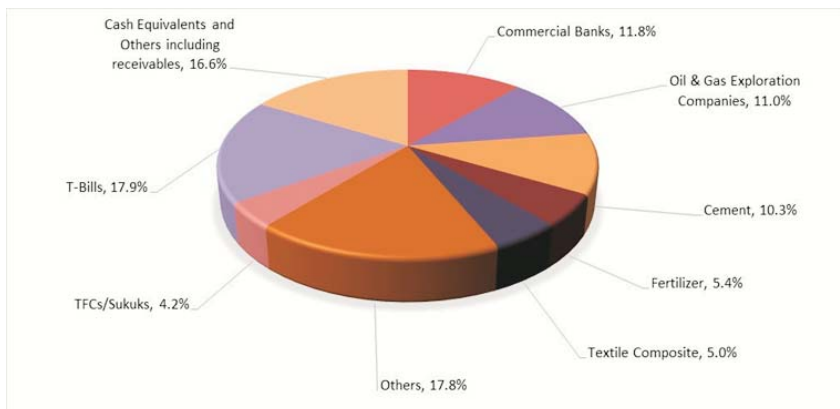


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same period was 34.2%. Thus, the Fund has underperformed its Benchmark by 1.3% during the period under review. Since inception the NAV of the Fund has increased from Rs.3.3753 (Ex-Div) on January 19, 2007 to Rs. 24.1315 on December 31, 2023, thus showing an increase of 615.0%. During the said period, the Benchmark increased by 386.3%, translating into outperformance of 228.7%. This performance is net of management fee and all other expenses.

NBP Balanced Fund earned a total income of Rs. 235.17 million during the period. After deducting total expenses of Rs. 20.57 million, the net loss is Rs. 214.60 million. The asset allocation of the Fund as on December 31, 2022 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

Director

Date: February 29, 2024  
Place: Karachi.



## ڈائریکٹرز رپورٹ

NBP فنڈ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2023ء کو ختم ہونے والی ششماہی کے لئے NBP بیلنسڈ فنڈ (NBF) کے جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

مالی سال 2024 کی پہلی ششماہی کے دوران اسٹاک مارکیٹ کی کارکردگی بہت بہتر رہی، کیونکہ شیخ مارک KSE-100 انڈیکس میں 21,000 پوائنٹس کا زبردست اضافہ ہوا، جس کے نتیجے میں مدت کے لیے 51% قابل ذکر منافع ہوا۔

ایکویٹیز کا آغاز مستحکم بنیادوں پر ہوا، اور یہ رفتار پوری مدت میں برقرار رہی۔ 29 جون کو IMF کے ساتھ اسٹاف لیول ایگریمنٹ (SLA) پر دستخط کرنا مارکیٹ کے لیے ایک ٹرننگ پوائنٹ تھا، جس نے سرمایہ کاروں کی نمایاں دلچسپی کو جنم دیا۔ اس کے بعد، آئی ایم ایف کے ایگزیکٹو بورڈ نے مارچ 2024 تک نو ماہ کے لیے 3 بلین امریکی ڈالر کے اسٹینڈ بائی ایگریمنٹ (SBA) کی منظوری دی۔ فی الحال، ملک کو سعودی عرب سے 2 بلین امریکی ڈالر وصول ہوئے، اور بعد میں متحدہ عرب امارات نے 1 بلین امریکی ڈالر کے ڈیپازٹ کی منظوری دی۔ ان پیش رفتوں کے بعد، SBA سے 1.2 بلین امریکی ڈالر کی پہلی قسط IMF سے موصول ہوئی۔ Fitch نے پاکستان کی طویل مدتی غیر ملکی کرنسی ایسٹورینٹنگ کو بھی اپ گریڈ کیا۔ SLA کے ساتھ مل کر، پاکستان کے ڈالر بانڈز نے بین الاقوامی مارکیٹ میں تیزی دیکھی، جو اس عرصہ کے دوران تقریباً دو گنا ہو گئے۔ خاص طور پر ADB اور ورلڈ بینک سے، کثیرالجہتی رقم نے زور پکڑا۔ نتیجتاً، اس مدت کے اختتام پر اسٹیٹ بینک آف پاکستان کے ذخائر 4.4 بلین امریکی ڈالر سے بڑھ کر 8.2 بلین امریکی ڈالر ہو گئے۔ اوپن مارکیٹ میں غیر قانونی تجارت کے خلاف کریک ڈاؤن کے ساتھ بہتر ہونے والے ذخائر زرمبادلہ کی منڈی میں انتہائی ضروری استحکام لائے، جس کے نتیجے میں پاکستانی روپیہ کی قدر میں 1.45% معمولی اضافہ ہوا۔ دیگر اقتصادی اشاروں نے بھی استحکام اور بتدریج بہتری کی نشاندہی کی۔ پاکستان پیور آف سٹیلنگس (PBS) کے جاری کردہ اعداد و شمار کے مطابق، مالی سال 2024 کی پہلی سہ ماہی کے لیے جی ڈی پی کی شرح نمو 2.1 فیصد رہی، جس کی وجہ مضبوط زریعہ نمو ہے۔ پہلی ششماہی کے دوران کرنٹ اکاؤنٹ خسارہ کافی حد تک کم ہوا، جو گزشتہ سال کی اسی مدت میں 3.6 بلین امریکی ڈالر کے مقابلے میں 831 ملین امریکی ڈالر تک پہنچ گیا۔ مہنگائی، مسلسل بنیادوں پر، کم نہیں بلکہ بڑھتی رہی، جو اس مدت کے دوران اوسطاً 28.8% ہے، جس کی بنیادی وجہ سی پی آئی باسکٹ کے انرجی کمپوٹ میں بڑے پیمانے پر اضافہ اور بے قابو ہنگی خوراک ہے۔ اس مدت کے دوران، SBP کی مانیٹری پالیسی کمیٹی (MPC) نے پالیسی شرح کو 22% پر برقرار رکھا تاہم، مختلف ادوار میں ثانوی مارکیٹ کا شرح منافع اپنے عروج سے تیزی سے گر گیا، جو سرمایہ کاروں کی متوقع شرح میں کمی کی توقعات کی عکاسی کرتا ہے۔ لسٹڈ کارپوریشن اپیسٹس نے منتخب کمپنیوں کے مساوی متاثر کن ڈیویڈنڈ کے اعلانات کے ساتھ شاندار نتائج کا اعلان کیا۔ یہ بات قابل ذکر ہے کہ سرمایہ کی سہ ماہی کے نتائج کے دوران KSE-100 انڈیکس کے مجموعی منافع میں تقریباً 59% سالانہ اضافہ ہوا۔ آمدنی میں فی الوقت بہتری بھی وسیع البہادتھی۔ ایک اہم پیش رفت میں، سب سے بڑے آؤٹ پلیرز میں سے ایک نے کلیدی کردار ادا کرتے ہوئے، اپنے حصص کو پورس سے ڈی لسٹ کرنے کے ارادہ کا اعلان کیا ہے۔ ڈی لسٹنگ کی قیمت موجودہ قیمت سے 7 گنا زیادہ تھی، جو اسٹاک مارکیٹ کی صلاحیت کو ظاہر کرتی ہے۔ دیگر معاون عوامل میں حکومت کی جانب سے نظر ثانی شدہ گیس ٹیرف کی منظوری بھی شامل ہے۔ ای سی پی کی جانب سے انتخابات کی تاریخ کے اعلان نے مزید سیاسی غیر یقینی صورتحال کو ختم کر دیا۔ آخر کار، ملک نے IMF کا پہلا جائزہ کامیابی سے مکمل کیا۔

سیکٹر وائز کارکردگی کے لحاظ سے آؤٹ پلیرس اینڈ ایسٹورینز، کیمبل اینڈ الیکٹریکل اشیاء، کمرشل بینکنس، انجینئرنگ، لیڈر اینڈ ٹیئر، آئل اور گیس ایکلیوریٹیشن، پاور جنریشن اینڈ ڈسٹری بیوشن، ریفائنری، تمباکو، اور ٹرانسپورٹ کے شعبوں نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ دوسری جانب سٹیمس، فریٹ لائزر، خوراک اور ذاتی نگہداشت، گلاس اینڈ سرامکس، انشورنس، متفرق، پیپر اینڈ بورڈ، فارماسیوٹیکل، شوگر اینڈ الائیڈ انڈسٹریز، ٹیکنالوجی اور کیوٹیکیشن اور ٹیکسٹائل کمپوزٹ کے شعبے مارکیٹ میں پیچھے رہے۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر، غیر ملکی، انشورنس، اور کمپنیاں بالترتیب 71 ملین امریکی ڈالر اور 60 ملین امریکی ڈالر اور 52 ملین امریکی ڈالر کی آمد کے ساتھ اہم خالص خریدار رہے۔ اس کے برعکس بینکنس / DFIs اور میوچل فنڈز نے اپنی خالص ہولڈنگز کو بالترتیب 92 ملین امریکی ڈالر اور 51 ملین امریکی ڈالر تک کم کیا۔

مالی سال 24 کی پہلی ششماہی کے دوران، بینک دولت پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (MPC) کے چار اجلاس منعقد کئے، پالیسی ریٹ 22% پر برقرار رکھا۔ مختلف بیرونی اور داخلی عوامل پر غور کرتے ہوئے، بنیادی طور پر یہ فیصلہ افراط زر کے نقطہ نظر میں زیادہ خطرات کی وجہ سے کیا گیا۔ اس عرصہ میں معاشی سست روی اور عام انتخابات سے قبل سیاسی شور سے پیدا ہونے والی غیر یقینی صورتحال کی نشاندہی کی گئی تھی۔ شیڈول قرضوں کی ادائیگی اور کمزور سرمایہ کاری نے زرمبادلہ کے ذخائر میں اضافہ کو روک دیا۔ موجودہ غیر یقینی صورتحال کی وجہ سے ابتدائی طور پر حکومتی منافع میں اتار چڑھاؤ آیا۔ تاہم، مالی سال 24 کی دوسری ششماہی میں شرح سود میں کمی کی توقع کی وجہ سے اس مدت کے آخر میں حکومتی منافع پر باؤ کم ہونا شروع ہوا، جس میں مارکیٹ کے شرکاء اپنی پھیلتی ہوئی منافع میں بتدریج اضافہ کر رہے تھے۔

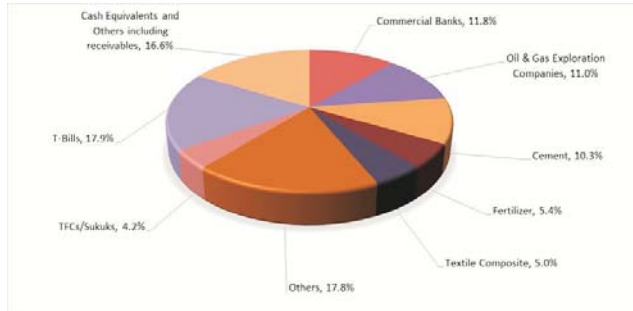
کمزور معاشی سرگرمیوں سے نمٹنے کے لئے اٹھائے گئے اقدامات کا دار و مدار مسلسل ہدف شدہ مالی استحکام اور منصوبہ بند بیرونی آمد کی بروقت تکمیل پر ہے۔ دسمبر کے اختتام تک اسٹیٹ بینک پاکستان کے ہاں موجود خالص لیکویڈ زرمبادلہ کے ذخائر تقریباً 8.23 ارب ڈالر تھے۔ SBP نے ٹی بل کی تیرہ بیلا میں کا انعقاد کیا، جس سے 16.3 ٹریلین روپے ہدف اور 17.7 ٹریلین روپے مچھوڑی کے مقابل کل



15.8 ٹریلین روپے کی وصولی ہوئی۔ ٹی بلز کی شرح منافع میں 3 ماہ، 6 ماہ اور 12 ماہ کے لئے بالترتیب 1.4%، 1.5% اور 1.6% تک کی ہوئی۔ ختم ہونے والی ششماہی کی آخری نیلامی میں، 3 ماہ، 6 ماہ اور 12 ماہ کے لئے ٹی بل پرکٹ آف شرح منافع بالترتیب 21.45 فیصد، 21.40 فیصد اور 21.43 فیصد درج کیا گیا۔

NBP: ہیلنڈ فنڈ (NBF) کا سائز اس مدت کے دوران 666 ملین روپے سے بڑھ کر 860 ملین روپے ہو گیا، یعنی 29.0% کا اضافہ ہوا۔ اس مدت کے دوران NBP: ہیلنڈ فنڈ (NBF) کے پوزٹ کی قیمت 30 جون 2023 کو 18.1595 روپے سے بڑھ کر 31 دسمبر 2023 کو 24.1315 روپے ہو گئی۔ لہذا 32.9% کا اضافہ دیکھنے میں آیا۔ اسی مدت کے دوران بیچ مارک بڑھ کر 34.2% ہو گیا۔ لہذا فنڈ نے زبرد جانزہ مدت کے دوران اپنے بیچ مارک سے 1.3% اہتر کا کردگی دکھائی۔ اپنے قیام سے اب تک فنڈ کی NAV 19 جنوری 2007 کو 3.3753 روپے (EX-Div) سے بڑھ کر 31 دسمبر 2023 کو 24.1315 روپے ہو گئی، لہذا 615.0% کا اضافہ ہوا۔ اس مدت کے دوران، بیچ مارک میں 386.3% اضافہ ہوا۔ جس کا نتیجہ فنڈ کی 228.7% بہتر کارکردگی کی صورت میں سامنے آیا ہے۔ فنڈ کی یہ کارکردگی منجسٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NBP: ہیلنڈ فنڈ کو موجودہ سہ ماہی کے دوران 235.17 ملین روپے کی کل آمدنی ہوئی۔ 20.57 ملین روپے کے کل اخراجات منہا کرنے کے بعد خالص منافع 214.60 ملین روپے ہے۔ 31 دسمبر 2023 کے مطابق فنڈ کی ایسٹ ایلو کیشن حسب ذیل ہے:



NBF کی کارکردگی بمقابلہ بیچ مارک (اپنے قیام سے)



اظہار تشکر

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

بورڈ اپنے اسٹاف اور آرٹسٹ کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لا نا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ منجسٹ لمیٹڈ

چیف ایگزیکٹو آفیسر

تاریخ: 29 فروری 2024ء

مقام: کراچی

ڈائریکٹر

## TRUSTEE REPORT TO THE UNIT HOLDERS

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

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Balanced Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

**Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 28, 2024

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

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP BALANCED FUND** (the Fund) as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' fund and condensed interim cash flow statement and notes to the financial statements for the half year then ended (here-in-after referred to as the interim financial statements). The Management Company (NBP Fund Management Limited) is responsible for the preparation and presentation of the interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of Review

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

### Conclusion

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

### Other Matters

The figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the three months' period ended December 31, 2023 and 2022 have not been reviewed, as we are required to review only the cumulative figures for the six months' period ended December 31, 2023.

The engagement partner on the review resulting in this independent auditors' review report is **Muhammad Shaukat Naseeb**.

**Grant Thornton Anjum Rahman**

Chartered Accountants

Date: February 29, 2024

Karachi.

UDIN: RR202310126TilgFHQpc

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

		(Un-audited) December 31, 2023	(Audited) June 30, 2023
ASSETS	Note	(Rupees in '000)	
Bank balances	5	161,920	74,322
Investments	6	717,245	610,615
Dividend and profit receivables	7	2,012	2,525
Advance, deposits and prepayments	8	3,757	3,898
Total assets		884,934	691,360
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company	9	7,088	4,318
Payable to Central Depository Company of Pakistan Limited - Trustee	10	312	124
Payable to Securities and Exchange Commission of Pakistan	11	62	152
Payable against purchase of investment		2,421	5,584
Payable against redemption of units		636	-
Accrued expenses and other liabilities	12	14,515	15,388
Total liabilities		25,034	25,566
NET ASSETS		859,900	665,794
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		859,900	665,794
CONTINGENCIES AND COMMITMENTS	13		
		(Number of units)	
NUMBER OF UNITS IN ISSUE	14	35,633,880	36,663,750
		(Rupees)	
NET ASSETS VALUE PER UNIT	15	24.1315	18.1595

The annexed notes from 1 to 22 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 HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

	Half year ended December 31,		Quarter ended December 31,	
	2023	2022	2023	2022
Note ----- (Rupees in '000) -----				
<b>INCOME</b>				
Gain /(loss) on sale of investments - net	23,724	3,761	12,057	3,736
Profit on bank deposits	21,317	4,303	9,713	1,837
Income from term finance certificate and sukus	5,760	7,112	2,613	2,610
Discount Income on treasury bills	8,771	14,472	6,601	9,417
Dividend income	22,628	18,900	12,470	10,437
Unrealised appreciation/(loss) on re-measurement of investments 'at fair value through profit or loss' - net	6.4 152,970	(36,901)	128,416	(28,422)
<b>Total Income/(Loss)</b>	<b>235,170</b>	<b>11,647</b>	<b>171,870</b>	<b>(385)</b>
<b>EXPENSES</b>				
Remuneration of NBP Fund Management Limited - Management Company	9.1 9,446	10,292	5,002	5,122
Sindh Sales Tax on remuneration of Management Company	1,228	1,338	650	666
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1 756	824	400	410
Sindh Sales Tax on remuneration of Trustee	98	106	52	52
Rembursement of Allocated expenses	9.2 756	824	400	410
Reimbursement of Selling & Marketing Expenses	9.2 4,520	5,352	2,334	2,664
Annual Fee - Securities and Exchange Commission of Pakistan	11 321	82	170	41
Annual listing fee	14	14	7	7
Securities transaction costs	334	175	143	97
Settlement and bank charges	231	186	116	93
Auditors' remuneration	488	579	294	359
Legal and professional charges	75	75	37	37
Mutual fund rating fee	166	159	87	79
Printing and other charges	23	22	12	11
Impairment loss on investments classified as held for trading	2,119	-	1,379	-
<b>Total expenses</b>	<b>20,575</b>	<b>20,028</b>	<b>11,083</b>	<b>10,049</b>
<b>Net profit/(loss) from operating activities</b>	<b>214,595</b>	<b>(8,381)</b>	<b>160,787</b>	<b>(10,434)</b>
Taxation	16 -	-	-	-
<b>Net profit/(loss) for the period</b>	<b>214,595</b>	<b>(8,381)</b>	<b>160,787</b>	<b>(10,434)</b>
<b>Allocation of net income for the period</b>				
Net income for the period	214,595	(8,381)	160,787	(10,434)
Income already paid on units redeemed	(2,284)	-	(1,299)	-
	<b>212,311</b>	<b>(8,381)</b>	<b>159,488</b>	<b>(10,434)</b>
<b>Accounting income available for distribution:</b>				
-Relating to capital gains	176,694	-	140,473	-
-Excluding capital gains	35,617	(8,381)	19,015	(10,434)
	<b>212,311</b>	<b>(8,381)</b>	<b>159,488</b>	<b>(10,434)</b>

The annexed notes from 1 to 22 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 SIX AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2023

	Half year ended		Quarter ended	
	December 31, December 31,		December 31,	
	2023	2022	2023	2022
	(Rupees in '000)			
Net profit/(loss) for the period after taxation	214,595	(8,381)	160,787	(10,434)
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss)/Income for the period	<u>214,595</u>	<u>(8,381)</u>	<u>160,787</u>	<u>(10,434)</u>

The annexed notes from 1 to 22 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 HALF YEAR ENDED DECEMBER 31, 2023

	December 31, 2023			December 31, 2022		
	Capital value	Undistributed income/(loss)	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period (audited)	(4,420)	670,214	665,794	148,571	670,253	818,824
<b>Issue of 180,112 units (2022: 133,083 units)</b>						
- Capital value	3,271	-	3,271	2,414	-	2,414
- Element of income	884	-	884	36	-	36
Total proceeds on issuance of units	4,155	-	4,155	2,450	-	2,450
<b>Redemption of 1,209,983 units ( 2022: 1,339,841 units)</b>						
- Capital value	(21,971)	-	(21,971)	24,300	-	24,300
- Element of loss	(389)	(2,284)	(2,673)	(143)	-	(143)
Total payments on redemption of units	(22,360)	(2,284)	(24,644)	(24,443)	-	(24,443)
Total comprehensive income/(loss) for the period	-	214,595	214,595	-	(8,381)	(8,381)
<b>Net assets at end of the period (un-audited)</b>	<b>(22,625)</b>	<b>882,525</b>	<b>859,900</b>	<b>126,578</b>	<b>661,872</b>	<b>788,450</b>
Undistributed income brought forward						
- Realised income		701,083			776,736	
- Unrealised (loss)		(30,869)			(106,483)	
		670,214			670,253	
Accounting income available for distribution:						
- Relating to capital gains		176,694			-	
- Excluding capital gains		35,618			-	
Total comprehensive gain/(loss) for the period		212,311			(8,381)	
Undistributed income carried forward		882,525			661,872	
Undistributed income carried forward						
- Realised income		729,555			698,773	
- Unrealised income/(loss)		152,970			(36,901)	
		882,525			661,872	
		(Rupees)			(Rupees)	
Net assets value per unit at the beginning of the period		18.1595			18.1367	
Net assets value per unit at the end of the period		24.1315			17.9436	

The annexed notes from 1 to 22 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 HALF YEAR ENDED DECEMBER 31, 2023

	December 31,	
	2023	2022
	(Rupees in '000)	
<b>CASH FLOW S FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) for the period before taxation	214,595	(8,381)
<b>Adjustments for:</b>		
Unrealised appreciation on re-measurement of investments		
'at fair value through profit or loss' - net	152,970	36,901
	61,625	28,520
<b>Working capital changes</b>		
<b>(Increase) / decrease in assets</b>		
Investments	46,340	(161,940)
Dividend and profit receivable	513	2,055
Advance, deposits and prepayments	141	145
	46,994	(159,740)
<b>Increase/(decrease) in liabilities</b>		
Payable to NBP Fund Management Limited - Management Company	2,770	105
Payable to Central Depository Company of Pakistan Limited - Trustee	188	-
Payable to Securities and Exchange Commission of Pakistan	(90)	(156)
Payable against purchase of investments	(3,163)	(5,375)
Accrued expenses and other liabilities	(873)	7,168
	(1,168)	1,742
<b>Net cash generated from/(used in) operating activities</b>	107,451	(129,478)
<b>CASH FLOW S FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units	4,155	2,450
Payment against redemption of units	(24,008)	(24,448)
<b>Net cash (used in) financing activities</b>	(19,853)	(21,998)
<b>Net increase/(decrease) in cash and cash equivalents during the period</b>	87,598	(151,476)
Cash and cash equivalents at beginning of the period	74,322	177,792
<b>Cash and cash equivalents at end of the period</b>	161,920	26,316

The annexed notes from 1 to 22 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 HALF YEAR ENDED DECEMBER 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).
- 1.2** 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 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 Commission of Pakistan (SECP) and other allied matters and is listed on the Pakistan Stock Exchange. 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** 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 e.t.c.
- 1.5** The Pakistan Credit Rating Agency (PACRA) has assigned and maintained an asset manager rating of 'AM1' to the Management Company as on 15 Aug 2023, a short term performance ranking of 3 star and long term performance ranking of 4 star to the fund.
- 1.6** 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.
- 1.7** 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.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS standards) 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 and the requirements VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations).

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 requirements of the Trust Deed differ from the IFRS Standards, 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 requirements of the trust deed have been followed.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2023.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future periods.

- 3.1 The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the period ended December 31, 2023.

		December, 31 2023	June 30, 2023
		Unaudited	Audited
	Note	------(Rupees in '000)-----	
<b>4 BANK BALANCES</b>			
In current accounts		169	169
In savings accounts	4.1	161,751	74,153
		<u>161,920</u>	<u>74,322</u>

- 4.1 These carry a rate of return ranging from 20.50% to 22.5%( June-2023: 10% to 22.6% ) per annum.

### 5 INVESTMENTS

#### Financial assets 'at fair value through profit or loss'- (FVTPL)

- Listed equity securities	5.1	527,000	398,121
- Term finance certificates - unlisted	5.2	19,988	30,294
- Sukuk bonds	5.3	16,352	34,370
- Treasury bills	5.5	153,905	147,830
		<u>717,245</u>	<u>610,615</u>

#### 5.1 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 compC3:075any	Number of shares						Market value as at December 31, 2023	Market value as a percentage of	
	As at July 01, 2023	Purchases during the period	Bonus/Right shares received during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at December 31, 2023		Net assets of the Fund	Total market value of investments
	(Number of Shares)						(Rupees in '000)	(%)	
<b>Oil &amp; Gas Exploration Companies</b>									
Oil and Gas Development Company Limited									
Limited (Refer 6.1.1)	251,086	14,500	-	-	35,415	230,171	25,883	3.01%	4%
Pakistan Oilfields Limited	10,093	-	-	-	-	10,093	4,259	0.50%	1%
Pakistan Petroleum Limited (Refer 6.1.1)	315,690	42,600	-	-	77,200	281,090	32,334	3.76%	5%
Mari Petroleum Limited	15,405	-	-	-	140	15,265	31,997	3.72%	4%
	<u>592,274</u>	<u>57,100</u>	<u>-</u>	<u>-</u>	<u>112,755</u>	<u>536,619</u>	<u>94,472</u>	<u>10.99%</u>	<u>13%</u>

# NBP BALANCED FUND



**NBP FUNDS**  
Managing Your Savings

NBP Fund Management Limited

Name of the investee compC3:075any	Number of shares						Market value as at December 31, 2023	Market value as a percentage of	
	As at July 01, 2023	Purchases during the period	Bonus/Right shares received during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at December 31, 2023		Net assets of the Fund	Total market value of investments
	(Number of Shares)						(Rupees in '000)	(%)	
<b>Oil &amp; Gas Marketing Companies</b>									
Pakistan State Oil Company Limited (Refer 6.1.1 & 6.1.2)	54,879	-	-	-	9,200	45,679	8,072	0.94%	1%
Hascol Petroleum Limited (Refer 6.1.2)	777	-	-	-	-	777	6	0.00%	0%
Attock Petroleum Limited	1	-	-	-	-	1	0	0.00%	0%
	<b>55,657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,200</b>	<b>46,457</b>	<b>8,078</b>	<b>0.94%</b>	<b>1%</b>
<b>Fertilizers</b>									
Engro Fertilizers Limited	1	-	-	-	-	1	0	0.00%	0%
Fauji Fertilizer Bin Qasim Limited (Refer 6.1.1)	171,500	-	-	-	63,000	108,500	3,461	0.40%	0%
Engro Corporation Limited	60,819	-	-	-	3,600	57,219	16,875	1.96%	2%
Fauji Fertilizer Company Limited (Refer 6.1.1)	220,201	7,500	-	-	-	227,701	25,773	3.00%	4%
	<b>452,521</b>	<b>7,500</b>	<b>-</b>	<b>-</b>	<b>66,600</b>	<b>393,421</b>	<b>46,109</b>	<b>5.36%</b>	<b>6%</b>
<b>Chemicals</b>									
Engro Polymer & Chemicals Limited (Refer 6.1.1)	91,473	-	-	-	42,300	49,173	2,291	0.27%	0%
	<b>91,473</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,300</b>	<b>49,173</b>	<b>2,291</b>	<b>0.27%</b>	<b>0%</b>
<b>Cement</b>									
Fauji Cement Company Limited (Refer 6.1.1)	1	-	-	-	-	1	0	0.00%	0%
Kohat Cement Company Limited	272,169	33,600	-	-	31,700	274,069	64,195	7.47%	9%
Attock Cement Pakistan Limited (Refer 6.1.1)	142,800	-	-	-	17,000	125,800	12,104	1.41%	2%
Lucky Cement Limited (Refer 6.1.1)	22,507	1,200	-	-	7,800	15,907	12,518	1.46%	2%
	<b>437,477</b>	<b>34,800</b>	<b>-</b>	<b>-</b>	<b>56,500</b>	<b>415,777</b>	<b>88,818</b>	<b>10.33%</b>	<b>12%</b>
<b>Automobile Parts &amp; Accessories</b>									
Thal Limited	11	-	-	-	-	11	3	0.00%	0%
Panther Tyres Limited	35,700	-	-	-	16,500	19,200	869	0.10%	0%
	<b>35,711</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,500</b>	<b>19,211</b>	<b>872</b>	<b>0.10%</b>	<b>0%</b>
<b>Textile Composite</b>									
Azgard Nine Limited (Non-voting shares)	807,000	-	-	-	-	807,000	5,649	0.66%	1%
Gul Ahmed Textile Mills Limited	247,632	-	-	-	2,000	245,632	5,306	0.62%	1%
Kohinoor Textile Mills Limited	499,613	43,500	-	-	314,000	229,113	21,708	2.52%	3%
Crescent Textile Mills Limited	148,000	-	-	-	-	148,000	2,254	0.26%	0%
Interloop Limited	2	-	-	-	-	2	0	0.00%	0%
Nishat Mills Limited	116,500	13,000	-	-	28,000	101,500	7,787	0.91%	1%
	<b>1,818,747</b>	<b>56,500</b>	<b>-</b>	<b>-</b>	<b>344,000</b>	<b>1,531,247</b>	<b>42,704</b>	<b>4.97%</b>	<b>6%</b>
<b>Technology &amp; Communication</b>									
Avanceon Limited	111	-	-	-	111	-	-	0.00%	0%
Systems Limited	58,019	9,300	-	-	2,400	64,919	27,497	3.20%	4%
	<b>58,130</b>	<b>9,300</b>	<b>-</b>	<b>-</b>	<b>2,511</b>	<b>64,919</b>	<b>27,497</b>	<b>3.20%</b>	<b>4%</b>
<b>Engineering &amp; Electronics</b>									
Aisha Steel Mill (Refer 6.1.1)	230,500	-	-	-	-	230,500	2,001	0.23%	0%
Pak Electron Limited	303,880	-	-	-	50,000	253,880	5,733	0.67%	1%
Mughal Iron & Steel Industries (Refer 6.1.1)	332,488	6,500	-	-	83,172	255,816	16,930	1.97%	2%
	<b>867,068</b>	<b>6,500</b>	<b>-</b>	<b>-</b>	<b>133,172</b>	<b>740,196</b>	<b>24,663</b>	<b>2.87%</b>	<b>3%</b>

Name of the investee company	Number of shares						Market value as at December 31, 2022	Market value as a percentage of	
	As at July 01, 2022	Purchases during the period	Bonus/Right shares received during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at December 31, 2022		Net assets of the Fund	Total market value of investments
	(Number of Shares)						(Rupees in '000)	(%)	
<b>Power Generation &amp; Distribution</b>									
Laipr Power Limited	212,000	-	-	-	94,500	117,500	2,653	0.31%	0%
The Hub Power Company Limited	130,715	5,500	-	-	19,700	116,515	13,643	1.59%	2%
	<b>342,715</b>	<b>5,500</b>	<b>-</b>	<b>-</b>	<b>114,200</b>	<b>234,015</b>	<b>16,296</b>	<b>1.90%</b>	<b>2%</b>

# NBP BALANCED FUND



**NBP FUNDS**  
Managing Your Savings

NBP Fund Management Limited

Name of the investee company	Number of shares						Market value as at December 31, 2022	Market value as a percentage of	
	As at July 01, 2022	Purchases during the period	Bonus/Right shares received during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at December 31, 2022		Net assets of the Fund	Total market value of investments
	(Number of Shares)						(Rupees in '000)	(%)	
<b>Commercial Banks</b>									
Bank Al-falah Limited	758,301	46,000	-	-	333,500	470,801	22,839	2.66%	3%
Bank Al-Habib Limited	320,200	16,000	-	-	103,300	232,900	18,758	2.18%	3%
Bank of Punjab	1	-	-	-	-	1	0	0.00%	0%
Faysal Bank Limited	104,838	134,500	-	-	1,500	237,838	7,749	0.90%	1%
Habib Bank Limited	198,680	37,400	-	-	91,100	144,980	16,070	1.87%	2%
MCB Bank Limited	28,500	44,450	-	-	8,100	64,850	11,190	1.30%	2%
Meezan Bank Limited	4,717	35,700	-	-	1,300	39,117	6,312	0.73%	1%
United Bank Limited	132,791	-	-	-	87,800	44,991	8,001	0.93%	1%
Askari Bank Limited	7,475	530,000	-	-	110,500	426,975	10,555	1.23%	1%
	<b>1,555,503</b>	<b>314,050</b>	<b>-</b>	<b>-</b>	<b>626,600</b>	<b>1,662,453</b>	<b>101,473</b>	<b>10.57%</b>	<b>13%</b>
<b>Glass and Ceramics</b>									
Tariq Glass Industries Limited	99,540	-	-	-	30,400	69,140	6,895	1.92%	1%
Shabbir Tiles & Ceramics Ltd	837,000	407,500	-	-	85,500	1,159,000	16,516	0.80%	2%
	<b>936,540</b>	<b>407,500</b>	<b>-</b>	<b>-</b>	<b>115,900</b>	<b>1,228,140</b>	<b>23,410</b>	<b>2.72%</b>	<b>3%</b>
<b>Paper &amp; Board</b>									
Roshan Packages Limited	-	340,000	-	-	164,000	176,000	2,446	0.28%	0%
	<b>-</b>	<b>340,000</b>	<b>-</b>	<b>-</b>	<b>164,000</b>	<b>176,000</b>	<b>2,446</b>	<b>0.28%</b>	<b>0%</b>
<b>Food and Personal Care Products</b>									
Shezan International Limited	6,930	64,000	-	-	6,500	64,430	6,788	0.79%	1%
	<b>6,930</b>	<b>64,000</b>	<b>-</b>	<b>-</b>	<b>6,500</b>	<b>64,430</b>	<b>6,788</b>	<b>0.79%</b>	<b>1%</b>
<b>Automobile Assembler</b>									
Millat Tractors Limited	5	-	-	-	-	5	3	0.00%	0%
	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>3</b>	<b>0.00%</b>	<b>0%</b>
<b>Pharma And Biotech</b>									
AGP Limited	36,500	-	-	-	3,900	32,600	2,292	0.27%	0%
Highnoon Laboratories Limited	13,185	-	-	-	1,300	11,886	5,997	0.70%	1%
Citi Pharma Limited	40,099	-	-	-	9,000	31,099	738	0.09%	0%
The Searle Company Limited	23,895	-	-	11,473	19,300	16,068	827	0.10%	0%
IBL Healthcare Limited	40,056	-	2,711	-	40,056	2,711	98	0.01%	0%
	<b>153,734</b>	<b>-</b>	<b>2,711</b>	<b>11,473</b>	<b>73,556</b>	<b>94,363</b>	<b>9,953</b>	<b>1.16%</b>	<b>1%</b>
<b>Footwear</b>									
Service Industries Limited	2,300	-	-	-	-	2,300	1,445	0.17%	0%
	<b>2,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,300</b>	<b>1,445</b>	<b>0.17%</b>	<b>0%</b>
<b>Transportation and Warehouse</b>									
Pakistan National Shipping Corporation	104,000	13,200	-	-	12,500	104,700	27,692	3.22%	4%
Pakistan International Bulk Terminal Limited	63,500	1,500	-	-	3,000	62,000	414	0.05%	0%
	<b>63,500</b>	<b>1,500</b>	<b>-</b>	<b>-</b>	<b>3,000</b>	<b>166,700</b>	<b>28,106</b>	<b>0.05%</b>	<b>0%</b>
<b>Miscellaneous</b>									
Pakistan Hotels Developers Limited	-	3,500	-	-	-	3,500	1,575	0.18%	0%
<b>Total - December 31, 2023</b>	<b>7,470,285</b>	<b>1,304,250</b>	<b>2,711</b>	<b>11,473</b>	<b>1,887,294</b>	<b>7,428,926</b>	<b>527,000</b>	<b>56.84%</b>	<b>68%</b>
Carrying value at at December 31, 2023							<b>374,168</b>		

**5.1.2** The Finance Act, 2014 has brought amendments to the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on the value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and the Mutual Funds Association of Pakistan, has led a petition in the Honorable Sindh High Court to declare the amendments brought in the Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of Second Schedule of Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted a stay order till the final outcome of the case. Accordingly, the investee company(s) has withheld the shares equivalent to 5% of the bonus announcement amounting to Rs. 1.537 million (June 30, 2023: 0.918 million) and not deposited in the CDC account of the Department of Income Tax.

## 6.2 Term finance certificates - unlisted - at fair value through profit or loss (FVTPL)

All term finance certificates have a face value of Rs 5,000.

Name of the investee company	Number of certificates				Market value as at December 31, 2023	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 01, 2023	Purchases during the period	Disposals during the period	As at December 31, 2023			
					(Rupees in '000)		(%)
Soneli Bank limited	200	-	-	200	19,988	2.32%	2.79%
	<b>200</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>19,988</b>	<b>2.32%</b>	<b>2.79%</b>

5.2.1 The term finance certificates held by the Fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

5.2.2 Significant terms and conditions of term finance certificates outstanding at the period end are as follows:

	Number of certificates	Repayment frequency	Face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Secured / Unsecured	Rating
<b>Listed term finance certificates</b>								
Saudi Pak Leasing Company Limited	10,000	Monthly	2,755	12.07% Fixed rate	March 13, 2008	March 13, 2025	Unsecured	D
<b>Unlisted term finance certificates</b>								
Soneli Bank limited	200	Semi Annually	200,000	6 Month KIBOR offer rate plus 1.7%	December 26, 2022	December 26, 2032	Secured	A+

## 5.3 Sukuk bonds - unlisted - at fair value through profit or loss (FVTPL)

All sukuk have a face value of Rs. 5,000.

Name of the investee company	Number of certificates				Market value as at December 31, 2023	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 01, 2023	Purchases during the period	Disposals during the period	As at December 31, 2023			
					(Rupees in '000)		(%)
New Allied Electronics Industries (Private) Limited (note 6.5.1)	32,000	-	-	32,000	-	-	-
Eden Housing Limited (note 6.5.2)	10,000	-	-	10,000	-	-	-
Mughal Iron & Steel Industries	15	-	-	15	8,452	0.98	1.18
Shakarganj Foods Limited	30	-	-	30	7,900	0.92	1.10
<b>Total as at December 31, 2023</b>	<b>42,045</b>	<b>-</b>	<b>-</b>	<b>42,045</b>	<b>16,352</b>	<b>1.90</b>	<b>2.28</b>

Carrying value before fair value adjustment as at December 31, 2023

43,657

5.3.1 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 09, 2009. The amount of provision of Rs. 10 million 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.

5.3.2 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 of Rs. 9.844 million 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.

**5.3.3** The sukus held by the Fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

**5.3.4** Significant terms and conditions of sukus outstanding at the period end are as follows:

Investee Company	Number of certificates	Repayment frequency	Face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Rating
<b>Secured</b>							
<b>Unlisted sukuk</b>							
New Allied Electronics Industries (Private) Limited	32,000	Quarterly	313	3 Month KIBOR offer rate plus 2.6%	July 27, 2007	July 25, 2025	D
Eden Housing Limited	10,000	Quarterly	984	3 Month KIBOR offer rate plus 3%	March 29, 2007	September 29, 2025	D
Mughal Iron & Steel Industries	15	Quarterly	100,000	3 Month KIBOR offer rate plus 1.3%	March 02, 2021	March 02, 2026	A+
Shakarganj Foods Limited	30	Quarterly	750,000	3 Month KIBOR offer rate plus 1.75%	July 10, 2018	July 10, 2025	BBB+

**5.4 Unrealised appreciation / (diminution) on re-measurement of investments 'at fair value through profit or loss' - net**

Note

	(Unaudited) December 31, 2023	(Audited) December 31, 2022
	------(Rupees in '000)-----	
Market value of investments	669,853	782,272
Less: carrying value of investments	(822,823)	(866,564)
	(152,970)	(84,292)
Add: provision against non-performing TFCs and sukus	-	47,391
	(152,970)	(36,901)

**5.5 Treasury Bills**

Issue date	Tenor	As at July 01, 2023	Purchased during the period	Disposed/ Matured during the period	As at December 31, 2023	As at December 31, 2022
------(Rupees in '000)-----						
5-Oct-23	3 months	-	150,000	(150,000)	-	-
5-Oct-23	3 months	-	150,000	(150,000)	-	-
19-Oct-23	12 months	-	180,000	-	180,000	153,905
<b>Total as at December 31, 2022</b>			<b>480,000</b>	<b>(300,000)</b>	<b>180,000</b>	<b>153,905</b>

**6 DIVIDEND AND PROFIT RECEIVABLE**

Profit receivable on savings accounts  
 Dividend receivable on equity shares  
 Accrued markup on term finance certificates and sukus  
 Less: income suspended over non-performing term finance certificates and sukus

	(Unaudited) December 31, 2023	(Audited) June 30, 2023
	------(Rupees in '000)-----	
Profit receivable on savings accounts	1,758	1,031
Dividend receivable on equity shares	-	-
Accrued markup on term finance certificates and sukus	7,027	9,957
Less: income suspended over non-performing term finance certificates and sukus	(6,773)	(8,463)
	254	1,494
	2,012	2,525



		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	(Rupees in '000)	
<b>7 ADVANCE, DEPOSITS AND PREPAYMENTS</b>			
Advance tax		890	882
Security deposits with:			
- Central Depository Company of Pakistan Limited		100	100
- National Clearing Company of Pakistan Limited		2,750	2,750
Prepaid listing fees		17	166
		<u>3,757</u>	<u>3,898</u>
<b>8 PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>			
Management remuneration	8.1	3,451	1,371
Sindh sales tax on management remuneration		448	178
Allocated expenses	8.2	400	337
Sales and transfer load		87	15
ADC Share Including sales tax		8	1
Sindh sales tax on sales load		11	2
Marketing and selling expense	8.2	2,682	2,414
		<u>7,088</u>	<u>4,318</u>

**8.1** The Management Company has charged its remuneration at the rate of 2.5% of the average annual net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.

**8.2** As per Circular 11 of 2019 dated 5 July 2019 issued by SECP, 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 condition for charging of selling and marketing expense to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 5 of 2017 and circular No. 05 of 2018. These expense shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expense.

Effective dates	Applicable rates
From November 08, 2023 till December 31, 2023	1.1% per annum of average daily net assets
From Feb 02, 2022 till November 07, 2023	1.3% per annum of average daily net assets

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	(Rupees in '000)	
<b>9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Trustee remuneration	9.1	278	112
Sindh Sales Tax on trustee remuneration		33	12
		<u>312</u>	<u>124</u>

**9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provision of the trust deed as follows:

**Net assets**

Upto Rs. 1,000 million

On an amount exceeding Rs. 1,000 million

**Tariff per annum**

0.20% per annum of net assets,

Rs. 2.0 million plus 0.10% per annum of net assets exceeding Rs. 1,000 million.

The remuneration is paid to the Trustee monthly in arrears.

**9.2** The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the trustee of 13% (30 June 2023 : 13%) was charged on trustee remuneration.

# NBP BALANCED FUND



**NBP FUNDS**  
Managing Your Savings

NBP Fund Management Limited

		December 31, 2023 (Unaudited) (Rupees in '000)	June 30, 2023 (Audited)
<b>10</b>	<b>PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>	<b>Note</b>	
	Annual fee payable	10.1	<u>62</u> <u>152</u>
<b>10.1</b>	In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Effective from July 1, 2023, the SECP vide SRO No. 692(I)/2023 dated May 17, 2023, has revised the rate of fee to 0.075% per annum of the daily net assets of the Fund, applicable to "Income Scheme". Previously, the rate of fee applicable on all categories of CISs was 0.02% per annum of the daily net assets of the Fund. Accordingly, the Fund has charged the SECP fee at the rate of 0.075% per annum of the daily net assets during the period. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.		
<b>11</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>Note</b>	
	Federal Excise Duty on management remuneration	11.1	11,587 11,587
	Federal Excise Duty on sales load		818 818
	Auditors' remuneration		477 631
	Settlement and bank Charges		743 765
	Brokerage fee		- 98
	Dividend payable		493 493
	Legal and professional charges		27 134
	Withholding tax		43 582
	Other payable		238 234
	CGT payable		89 47
			<u>14,515</u> <u>15,388</u>
<b>11.1</b>	The status of Federal Excise Duty (FED) is the same as disclosed in the annual financial statements for the year ended June 30, 2023. Since the appeal is pending in the Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 11.587 million (June 30, 2023: 11.587 million). Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs. 0.3252 (June 30, 2023: Rs. 0.3160) per unit.		
<b>12</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
	There were no contingencies and commitments as at December 31, 2023 (June 30, 2023: Nil).		
<b>13</b>	<b>NUMBER OF UNITS IN ISSUE</b>		
	Total units in issue at the beginning of the period		36,663,750 45,147,265
	Units issued during the period		180,112 1,476,264
	Units redeemed during the period		(1,209,983) (9,959,779)
	Total units in issue at the end of the period		<u>35,633,880</u> <u>36,663,750</u>
<b>14</b>	<b>NET ASSET VALUE PER UNIT</b>		
	The net asset value (NAV) per unit, as disclosed in the condensed interim statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the period / year end.		
<b>15</b>	<b>TAXATION</b>		
	The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of		

income earned by the Fund for the year ending June 30, 2024 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these condensed interim financial statements during the period.

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

## 16 DETAILS OF NON-COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA OF ASSIGNED CATEGORY

The Securities and Exchange Commission of Pakistan (SECP) vide circular no. 7 of 2009 dated March 06, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorization criteria laid down in the circular. The Board has approved the category of the fund as 'Balanced Fund'.

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 funds or with investment requirements of their constitutive documents.

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	Value of investment after provision	Value as a percentage of net assets	Value as a percentage of gross assets
			----- (Rupees in '000) -----		----- (%) -----			
New Allied Electronic Industries (Private) Limited	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Term finance certificates	10,000	(10,000)	-	-	-	-
Saudi Pak Leasing Company	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Term finance certificates	27,547	(27,547)	-	-	-	-
Eden Housing Limited	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Sukuks	9,844	(9,844)	-	-	-	-
Shakarganj Foods Limited	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Sukuks	13,500	(5,599)	7,901	-	-	-
			60,891	(52,990)	7,901			

### 16.1 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.

During the period, the Fund has received Rs. 7.444 million (December 31, 2022: Nil) including a mark-up of Rs. 3.944 million (December 31, 2022: Nil) against recovery of provided corporate sukuk certificates of Shakarganj Foods Products Limited.

## 17 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses, including government levies, incurred during the year divided by average net asset value for the year) is 4.89% per annum. Total expense ratio (excluding government levies) is 4.45% per annum.

## 18 NET ASSET VALUE PER UNIT

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

## 19 TRANSACTIONS WITH CONNECTED PERSONS/ RELATED PARTY

**19.1** Connected persons include NBP Fund Management Limited (NBP Funds) being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Baltoro Growth Fund being the sponsors, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, entities under common management or directorships, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company and unit holders holding 10 percent or more units of the Fund.

**19.2** The transactions with connected persons are in the normal course of business, at contracted / agreed rates.

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

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

(Un-audited)	
December 31,	December 31,
----- (Rupees in '000) -----	

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

#### **NBP Fund Management Limited - Management Company**

Remuneration of NBP Fund Management Limited - Management Company	9,446	10,292
Sindh Sales Tax on remuneration of the Management Company	1,228	1,338
Allocated expenses	756	824
Reimbursement of selling and marketing expense	4,520	5,352

#### **Central Depository Company of Pakistan Limited - Trustee**

Remuneration of Central Depository Company of Pakistan Limited - Trustee	756	824
Sindh Sales Tax on remuneration of Trustee	98	106
CDC charges	1	1

#### **Employees of Management Company**

Units issued / transferred in: 23,425 (2022: 14) units	560	-
Units redeemed / transferred out: 23,425 (2022: 612) units	566	11

#### **Fauji Fertilizer Company Limited - Common Directorship**

Purchase of 75,00 shares (2022: 40,000 Shares)	703	4,080
Sold 63,000 shares (2020: 8,000 shares)	-	836
Dividend Income	-	950

#### **Taurus Securities Limited - Subsidiary of Parent Company**

Brokerage charges	18	10
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#### **National Bank of Pakistan - Parent Company\***

Sales of shares: Nil (December 31, 2021: 22,000 shares)	-	-
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	(Un-audited) December 31 2023	(Audited) June 30 2023
	(Rupees in '000)	
<b>19.6 Balances with related parties / connected persons are as</b>		
<b>NBP Fund Management Limited - Management Company</b>		
Management remuneration	3,451	1,371
Sindh Sales Tax	448	178
Allocated expenses	400	337
Sales load and sales tax payable	99	17
Selling and Marketing Expense	2,682	2,414
Adc shares including sindh sales tax	8	1
<b>Employees of the Management Company</b>		
Units held: 6,386 units (June 30, 2023: 6,388 units)	154	116
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable to the Trustee	278	112
Sindh Sales Tax on remuneration of the Trustee	33	12
Settlement charges payable	154	268
Security deposit	100	100
<b>National Bank of Pakistan (Parent of Management company)</b>		
Bank Balance in current account	354	354
<b>NBP Employees Pension Fund - Provident Fund of Parent Company</b>		
Units held: 29,597,015 units (June 30, 2023: 29,597,015 units)	714,220	537,467
<b>Ronak Iqbal Lakhani - 10% or more holding*</b>		
Units held: Nil ( June 30, 2023: 2,182,958 units)	-	39,641
<b>Taurus Securities Limited - Subsidiary of Parent Company</b>		
Brokerage payable	18	63
<b>Gul Ahmed Textile Mills Limited - Common Directorship*</b>		
Shares held: 245,632 (June 30, 2023: 247,632 shares)	6,984	4,410
<b>Fauji Fertilizer Company Limited - Common Directorship</b>		
Shares held: 227,701 shares (June 30, 2023: 220,201 shares)	25,773	21,677

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

## 20 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

## 20.1 Fair value hierarchy

IFRS 13, 'Fair Value Measurement' requires the Fund to classify fair value measurements 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 that the entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly ; and
- Level 3: unobservable inputs for the asset or liability.

As at December 31, 2023 and June 30, 2023, the Fund held the following financial instruments measured at fair value:

		Carrying Value			Fair Value			
		At fair value through profit or loss	At Amortised Cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								
December 31,2023								
On Balance sheet financial instruments financial assets measured at Fair value								
Investments - financial assets at fair value								
- Equity securities - listed	6	527,000	-	527,000	527,000	-	-	527,000
- Term finance certificates	6	19,988	-	19,988	-	19,988	-	19,988
- Sukkuks	6	16,352	-	16,352	-	16,352	-	16,352
- Commercial papers	6	153,905	-	153,905	-	153,905	-	153,905
		717,245	-	717,245	527,000	190,245	-	717,245
Financial assets not measured at fair value								
Bank balances	5	-	161,920	161,920	-	-	-	-
Dividend and profit receivables	7	-	2,012	2,012	-	-	-	-
Receivable against units transferred		-	-	-	-	-	-	-
Advance, deposits and prepayments	8	-	3,757	3,757	-	-	-	-
		-	167,689	167,689	-	-	-	-
Financial liabilities not measured at fair value								
Payable to NBP Fund Management Limited - Management Company	9	-	7,088	7,088	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	10	-	312	312	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	11	-	62	62	-	-	-	-
Payable against purchase of Investment		-	2,421	2,421	-	-	-	-
Payable against redemption of units		-	636	636	-	-	-	-
Accrued expenses and other liabilities	12	-	14,515	14,515	-	-	-	-
Net assets attributable to redeemable units		-	859,900	859,900	-	-	-	-
		-	884,934	884,934	-	-	-	-

		Carrying Value			Fair Value			
		At fair value through profit or	At Amortised Cost	Total	Level 1	Level 2	Level 3	Total
				(Rupees in '000)				
June 30,2023								
On Balance sheet financial instruments financial assets measured at Fair value								
Investments - financial assets at fair value								
- Equity securities - listed	6	398,121	-	398,121	398,121	-	-	398,121
- Term finance certificates	6	30,294	-	30,294	-	30,294	-	30,294
- Sukkuks	6	34,370	-	34,370	-	34,370	-	34,370
- Commercial papers	6	147,830		147,830	-	147,830		147,830
		610,615	-	610,615	398,121	212,494	-	610,615
Financial assets not measured at fair value								
Bank balances	5	-	74,322	74,322	-	-	-	-
Dividend and profit receivables	7	-	2,525	2,525	-	-	-	-
Receivable against units transferred		-	-	-	-	-	-	-
Advance, deposits and prepayments	8	-	3,898	3,898	-	-	-	-
		-	80,745	80,745	-	-	-	-
Financial liabilities not measured at fair value								
Payable to NBP Fund Management Limited - Management Company	9	-	4,318	4,318	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	10	-	124	124	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	11	-	152	152	-	-	-	-
Payable against purchase of Investment		-	5,584	5,584	-	-	-	-
Payable against redemption of units		-	-	-	-	-	-	-
Accrued expenses and other liabilities	12	-	15,388	15,388	-	-	-	-
Net assets attributable to redeemable units		-	665,794	665,794	-	-	-	-
		-	691,360	691,360	-	-	-	-

## 21 GENERAL

Figures in these condensed interim financial statements have been rounded off to the nearest thousand of rupees.

## 22 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors of the Management Company on February 29, 2024.

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

Chief Financial Officer

Chief Executive Officer

Director



## Head Office

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

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

**Toll Free:** 0800-20002

**Sms:** INVEST to 9995

**Fax:** 021-35825335

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

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

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