

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited Condensed Interim financial statements of NBP Financial Sector Income Fund (NFSIF) for the quarter ended September 30, 2024.

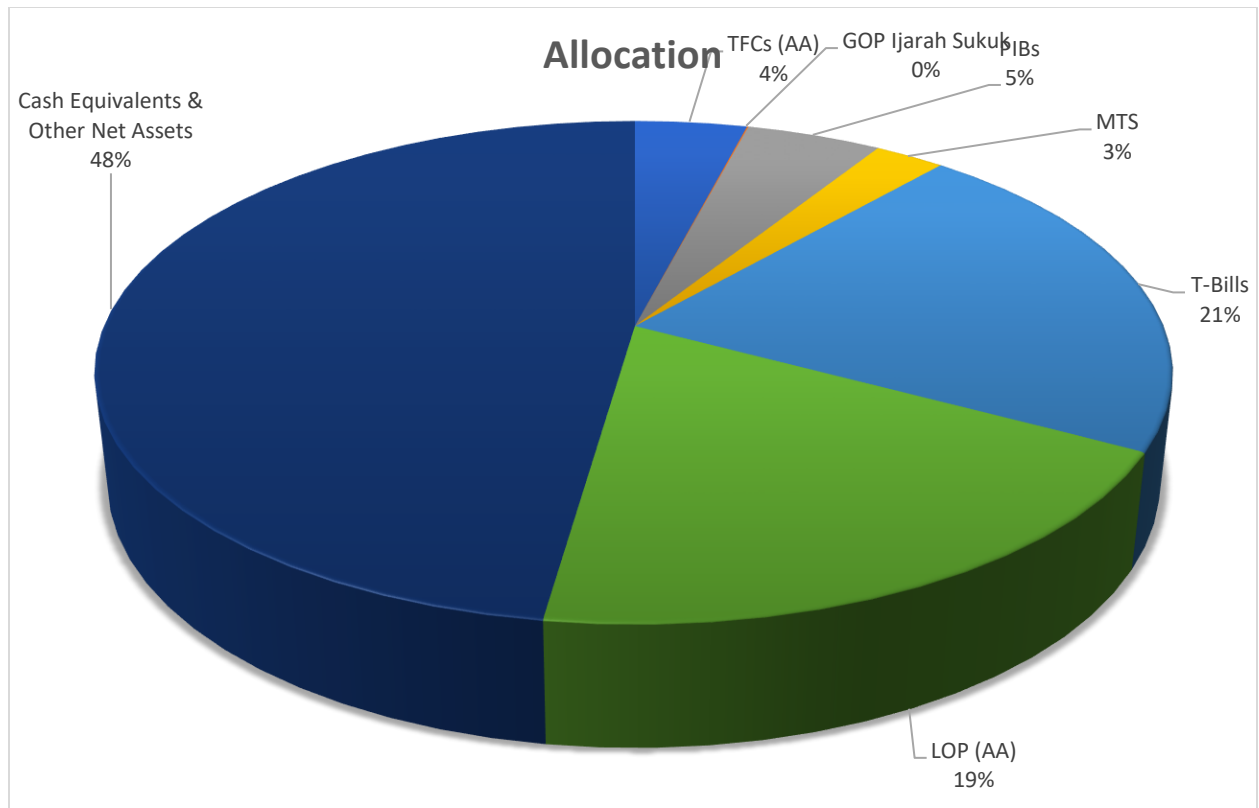
Fund's Performance

Two Monetary Policy Committee (MPC) meetings were held during the quarter, where MPC reduced the policy rate by 300 basis point to 17.5%. The decision was taken amidst sharp fall in inflation & global oil prices, increase in FX reserves, decline in sovereign yields, and improved business confidence. Inflation as measured by CPI drastically decelerated and averaged 9.2% for the quarter compared to 23.8% in FY24. The MPC assessed that the ease in inflation was attributed by the impact of contained demand reinforced by improved supplies of major food items, favorable global commodity prices and delay in upward adjustments in administered energy prices. However, MPC also noted that near-term inflation outlook remained susceptible to risks, owing to the uncertainty stemming from the timing and magnitude of adjustments in administered energy prices, future course of global commodity prices, and any additional taxation measures to meet the shortfall in revenue collection. The SBP's FX reserves increased for the period and were recorded at USD 10.7 billion as of 27-Sep-24 against USD 9.4 billion at June-24 end. SBP conducted six T-Bill auctions realizing a total of Rs. 2.25 trillion against the maturity of Rs. 1.23 trillion and target of Rs. 1.84 trillion. SBP also conducted three PIB auctions realizing a total of Rs. 334 billion for 2-year (zero coupon), 3-year, 5-year and 10-year. The sovereign yields, in anticipation of further rate cuts by SBP in upcoming monetary policies, equally responded to declining interest rate scenario where the yields declined in the range of 196-554 bps; the decline in short term was steeper than long term yields.

The Fund is unique as it invests a minimum 70% of its assets in financial sector (mainly banks) debt securities, instruments or deposits. Minimum entity/instrument rating of debt securities is AA-. This minimizes credit risk and at the same time enhances the liquidity of the Fund. Duration of the Fund cannot be more than one year. This minimizes interest rate or pricing risk. The Fund invests 25% of its assets in less than 90 days T-Bills or saving accounts with banks, which further enhances the liquidity profile of the Fund. The Fund has been assigned 'A+ (f)' fund stability rating by PACRA.

The size of NBP Financial Sector Income Fund has decreased from Rs. 59,665 million to Rs. 57,314 million during the period (a decline of 4%). The unit price of the Fund has increased from Rs. 10.6558 on June 30, 2024 to Rs. 11.1936 on September 30, 2024, thus showing a return of 20.0% p.a. as compared to its benchmark return of 18.5% p.a. for the same period. The performance of the Fund is net of management fee and other expenses.

The Fund has earned a total income of Rs. 3,240.64 million during the period. After deducting total expenses of Rs. 255.26 million, the net income is Rs. 2,985.38 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NFSIF.



Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: October 30, 2024
Place: Karachi.

ڈائریکٹرز کی رپورٹ

NBP فنڈ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بعد مسرت 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے لئے NBP فنانشل سیکٹور اکٹو فنڈ (NFSIF) کے غیر جانچ شدہ انڈیکسڈ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

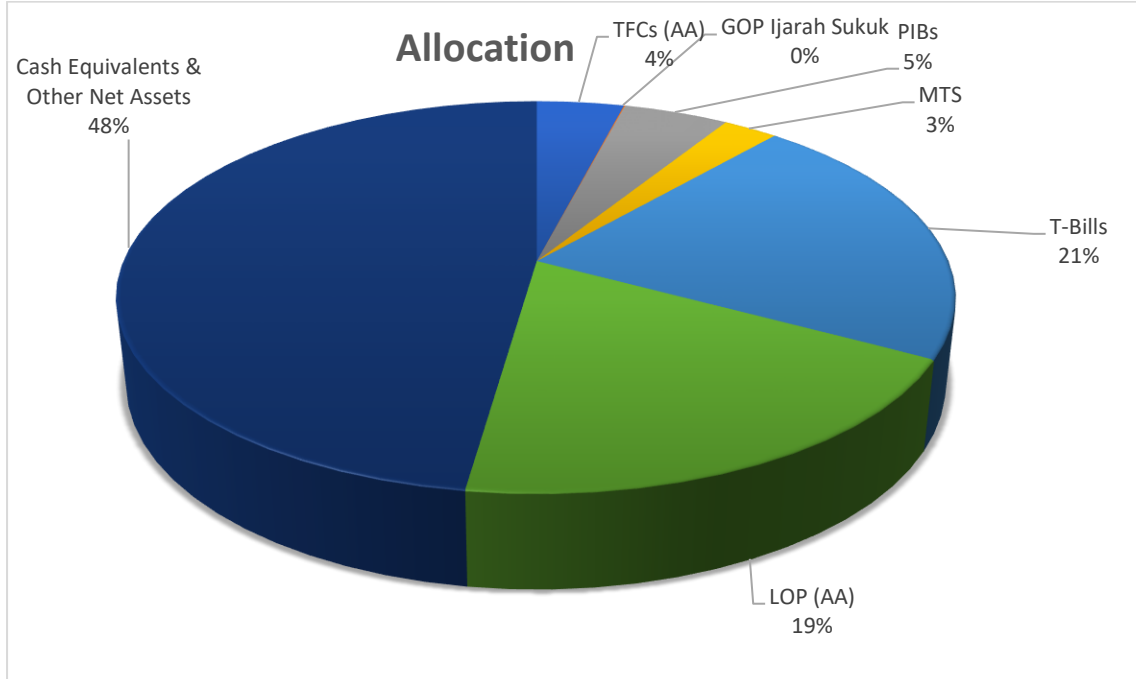
فنڈ کی کارکردگی

سہ ماہی کے دوران مانیٹری پالیسی کمیٹی (ایم پی سی) کے دو اجلاس ہوئے، جہاں ایم پی سی نے پالیسی ریٹ کو 300 بیس پوائنٹ کم کر کے 17.5 فیصد کر دیا۔ یہ فیصلہ افراط زر اور تیل کی عالمی قیمتوں میں تیزی سے کمی، زرمبادلہ کے ذخائر میں اضافے، سوریجمنٹ میں کمی اور کاروباری اعتماد میں بہتری کے باعث کیا گیا۔ سی پی آئی کی پینکس کے مطابق افراط زر میں تیزی سے کمی آئی اور مالی سال 24 میں 23.8 فیصد کے مقابلے میں رواں سہ ماہی کے دوران اوسطاً 9.2 فیصد رہی۔ ایم پی سی کا اندازہ کہ افراط زر میں کمی اہم ایشیائی خورد و نوش کی بہتر فراہمی، عالمی اجناس کی موزوں قیمتوں اور توانائی کی قیمتوں میں اضافے میں تاخیر کی بدولت طلب میں اضافہ کی وجہ سے ہوئی ہے۔ تاہم، ایم پی سی نے یہ بھی درج کیا کہ توانائی کی انتظامی قیمتوں میں ایڈجسٹمنٹ اور شدت کے وقت، عالمی اجناس کی قیمتوں کے مستقبل کے لانچ عمل اور محصولات کی وصولی میں کمی کو پورا کرنے کے لئے کسی بھی اضافی ٹیکس اقدامات کی وجہ سے پیدا ہونے والی غیر یقینی صورتحال کی وجہ سے قریب الیغداد افراط زر کا نقطہ نظر خطرات کا شکار ہے۔ اسٹیٹ بینک پاکستان کے زرمبادلہ کے ذخائر میں 27 ستمبر 24 تک بڑھ کر 10.7 بلین ڈالر ہو گئے جو جون 24 کے اختتام پر 9.4 بلین ڈالر تھے۔ اسٹیٹ بینک نے 1.23 ٹریلین روپے کی سچورٹی اور 1.84 ٹریلین روپے کے ہدف کے مقابلے میں مجموعی طور پر 2.25 ٹریلین روپے کی مجموعی طور پر 6 ٹی بل نیا میاں میں اسٹیٹ بینک نے 2 سالہ (زیر کوپن)، 3 سالہ، 5 سالہ اور 10 سالہ کے لیے مجموعی طور پر 334 ارب روپے کی PIB بنایا بھی کی۔ اسٹیٹ بینک کی جانب سے آئندہ مانیٹری پالیسیوں میں شرح سود میں مزید کٹوتی کی توقع کے پیش نظر خود مختار منافع نے شرح سود میں کمی کے منظر نامے پر بھی یکساں ردعمل ظاہر کیا جہاں لٹرنافٹ میں 196bps سے 554bps کی حد میں کمی واقع ہوئی۔ قلیل مدتی پیداوار میں کمی کی طویل مدتی پیداوار کے مقابلے میں زیادہ تیز تھی۔

یہ فنڈ منفرد ہے کیونکہ یہ اپنے اثاثوں کا کم از کم 70% مالیاتی شیے (بنیادی طور پر بینکوں) کے قرض کی سکیورٹیز، آلات یا ڈپازٹس میں لگا رہتا ہے۔ قرض کی ضمانتوں کی کم از کم سٹی/آل کی درجہ بندی 'AA' ہے۔ یہ کریڈٹ رسک کو کم کرتا ہے اور ساتھ ہی فنڈ کی لیکویڈیٹی کو بڑھاتا ہے۔ فنڈ کی مدت ایک سال سے زیادہ نہیں ہو سکتی۔ یہ شرح سود یا قیمتوں کے خطرے کو کم کرتا ہے۔ فنڈ اپنے اثاثوں کا 25% T-Bills یا بینکوں میں بچت کٹاؤں میں 90 دنوں سے بھی کم وقت میں لگا رہتا ہے، جس سے فنڈ کے لیکویڈیٹی پر فائل میں مزید اضافہ ہوتا ہے۔ فنڈ کو PACRA کی جانب سے 'A+' فنڈ اسٹیٹ کام کی درجہ بندی تقویٰ میں کی گئی ہے۔

NBP فنانشل سیکٹور اکٹو فنڈ کا سا ناس مدت کے دوران 59,665 ملین روپے سے کم ہو کر 57,314 ملین روپے ہو گیا (یعنی 4% کمی)۔ فنڈ کے یونٹ کی قیمت 30 جون 2024 کو 10.6558 روپے سے بڑھ کر 30 ستمبر 2024 کو 11.1936 روپے تک پہنچ چکی ہے، لہذا اس مدت کے لئے اپنے بیچ مارک منافع 18.5% سالانہ کے مقابلے میں 20.0% سالانہ کا منافع درج کر لیا۔ فنڈ کی یہ کارکردگی منجمنٹ نہیں اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے موجودہ مدت کے دوران 3,240.64 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 255.26 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 2,985.38 ملین روپے ہے۔ درج ذیل چارٹ NFSIF کی ایسٹ ایلیکشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پینکس شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے بینجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر پونٹ ہولڈرز کا شکر یہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔
بورڈ اپنے اسٹاف اور ڈسٹی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ بینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 30 اکتوبر 2024

مقام: کراچی

NBP FINANCIAL SECTOR INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2024

	<i>Note</i>	(Un-audited) September 30, 2024	(Audited) June 30, 2024
Rupees in '000			
ASSETS			
Bank balances	4	26,375,792	44,483,949
Investments	5	28,520,499	12,969,410
Profit receivable		1,395,244	958,645
Receivable against margin trading system		1,435,153	433,357
Receivable against conversion of units		68,004	1,493,755
Advance, deposit, prepayment and other receivable		7,274	7,152
Total assets		57,801,966	60,346,268
LIABILITIES			
Payable to the Management Company		197,539	154,810
Payable to Central Depository Company of Pakistan Limited - Trustee		4,148	4,077
Payable to the Securities and Exchange Commission of Pakistan		3,603	3,603
Payable against redemption / conversion of units		124,773	213,153
Accrued expenses and other liabilities		158,096	306,021
Total liabilities		488,159	681,664
NET ASSETS		57,313,807	59,664,604
Unit holders' fund (as per statement attached)		57,313,807	59,664,604
CONTINGENCIES AND COMMITMENTS			
Number of units in issue	6	5,120,221,294	5,599,238,081
-----Rupees-----			
Net asset value per unit		11.1936	10.6558

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**NBP FINANCIAL SECTOR INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

<i>Note</i>	Quarter ended September 30, 2024	Quarter ended September 30, 2023
	(Rupees in '000')	
INCOME		
Income from term finance certificates	142,664	171,541
Income on bank deposits	1,432,186	1,341,691
Income from government securities	773,194	36,920
Income on margin trading system	44,550	-
Income from term deposit receipts	-	13,058
Income from clean placements	592,480	73,668
Gain / (loss) on sale of investments - net	14,261	(1,468)
Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	241,302	(10,949)
Total income	3,240,637	1,624,461
EXPENSES		
Remuneration of the Management Company	173,347	73,724
Sindh sales tax on remuneration of the Management Company	26,002	9,584
Reimbursement of accounting and operating charges to the Management Company	15,318	10,739
Sindh Sales Tax on NAV related expense	2,298	-
Reimbursement of selling and marketing expenses	9,647	13,328
Sindh Sales Tax on selling and marketing	1,447	-
Remuneration of the Trustee	11,489	5,369
Sindh sales tax on remuneration of the Trustee	1,723	698
Annual fee - Securities and Exchange Commission of Pakistan	11,489	5,369
Settlement and bank charges	1,706	114
Annual listing fee	7	7
Auditors' remuneration	260	254
Mutual fund rating fee	45	73
Legal and professional charges	38	38
Securities transaction cost	444	64
Total expenses	255,260	119,361
Net income from operating activities	2,985,377	1,505,100
Net income for the period before taxation	2,985,377	1,505,100
Taxation	-	-
Net income for the period after taxation	2,985,377	1,505,100
Allocation of net income for the period		
Net income for the period	2,985,377	1,505,100
Income already paid on units redeemed	(420,730)	(156,005)
	2,564,647	1,349,095
Accounting income available for distribution:		
- Relating to capital gains	255,563	-
- Excluding capital gains	2,309,084	1,349,095
	2,564,647	1,349,095

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

**NBP FINANCIAL SECTOR INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Quarter ended September 30, 2024	Quarter ended September 30, 2023
	-----Rupees -----	
Net income for the period	2,985,377	1,505,100
Other comprehensive income	-	-
Total comprehensive income for the period	<u>2,985,377</u>	<u>1,505,100</u>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

NBP FINANCIAL SECTOR INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Quarter ended September 30, 2024			Quarter ended September 30, 2023		
	Capital Value	Undistrib uted income	Total	Capital Value	Undistribute d income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the period	59,151,460	513,145	59,664,604	25,333,109	383,694	25,716,803
Issue of 1,238,743,833 units (2023: 1,642,341,866 units)						
- Capital value	13,199,807	-	13,199,807	17,453,331	-	17,453,331
- Element of income	267,083	-	267,083	188,907	-	188,907
Total proceeds on issuance of units	13,466,889	-	13,466,889	17,642,238	-	17,642,238
Redemption of 1,717,760,621 units (2023: 1,227,103,269 units)						
- Capital value	(18,304,114)	-	(18,304,114)	(13,040,549)	-	(13,040,549)
- Element of loss	(78,220)	(420,730)	(498,950)	(45,778)	(156,005)	(201,783)
Total payments on redemption of units	(18,382,334)	(420,730)	(18,803,064)	(13,086,327)	(156,005)	(13,242,332)
Distribution during the period: Nil unit (2023: Re. 0.3658 per unit)						
- Cash Distribution	-	-	-	(80,705)	(832,305)	(832,305)
- Refund of Capital	-	-	-	(80,705)	(832,305)	(832,305)
	-	-	-	(80,705)	(832,305)	(913,010)
Total comprehensive income for the period	-	2,985,377	2,985,377	-	1,505,100	1,505,100
Net assets at end of the period	54,236,016	3,077,792	57,313,807	29,808,315	900,484	30,708,799
Undistributed income brought forward						
- Realised		500,558			427,672	
- Unrealised		12,587			(43,978)	
		513,145			383,694	
Accounting income available for distribution:						
- Relating to capital gains		255,563			-	
- Excluding capital gains		2,309,084			1,349,095	
		2,564,647			1,349,095	
Distribution during the period		-			(832,305)	
Undistributed income carried forward		3,077,792			900,484	
Undistributed income carried forward						
- Realised		2,836,490			911,433	
- Unrealised		241,302			(10,949)	
		3,077,792			900,484	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			<u>10.6558</u>			<u>10.6271</u>
Net assets value per unit at end of the period			<u>11.1936</u>			<u>10.8314</u>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP FINANCIAL SECTOR INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Quarter ended September 30, 2024	Quarter ended September 30, 2023
	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation	2,985,377	1,505,100
Adjustments :		
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(241,302)	10,949
	<u>2,744,075</u>	<u>1,516,049</u>
Decrease / (Increase) in assets		
Investments	(15,309,787)	(2,108,969)
Profit receivable	(436,599)	(54,528)
Receivable against sale of investment	-	-
Receivable against Margin Trading System	(1,001,796)	-
Advance, deposit, prepayment and other receivable	(122)	43
	<u>(16,748,304)</u>	<u>(2,163,454)</u>
(Decrease) / Increase in liabilities		
Payable to the Management Company	42,729	68
Payable to Central Depository Company of Pakistan Limited - Trustee	71	322
Payable to the Securities and Exchange Commission of Pakistan	-	(8,024)
Payable against purchase of investment	-	-
Accrued expenses and other liabilities	(147,925)	448,717
	<u>(105,125)</u>	<u>441,083</u>
Net cash (used in) / generated from operating activities	<u>(14,109,354)</u>	<u>(206,322)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Receipts from issue of units	14,892,640	17,463,669
Payment on redemption of units	(18,891,444)	(13,362,447)
Distribution paid during the period	-	(832,305)
Net cash generated from financing activities	<u>(3,998,803)</u>	<u>3,268,917</u>
Net increase in cash and cash equivalents during the period	<u>(18,108,157)</u>	<u>3,062,595</u>
Cash and cash equivalents at the beginning of the period	44,483,949	22,361,339
Cash and cash equivalents as at the end of the period	<u><u>26,375,792</u></u>	<u><u>25,423,934</u></u>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP FINANCIAL SECTOR INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Financial Sector Income Fund (the Fund) was established under a Trust Deed executed 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 11 July 2011 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of Mutual Funds Association of Pakistan (MUFAP).

The Fund is an open-ended mutual fund classified as an "income 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.

The core objective of the Fund is to provide income enhancement and preservation of capital by investing in prime quality Financial Sector term finance certificates (TFCs) / sukuks, bank deposits and short-term money market instruments.

The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company and stability rating of 'A+(f)' to the Fund.

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

The Fund also provides accidental death (free), life insurance / life takaful and health coverage to unitholders of the Fund as stated in the Offering Document.

The cost of premium is borne by the investor (where applicable). Such premium cost is deducted from the unit holder's investment on a monthly basis in case of life insurance and annual basis in case of health insurance and deposited with the Insurance Company / Takaful Operator by the Management Company as per the terms and conditions of the Insurance / Takaful coverage defined in the Insurance / Takaful policy document signed between the Insurance Company / Takaful Operator and Management Company.

During the year ended 30 June, 2021 The Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 14, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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 VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

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, 2024.

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 September 30, 2024.

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, 2024.
- 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 and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing 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 financial statements as at and for the year ended June 30, 2024. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2024.

	(Un-audited) September 30, 2024	(Audited) June 30, 2024
4 BANK BALANCES	Note ----- Rupees in '000 -----	
In current accounts	1,076	876
In savings accounts	4.1 26,374,716	44,483,073
	<u>26,375,792</u>	<u>44,483,949</u>

- 4.1** These accounts carry profit at the rates ranging from 8.00% to 18.00% (30 June 2023: 19.5% to 23.25%) per annum.

	(Un-audited) September 30, 2024	(Audited) June 30, 2024
5 INVESTMENTS		
	----- Rupees in '000 -----	
Investments By Category		
Financial Assets 'at fair value through profit or loss'		
Term finance certificates (TFCs) and sukuks - listed	5.1 508,710	542,436
Term finance certificates (TFCs) and sukuks - unlisted	5.2 1,789,945	1,766,388
Government securities - GoP Ijarah Sukuk Certificates	5.3 26,048	1,613,483
Government securities - Market Treasury Bills	5.4 12,316,303	5,489,421
Government securities - Pakistan Investment Bonds	5.5 2,769,593	1,519,633
	<u>17,410,600</u>	<u>10,931,361</u>
Financial assets 'at amortised cost'		
Letter of placement	5.6 11,109,899	2,038,049
	<u>11,109,899</u>	<u>2,038,049</u>
	<u>28,520,499</u>	<u>12,969,410</u>

5.1 Term Finance Certificates - Listed

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

Name of the investee company	Number of certificates / bonds				Market Value as at September 30, 2024	Investment as a percentage of	
	As at July 01, 2024	Purchases during the period	Sale / matured during the period	As at September 30, 2024		Net assets	Market value of total investments
	-----Rupees in '000'-----					-----%-----	
K- Electric - Sukuk-5	132,576	-	-	132,576	404,686	0.71	1.42
Soneri bank	1,050	-	-	1,050	104,024	0.18	0.36
	133,626	-	-	133,626	508,710	0.89	1.78
Carrying Value as at September 30, 2024					<u>509,292</u>		

5.2 Term Finance Certificates - Unlisted

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

Name of the investee company	Number of certificates / bonds				Market Value as at September 30, 2024	Investment as a percentage of	
	As at July 01, 2024	Purchases during the period	Sale / matured during the period	As at September 30, 2024		Net assets	Market value of total investments
	-----Rupees in '000'-----					-----%-----	
Askari Commercial Bank Limited	283	-	-	283	281,585	0.49	0.99
Bank of Punjab	500	-	-	500	50,752	0.09	0.18
Hub Power Holding Limited - Sukuk-1	5,475	-	-	5,475	418,463	0.73	1.47
Meezan Sukuk	172	-	-	172	171,661	0.30	0.60
Samba Bank Limited	8,464	223	-	8,687	867,484	1.51	3.04
	14,894	223	-	15,117	1,789,945	3.12	6.28
Carrying Value as at September 30, 2024					<u>1,788,757</u>		

5.3 Government securities - GoP Ijarah Sukuk Certificates

Name of the investee company	Number of certificates / bonds				Market Value as at September 30, 2024	Investment as a percentage of	
	As at July 01, 2024	Purchases during the period	Sale / matured during the period	As at September 30, 2024		Net assets	Market value of total investments
	-----Rupees in '000'-----					-----%-----	
GIS-VRR-39	1,920	-	-	1,920	9,616	0.02	0.03

Name of the investee company	Number of certificates / bonds				Market Value as at September 30, 2024	Investment as a percentage of	
	As at July 01, 2024	Purchases during the period	Sale / matured during the period	As at September 30, 2024		Net assets	Market value of total investments
	-----Rupees in '000'-----					-----%-----	
GIS-VRR-40	265,000	-	265,000	-	-	-	-
GIS-VRR-41	15,000	-	15,000	-	-	-	-
GIS-VRR-42	20,000	-	20,000	-	-	-	-
GIS-FRR-32	15,000	-	15,000	-	-	-	-
GoP Ijarah Sukuk - Listed	5,237	-	1,853	3,384	16,432	0.03	0.06
	322,157	-	316,853	5,304	26,048	0.05	0.09

Carrying Value as at September 30, 2024

25,851

5.4 Treasury Bills

Issue date	Tenor	-----Face value-----				Market value as at September 30, 2024	Investment as a percentage of	
		As at July 01, 2024	Purchases during the Period	Sales / matured during the Period	As at September 30, 2024		Net assets	Market value of total investments
		-----Rupees in '000'-----					-----%-----	
October 19, 2023	12 months	2,000	2,000,000	2,000,000	2,000	1,985	0.00	0.01
November 02, 2023	12 months	-	2,000,000	1,300,000	700,000	690,236	1.20	2.42
December 14, 2023	12 months	500,000	-	-	500,000	484,804	0.85	1.70
January 11, 2024	6 months	125,000	-	125,000	-	-	-	-
January 25, 2024	12 months	375,000	-	-	375,000	357,929	0.62	1.25
April 04, 2024	12 months	375,000	-	-	375,000	349,259	0.61	1.22
April 18, 2024	12 months	2,843,000	-	-	2,843,000	2,635,154	4.60	9.24
May 02, 2024	3 months	500,000	-	500,000	-	-	-	-
May 02, 2024	12 months	500,000	95,700	-	595,700	549,344	0.96	1.93
May 16, 2024	12 months	500,000	-	-	500,000	459,121	0.80	1.61
May 30, 2024	12 months	500,000	2,334,250	1,155,000	1,679,250	1,534,833	2.68	5.38
June 13, 2024	3 months	-	1,000,000	1,000,000	-	-	-	-
July 11, 2024	6 months	-	3,250,000	3,250,000	-	-	-	-
July 11, 2024	12 months	-	3,750,000	235,000	3,515,000	3,170,586	5.53	11.12
July 11, 2024	3 months	-	250,000	250,000	-	-	-	-
July 25, 2024	3 months	-	250,000	250,000	-	-	-	-
August 22, 2024	6 months	-	250,000	-	250,000	236,216	0.41	0.83
August 22, 2024	12 months	-	250,000	-	250,000	222,788	0.39	0.78

Issue date	Tenor	-----Face value-----				Market value as at September 30, 2024	Investment as a percentage of	
		As at July 01, 2024	Purchases during the Period	Sales / matured during the Period	As at September 30, 2024		Net assets	Market value of total investments
-----Rupees in '000'-----								
September 05, 2024	6 months	-	500,000	-	500,000	470,122	0.82	1.65
September 05, 2024	12 months	-	1,300,000	-	1,300,000	1,153,926	2.01	4.05
		6,220,000	17,229,950	10,065,000	13,384,950	12,316,303	21.49	43.18

Carrying Value as at September 30, 2024

12,088,691

5.5 Pakistan Investment Bonds

Issue date	Tenor	-----Face value-----				Market value as at September 30, 2024	Investment as a percentage of	
		As at July 01, 2024	Purchases during the Period	Sales / matured during the Period	As at September 30, 2024		Net assets	Market value of total investments
-----Rupees in '000'-----								
18-Apr-24	5 Years	1,200,000	-	-	1,200,000	1,167,240	2.04	4.09
21-Sep-23	5 Years	69,000	-	-	69,000	67,537	0.12	0.24
19-Oct-23	3 Years	300,000	1,060,000	297,000	1,063,000	1,046,416	1.83	3.67
27-Jun-24	5 Years	-	500,000	-	500,000	488,400	0.85	1.71
		1,569,000	1,560,000	297,000	2,832,000	2,769,593	4.83	9.71

Carrying Value as at September 30, 2024

2,756,706

5.6 Letter of Placement

Issue Date	Counter Party	-----Face value-----				Market value as at September 30, 2024	Investment as a percentage of	
		As at July 01, 2024	Purchases during the Period	Sales / matured during the Period	As at September 30, 2024		Net assets	Market value of total investments
-----Rupees in '000'-----								
May 31, 2024	Pak Libya Holding Company Private Limited	1,528,537	-	1,528,537	-	-	-	-
May 31, 2024	Pak Libya Holding Company Private Limited	509,512	-	509,512	-	-	-	-
July 11, 2024	Pak Brunei Investment Company Limited	-	4,000,000	4,000,000	-	-	-	-
July 12, 2024	Pak Libya Holding Company Private Limited	-	2,000,000	2,000,000	-	-	-	-

Issue Date	Counter Party	-----Face value-----				Investment as a percentage of	
		As at July 01,2024	Purchases during the Period	Sales / matured during the Period	As at September 30, 2024	Market value as at September 30, 2024	Net assets
		-----Rupees in '000'-----			%/.....	
July 12, 2024	Pak Oman Investment Company Limited	-	3,000,000	3,000,000	-	-	-
July 15, 2024	Pak Oman Investment Company Limited	-	2,000,000	2,000,000	-	-	-
July 15, 2024	Pak Libya Holding Company Private Limited	-	2,038,049	2,038,049	-	-	-
July 18, 2024	Zarai Taraqiati Bank Limited	-	1,000,000	1,000,000	-	-	-
July 19, 2024	Pak Brunei Investment Company Limited	-	6,000,000	6,000,000	-	-	-
July 22, 2024	Zarai Taraqiati Bank Limited	-	2,000,000	2,000,000	-	-	-
July 23, 2024	Zarai Taraqiati Bank Limited	-	2,000,000	2,000,000	-	-	-
July 24, 2024	Zarai Taraqiati Bank Limited	-	2,000,000	2,000,000	-	-	-
July 26, 2024	Zarai Taraqiati Bank Limited	-	2,700,000	2,700,000	-	-	-
August 02, 2024	JS Bank Limited	-	6,000,000	6,000,000	-	-	-
August 07, 2024	PAIR Investment Company Limited	-	650,000	650,000	-	-	-
August 08, 2024	Pak Oman Investment Company Limited	-	2,000,000	2,000,000	-	-	-
August 09, 2024	JS Bank Limited	-	6,000,000	6,000,000	-	-	-
August 09, 2024	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-
August 09, 2024	Zarai Taraqiati Bank Limited	-	3,000,000	3,000,000	-	-	-
August 12, 2024	Pak Libya Holding Company Private Limited	-	2,035,586	2,035,586	-	-	-
August 12, 2024	Zarai Taraqiati Bank Limited	-	3,000,000	3,000,000	-	-	-
August 13, 2024	Zarai Taraqiati Bank Limited	-	2,000,000	2,000,000	-	-	-
August 15, 2024	Pak Libya Holding Company Private Limited	-	2,074,313	2,074,313	-	-	-
August 15, 2024	Zarai Taraqiati Bank Limited	-	5,000,000	5,000,000	-	-	-
August 16, 2024	JS Bank Limited	-	6,000,000	6,000,000	-	-	-
August 19, 2024	Zarai Taraqiati Bank Limited	-	5,000,000	5,000,000	-	-	-
August 21, 2024	PAIR Investment Company Limited	-	650,000	650,000	-	-	-
August 22, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-
August 22, 2024	Zarai Taraqiati Bank Limited	-	3,000,000	3,000,000	-	-	-
August 23, 2024	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-
August 23, 2024	JS Bank Limited	-	3,000,000	3,000,000	-	-	-
August 23, 2024	Zarai Taraqiati Bank Limited	-	3,000,000	3,000,000	-	-	-
August 30, 2024	PAIR Investment Company Limited	-	2,000,000	2,000,000	-	-	-
September 02, 2024	JS Bank Limited	-	5,000,000	5,000,000	-	-	-
September 03, 2024	Pak Brunei Investment Company Limited	-	3,000,000	3,000,000	-	-	-
September 06, 2024	PAIR Investment Company Limited	-	650,000	650,000	-	-	-
September 06, 2024	PAIR Investment Company Limited	-	5,000,000	5,000,000	-	-	-
September 06, 2024	Zarai Taraqiati Bank Limited	-	5,000,000	5,000,000	-	-	-
September 11, 2024	Zarai Taraqiati Bank Limited	-	1,000,000	1,000,000	-	-	-
September 12, 2024	Pak Brunei Investment Company Limited	-	1,000,000	1,000,000	-	-	-

Issue Date	Counter Party	-----Face value-----				Market value as at September 30, 2024	Investment as a percentage of	
		As at July 01, 2024	Purchases during the Period	Sales / matured during the Period	As at September 30, 2024		Net assets	Market value of total investments
-----Rupees in '000'-----					%.....		
September 13, 2024	Pak Libya Holding Company Private Limited	-	2,035,586	-	2,035,586	2,035,586	3.55	7.14
September 16, 2024	PAIR Investment Company Limited	-	2,000,000	2,000,000	-	-	-	-
September 16, 2024	Pak Libya Holding Company Private Limited	-	2,074,313	-	2,074,313	2,074,313	3.62	7.27
September 20, 2024	PAIR Investment Company Limited	-	5,000,000	-	5,000,000	5,000,000	8.72	17.53
September 20, 2024	Zarai Taraqiat Bank Limited	-	2,000,000	2,000,000	-	-	-	-
September 30, 2024	PAIR Investment Company Limited	-	2,000,000	-	2,000,000	2,000,000	3.49	7.01
		2,038,049	123,407,847	114,335,997	11,109,899	11,109,899	19.38	38.95

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2024 and June 30, 2024.

7 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 0.06% during the period of the average net assets of the Fund. Currently the management company is not charging selling and marketing expense as of September 30, 2024

8 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units as the case may be shall not be taken into account. 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, 2025 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.

9 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 1.67% (September 30, 2023: 1.66%) which includes 0.28% (September 30, 2023: 0.21%) representing Government Levies 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".

10 TRANSACTIONS WITH CONNECTED PERSONS

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

10.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

10.3 Remuneration to the Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

10.4 The details of significant transactions and balances with connected persons at year end except those disclosed elsewhere in these financial statements are as follows:

	(Un-Audited)	
	Quarter ended September 30, 2024	Quarter ended September 30, 2023
	----- (Rs. In '000') -----	
10.5 Details of the transactions with connected persons are as follows:		
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	173,347	73,724
Sindh sales tax on remuneration of the Management Company	26,002	9,584
Reimbursement of allocation of expenses related to registrar services, accounting, Sindh sales tax on allocation of expenses	15,318	10,739
Reimbursement of selling and marketing expenses Sindh sales tax on selling and marketing expenses	2,298	-
Sales load and transfer generated including sindh sales tax	9,647	13,328
ADC charges including Sindh sales tax	1,447	
Dividend Re-investment: Nil units (2023: 667,788 units)	7,209	7,166
	1,225	993
	-	7,101

(Un-Audited)	
Quarter ended September 30, 2024	Quarter ended September 30, 2023

------(Rs. In '000')-----

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	11,489	5,369
Sindh sales tax on remuneration of the Trustee	1,723	698
Settlement charges	92	18

Employees of the NBP Fund Management Company

Units Issued / Trasferred In: 13,664,828 units (2023: 23,608,852 units)	149,624	252,603
Units Redeemed / Transferred Out: 14,065,484 units (2023: 23,791,645 units)	154,392	258,091
Dividend Re-investment: Nil Units (2023: 174,616 units)	-	1,857

HAIDER AMJAD - (close family member of key management personnel)

Dividend re-invested: Nil units (2023: 941 units)	-	10
Units Issued / Trasferred In: 106 units (2023: 9,410 units)	1	100
Units Redeemed / Transferred Out: 46,414 units (2023: 156,210 units)	500	1,671

BALTORO PARTNERS (PVT) LIMITED - Sponssor

Units Issued / Trasferred In: 3,169,196 units (2023: 939,355 units)	34,000	10,000
Units Redeemed / Transferred Out: 2,311,192 units (2023: 840,793 units)	25,500	9,050
Dividend Re-investment: Nil Units (2023: 384 units)	-	4

Fauji Fertilizer Company Ltd - Common Directorship

Dividend Re-investment: Nil Units (2023: 25,568 units)	-	272
Units issued / transferred: Nil units (2023: 46,773 units)	-	497
Units redeemed / transferred out: Nil units (2022: 1,079,094,465 units)	-	-

Portfolios Managed By Management Company

Units issued / transferred in: Nil units (2023: 50,795,616 units)	-	544,529
Units redeemed / transferred out: 542,593 units (2023: 50,941,086 units)	5,856	548,639
Dividend Re-investment: Nil Units (2023: 91,534 units)	-	973

Bank Islami Pakistan Limited (Common Directorship)*

Markup Income	-	915
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Khushhali Microfinance Bank Limited (Common Directorship)*

Markup Income	-	56,480
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National Bank of Pakistan - Sponsor

Markup Income	92	930
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CDC Trustee NBP Income Plan-I

Units Issued / Trasferred In: 148,761,755 units (2023: 116,136,401 units)	1,601,000	1,237,106
Units Redeemed / Transferred Out: 26,954,056 units (2023: 438,713 units)	298,000	4,700

Imran Zaffar - Directors

Dividend Re-investment Nil Units (2023: 10,888 units)	-	116
Units Redeemed / Transferred Out: Nil units (2023: 41,619 units)	-	450

	(Un-Audited) September 30, 2024	(Audited) June 30, 2024
------(Rs. In '000')-----		
10.6 Balances outstanding as at period end		
NBP Fund Management Limited - Management Company		
Management remuneration payable	58,289	53,122
Sindh Sales Tax payable	8,743	6,906
Sales load and transfer load payable	37,838	31,573
Sindh Sales Tax on sales and transfer load	5,048	4,105
Reimbursement of selling and marketing expenses	46,541	36,894
Sindh Sales Tax payable of selling and marketing expenses	1,447	-
Reimbursement of allocation of expenses related to registrar services, accounting,	35,907	20,589
Sindh Sales Tax payable of allocated expenses	2,298	-
ADC charges including SST	1,260	1,452
Other payable	169	169
Units held 12,194,262: (2024: 12,194,262 units)	136,497	129,940
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	3,608	3,609
Sindh Sales Tax on Trustee remuneration	540	468
Security deposit	100	100
National Bank of Pakistan - Sponsor		
Balance in current account	325	325
Balance in savings account	5,445	5,468
Profit receivable on bank deposit	1,505	1,413
Khushhali Microfinance Bank Limited (Common Directorship)*		
Bank Balance	-	112
Interest income receivable	-	298
Telenor Microfinance Bank Limited (Common Directorship)		
Bank Balance	26	26
Interest income receivable	1,276	1,276
Employees of the Management Company		
Units held: 8,570,550 units (June 30, 2024: 8,970,398 units)	95,935	95,587
Bank Islami Pakistan Limited (Common Directorship)*		
Bank balance	-	64,748
Profit receivable on bank deposit	-	356
Ansaar Management Company (Common Directorship)		
6,950,301 Units Held (June 30, 2024: 6,950,301 units)	77,799	74,061
Khalid Mehmood - CFO		
2 unit held (June 30, 2024: 2 units)	-*	-
Imran Zaffar - Directors		
Units held: 2,630,961 units (June 30, 2024: 2,630,961 units)	29,450	28,035
Haider Amjad		
795 units held (June 30, 2024: 47,104 units)	9	502
CDC Trustee NBP Income Plan-I		
270,345,249 units held (June 30 2024: 148,537,550 units)	3,026,137	1,582,786
Portfolios Managed by Management Company		
4,727,535 units held (June 30, 2024: 6,281,594 units)	52,917	66,935
Persons holding directly or indirectly 10% or more of the units in issue / net assets of the Fund		

(Un-Audited)	(Audited)
September 30, 2024	June 30, 2024
----- (Rs. In '000') -----	

Ibrahim Holdings Private Limited

1,951,234,887 units held (June 30, 2024: 1,951,234,887 units)

21,841,343	20,791,969
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- * Current balances with these parties have not been disclosed as they did not remain connected persons and related parties as at period end
 ** Comparative balances with these parties have not been disclosed as these parties were not related parties in the last year.

11 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on October 30, 2024.

12 GENERAL

- 12.1 Figures have been rounded off to the nearest thousand Rupee unless otherwise stated.
 12.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation.

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

 Chief Financial Officer

 Chief Executive Officer

 Director