NBP FUNDS
Managing Your Savings
AM1
Rated by PACRA

NBP INCOME OPPORTUNITY FUND

QUARTERLY REPORT
MARCH 31, 2021

MISSION STATEMENT

To rank in the top quartile

in performance of

NBP FUNDS

relative to the competition,

and to consistently offer

Superior risk-adjusted returns to investors.

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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Ms. Mehnaz Salar	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Saad Amanullah Khan	Chairman
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member
Mr. Humayun Bashir	Member

Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Humayun Bashir	Member
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Syed Hasan Irtiza Kazmi	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	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
Askari Bank Limited
Bank Alfalah Limited
MCB Bank Limited
Summit Bank Limited
JS Bank Limited
Meezan Bank Limited
Habib Bank Limited
United Bank Limited
Bank Al Habib Limited
Habib Metropolitan Bank Limited
National Bank of Pakistan
Samba Bank Limited
Zarai Taraqiati Bank Limited
MCB Islamic Bank Limited

Faysal Bank Limited
Silk Bank Limited
Soneri Bank Limited
The Bank of Punjab
Telenor Microfinance Bank Limited
U Microfinance Bank Limited
Al Baraka Bank Limited
Dubai Islamic Bank Limited
Khushhali Bank Limited
Bankislami Pakistan Limited
NRSP Microfinance Bank Limited
First Microfinance Bank Limited
Mobilink Microfinance Bank Limited

Auditors

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

Legal Advisor

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

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited financial statements of **NBP Income Opportunity Fund** (NIOF) for the period ended March 31, 2021.

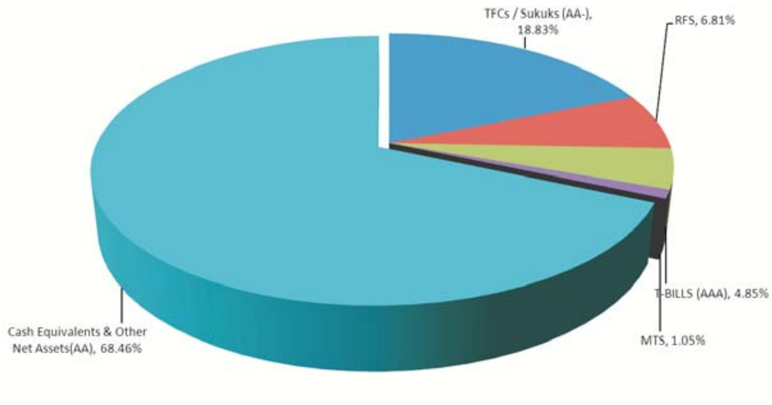
Fund's Performance

The size of NBP Income Opportunity Fund has increased from Rs. 4,000 million to Rs. 9,616 million during the period (an outstanding growth of 140%). During the period, the unit price of the Fund has increased from Rs. 10.7550 on June 30, 2020 to Rs. 11.3954 on March 31, 2021, thus showing a return of 7.9% as compared to the benchmark return of 7.3% for the same period. The performance of the Fund is net of management fee and all other expenses.

Active cases of Covid-19 declined significantly after peaking in July; the fatality rate fell sharply; and infection ratios also dropped to a low single-digit that allowed re-opening of the economy. The economic recovery picked-up steam as reflected by the frequently released economic data such as cement dispatches, retail fuels sales and automobile sales volume. On the policy response fronts, SBP slashed the Policy Rate by a cumulative 6.25% in a short span of time and government announced a Rs. 1.2 trillion stimulus package, equivalent to 2.8% of the GDP, which included relief for all sectors of the society including the under privileged, businesses, and the industries. External account also remained beneficiary of the Coronavirus pandemic thanks to a robust 24% growth in remittances during 8MFY21. The country posted a current account surplus of USD 881 million during 8MFY21 versus a Current Account Deficit (CAD) of USD 2.7 billion in the comparative period last year. The Extended Fund Facility (EFF) with the International Monetary Fund (IMF) that was put on hold in April last year, finally resumed, and as a result the central bank secured the IMF tranche of around USD 500 million. The resumption of IMF program allowed the country to borrow USD 2.5 billion by issuing Eurobonds in the international debt market.

Trading activity in corporate debt securities remained subdued during the period. The cumulative traded value stood at Rs. 19.8 billion versus Rs. 20.4 billion in the same period last year. During 9MFY21, the State Bank of Pakistan (SBP) held four Monetary Policy Committee (MPC) meetings wherein the benchmark Policy Rate was left unchanged at 7%. Sovereign yields responded to these monetary policy actions, and inflation & interest rate outlook. SBP held twenty T-Bill auctions during the period, realizing a total of Rs. 9.88 trillion. The yields on T-Bills for 3-month, 6-month and 12-month tenures increased by 33 basis points, 72 basis points and 84 basis points, respectively. Similarly, 10-year PIB yields increased by 173 bps during the same period.

The Fund has earned a total income of Rs. 449.705 million during the period. After deducting total expenses of Rs. 100.979 million, the net income is Rs. 348.726 million. The chart below presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIOF.



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive **Director**

Date: **April 30, 2021**
Place: Karachi.

ڈائریکٹرز رپورٹ

NBPفنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2021ء کو ختم ہونے والی تیسری نو ماہی کے لئے NBPانکم اپر چونٹی فنڈ (NIOF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

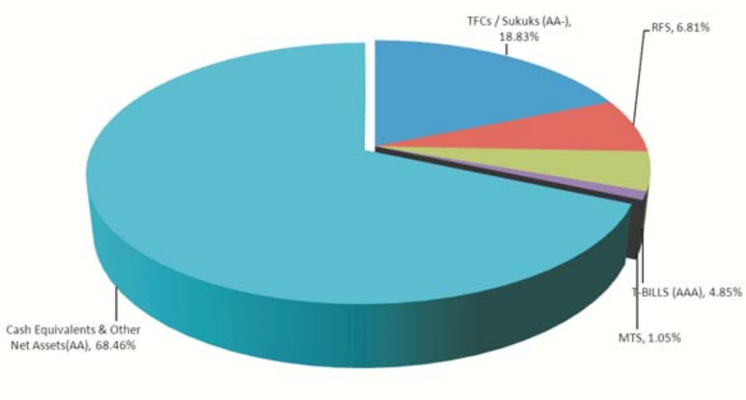
موجودہ مدت کے دوران NBPانکم اپر چونٹی فنڈ (NIOF) کا سائز 4,000 ملین روپے سے بڑھ کر 9,616 ملین روپے ہوگیا ہے یعنی 140% کا اضافہ ہوا۔ زیرِ جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2020 کو 10.7550 روپے سے بڑھ کر 31 مارچ 2021ء کو 11.3954 روپے ہوگئی، لہٰذا اس مدت کے دوران فنڈ نے اپنے بنچ مارک 7.3% کے مقابلے میں 7.9% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

جولائی میں بلندی پر پہنچنے کے بعد کووِیڈ 19 کے فعال کیسز میں نمایاں کمی؛ اموات کی شرح میں تیزی سے کمی اور انفیکشن تناسب بھی کم ہو کر واحد ہندسے پر آ گیا جس نے معیشت کو دوبارہ کھولنے کی اجازت دی۔ معاشی بحالی کی رفتار سیمنٹ کی ترسیل، خوردہ ایندھن کی فروخت اور آٹو موبائل کے فروخت حجم کے اکثر جاری کردہ معاشی اعداد و شمار سے ظاہر ہوتی ہے۔ پالیسی سازی کے تناظر میں، اسٹیٹ بینک آف پاکستان نے قلیل مدت میں پالیسی شرح کو مجموعی طور پر 6.25 فیصد تک کم کر دیا اور حکومت نے ایک 1.2 ٹریلین روپے کے محرک پیکج کا اعلان کیا، جو جی ڈی پی کے 2.8 فیصد کے مساوی ہے، جس میں معاشرے کے تمام شعبوں کو ریلیف دیا گیا ہے جن میں پسماندہ افراد، کاروبار اور صنعتیں شامل ہیں۔ 8MFY21 کے دوران وبائی مرض کرونا وائرس کے بدولت بیرونی اکاؤنٹ پر مثبت اثر ہوا اور ترسیلات زر میں 24 فیصد اضافہ ہوا۔ ملک نے گذشتہ سال کے تقابلی دورانیہ میں 2.7 بلین امریکی ڈالر کے کرنٹ اکاؤنٹ خسارہ (CAD) کے مقابلے میں 8MFY21 کے دوران 881 ملین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس درج کیا ہے۔ بین الاقوامی مالیاتی فنڈ (IMF) کے ساتھ توسیعی فنڈ کی سہولت (EFF) جسے پچھلے سال اپریل میں روک دیا گیا تھا، آخر کار دوبارہ شروع ہوگئی، اور اس کے نتیجے میں مرکزی بینک نے آئی ایم ایف سے قریباً 500 ملین ڈالر کی رقم حاصل کی۔ آئی ایم ایف پروگرام کے دوبارہ آغاز سے بین الاقوامی ڈیٹ مارکیٹ میں یورو بانڈز جاری کر کے ملک کو 2.5 ارب ڈالر قرض لینے کا موقع ملا۔

اس عرصہ کے دوران کارپوریٹ ڈیٹ سیکورٹیز میں تجارتی سرگرمی دباؤ کا شکار رہی۔ مجموعی تجارت کی مالیت پچھلے سال کے اسی عرصے میں 20.4 بلین روپے کے مقابلے 19.8 بلین روپے رہی۔ مالی سال 21 کی نو ماہی کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (MPC) کے چار اجلاس منعقد کئے جن میں بینچ مارک پالیسی کی شرح کو 7 فیصد برقرار رکھا۔ ان مانیٹری پالیسی کارروائیوں، اور افراطِ زر اور سود کی شرح کے نقطہ نظر پر گورنمنٹ منافع میں اضافہ ہوا۔ اس مدت کے دوران اسٹیٹ بینک آف پاکستان نے بیس (20) T-Bills نیلامیوں کا انعقاد کیا، جس میں کل 9.88 ٹریلین روپے وصول کئے۔ 3 ماہ، 6 ماہ اور 12 ماہ کی مدتوں والے T-Bills کے منافع میں بالترتیب 33 bps پوائنٹس، 72 bps پوائنٹس اور 84 bps پوائنٹس کا اضافہ ہوا۔ اسی طرح، اسی مدت کے دوران 10 سالہ PIB پیداوار میں 173 bps کا اضافہ ہوا۔

فنڈ نے موجودہ مدت کے دوران 449.705 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 100.979 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 348.726 ملین روپے ہے۔

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



اظہار تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز
NBP فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو **ڈائریکٹر**

تاریخ: 30 اپریل 2021ء
مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2021

	Note	(Un-audited) March 31, 2021	(Audited) June 30, 2020
		----------Rupees in '000----------	
ASSETS			
Bank balances		**6,929,860**	1,151,141
Investments	4	**2,950,805**	2,837,941
Receivable against margin trading system		**101,402**	65,692
Mark-up accrued and dividend receivable		**92,354**	62,815
Receivable against sale of units		**2,202**	16,636
Deposits, prepayments and other receivables		**12,337**	11,374
Total assets		**10,088,960**	4,145,599
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company		**70,809**	53,997
Payable to Central Depository Company of Pakistan Limited - Trustee		**693**	288
Payable to the Securities and Exchange Commission of Pakistan		**932**	964
Payable against redemption of units		**40,123**	1,222
Payable against purchase of investments		**297,944**	
Accrued expenses and other liabilities		**62,956**	88,711
Total liabilities		**473,457**	145,182
NET ASSETS		**9,615,503**	4,000,417
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**9,615,503**	4,000,417
Contingencies and commitments	10		
		------------Number of units------------	
Number of units in issue		**843,807,789**	371,960,210
		------------------Rupees------------------	
Net asset value per unit		**11.3954**	10.7550

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021

	Note	Nine months period ended		Quarter ended	
		March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
		Rupees in '000			
INCOME					
Return / mark-up on:					
- bank balances and term deposits		**158,780**	248,855	**73,732**	59,153
- term finance certificates and sukuks		**131,427**	239,985	**41,986**	85,112
- government securities		**42,242**	24,668	**20,478**	14,951
- letter of placement and commercial paper		**3,016**	36,157	**90**	10,286
- margin trading system		**18,716**	1,321	**10,806**	342
Income on spread transactions		**58,250**	(646)	**39,334**	(3,237)
Dividend income on spread transactions		**22,321**	7,723	**9,171**	6,772
Net (loss) / gain on sale of investments		**(12,881)**	9,860	**(1,945)**	10,083
Net unrealised appreciation / (diminution) on re-measurement of investments at fair value through profit or loss		**27,834**	(12,402)	**1,965**	15,783
Total income		**449,705**	**555,521**	**195,617**	**199,245**
EXPENSES					
Remuneration of Management Company		**28,273**	31,360	**13,405**	9,626
Sindh Sales Tax on remuneration of the Management Company		**3,676**	4,077	**1,743**	1,252
Reimbursement of operational expenses to the Management Company		**5,468**	3,810	**2,713**	1,162
Selling and marketing expense	6	**32,619**	26,191	**15,190**	8,130
Remuneration of trustee		**3,495**	2,857	**1,628**	871
Sindh Sales Tax on remuneration of the Trustee		**454**	371	**211**	113
Annual fee to the Securities and Exchange Commission of Pakistan		**932**	762	**434**	232
Securities transaction cost		**14,902**	1,370	**7,624**	825
Settlement and bank charges		**2,844**	1,043	**1,450**	209
Auditors' remuneration		**538**	502	**109**	111
Legal and professional charges		**175**	27	**27**	27
Fund rating fee		**376**	354	**123**	125
Annual listing fee		**21**	21	**7**	7
Printing and other charges		**89**	15	**5**	15
Total expenses		**93,862**	72,760	**44,669**	22,705
Net income from operating activities		**355,843**	482,761	**150,948**	176,540
Provision for Sindh Workers' Welfare Fund	8	**(7,117)**	(9,655)	**(3,019)**	(3,531)
Net income for the period before taxation		**348,726**	473,106	**147,929**	173,009
Taxation	9	**-**	-	**-**	-
Net income for the period after taxation		**348,726**	**473,106**	**147,929**	**173,009**
Earnings per unit					
Allocation of net income for the period					
Net income for the period after taxation		**348,726**	**473,106**	**147,929**	**173,009**
Income already paid on units redeemed		**(38,562)**	**(147,297)**	**(24,476)**	**(111,472)**
		310,164	**325,809**	**123,453**	**61,537**
Accounting income available for distribution:					
- Relating to capital gains		**14,953**	**-**	**20**	**-**
- Excluding capital gains		**295,211**	**325,809**	**123,433**	**61,537**
		310,164	**325,809**	**123,453**	**61,537**

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

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

Chief Financial Officer	Chief Executive Officer	Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021

	Nine months period ended		Quarter ended	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
	-----Rupees in '000-----			
Net income for the period after taxation	**348,726**	473,106	**147,929**	173,009
Total comprehensive income for the period	**348,726**	473,106	**147,929**	173,009

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Nine months ended March 31,					
	2021			2020		
	---------- (Rupees in '000) ----------					
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
Net assets at beginning of the period	**3,496,668**	**503,749**	**4,000,417**	4,800,495	495,274	5,295,769
Issue of 775,481,639 units (2020: 215,743,076 units)						
- Capital value (at net asset value per unit at the beginning of the period)	**8,340,305**	**-**	**8,340,305**	2,314,979	-	2,314,979
- Element of income	**320,942**	**-**	**320,942**	72,367	-	72,367
Total proceeds on issuance of units	**8,661,247**	**-**	**8,661,247**	2,387,346	-	2,387,346
Redemption of 303,634,060 units (2020: 381,687,770 units)						
- Capital value (at net asset value per unit at the beginning of the period)	**(3,265,584)**	**-**	**(3,265,584)**	(4,095,609)	-	(4,095,609)
- Amount paid out of element of income						
- Relating to 'Net income for the period after taxation'	**(90,741)**	**(38,562)**	**(129,303)**	(49,329)	(147,297)	(196,626)
- Relating to 'Other comprehensive income for the period'	**-**	**-**	**-**	-	-	-
Total payments on redemption of units	**(3,356,325)**	**(38,562)**	**(3,394,887)**	(4,489,394)	(147,297)	(4,292,235)
Total comprehensive income for the period	**-**	**348,726**	**348,726**	-	473,106	473,106
Net assets at end of the period	**8,801,590**	**813,913**	**9,615,503**	2,698,447	821,083	3,863,986
Undistributed income brought forward						
- Realised		**503,795**			512,819	
- Unrealised		**(46)**			(17,545)	
		503,749			495,274	
Accounting income available for distribution						
- Relating to capital gain		**14,953**			-	
- Excluding capital gains		**295,211**			325,809	
		310,164			325,809	
Undistributed income carried forward		**813,913**			821,083	
Undistributed income carried forward						
- Realised		**786,079**			833,485	
- Unrealised		**27,834**			(12,402)	
		813,913			821,083	
			- (Rupees) -			- (Rupees) -
Net assets value per unit at beginning of the period			**10.7550**			10.7303
Net assets value per unit at end of the period			**11.3954**			11.7951

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Nine months ended 31 March 2021	Nine months ended 31 March 2020
	-------Rupees--------	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation	**348,726**	473,106
Adjustments:		
Net unrealised diminution in the fair value of investments classified as financial assets at 'fair value through profit or loss' - net	**(27,834)**	12,402
Net (gain) / loss on sale of investment	**(45,369)**	(9,860)
	275,523	475,648
Decrease / (Increase) in assets		
Receivable against Marginal Trading System	**(35,710)**	-
Investments - net	**(39,661)**	(243,259)
Deposits, prepayments and other receivables	**(963)**	4,863
Dividend and profit receivable	**(29,539)**	(34,544)
	(105,873)	(272,940)
(Decrease) / increase in liabilities		
Payable to Management Company	**16,812**	(9,219)
Payable to Trustee	**405**	(200)
Payable to Securities and Exchange Commission of Pakistan	**(32)**	(3,545)
Payable against purchase of investments	**297,944**	-
Accrued expenses and other liabilities	**(25,755)**	734
	289,374	(13,764)
Net cash generated from operating activities	**459,024**	188,944
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts against issue of units	**8,675,681**	2,387,246
Net payments against redemption of units	**(3,355,986)**	(4,293,244)
Net cash used in financing activities	**5,319,695**	(1,904,464)
Net (decrease) / increase in cash and cash equivalents during the year	**5,778,719**	(1,715,520)
Cash and cash equivalents at beginning of the period	**1,151,141**	2,418,997
Cash and cash equivalents at end of the period	**6,929,860**	703,477

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

NBP Income Opportunity Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on February 11, 2006 between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended 'Income Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription under pre - IPO at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from February 11, 2006 and are transferable and redeemable by surrendering them to the Fund.

The Fund is an open-ended mutual fund classified as an 'income scheme' by the Management Company and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The objective of the Fund is to seek maximum preservation of capital and a reasonable rate of return by investing in money market and debt securities having good credit rating and liquidity. Other avenues of investments include ready future arbitrage in listed securities and transactions under margin trading system.

The Pakistan Credit Rating Agency (PACRA) has determined the asset manager rating of the Management Company of AM1 (2019: AM1 on December 24, 2019) on December 31, 2020. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, the Pakistan Credit Rating Agency Limited (PACRA) has maintained the stability rating of the Fund at "A(f)" (2019: "A(f)" on April 17, 2020) dated April 16, 2021.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International 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 VIIIA of the repealed Companies Ordinance, 1984; an

- the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed

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

The disclosures made in this condensed interim financial information 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 financial statements of the Fund for the year ended June 30, 2020.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

3. ACCOUNTING POLICIES

3.1 The accounting policies adopted in the preparation of this condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2020.

3.2 There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2020 that have a material effect on the financial statements of the Fund.

4. INVESTMENTS	**Note**	**(Un-audited) March 31, 2021**	(Audited) June 30, 2020
		--------Rupees in '000--------	
At fair value through profit or loss			
Equity securities	4.1	-	-
Equity securities (spread transactions)	4.2	**654,795**	-
Government securities - Market Treasury Bills	4.3	**466,287**	196,282
Government securities - Pakistan Investment Bonds	4.4	**-**	445,263
Term finance certificates - non-performing securities	4.5	**-**	-
Term finance certificates	4.6	**828,464**	868,428
Corporate sukuk certificates	4.7	**982,370**	938,553
Commercial papers	4.8	**-**	119,415
Term deposit receipts	4.9	**-**	270,000
Future stock contracts		**18,889**	-
		2,950,805	2,837,941

4.1 Equity securities - listed

Name of the investee company	Number of shares				Market value / Carrying value as at March 31, 2021	Investment as a percentage of		
	As at July 1, 2020	Purchased during the period	Sold during the period	As at March 31, 2021		Net assets	Market value of total investments	Paid-up capital of investee company
	------------------ Number of shares ------------------				Rs in '000	--------------------------- % ---------------------------		
All shares have nominal face value of Rs. 10 each.								
PERSONAL GOODS								
Azgard Nine Limited - Non-voting	308	-	-	308	-	-	-	-
Carrying value before mark to market as at March 31, 2021					-			
Accumulated impairment					-			

4.2 Equity securities (spread transactions)

The movement in equity securities represent spread transactions entered into by the Fund. The Fund purchases equity securities in ready market and sells them in future market on the same day, resulting in spread income due to difference in ready and future stock prices. This way the Fund has no open exposure to the stock market.

Name and sector of the investee company	As at July 1, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Market value as at March 31, 2021	Market value as a percentage of net assets	Market value as a percentage of total investments
	-----------------------------Number of shares---------------------------				Rs in '000	------------------------- % -------------------	
All shares have a nominal face value of Rs. 10 each except for K-Electric Limited which have a face value of Rs. 3.5 each.							
AUTOMOBILE ASSEMBLER							
Pak Suzuki Motor Company Limited	-	104,500	102,000	2,500	787	0.01	0.03
The General Tyre and Rubber Company	-	24,000	24,000	-	-	-	-
of Pakistan Limited	-			-	-	-	-
Ghandhara Industries Limited	-	544,500	544,500	-	-		
Ghandhara Nissan Limited	-	353,000	353,000	-	-	-	-
CEMENT							
D.G. Khan Cement Company Limited	-	5,252,500	5,011,000	241,500	29,103	0.30	0.99
Fauji Cement Company Limited	-	6,268,000	6,095,000	173,000	3,948	0.04	0.13
Maple Leaf Cement Factory Limited	-	21,773,000	16,558,500	5,214,500	233,610	2.43	7.92
Lucky Cement Limited*	-	458,000	439,500	18,500	15,125	0.16	0.51
Pioneer Cement Limited*	-	1,544,000	1,439,000	105,000	12,789	0.13	0.43
Kohat Cement Company Limited	-	1,000	1,000	-	-	-	-
Power Cement Limited*	-	6,663,000	6,663,000	-	-	-	-
Cherat Cement Company Limited	-	38,000	36,000	2,000	321	0.00	0.01
						-	-

Name and sector of the investee company	As at July 1, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Market value as at March 31, 2021	Market value as a percentage of net assets	Market value as a percentage of total investments
	-------------------------------Number of shares---------------------------				Rs in '000	------------------------- % -------------------	
All shares have a nominal face value of Rs. 10 each except for K-Electric Limited which have a face value of Rs. 3.5 each.							
COMMERCIAL BANKS							
Habib Bank Limited	-	1,575,000	1,575,000	-	-	-	-
The Bank of Punjab	-	2,809,500	2,648,000	161,500	1,300	0.01	0.04
Askari Bank Limite	-	342,500	340,000	2,500	49	0.00	0.00
Bank Alfalah Limited	-	243,500	216,500	27,000	823	0.01	0.03
Bank Al Habib Limited	-	445,000	445,000	-	-	-	-
Faysal Bank Limited	-	32,500	32,500	-	-	-	-
MCB Bank Limited *	-	23,000	23,000	-	-	-	-
Meezan Bank Limited	-	198,500	198,500	-	-	-	-
United Bank Limited	-	839,500	727,500	112,000	13,321	0.14	0.45
FERTILIZER						-	-
Engro Fertilizers Limited	-	1,283,000	1,262,000	21,000	1,310	0.01	0.04
Engro Corporation Limited *	-	326,000	321,000	5,000	1,387	0.01	0.05
Fauji Fertilizer Bin Qasim Limited	-	9,629,500	9,038,500	591,000	16,193	0.17	0.55
POWER GENERATION AND DISTRIBUTION							
K-Electric Limited	-	10,000	10,000	-	-	-	-
Kot Addu Power Company Limited	-	2,714,000	2,714,000	-	-	-	-
OIL AND GAS EXPLORATION COMPANIES				-			
Oil and Gas Development Company Limited	-	5,333,500	5,139,000	194,500	19,763	0.21	0.67
Pakistan Petroleum Limited	-	3,375,000	2,996,000	379,000	33,098	0.34	1.12
Pakistan Oilfields Limited	-	73,000	73,000	-	-	-	-
OIL AND GAS MARKETING COMPANIES							
Pakistan State Oil Company Limited	-	1,996,000	1,981,000	15,000	3,459	0.04	0.12
Sui Southern Gas Company Limited *	-	143,500	143,500	-	-	-	-
Hascol Petroleum Limited	-	16,956,000	16,956,000	-	-	-	-
Sui Northern Gas Pipelines Limite	-	7,422,000	6,997,000	425,000	16,669	0.17	0.56
FOOD AND PERSONAL CARE PRODUCTS							
Treet Corporation Limited *	-	307,000	307,000	-	-	-	-
Unity Food Limited	-	12,557,000	12,557,000	-	-	-	-
REFINERY							
Attock Refinery Limited	-	1,516,000	1,516,000	-	-	-	-
National Refinery Limited	-	420,000	420,000	-	-	-	-
Pakistan Refinery Limite	-	4,256,000	4,256,000	-	-	-	-
CABLE AND ELECTRICAL GOODS							
Pak Elektron Limited	-	19,670,000	18,058,500	1,611,500	53,244	0.55	1.80

Name and sector of the investee company	As at July 1, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Market value as at March 31, 2021	Market value as a percentage of net assets	Market value as a percentage of total investments
	-----------------------------Number of shares---------------------------				Rs in '000	------------------------- % -------------------	
All shares have a nominal face value of Rs. 10 each except for K-Electric Limited which have a face value of Rs. 3.5 each.							
PHARMACEUTICALS							
The Searle Company Limited *	-	1,623,500	1,584,000	39,500	9,758	0.10	0.33
Ferozsons Laboratories Limite	-	30,000	30,000	-	-		
ENGINEERING							
International Industries Limite	-	1,524,500	1,315,500	209,000	42,463	0.44	1.44
TEXTILE COMPOSITE							
Nishat Mills Limited	-	2,805,500	2,740,000	65,500	6,060	0.06	0.21
Nishat Chunian Limite	-	1,808,500	1,776,000	32,500	1,498	0.02	0.05
TECHNOLOGY AND COMMUNICATION							
Avanceon Limited	-	887,500	887,500	-	-	-	-
Netsol Technologies Limite	-	564,500	564,500	-	-	-	-
Systems Limited	-	1,000	1,000	-	-	-	-
TRG Pakistan Limited	-	4,390,000	4,390,000	-	-	-	-
Pakistan Telecommunication Company Ltd	-	1,106,500	814,000	292,500	2,714	0.03	0.09
GLASS & CERAMICS							
Tariq Glass Industries Limite	-	431,500	356,000	75,500	6,316	0.07	0.21
Shabbir Tiles & Ceramics Limited	-	8,000	-	8,000	189	0.00	0.01
TRANSPORT							
Pakistan International Bulk Terminal Limited	-	43,878,500	37,524,500	6,354,000	66,399	0.69	2.25
ENGINEERING							
Mughal Iron and Steel industries Limited	-	951,500	944,000	7,500	698	0.01	0.02
Amreli Steels Limited	-	4,964,500	4,782,000	182,500	7,607	0.08	0.26
CHEMICAL							
Engro Polymer & Chemicals Limited	-	3,916,500	3,326,000	590,500	32,472	0.34	1.10
Lotte Chemical Pakistan Limited	-	10,486,500	9,087,000	1,399,500	22,322	0.23	0.76
Descon Oxychem Limited	-	1,018,500	1,018,500	-	-		
INSURANCE							
Adamjee Insurance Company Limited	-	8,500	8,500	-	-	-	-
PAPER & BOARD							
Century Paper and Board Mills Limited	-	150,000	150,000	-	-	-	-
					654,795		**22.19**
Carrying value before mark to market as at March 31, 2021					**671,538**		

4.3 Government Securities - Market Treasury Bills

Issue Date	Tenor (In Months)	Face value				Market value / Carrying value as at March 31, 2021	Investment as a percentage of	
		As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021		Net assets	Market value of total investments
		----------Rupees in '000----------				Rs in '000	------ % --------	
July 16, 2020	3	-	75,000	75,000	-	-	-	-
July 16, 2020	6	-	75,000	75,000	-	-	-	-
June 18, 2020	3	100,000	-	100,000	-	-	-	-
September 24, 2020	3	-	100,000	100,000	-	-	-	-
October 22, 2020	3	-	500,000	500,000	-	-	-	-
August 13, 2020	3	-	700,000	700,000	-	-	-	-
May 7, 2020	6	100,000	50,000	150,000	-	-	-	-
November 5, 2020	3	-	250,000	250,000	-	-	-	-
November 19, 2020	3	-	1,080,500	1,080,500	-	-	-	-
November 05, 2020	3	-	190,000	190,000	-	-	-	-
December 03, 2020	3	-	1,159,500	1,159,500	-	-	-	-
January 14, 2021	3	-	3,199,000	3,199,000	-	-	-	-
February 25, 2021	3	-	650,000	330,000	320,000	316,907	3.30	10.74
March 26, 2020	12	-	211,000	211,000	-	-	-	-
January 28, 2021	3	-	150,000		150,000	149,380	1.55	5.06
December 31, 2020	3	-	1,065,000	1,065,000	-	-	-	-
						466,287		
Carrying value before mark to market as at March 31, 2021						466,331		

4.4 Government Securities - Pakistan Investments Bonds

Issue Date	Tenor	Face value				Market value / Carrying value as at March 31, 2021	Investment as a percentage of	
		As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021		Net assets	Market value of total investments
		----------Rupees in '000----------				Rs in '000	------ % --------	
September 19, 2019	3 years	**100,000**	-	**100,000**			-	-
September 19, 2019	5 years	**325,000**	-	**325,000**			-	-
						-		
Carrying value before mark to market as at March 31, 2021						-		

4.5 Term finance certificates - Non performing securities

Name of the security	Security rating	Profit payments / principal redemp-tions	Maturity date	Profit rate	As at July 1, 2020	Purchases during the period	Sales / redemp-tions during the period	As at March 31, 2021	Market value as at March 31, 2021	Percentage in relation to Net assets of the Fund	Percentage in relation to Total market value of the investment
					------------- Number of certificates-------------				(Rupees in '000)	----------------- % -----------------	
CEMENT											
Dewan Cement Limited (Face value of Rs. 5,000 per certificate)	Unrated	-	January 17, 2022	6 months KIBOR plus base rate of 2%	30,000	-	-	30,000	-	-	-
CHEMICAL											
Agritech Limited V (Face value of Rs. 5,000 per certificate)	Unrated	-	January 1, 2025	11% fixed rate	6,464	-	-	6,464	-	-	-
Agritech Limited I (Face value of Rs. 4,995 per certificate)	CCC, PACRA	-	November 29, 2025	6 months KIBOR plus base rate of 1.75%	30,000	-	-	30,000	-	-	-
LEASING COMPANIES											
Saudi Pak Leasing Company Limited - II (Face value of Rs. 2,755 per certificate)	Unrated	-	March 13, 2013	6.87%	15,000	-	-	15,000	-	-	-
TECHNOLOGY & COMMUNICATION											
Worldcall Telecom Limited - III (Face value of Rs. 1,666 per certificate)	D, PACRA	Quarterly	October 7, 2013	6 months KIBOR plus base rate of 1.6%	45,000	-	-	45,000	-	-	-
TEXTILE COMPOSITE											
Azgard Nine Limited III (Face value of Rs. 2,168 per certificate)	CCC, PACRA	-	December 4, 2025	6 months KIBOR plus base rate of 2.25%	50,000	-	-	50,000	-	-	-
Azgard Nine Limited V (PPTFC) (Face value of Rs. 5,000 per certificate)	Unrated	-	March 31, 2021	Zero - coupon bond	16,436	-	-	16,436	-	-	-
MISCELLANEOUS											
PACE Pakistan Limited (Face value of Rs. 4,994 per certificate)	Unrated	-	February 15, 2017	6 months KIBOR plus base rate of 2.00%	30,000	-	-	30,000	-	-	-
New Allied Electronic Industries (Private) Limited (Face value of Rs. 2,114 per certificate)	Unrated	-	November 15, 2022	3 months KIBOR plus base rate of 3%	15,000	-	-	15,000	-	-	-
Total									-	-	-
Carrying value as at March 31, 2021									-		
Market value as at June 30, 2020									-		
Carrying value as at June 30, 2020									-		

4.5.1 The investee companies had defaulted on its obligation on account of principal and profit payments and accordingly had been classified as a non performing asset by Mutual Funds Association of Pakistan (MUFAP). The accumulated provision amounting to Rs. 820.56 million against investee companies have been maintained by valuing the investments as per Circular no. 1 of 2009 and Circular no. 33 of 2012.

4.6 Term finance certificates

Name of the security	Security rating	Profit payments / principal redemp-tions	Maturity date	Profit rate	As at July 1, 2020	Purchases during the period	Sales / redemp-tions during the period	As at March 31, 2021	Market value as at March 31, 2021	Percentage in relation to: Net assets of the Fund	Percentage in relation to: Total market value of the investment
					------------- Number of certificates-------------				(Rupees in '000)	----------------- % -----------------	
COMMERCIAL BANKS											
JS Bank Limited (Face value of Rs. 4,992 per certificate)	A+, PACRA	Semi-Annually	December 14, 2023	6 months KIBOR plus base rate of 1.4%	60,000	-	-	60,000	296,109	3.08%	10.03%
Silk Bank Limited (Face value of Rs. 4,997 per certificate)	BBB+, VIS	Semi-Annually	August 10,2025	6 months KIBOR plus base rate of 1.85%	20,000	-	-	20,000	83,980	0.87%	2.85%
JS Bank Limited - (2nd Issue) (Face value of Rs. 99,880 per certificate)	A+, PACRA	Semi-Annually	December 29, 2024	6 months KIBOR plus base rate of 1.4%	1,000	-	-	1,000	94,971	0.99%	3.22%
The Bank of Punjab - (2nd Issue) (Face value of Rs. 99,900 per certificate)	AA-, PACRA	Semi-Annually	April 23, 2028	6 months KIBOR plus base rate of 1.25%	1,500	-	-	1,500	149,850	1.56%	5.08%
INVESTMENT COMPANIES											
Jahangir Siddiqui and Company Limited - (4th Issue) (Face value of Rs. 625 per certificate)	AA+, PACRA	Semi-Annually	June 24, 2021	6 months KIBOR plus base rate of 1.65%	20,000	-	-	20,000	12,449	0.13%	0.42%
Jahangir Siddiqui and Company Limited - (5th issue) (Face value of Rs. 2,500 per certificate)	AA+, PACRA	Semi-Annually	July 18, 2022	6 months KIBOR plus base rate of 1.4%	23,340	-	-	23,340	55,613	0.58%	1.88%
Jahangir Siddiqui and Company Limited - (6th Issue) (Face value of Rs. 4,167 per certificate)	AA+, PACRA	Semi-Annually	March 6, 2023	6 months KIBOR plus base rate of 1.4%	30,000	-	-	30,000	118,941	1.24%	4.03%
MISCELLANEOUS											
Kashf Foundation - PPTFC (Face value of Rs. 916,667 per certificate)	A, PACRA	Quarterly	September 30, 2023	3 months KIBOR plus base rate of 2.25%	20	-	-	20	16,551	0.17%	0.56%
Total									828,464	8.62%	28.08%
Carrying value as at March 31, 2021									804,989		
Market value as at June 30, 2020									868,428		
Carrying value as at June 30, 2020									902,754		

4.7 Corporate Sukuk Certificates

Name of the security	Security rating	Profit payments / principal redemp-tions	Maturity date	Profit rate	As at July 1, 2020	Purchases during the period	Sales / redemp-tions during the period	As at March 31, 2021	Market value as at March 31, 2021	Percentage in relation to: Net assets of the Fund	Percentage in relation to: Total market value of the investment
					------------- Number of certificates-------------				(Rupees in '000)	------------------ %	----------------------
INVESTMENT COMPANIES											
Dawood Hercules Corporation Limited (Face value of Rs. 60,000 per certificate)	AA, PACRA	Quarterly	November 16, 2022	3 months KIBOR plus base rate of 1.0%	2,555	-	2,555	-	-	0.00%	0.00%
CEMENT											
Javedan Corporation Limited (Face value of Rs. 100,000 per certificate)	AA-, VIS	Semi-Annually	October 4, 2026	6 months KIBOR plus base rate of 1.75%	1,000	-	-	1,000	99,000	1.44%	3.02%
POWER GENERATION & DISTRIBUTION											
K-Electric Limited - Sukuk - V (Face value of Rs. 5,000 per certificate)	AA+, VIS	Quarterly	August 3, 2027	3 months KIBOR plus base rate of 1.7%	80,000	-	-	80,000	404,399	4.21%	13.70%
The Hub Power Company Limited (3rd Issue) (related party) (Face value of Rs. 100,000 per certificate)	AA+, PACRA	Quarterly	August 22, 2023	3 months KIBOR plus base rate of 1.9%	1,000	-	-	1,000	101,847	1.06%	3.45%
TEXTILE COMPOSITE											
Masood Textile Mills Limited (Face value of Rs. 5,000 per certificate)	A, VIS	Quarterly	December 17, 2024	3 months KIBOR plus base rate of 2.0%	1,000	-	-	1,000	96,478	1.40%	2.95%
MISCELLANEOUS											
Hub Power Holding Limited (related party) (Face value of Rs. 100,000 per certificate)	AA+, PACRA	Semi-Annually	November 12, 2025	6 months KIBOR plus base rate of 2.5%	-	2,000	-	2,000	172,186	1.80%	5.80%
Shakarganj Food Products Limited (Face value of Rs. 850,000 per certificate)	BBB+, VIS	Quarterly	July 10, 2024	3 months KIBOR plus base rate of 1.75%	70	-	-	70	58,460	0.85%	1.79%
TPL Trakker (Face value of Rs. 100,000 per certificate)			March 30, 2026		-	50	-	50	50,000	0.52%	1.69%
New Allied Electronic Industries (Private) Limited II - Sukuk (Note 5.6.1) (Face value of Rs. 4,905 per certificate)	Unrated	-	December 3, 2025	6 months KIBOR plus base rate of 2.2%	9,000	-	-	9,000	-	-	-
Eden Housing Limited 2nd (Issue) (Note 5.6.1) (Face value of Rs. 984 per certificate)	D, VIS	-	September 29, 2025	6 months KIBOR plus base rate of	9,200	-	-	9,200	-	-	-
Total									982,370	10.22%	33.29%
Carrying value as at March 31, 2021									980,113		
Market value as at June 30, 2020									938,553		
Carrying value as at June 30, 2020									933,558		

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

4.8 Commercial papers

Name of Investee Company	Rating	Face value				Market value as at March 31, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
		As at July 1, 2020	Purchased during the period	Disposed off / matured during the period	As at March 31, 2021			
		(Rupees in '000)					%	
TECHNOLOGY AND COMMUNICATION								
TPL Corporation Limited	A-, PACRA	120,000	-	120,000	-	-	-	-
TPL Corporation Limited	A-, PACRA	-	116,276	116,276	-	-	-	-
TPL Corporation Limited	A-, PACRA	-	41,126	41,126.00	-	-	-	-
Total						-	-	-
Carrying value as at March 31, 2021						-		
Market value as at June 30, 2020						119,415		
Carrying value as at June 30, 2020						119,415		

4.9 Term deposit receipts

Name of Investee Company	Rating of Investee Company	Placement date	Profit rate	As at July 1, 2020	Amount placed during the period	Amount redeemed during the period	As at March 31, 2021	Market value as at March 31, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
				(Rupees in '000)					%	
COMMERCIAL BANKS										
Mobilink Microfinance Bank Limited	A, PACRA	October 22, 2019	15.60%	270,000	-	270,000	-	-	-	-
Total								-	-	-
Carrying value as at March 31, 2021								-		
Market value as at June 30, 2020								270,000		
Carrying value as at June 30, 2020								270,000		

5. DETAILS OF NON-COMPLIANT INVESTMENTS

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

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

Following is the detail of non-compliant investments:

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	% of net assets	% of gross assets
			------------------Rupees in '000		-----------------	------------(%)	--------------
Azgard Nine Limited II	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (5.1)	108,377	(108,377)	-	-	-
Azgard Nine Limited V	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (5.1)	82,180	(82,180)	-	-	-
Agritech Limited I	Rating is below investment grade as prescribed in clause 9 (v) of the	Term finance certificates (5.1)	149,860	(149,860)	-	-	-
Agritech Limited V	Rating is below investment grade as prescribed in clause 9 (v) of the	Term finance certificates (5.1)	32,320	(32,320)	-	-	-
Dewan Cement Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (5.1)	150,000	(150,000)	-	-	-
Eden Housing Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Sukuks (5.1)	9,056	(9,056)	-	-	-
New Allied Electronics Industries (Private) Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (5.1)	31,707	(31,707)	-	-	-
New Allied Electronics Industries (Private) Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Sukuks (5.1)	44,149	(44,149)	-	-	-

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	% of net assets	% of gross assets
			------------------Rupees in '000	---------------		-------------(%)--------------	
Pace Pakistan Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (5.1)	149,820	(149,820)	-	-	-
Saudi Pak Leasing Company Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (5.1)	41,321	(41,321)	-	-	-
Worldcall Telecom Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Term finance certificates (5.1)	74,977	(74,977)	-	-	-
Azgard Nine Limited (Non-voting)	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of 2009	Shares (5.1)	13	(13)	-	-	-
Agritech Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular 7 of	Shares (5.1)	-	-	-	-	-
				(873,780)			

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

6 SELLING AND MARKETING EXPENSE

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 0.7% per anum of the net assets of the Fund.

7 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2021 is 2.16% (2020: 2.17%) which includes 0.26% (2020: 0.39%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% (as amended by S.R.O 639 dated June 20, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorised as Income Fund'.

8 PROVISION FOR SINDH WORKERS' WELFARE FUND

"The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 18 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

The Fund, being prudent, recognised provision for SWWF amounting to Rs.48.799 million for the period ended March 31, 2020 in this condensed interim financial information, Had the provision not been made, net assets value per unit at March 31, 2021 would have been higher by Rs. 0.0578 per unit (June 30, 2020: Rs. 0.1121 per unit)."

9 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these consdensed interim financial statements.

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

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

11. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS AND RELATED PARTIES

11.1 Connected persons and related parties include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan being the Parent of the Management Company and Baltoro Growth Fund being the sponsor of the Management Company. It also includes associated companies of Management Company due to common directorship, post-employment benefit funds of the Management Company, its parent and sponsor. It also includes subsidiaries and associated companies of the Parent of the Management Company and other collective investment schemes (CIS) managed by the Management Company, directors and key management personnel of the Management Company and any person or company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

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

11.3 Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations.

11.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

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

	(Un-audited) Nine months ended March 31, 2021	(Un-audited) Nine months ended March 31, 2020
	---------- Rupees in '000 ----------	
NBP Fund Management Limited (Management Company)		
Remuneration of the Management Company	**28,273**	31,360
Sindh Sales Tax on remuneration of the Management Company	**3,676**	4,077
Sales and transfer load charged	**4,620**	1,744
Reimbursement of operational expenses to the Management Company	**5,468**	3,810
Selling and marketing expense	**32,619**	26,191
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	**3,495**	2,857
Sindh sales tax on remuneration of the Trustee	**454**	371
CDS charges	**287**	462
Employees of the Management Company		
Units issued / transferred in 12,349,389 units (2020: 118,129 units)	**137,856**	1,290
Units redeemed / transferred out 10,771,982 units (2020: 1,510,014 units)	**120,507**	16,526
Muhammad Murtaza Ali - Company Secretary of Management Company		
Units issued / transferred in Nil units (2020: 42,568 units)	**-**	**500**
Humayun Bashir - Director		
Units issued / transferred in Nil units (2020: 6,867,017 units)	**-**	78,554
Units redeemed / transferred out Nil units (2020: 9,056,745 units)	**-**	103,379
NBP Fund Management Limited - Related Party		
Units Issued / Trasferred In 17,704,442 units	**200,000**	-
Units Redeemed / Transferred Out 13,194,982 units	**150,000**	-
NBP Money Market Fund (CIS managed by Management Company)		
Buy of market treasury bill	**776,531**	147,300
Portfolios Managed by Management Company		
Units issued / transferred in 7,081,457 units (2020: 1,864,028 units)	**80,000**	20,100
Units redeemed / transferred out Nil units (2020: 7,095,984 units)	**-**	77,042
National Bank of Pakistan		
Markup on saving account	**42**	-
Sale of market treasury bill	**-**	312,863
NBP Government Securities Savings Fund (CIS managed by Management Company)		
Sale of market treasury bill	**-**	44,946
NBP Savings Plus Fund (CIS managed by Management Company)		
Sale Commercial Paper	**-**	199,529
The HUB Power Company (Common Directorship with the Management Company)		
Purchased Commercial Paper	**-**	185,883
Purchased Sukuk	**-**	200,000
Fauji Fertilizer Company Limited (Common Directorship with the Management Company)		
Purchased Term Finance Certificate	**-**	101,386

	(Un-audited) Nine months ended March 31, 2021	March 31, 2020
	---------- Rupees in '000 ----------	
NBP Savings Fund (CIS managed by Management Company)	-	
Sale of Commercial Paper	-	23,182
NBP Mahana Amdani Fund (CIS managed by Management Company)		
Sale of market treasury bills	149,740	-
NBP Financial Sector Income Fund		
Sale of Market treasury bills	199,110	-
The Hub Power Company Limited (Common directorship)		
Income from sukuk certificates	6,985	-
Hub Power Holding Limited (Common directorship)		
Purchase of sukuk certificates	164,917	-
Income from sukuk certificates	7,269	
BankIslami Pakistan Limited (Common directorship)		
Profit on bank deposit	67	-
Telenor Microfinance Bank Limited		
Profit on bank deposit	12	-
Khushali Microfinance Bank Limited (Common directorship)		
Profit on bank deposit	21,076	-
National Clearing Company of Pakistan		
Units Issued / Trasferred In 3,096,030 units (2020: Nil units)\	35,000	-
NCCPL Charges	248	188
Laga and Levy	1,833	86
Pakistan Stock Exchange		
Annual listing fee paid	25	25

11.6 Amounts outstanding as at period / year end are as follows:

	(Un-audited) March 31, 2021	(Audited) June 30, 2020
	--------- Rupees in '000 ---------	
NBP Fund Management Limited (Management Company)		
Remuneration of the Management Company	4,929	2,303
Sindh sales tax on remuneration of the Management Company	641	299
Operational expenses	4,393	1,011
Marketing and selling expense	15,190	7,075
Sales load	3,997	2,221
Sindh Sales Tax and Federal Excise Duty on sales load	2,078	1,847
Federal Excise Duty and related Sindh Sales Tax on Management Fee and Sales Load	39,240	-
Other Payable	341	-

	(Un-audited) March 31, 2021	(Audited) June 30, 2020
	--------- Rupees in '000 ---------	
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the trustee	**613**	254
Sindh Sales Tax on remuneration of the trustee	**80**	34
CDC charges payable	**140**	113
Security deposit	**100**	100
National Bank of Pakistan (Parent of the Management Company)		
Bank balance	**7,055**	8,943
Accrued Markup	**160**	13
BankIslami Pakistan Limited (Common Directorship with the Management Company)		
Bank Balance	**319**	1,196
Accrued markup on bank balances	**47**	149
NBP Employees Pension Fund		
(Pension Fund of the parent of the Management Company)		
Investment held in the Fund: 107,220,828 units (June 2020: 107,220,828 units)	**1,221,824**	1,153,160
NBP Fund Management Limited		
Investment held in the Fund: 4,509,460 units (June 2020: Nil units)	**51,387**	-
Muhammad Murtaza Ali - Company Secretary of Management		
Investment held in the Fund: 42,568 units (June 2020: NIL units)	**502**	-
National Clearing Company of Pakistan		
Investment held in the Fund: 3,096,030 units (June 2020: NIL units)	**35,281**	-
NCCPL Deposit	**2,750**	2,750
NCCPL charges payable	**156**	143
Laga & levy payable	**137**	-
The Hub Power Company Limited (Common directorship)		
Investment in Sukuk	**101,847**	102,145
Hub Power Holding Limited (Common directorship)		
Investment in Sukuk	**172,186**	-
Portfolios Managed by Management Company		
Investment held in the Fund: 7,636,003 units (June 2020: Nil units)	**87,236**	-
Employees of the Management Company		
Investment held in the Fund: 2,180,873 units (June 2020: 599,936 units)	**105,547**	6,452

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 30, 2021 by the Board of directors of the Management Company.

13. GENERAL

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

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

Head Office

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

UAN: 021-111-111-632
Toll Free: 0800-20002
Sms: INVEST to 9995
Fax: 021-35825335
Email: info@nbpfunds.com
Website: www.nbpfunds.com
/nbpfunds