



NBP Fullerton  
Asset Management Ltd.

A Subsidiary of  
National Bank of Pakistan

## NAFA PENSION FUND

# QUARTERLY REPORT

## MARCH 31

# 2015



*Your investments & "NAFA" grow together*




**NBP**

National Bank of Pakistan

**FULLERTON FUND  
MANAGEMENT**

*Joint - Venture Partners*

## MISSION STATEMENT



To rank in the top quartile  
in performance of  
**NAFA FUNDS**  
relative to the competition,  
and to consistently offer  
Superior risk-adjusted returns to investors.

# NAFA PENSION FUND

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# NAFA PENSION FUND

## FUND'S INFORMATION

### Management Company

NBP Fullerton Asset Management Limited – Management Company

### Board of Directors of the Management Company

Mr. Nausherwan Adil	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Nigel Poh Cheng	Director
Mr. Koh Boon San	Director
Mr. Kamal Amir Chinoy	Director
Mr. Shehryar Faruque	Director
Mr. Aamir Sattar	Director
Mr. Abdul Hadi Palekar	Director

### Company Secretary & CFO of the Management Company

Mr. Muhammad Murtaza Ali

### Audit & Risk Committee

Mr. Shehryar Faruque	Chairman
Mr. Koh Boon San	Member
Mr. Aamir Sattar	Member

### Human Resource Committee

Mr. Nausherwan Adil	Chairman
Mr. Nigel Poh Cheng	Member
Mr. Kamal Amir Chinoy	Member

### Trustee

Central Depository Company of Pakistan Limited (CDC)  
CDC House, 99-B, Block "B" S.M.C.H.S.,  
Main Shakra-e-Faisal, Karachi.

### Bankers to the Fund

Allied Bank Limited  
Bank Alfalah Limited  
Habib Bank Limited  
JS Bank Limited  
NIB Bank Limited  
The Bank of Punjab  
Sindh Bank Limited

# NAFA PENSION FUND

## **Auditors**

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

## **Legal Advisor**

M/s Jooma Law Associates  
205, E.I. Lines, Dr. Daudpota Road,  
Karachi.

## **Head Office:**

7th Floor Clifton Diamond Building, Block No. 4,  
Scheme No. 5, Clifton Karachi.  
UAN: 111-111NFA (111-111-632),  
(Toll Free): 0800-20001,  
Fax: (021) 35825329  
Website: [www.nafafunds.com](http://www.nafafunds.com)

## **Lahore Office:**

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

## **Islamabad Office:**

Plot No. 395, 396  
Industrial Area, I-9/3 Islamabad.  
UAN: 051-111-111-632  
Phone: 051-2514987  
Fax: 051-4859031

## **Peshawar Office:**

1st Floor, Haji Tehmas Centre,  
Near KFC, Tehkal Payan  
University Road, Peshawar.  
Phone: 92-91-5711784, 5711782  
Fax: 92-91-5211780

## **Multan Office:**

NBP City Branch, Hussain-a-Gahi, Multan.  
Phone No: 061-4502204  
Fax No: 061-4502203

# NAFA PENSION FUND

## DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of NAFA Pension Fund for the period ended March 31, 2015.

### Fund's Performance

This is the third quarter report of NAFA Pension Fund (NPF) for the year 2014-15. Fund size of sub-funds as at March 31, 2015 and performance for the period are as follows:

	Fund Size (Rs. in mln)	NAV Per Unit (Rs.) July 02, 2013	NAV Per Unit (Rs.) March 31, 2015	Annualized Return Since Launch July 02, 2013
NPF-Equity Sub-fund	250.9	100.9836	176.1916	37.6%
NPF-Debt Sub-fund	216.6	101.1781	125.1904	13.0%
NPF-Money Market Sub-fund	170.9	101.2023	115.5881	7.9%
Net of management fee & all other expenses				

The stock market exhibited high volatility during the 3QFY15. The market started off the quarter on a strong note in January, posting around 7% return before taking a breather in February and finally plunging sharply in March. Overall, the benchmark KSE-100 Index fell by 5.9% during the quarter defying strong fundamentals of the economy such as sharp decline in inflation and subsequent cuts in discount rate, improving external account position and build-up in FX reserves, stabilizing political situation; and attractive stock market valuations as reflected by widening discount to the regional peers. Foreign investors turned large net sellers during the period where the major chunk reportedly came from a single hedge fund facing large redemptions. Sharp decline in market unnerved leveraged investors forcing them to liquidate their positions amid margin calls. The Index heavy Oil & Gas and Banking sectors underperformed the market whereas Chemicals, Electricity and Household Goods sectors outperformed during the period under review.

On the corporate debt sphere, trading activity in TFCs remains skewed towards high quality issues, especially those belonging to the financial sector. Search for yields and dearth of primary issuance versus elevated demand kept the yield on the high credit quality corporate bonds depressed. Furthermore, helped by the economic rebound, and declining interest rates, we have seen recoveries from many non-performing corporate bonds. During the period under review, the State Bank of Pakistan reduced the policy rate by 200 bps to 8.0% mainly due to sharp decline in inflation, build-up of FX reserves, largely contained fiscal deficit, and improved external account position. Sovereign securities responded to the beginning of loose monetary policy period with yields on the PIBs and T-bills declining sharply. All TFCs/Sukuks in the Fund are floating rate linked to KIBOR with three to six month coupon resetting period.

The asset allocation of the Funds as on March 31, 2015 is as follows:

<b>Asset Allocation (% of Net Assets)</b>	
<b>Equity Sub-fund</b>	<b>31-Mar-15</b>
Equity	90.9%
Cash Equivalents - Net	9.1%
<b>Total</b>	<b>100.0%</b>
<b>Debt Sub-fund</b>	<b>31-Mar-15</b>
Cash Equivalents - Net	5.5%
TFC/Sukuk	4.3%
PIBs	63.3%
T-Bills	26.9%
<b>Total</b>	<b>100.0%</b>
<b>Money Market Sub-fund</b>	<b>31-Mar-15</b>
Cash Equivalents - Net	44.7%
T-Bills	55.3%
<b>Total</b>	<b>100.0%</b>

# NAFA PENSION FUND

## Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Pension Fund Manager, 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 Fullerton Asset Management Limited

Chief Executive

Director

Date: April 21, 2015

Place: Karachi.

# NAFA PENSION FUND

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2015

Note	March 31, 2015 (Un-audited)					June 30, 2014 (Audited)				
	Equity	Debt	Money Market	Others	Total	Equity	Debt	Money Market	Others	Total
	Sub-Fund	Sub-Fund	Sub-Fund			Sub-Fund	Sub-Fund	Sub-Fund		
	-----Rupees-----					-----Rupees-----				
<b>ASSETS</b>										
Bank balances	24,635,069	14,257,484	75,476,240	1,904,081	116,272,874	15,829,964	20,983,725	8,695,569	647,340	46,156,598
Investments - net	228,085,482	204,780,438	94,504,039	-	527,369,959	91,723,736	67,004,761	108,086,052	-	266,814,549
Dividend receivable	2,775,741	-	-	-	2,775,741	207,375	-	-	-	207,375
Profit receivable	135,192	3,331,851	265,029	-	3,732,072	-	2,447,198	31,457	-	2,478,655
Preliminary expenses and floatation cost	30,610	30,610	30,610	-	91,830	45,959	45,959	45,959	-	137,877
Receivable against sale of investments	-	-	-	-	-	3,289,832	-	-	-	3,289,832
Security deposit and other receivables	2,219,546	111,524	2,000,751	-	4,331,821	882,250	100,000	100,000	-	1,082,250
<b>Total assets</b>	<b>257,881,640</b>	<b>222,511,907</b>	<b>172,276,669</b>	<b>1,904,081</b>	<b>654,574,297</b>	<b>111,979,116</b>	<b>90,581,643</b>	<b>116,959,037</b>	<b>647,340</b>	<b>320,167,136</b>
<b>LIABILITIES</b>										
Payable to the Pension Fund Manager	916,987	738,349	616,686	1,904,081	4,176,103	238,574	196,559	183,811	647,340	1,266,284
Payable to the Central Depository Company of Pakistan Limited - Trustee	32,571	27,182	21,020	-	80,773	11,633	9,338	13,679	-	34,650
Payable to the Securities and Exchange Commission of Pakistan	44,150	35,767	34,288	-	114,205	20,165	18,243	19,710	-	58,118
Payable against purchase of investments	4,847,585	-	-	-	4,847,585	5,400,602	-	-	-	5,400,602
Payable against redemption of units	18,549	4,474,085	244,857	-	4,737,491	-	-	-	-	-
Accrued expenses and other liabilities	1,165,535	644,044	448,670	-	2,258,249	587,571	227,963	230,707	-	1,046,241
<b>Total liabilities</b>	<b>7,025,377</b>	<b>5,919,427</b>	<b>1,365,521</b>	<b>1,904,081</b>	<b>16,214,406</b>	<b>6,258,545</b>	<b>452,103</b>	<b>447,907</b>	<b>647,340</b>	<b>7,805,895</b>
<b>NET ASSETS</b>	<b>250,856,263</b>	<b>216,592,480</b>	<b>170,911,148</b>	<b>-</b>	<b>638,359,891</b>	<b>105,720,571</b>	<b>90,129,540</b>	<b>116,511,130</b>	<b>-</b>	<b>312,361,241</b>
<b>PARTICIPANTS' SUB-FUNDS</b>										
(as per statement attached)	250,856,263	216,592,480	170,911,148	-	638,359,891	105,720,571	90,129,540	116,511,130	-	312,361,241
Number of units in issue	1,423,769.35	1,730,103.94	1,478,622.20	-	4,632,495.48	752,971.00	823,699.90	1,070,465.00	-	2,647,135.90
Net asset value per unit	176.1916	125.1904	115.5881	-	-	140.4046	109.4204	108.8416	-	-
Contingencies and commitments										

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

For NBP Fullerton Asset Management Limited  
(Pension Fund Manager)

Chief Executive

Director



# NAFA PENSION FUND

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2015

Note	Nine months ended March 31, 2015				Nine months ended March 31, 2014				
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total	
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund		
-----Rupees-----									
<b>INCOME</b>									
Profit on bank deposits	921,650	610,020	2,449,829	3,981,499	317,352	477,007	402,664	1,197,023	
Income from debt securities	-	1,046,341	669,262	1,715,603	-	368,809	19,267	388,076	
Income from government securities	-	9,647,680	7,195,148	16,842,828	-	2,194,719	2,266,200	4,460,919	
Dividend income	6,233,641	-	-	6,233,641	2,400,375	-	-	2,400,375	
Capital gain / (loss) on sale of investments at fair value through income statement	20,735,307	(38,183)	29,208	20,726,332	2,259,118	(9,036)	-	2,250,082	
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5,305,111	11,156,450	141,913	16,603,474	6,847,611	994,719	(31,160)	7,811,170	
<b>Total income</b>	33,195,709	22,422,308	10,485,360	66,103,377	11,824,456	4,026,218	2,656,971	18,507,645	
<b>EXPENSES</b>									
Remuneration of Pension Fund Manager	2,006,802	1,502,733	1,279,818	4,789,353	518,436	409,934	290,134	1,218,504	
Sindh sales tax on remuneration of the Pension Fund Manager	349,184	261,476	222,689	833,349	98,669	76,564	54,216	229,449	
Federal Excise Duty on remuneration of the Pension Fund Manager	321,088	240,437	204,771	766,296	82,949	65,589	46,421	194,959	
Remuneration to the Central Depository Company of Pakistan Limited - Trustee	200,680	162,577	155,855	519,112	51,843	49,192	43,520	144,555	
Annual fee - Securities and Exchange Commission of Pakistan	44,150	35,767	34,288	114,205	11,405	10,822	9,574	31,801	
Auditors' remuneration	69,756	69,756	69,756	209,268	75,326	75,326	75,326	225,978	
Securities' transaction costs	352,649	745	325	353,719	142,396	-	325	142,721	
Amortization of preliminary expenses and floatation cost	15,349	15,349	15,349	46,047	18,146	18,146	18,146	54,438	
Settlement and other charges	84,391	74,253	68,929	227,573	89,368	31,951	29,350	150,669	
<b>Total Expenses</b>	3,444,049	2,363,093	2,051,780	7,858,922	1,088,538	737,524	567,012	2,393,074	
<b>Net income from operating activities</b>	29,751,660	20,059,215	8,433,580	58,244,455	10,735,918	3,288,694	2,089,959	16,114,571	
Provision for Workers' Welfare Fund	6	(595,033)	(401,184)	(1,68,672)	(1,164,889)	(214,714)	(65,774)	(41,799)	(322,287)
<b>Net income for the period before taxation</b>	29,156,627	19,658,031	8,264,908	57,079,566	10,521,204	3,222,920	2,048,160	15,792,284	
Taxation	7	-	-	-	-	-	-	-	
<b>Net income for the period after taxation</b>	29,156,627	19,658,031	8,264,908	57,079,566	10,521,204	3,222,920	2,048,160	15,792,284	

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

For NBP Fullerton Asset Management Limited  
(Pension Fund Manager)

Chief Executive

Director

# NAFA PENSION FUND

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2015

Note	Quarter ended March 31, 2015				Quarter ended March 31, 2014			
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
-----Rupees-----								
<b>INCOME</b>								
Profit on bank deposits	361,814	166,546	1,064,053	1,592,413	118,335	78,304	88,265	284,904
Income from debt securities	-	322,239	200,121	522,360	-	153,334	-	153,334
Income from government securities	-	4,434,368	2,412,614	6,846,982	-	1,169,450	1,022,487	2,191,937
Dividend income	3,240,741	-	-	3,240,741	1,117,975	-	-	1,117,975
Capital gain / (loss) on sale of investments at fair value through income statement	10,399,028	-	32,123	10,431,151	1,823,232	(9,036)	-	1,814,196
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(20,627,294)	4,056,143	159,978	(16,411,173)	1,506,472	921,174	(3,063)	2,424,583
<b>Total income</b>	(6,625,711)	8,979,296	3,868,889	6,222,474	4,566,014	2,313,226	1,107,689	7,986,929
<b>EXPENSES</b>								
Remuneration of Pension Fund Manager	914,089	737,526	587,737	2,239,352	229,494	178,556	114,826	522,876
Sindh sales tax on remuneration of the Pension Fund Manager	159,052	128,329	102,266	389,647	42,593	33,140	21,311	97,044
Federal Excise Duty on remuneration of the Pension Fund Manager	146,254	118,004	94,038	358,296	36,718	28,569	18,372	83,659
Remuneration to the Central Depository Company of Pakistan Limited - Trustee	91,409	73,752	58,774	223,935	22,949	21,427	17,224	61,600
Annual fee - Securities and Exchange Commission of Pakistan	20,110	16,227	12,930	49,267	5,048	4,714	3,789	13,551
Auditors' remuneration	23,995	23,995	23,995	71,985	24,240	24,240	24,240	72,720
Securities' transaction costs	131,623	-	-	131,623	58,117	-	-	58,117
Amortization of preliminary expenses and floatation cost	4,499	4,499	4,499	13,497	547	547	547	1,641
Settlement and other charges	36,721	(11,157)	26,868	52,432	(17,295)	(2,946)	(2,947)	(23,188)
<b>Total Expenses</b>	1,527,752	1,091,175	911,107	3,530,034	402,411	288,247	197,362	888,020
<b>Net income from operating activities</b>	(8,153,463)	7,888,121	2,957,782	2,692,440	4,163,603	2,024,979	910,327	7,098,909
Provision for Workers' Welfare Fund	6	163,069	(157,762)	(59,156)	(83,272)	(40,500)	(18,206)	(141,978)
<b>Net income for the period before taxation</b>	(7,990,394)	7,730,359	2,898,626	2,638,591	4,080,331	1,984,479	892,121	6,956,931
Taxation	-	-	-	-	-	-	-	-
<b>Net income for the period after taxation</b>	(7,990,394)	7,730,359	2,898,626	2,638,591	4,080,331	1,984,479	892,121	6,956,931

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

For NBP Fullerton Asset Management Limited  
(Pension Fund Manager)

Chief Executive

Director

# NAFA PENSION FUND

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2015

	Nine months ended March 31, 2015				Nine months ended March 31, 2014			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
Net income for the period after taxation	29,156,627	19,658,031	8,264,908	57,079,566	10,521,204	3,222,920	2,048,160	15,792,284
Other comprehensive income for the period	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>29,156,627</u>	<u>19,658,031</u>	<u>8,264,908</u>	<u>57,079,566</u>	<u>10,521,204</u>	<u>3,222,920</u>	<u>2,048,160</u>	<u>15,792,284</u>

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

For NBP Fullerton Asset Management Limited  
(Pension Fund Manager)

Chief Executive

Director

# NAFA PENSION FUND

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2015

	Quarter ended March 31, 2015				Quarter ended March 31, 2014			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
Net income for the period after taxation	(7,990,394)	7,730,359	2,898,626	2,638,591	4,080,331	1,984,479	892,121	6,956,931
Other comprehensive income for the period	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>(7,990,394)</b>	<b>7,730,359</b>	<b>2,898,626</b>	<b>2,638,591</b>	<b>4,080,331</b>	<b>1,984,479</b>	<b>892,121</b>	<b>6,956,931</b>

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

For NBP Fullerton Asset Management Limited  
(Pension Fund Manager)

Chief Executive

Director

# NAFA PENSION FUND

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2015

Note	Nine months ended March 31, 2015				Nine months ended March 31, 2014			
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
	-----Rupees-----				-----Rupees-----			
<b>Net assets at the beginning of the period</b>	105,720,571	90,129,540	116,511,130	312,361,241	30,334,519	30,339,968	30,354,419	91,028,906
Amount received on issuance of units	9 123,721,780	116,260,015	61,674,623	301,656,418	28,565,538	31,054,797	17,714,956	77,335,291
Amount paid on redemption of units	(7,742,715)	(9,455,106)	(15,539,513)	(32,737,334)	(534,156)	(520,478)	(1,379,714)	(2,434,348)
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	21,795,906	7,625,854	1,710,624	31,132,384	3,358,780	942,068	437,058	4,737,906
Total comprehensive income for the period	29,156,627	19,658,031	8,264,908	57,079,566	10,521,204	3,222,920	2,048,160	15,792,284
Net element of (loss) / income and capital gains / (losses) included in prices of units issued less those in units redeemed	(21,795,906)	(7,625,854)	(1,710,624)	(31,132,384)	(3,358,780)	(942,068)	(437,058)	(4,737,906)
<b>Net assets at the end of the period</b>	<u>250,856,263</u>	<u>216,592,480</u>	<u>170,911,148</u>	<u>638,359,891</u>	<u>68,887,105</u>	<u>64,097,207</u>	<u>48,737,821</u>	<u>181,722,133</u>

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

For NBP Fullerton Asset Management Limited  
(Pension Fund Manager)

Chief Executive

Director

# NAFA PENSION FUND

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2015

	Quarter ended March 31, 2015				Quarter ended March 31, 2014			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
Net assets at the beginning of the period	208,072,487	177,536,683	149,406,685	535,015,855	53,885,962	52,840,676	44,905,315	151,631,953
Amount received on issuance of units	57,943,671	39,864,773	33,440,139	131,248,583	10,920,812	9,719,393	4,306,266	24,946,471
Amount paid on redemption of units	(7,169,501)	(8,539,335)	(14,834,302)	(30,543,138)	-	(447,341)	(1,365,881)	(1,813,222)
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	13,610,169	3,499,089	959,085	18,068,343	1,921,709	403,816	123,188	2,448,713
Total comprehensive income for the period	(7,990,394)	7,730,359	2,898,626	2,638,591	4,080,331	1,984,479	892,121	6,956,931
Net element of (loss) / income and capital gains / (losses) included in prices of units issued less those in units redeemed	(13,610,169)	(3,499,089)	(959,085)	(18,068,343)	(1,921,709)	(403,816)	(123,188)	(2,448,713)
Net assets at the end of the period	<u>250,856,263</u>	<u>216,592,480</u>	<u>170,911,148</u>	<u>638,359,891</u>	<u>68,887,105</u>	<u>64,097,207</u>	<u>48,737,821</u>	<u>181,722,133</u>

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

For NBP Fullerton Asset Management Limited  
(Pension Fund Manager)

Chief Executive

Director

# NAFA PENSION FUND

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2015

	Nine months ended March 31, 2015					Nine months ended March 31, 2014				
	Equity	Debt	Money Market	Others	Total	Equity	Debt	Money Market	Others	Total
	Sub-Fund	Sub-Fund	Sub-Fund			Sub-Fund	Sub-Fund	Sub-Fund		
			Rupees					Rupees		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
Net income for the period before taxation	29,156,627	19,658,031	8,264,908	-	57,079,566	10,521,204	3,222,920	2,048,160	-	15,792,284
<b>Adjustments</b>										
Net unrealised appreciation / Diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(5,305,111)	(11,156,450)	(141,913)	-	(16,603,474)	(6,847,611)	(994,719)	31,160	-	(7,811,170)
<b>(Gain)/ loss on sale of investments-net</b>	(20,735,307)	38,183	(29,208)	-	(20,726,332)	(2,259,118)	9,036	-	-	(2,250,082)
Preliminary expenses and floatation cost	15,349	15,349	15,349	-	46,047	22,100	22,100	22,100	-	66,300
	3,131,558	8,555,113	8,109,136	-	19,795,807	1,436,575	2,259,337	2,101,420	-	5,797,332
<b>Decrease / (increase) in assets</b>										
Investments - net	(110,321,328)	(126,657,410)	13,753,134	-	(223,225,604)	(56,691,222)	(58,917,136)	(48,180,544)	-	(163,788,902)
Dividend receivable	(2,568,366)	-	-	-	(2,568,366)	(952,475)	-	-	-	(952,475)
Profit receivable	(135,192)	(884,653)	(233,572)	-	(1,253,417)	(21,379)	(1,237,244)	(85,583)	-	(1,344,206)
Receivable against sale of investments	3,289,832	-	-	-	3,289,832	(318,914)	(83,167)	-	-	(402,081)
Security deposit and other receivables	(1,337,296)	(11,524)	(1,900,751)	-	(3,249,571)	(100,000)	(100,000)	(100,472)	-	(300,472)
	(111,072,350)	(127,553,587)	11,618,811	-	(227,007,126)	(58,083,990)	(60,337,547)	(48,366,599)	-	(166,788,136)
<b>(Decrease) / increase in Liabilities</b>										
Payable against purchase of investments	(553,017)	-	-	-	(553,017)	-	-	-	-	-
Payable to the Pension Fund Manager	678,413	541,790	432,875	1,256,741	2,909,819	100,184	79,862	44,836	764,413	989,295
Payable to the Central Depository Company of Pakistan Limited	20,938	17,844	7,341	-	46,123	1,038	494	4,042	-	5,574
Payable to the Securities and Exchange Commission of Pakistan	23,985	17,524	14,578	-	56,087	11,405	10,821	9,574	-	31,800
Payable against redemption of units	18,549	4,474,085	244,857	-	4,737,491	-	145,473	145,001	-	290,474
Accrued expenses and other liabilities	577,964	416,081	217,963	-	1,212,008	305,914	117,981	87,050	-	510,945
	766,832	5,467,324	917,614	1,256,741	8,408,511	418,541	354,631	290,503	764,413	1,828,088
<b>Net cash (used in) / generated from operating activities</b>	(107,173,960)	(113,531,150)	20,645,561	1,256,741	(198,802,808)	(56,228,874)	(57,723,579)	(45,974,676)	764,413	(159,162,716)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
Amount received on issue of units	123,721,780	116,260,015	61,674,623	-	301,656,418	28,565,538	31,054,797	17,714,956	-	77,335,291
Amount paid on redemption of units	(7,742,715)	(9,455,106)	(15,539,513)	-	(32,737,334)	(534,156)	(520,478)	(1,379,714)	-	(2,434,348)
<b>Net cash from financing activities</b>	115,979,065	106,804,909	46,135,110	-	268,919,084	28,031,382	30,534,319	16,335,242	-	74,900,943
<b>Net (decrease) / increase in cash and cash equivalents</b>	8,805,105	(6,726,241)	66,780,671	1,256,741	70,116,276	(28,197,492)	(27,189,260)	(29,639,434)	764,413	(84,261,773)
Cash and cash equivalents at the beginning of the period	15,829,964	20,983,725	8,695,569	647,340	46,156,598	30,487,155	30,477,949	30,478,152	-	91,443,256
<b>Cash and cash equivalents at the end of the period</b>	24,635,069	14,257,484	75,476,240	1,904,081	116,272,874	2,289,663	3,288,689	838,718	764,413	7,181,483

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

For NBP Fullerton Asset Management Limited  
(Pension Fund Manager)

Chief Executive

Director

# NAFA PENSION FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2015

## 1. LEGAL STATUS AND NATURE OF BUSINESS

NAFA Pension Fund ("the Fund") was established under a Trust Deed, dated October 12, 2012, between NBP Fullerton Asset Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on November 16, 2012.

The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (VPS Rules) through a certificate of registration issued by SECP. The registered office of the Pension Fund Manager is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi.

The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.

The objective of the Fund is to provide individuals with a portable, individualised, funded (based on defined contribution), flexible pension scheme, assisting and facilitating them to plan and provide for their retirement.

The Fund consists of three sub-funds namely, NAFA Pension Fund Equity Sub-Fund ("Equity Sub-Fund"), NAFA Pension Fund Debt Sub-Fund ("Debt Sub-Fund") and NAFA Pension Fund Money Market Sub-Fund ("Money Market Sub-Fund") (collectively the "Sub-Funds"). The Investment policy for each of the sub-funds are as follows:

- The Equity sub-fund consists of a minimum 90% of net assets invested in listed equity securities, investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) of equity sub-fund or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV of equity sub-fund or index weight, subject to a maximum of 35% of NAV of equity sub-fund. Remaining assets of the equity sub-fund may be invested in government treasury bills or government securities having less than one year time to maturity, or be deposited with scheduled commercial banks having at least A rating.
- The Debt Sub-Fund consist of tradable debt securities with weighted average duration of the investment portfolio of the Sub-Fund not exceeding five years. At least twenty five percent (25%) of the net assets of debt sub-fund shall be invested in securities issued by the Federal Government. Upto twenty five percent (25%) may be deposited with banks having not less than "AA Plus" rating with a stable outlook. Exposure to securities issued by companies of a single sector shall not exceed 20% except for banking sector for which the exposure limit shall be upto 30% of net assets of a debt sub-fund. Deposit in a single bank shall not exceed 10% of net asset of the debt sub-fund. Composition of the remaining portion of the investments shall be according to the criteria mentioned in the offering document.
- The Money Market sub-fund consists of short term debt instruments with weighted average time to maturity not exceeding ninety days. There is no restriction on the amount of investment in securities issued by the Federal Government and deposit with commercial banks having 'A Plus' or higher rating. Investment in securities issued by provincial or city government, government corporate entities with 'A' or higher rating or a government corporations with 'A plus' or higher rating shall be in proportion as defined in offering document.



# NAFA PENSION FUND

The Fund offers five types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility & Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The Participant has the option to select any one from the Allocation Schemes or products being offered by the Pension Fund Manager at the date of opening his / her Individual Pension Account. The Participant may change the Allocation Scheme not more than twice a year thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis or with any other frequency.

Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of 'AM2+' to the Pension Fund Manager while the Fund is currently not rated.

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

## 2 BASIS OF PREPARATION

### 2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the provisions of the Voluntary Pension System Rules, 2005 (the VPS Rules) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the VPS Rules or directives issued by the SECP differ with the requirements of IFRS, the requirements of the VPS Rules or the directives issued by the SECP shall prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does 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, 2014.

This condensed interim financial information is being submitted to the participants as required under Regulation 7(f) of the VPS Rules.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published financial statements of the Fund for the period ended June 30, 2014.

## 4 INVESTMENTS - NET

Note	March 31, 2015 (Un-audited)				June 30, 2014 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
	-----Rupees-----				-----Rupees-----				
At fair value through profit or loss - held for trading									
Equity securities - listed	4.1	228,085,482	-	-	228,085,482	91,723,736	-	-	91,723,736
Government of Pakistan - Treasury Bills	4.2	-	58,320,057	94,504,039	152,824,096	-	11,447,510	108,086,052	119,533,562
Pakistan Investment Bonds	4.3	-	137,155,756	-	137,155,756	-	43,602,363	-	43,602,363
Term Finance Certificates	4.4	-	9,304,625	-	9,304,625	-	11,954,888	-	11,954,888
		<u>228,085,482</u>	<u>204,780,438</u>	<u>94,504,039</u>	<u>527,369,959</u>	<u>91,723,736</u>	<u>67,004,761</u>	<u>108,086,052</u>	<u>266,814,549</u>

# NAFA PENSION FUND

## 4.1 Listed equity securities - at fair value through profit or loss - held for trading - Equity Sub-Fund

All shares have a nominal face value of Rs. 10 each unless stated otherwise.

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / Right during the period	Sales during the period	As at March 31, 2015	Market Value	Market value as a % of net assets of the Sub-Fund	Market value as a % of paid-up capital of the investee company
	Number of shares			(Rupees)		%		
<b>Automobile and Parts</b>								
General Tyre and Rubber Company of Pakistan Limited	22,000	-	-	22,000	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	26,500	24,400	-	35,500	15,400	2,824,822	1.13	0.01
Ghандara Nissan Limited	92,500	107,000	-	99,000	100,500	4,695,360	1.87	0.22
Sagzor Engineering Works Limited	118,500	-	-	53,500	65,500	2,596,430	1.04	0.36
Pak Suzuki Motor Company Limited	11,500	16,000	-	17,700	9,800	3,395,700	1.35	0.01
Agriautos Industries Company Limited (Face value of Rs. 5 each)	-	21,000	-	3,800	17,200	2,752,000	1.10	0.12
Baluchistan Wheels Limited	-	68,000	-	-	68,000	3,230,000	1.29	0.51
Excide Pakistan Limited	-	1,800	-	-	1,800	-	-	-
Indus Motor Company Limited	-	7,700	-	-	7,700	7,815,808	3.12	0.01
<b>Pharma and Bio Tech</b>								
Abbott Laboratories (Pakistan) Limited	3,400	1,200	-	-	4,600	2,287,764	0.91	0.00
The Searle Company Limited	-	15,500	4,480*	9,400	10,580	2,231,745	0.89	0.01
GlaxoSmithKline (Pakistan) Limited	9,460	4,300	-	3,900	9,860	1,729,641	0.69	0.00
Ferozsons Laboratories Limited	-	16,100	-	7,700	8,400	4,142,964	1.65	0.03
<b>Construction and Materials (Cement)</b>								
Pioneer Cement Company	77,500	69,500	-	105,000	42,000	3,301,200	1.32	0.02
Fauji Cement Company Limited	-	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	83,000	180,000	-	118,000	145,000	6,965,800	2.78	0.03
Kohat Cement Limited	-	29,400	-	8,300	21,100	3,397,733	1.35	0.01
Lynch Cement Limited	9,200	22,400	-	10,700	20,900	9,320,446	3.72	0.01
D G Khan Cement Company Limited	27,000	155,000	-	42,000	140,000	15,652,000	6.24	0.03
Cherat Cement Company Limited	-	-	-	-	-	-	-	-
AlkoNobel Pakistan Limited	16,500	-	-	8,400	8,100	2,296,550	0.92	0.02
Fecto Cement Limited	-	83,000	-	-	83,000	5,098,690	2.03	0.17
Attock Cement (Pakistan) Limited	-	13,800	-	-	13,800	2,497,110	1.00	0.01
<b>Forestry (Paper and Board)</b>								
Century Paper and Board Mills Limited	26,000	38,000	-	26,000	38,000	2,048,580	0.82	0.03
<b>Chemicals</b>								
Engro Fertilizer Limited	250	50,500	-	53,500	750	57,855	0.02	0.00
Engro Corporation Limited	24,000	-	-	-	74,500	19,139,050	7.63	0.01
D/NEA Pakistan Limited	-	41,000	-	-	41,000	2,195,550	0.88	0.43
(Face value of Rs. 5 each)	-	36,500	-	36,500	-	-	-	-
Fauji Fertilizer Company Limited	-	12,500	-	-	12,500	1,140,250	0.45	0.00
Dawood Hercules Corporation Limited	-	145,500	-	-	145,500	5,098,320	2.03	0.29
Itehad Chemical Limited	-	-	-	-	-	-	-	-
<b>Commercial Banks</b>								
United Bank Limited	44,060	23,600	-	23,900	43,760	6,735,977	2.69	0.00
Allied Bank Limited	200	64,600	-	200	64,600	6,111,806	2.44	0.01
MCB Bank Limited	9,900	-	-	9,900	-	-	-	-
Habib Metro Bank Limited	77,500	50,500	-	-	128,000	3,717,120	1.48	0.01
Habib Bank Limited	-	12,000	-	12,000	-	-	-	-
Faysal Bank Limited	104,000	367,000	53,550	114,000	410,550	5,903,709	2.35	0.03
Bank Alfalah Limited	112,500	10,500	-	-	-	-	-	-
Bank ALHabib Limited	79,150	24,000	-	22,000	81,150	3,495,942	1.39	0.01
Meezan Bank Limited	-	23,000	-	-	23,000	1,014,430	0.40	0.00
JS Bank Limited	-	225,000	-	225,000	-	-	-	-
<b>General Industrials</b>								
Thal Limited (Face value of Rs. 5 each)	20,200	700	-	5,700	15,200	3,881,168	1.55	0.04
Ghani Glass Mills Limited	32,500	-	-	23,500	9,000	645,840	0.26	0.01
<b>Electricity</b>								
The Hub Power Company Limited	51,500	118,500	-	28,500	141,500	12,081,270	4.82	0.01
Kai Abda Power Company Limited	56,000	103,000	-	-	159,000	12,367,020	4.93	0.02
Nishat Power Limited	-	-	-	-	-	-	-	-
K-Electric Limited (Face value of Rs. 3.5 each)	112,000	-	-	112,000	-	-	-	-
Lalpur Power Limited	-	191,500	-	80,000	111,500	3,330,505	1.33	0.03
Saif Power Limited	-	90,000	-	-	90,000	3,223,800	1.29	0.02
<b>Personal Goods (Textile)</b>								
Nishat (Churnian) Limited	400	-	-	400	-	-	-	-
Nishat Mills Limited	14,200	33,300	-	16,700	30,800	3,147,144	1.25	0.01
Bata Pakistan Limited	-	340	-	-	340	1,071,000	0.43	0.00
Kohinoor Textile Mills Limited	-	325,500	-	166,000	159,500	6,722,925	2.68	0.06
Sapphire Fibres Mills Limited	-	10,600	-	4,000	6,600	3,573,900	1.42	0.03
<b>Oil and Gas</b>								
Attock Petroleum Limited	-	1,400	-	-	1,400	727,930	0.29	0.00
Bycco Petroleum Pakistan Limited	-	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	7,130	29,200	-	13,400	22,900	7,897,092	3.15	0.01
Pakistan Petroleum Company Limited	12,120	50,358	-	9,000	53,478	8,271,442	3.30	0.00
Pakistan Oilfields Limited	6,300	10,400	-	3,600	13,100	4,276,626	1.70	0.01
Oil & Gas Development Company Limited	7,500	-	-	-	7,500	1,361,475	0.54	0.00
Haseco Petroleum Limited	-	26,000	-	-	26,000	2,388,100	0.95	0.03
Shell Pakistan Limited	-	3,000	-	-	3,000	662,580	0.26	0.00
Sui Northern Gas Pipelines Limited	-	75,000	-	-	75,000	1,733,250	0.69	0.01
<b>Industrial Transportation</b>								
Pakistan National Shipping Corporation Limited	17,500	33,500	-	38,500	12,500	1,876,625	0.75	0.01
<b>Fixed Line Telecommunication</b>								
Pakistan Telecommunication Company Limited	51,000	-	-	51,000	-	-	-	-
<b>Food Producers</b>								
Rathan Maize Products Limited	20	-	-	-	20	197,797	0.08	0.00

# NAFA PENSION FUND

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / Right during the period	Sales during the period	As at March 31, 2015	Market Value	Market value as a % of net assets of the Sub-Fund	Market value as a % of paid-up capital of the investee company
		----- Number of shares -----			----- (Rupees) -----		----- % -----	
Household Goods Tariq Glass Limited								
Technology Hardware and Equipment TPA Tracker Limited Avanceon Limited	38,000	41,000	-	37,500	41,500	1,967,930	0.78	0.06
Industrial metals and Mining Crescent Steel & Allied Product	129,500	-	-	129,500	92,500	3,014,575	1.20	0.09
	-	142,500	-	50,000	17,500	775,775	0.31	0.03
						<u>228,085,482</u>	<u>90.92</u>	
Carrying Value as at March 31, 2015						<u>222,780,371</u>		

\* This represents gross bonus shares as per Fund's entitlement declared by the investee company, Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, has filed a petition in Honourable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 57 (3) (iv) of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Honourable Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in the favour and accordingly has recorded the bonus shares on gross basis.

## 4.2 Government securities - at fair value through profit or loss - held for trading

### 4.2.1 Treasury Bills - Debt Sub-Fund

Issue date	Tenor	As at July 1, 2014	Purchases during the period	Matured/ Sold during the period	As at March 31, 2015	Market Value	Market value as a % of net assets of the Sub-Fund
		----- Face value (Rupees) -----			----- Rupees -----		
June 12, 2014	3 months	3,000,000	-	3,000,000	-	-	-
March 20, 2014	6 months	2,500,000	-	2,500,000	-	-	-
April 17, 2014	6 months	1,500,000	-	1,500,000	-	-	-
May 15, 2014	1 Year	5,000,000	-	5,000,000	-	-	-
May 2, 2014	3 months	-	7,000,000	7,000,000	-	-	-
September 4, 2014	3 months	-	3,800,000	3,800,000	-	-	-
March 5, 2015	1 Year	-	7,000,000	-	7,000,000	6,520,563	2.60
February 6, 2015	1 Year	-	1,500,000	-	1,500,000	1,405,125	0.56
January 8, 2015	1 Year	-	29,000,000	-	29,000,000	27,321,828	10.89
July 10, 2014	3 months	-	1,500,000	1,500,000	-	-	-
November 13, 2014	1 Year	-	8,500,000	500,000	8,000,000	7,624,680	3.04
March 19, 2015	1 Year	-	5,000,000	-	5,000,000	4,644,370	1.85
February 20, 2014	6 months	-	1,000,000	1,000,000	-	-	-
January 22, 2015	1 Year	-	11,500,000	-	11,500,000	10,803,491	4.31
November 27, 2014	3 months	-	1,200,000	1,200,000	-	-	-
October 30, 2014	3 months	-	6,000,000	6,000,000	-	-	-
		<u>12,000,000</u>	<u>83,000,000</u>	<u>33,000,000</u>	<u>62,000,000</u>	<u>58,320,057</u>	<u>23.25</u>

Carrying Value as at March 31, 2015

58,029,154

### 4.2.2 Treasury Bills - Money Market Sub-Fund

Issue date	Tenor	As at July 1, 2014	Purchases during the period	Matured/ Sold during the period	As at March 31, 2015	Market Value	Market value as a % of net assets of the Sub-Fund
		----- Face value (Rupees) -----			----- Rupees -----		
April 17, 2014	3 Months	36,000,000	-	36,000,000	-	-	-
May 15, 2014	3 Months	32,800,000	-	32,800,000	-	-	-
June 12, 2014	3 Months	3,000,000	-	3,000,000	-	-	-
April 17, 2014	6 Months	18,000,000	-	18,000,000	-	-	-
May 15, 2014	6 Months	20,000,000	-	20,000,000	-	-	-
March 5, 2015	6 Months	-	9,000,000	-	9,000,000	8,703,172	5.09
February 6, 2015	3 Months	-	20,000,000	20,000,000	-	-	-
August 7, 2014	3 Months	-	54,500,000	54,500,000	-	-	-
January 8, 2015	6 Months	-	50,000,000	-	50,000,000	48,922,350	28.62
November 13, 2014	3 Months	-	37,000,000	37,000,000	-	-	-
November 13, 2014	6 Months	-	22,000,000	22,000,000	-	-	-
February 19, 2015	6 Months	-	10,000,000	-	10,000,000	9,698,531	5.67
March 19, 2015	6 Months	-	12,000,000	-	12,000,000	11,570,497	6.77
January 22, 2015	6 Months	-	16,000,000	-	16,000,000	15,609,489	9.13
July 24, 2014	3 Months	-	22,000,000	22,000,000	-	-	-
October 30, 2014	3 Months	-	54,000,000	54,000,000	-	-	-
		<u>109,800,000</u>	<u>306,500,000</u>	<u>319,300,000</u>	<u>97,000,000</u>	<u>94,504,039</u>	<u>55.29</u>

Carrying Value as at March 31, 2015

94,362,126

# NAFA PENSION FUND

## 4.3 Pakistan Investment Bonds - Debt Sub-Fund

Issue date	Tenor	As at July 1, 2014	Purchases during the period	Matured/ Sold during the period	As at March 31, 2015	Market Value	Market value as a % of net assets of the Sub-Fund
----- Face value (Rupees) -----					-----Rupees-----		
July 18, 2013	3 Years	32,000,000	-	-	32,000,000	33,264,883	15.36
July 18, 2013	5 Years	7,500,000	25,000,000	-	32,500,000	35,460,545	16.37
July 19, 2012	10 Years	5,000,000	-	-	5,000,000	5,736,958	2.65
July 17, 2014	3 Years	-	28,800,000	-	28,800,000	30,666,740	14.16
July 17, 2014	5 Years	-	29,000,000	-	29,000,000	32,026,630	14.79
		<b>44,500,000</b>	<b>82,800,000</b>	<b>-</b>	<b>127,300,000</b>	<b>137,155,756</b>	<b>63.32</b>
Carrying Value as at March 31, 2015						<u>126,176,048</u>	

## 4.4 Term Finance Certificates - at fair value through profit or loss - held for trading

### 4.4.1 Debt Sub-Fund

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

Name of the investee company	As at July 1, 2014	Purchases during the period	Sales / matured during the period	As at March 31, 2015	Market Value	Investment as a percentage of		
						Net Assets	Market value of total investments	
-----Number of certificates-----					-----Rupees-----		-----%-----	
Allied Bank Limited	9	-	9	-	-	-	-	
Engro Fertilizers Limited PRP - I	315	-	-	315	1,567,212	0.72	0.77	
Faysal Bank Limited - III	300	-	-	300	1,503,177	0.69	0.73	
Jahangir Siddiqui company Limited	1,600	-	-	1,600	3,891,472	1.80	1.90	
K-Electric Azam Sukuk	280	-	280	-	-	-	-	
Standard Chartered Bank Limited - IV	470	-	-	470	2,342,764	1.08	1.14	
United Bank Limited - III	100	-	100	-	-	-	-	
		<b>3,074</b>	<b>-</b>	<b>389</b>	<b>2,685</b>	<b>9,304,625</b>	<b>4.30</b>	<b>4.54</b>
Carrying Value as at March 31, 2015					<u>9,418,786</u>			

4.4.2 The Term Finance Certificates held by the fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

## 5 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2015. (June 2014: nil)

## 6 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CIS) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

Subsequently, the Ministry of Labour and Manpower (the Ministry) vide its letter dated July 15, 2010 clarified that "Mutual Fund(s) is a product which is being managed / sold by the Asset Management Companies which are liable to contribute towards Workers Welfare Fund under Section-4 of WWF Ordinance 1971. However, the income on Mutual Fund(s), the product being sold, is exempted under the law ibid".

# NAFA PENSION FUND

Further, the Secretary (Income Tax Policy) Federal Board of Revenue (FBR) issued a letter dated October 06, 2010 to the Members (Domestic Operation) North and South FBR. In the letter reference was made to the clarification issued by the Ministry of Labour and Manpower stating that mutual funds are a product and their income are exempted under the law ibid. The Secretary (Income Tax Policy) Federal Board of Revenue directed that the Ministry's letter may be circulated amongst field formations for necessary action. Following the issuance of FBR Letter, show cause notice which had been issued by taxation office to certain mutual funds for payment of levy under WWF were withdrawn. However, the Secretary (Income Tax Policy) Federal Board of Revenue vide letter January 04, 2011 has cancelled ab-initio clarificatory letter dated October 06, 2010 on applicability of WWF on mutual funds and issued show cause notices to certain mutual funds for collecting WWF. In respect of such show cause notices, certain mutual funds have been granted stay by Honorable High Court of Sindh on the basis of the pending constitutional petition in the said court as referred above.

Furthermore, in 2011 the Honourable Lahore High Court in a Constitutional Petition relating to the amendments brought in WWF Ordinance through the Finance Act 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional. The Management Company is hopeful that the decision of the Honourable Lahore High Court, will lend further support to the Constitutional Petition which is pending in the Honourable High Court of Sindh.

During the year ended June 30, 2013, the Larger Bench of the Sindh High Court (SHC) issued a judgment in response to a petition in another similar case in which it is held that the amendments introduced in the WWF Ordinance through Finance Acts, 2006 and 2008 do not suffer from any constitutional or legal infirmity.

During the year ended June 30, 2014, the Honourable Peshawar High Court on a petition led by certain aggrieved parties (other than the mutual funds) have adjudicated that the amendments introduced in the Workers Welfare Fund Ordinance, 1971 through the Finance Acts of 1996 and 2009 lacks the essential mandate to be introduced and passed through the money bill under the Constitution of Pakistan and hence have been declared as ultra vires the Constitution.

However, without prejudice to the above, the Pension Fund manager, as a matter of abundant caution, has decided to continue to maintain the provision for WWF amounting to Rs. 1,738,540 in aggregate including Rs. 1,164,889 for the nine months ended March 31, 2015.

## 7 TAXATION

No provision for taxation for the period ended March 31, 2015 has been made in the view of exemption available under clause 57(3) (viii) of Part I of the second Schedule to the Income Tax Ordinance, 2010.

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.

## 8 NUMBER OF UNITS IN ISSUE

	March 31, 2015 (Un-audited)				June 30, 2014 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
Total units in issue at the beginning of the period	752,971.00	823,700.00	1,070,465.00	2,647,136.00	300,060	299,970	299,970	900,000
Add: Issue of units during the period	716,448.30	984,424.42	545,721.00	2,246,593.40	517,462	528,657	774,917	1,821,036
Less: Units redeemed during the period	(45,649.95)	(78,020.48)	(137,563.20)	(261,233.92)	(64,551)	(4,927)	(4,422)	(73,900)
<b>Total units in issue at the end of the period</b>	<b>1,423,769.35</b>	<b>1,730,103.94</b>	<b>1,478,622.20</b>	<b>4,632,495.48</b>	<b>752,971.00</b>	<b>823,699.90</b>	<b>1,070,465.00</b>	<b>2,647,135.90</b>

## 9 CONTRIBUTION TABLE

	For the nine months ended March 31, 2015 (Un-audited)							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	716,448	123,721,780	984,424	116,260,015	545,721	61,674,623	2,246,593	301,656,418
	716,448	123,721,780	984,424	116,260,015	545,721	61,674,623	2,246,593	301,656,418
	For the year ended 30 June 2014 (Audited)							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	517,462	65,420,849	475,658	50,506,853	747,954	79,504,333	1,741,074	195,432,035
	517,462	65,420,849	475,658	50,506,853	747,954	79,504,333	1,741,074	195,432,035

# NAFA PENSION FUND

## 10 TRANSACTIONS WITH CONNETED PERSONS

10.1 Connected persons include NBP Fullerton Asset Management Limited, being the Pension Fund manager, Central Depository Company of Pakistan Limited (being the Trustee), National Bank of Pakistan (NBP) and Alexandra Fund Management Pte. Limited, being the sponsors of the Fund / Pension Fund Manager and other collective investment schemes managed by the NBP Fullerton Asset Management Limited , directors and officers of the NBP Fullerton Asset Management Limited and employee benefit funds of the NBP Fullerton Asset Management Limited.

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 payable to the Pension Fund manager and Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed.

10.4 Details of the transactions with connected persons are as follows:

	Nine months ended March 31, 2015 (Un-audited)				Nine months ended March 31, 2014 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----				----- Rupees -----			
<b>NBP Fullerton Asset Management Limited - Pension Fund Manager</b>								
Management fee	2,006,802	1,502,733	1,279,818	4,789,353	518,436	409,934	290,134	1,218,504
Sales tax on remuneration of Pension Fund Manager	349,184	261,476	222,689	833,349	98,669	76,564	54,216	229,449
FED on remuneration of Pension Fund Manager	321,088	240,437	204,771	766,296	82,949	65,589	46,421	194,959
<b>Central Depository Company of Pakistan Limited - Trustee</b>								
Remuneration	200,680	162,577	155,855	519,112	51,843	49,192	43,520	144,555
<b>Employees of the Company</b>								
Amount of units issued	6,127,535	1,691,664	6,138	7,825,337	-	-	-	-
Number of units issued	34,306	13,930	54	48,290	-	-	-	-
Amount of units redeemed	7,475	1,074,554	-	1,082,029	-	-	-	-
Number of units redeemed	50	8,587	-	8,637	-	-	-	-
<b>Anjad Waheed - Chief Executive - CEO</b>								
Amount of units issued	10,000,000	-	-	10,000,000	-	-	-	-
Number of units issued	62,289	-	-	62,289	-	-	-	-
Amount of units redeemed	-	-	-	-	-	-	-	-
Number of units redeemed	-	-	-	-	-	-	-	-
<b>Taurus Securities Limited</b>								
Brokerage charges	18,610	-	-	18,610	15,234	-	-	15,234

# NAFA PENSION FUND

## 10.5 Amounts outstanding as at period end

	Nine months ended March 31, 2015 (Un-audited)				Nine months ended March 31, 2014 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----				----- Rupees -----			
<b>NBP Fullerton Asset Management Limited - Pension Fund Manager</b>								
Management fee payable	325,692	271,823	210,193	807,708	61,755	46,963	34,356	143,074
Sindh Sales tax payable on management fee	56,673	47,293	36,575	140,541	15,056	10,952	8,100	34,108
FED payable on management fee	459,622	344,233	294,918	1,098,773	49,816	40,008	30,440	120,264
Preliminary expenses and floatation cost payable	75,000	75,000	75,000	225,000	75,000	75,000	75,000	225,000
Amount of units issued	27,114,562	24,556,809	22,798,146	74,469,517	21,607,212	21,463,434	21,467,492	64,538,138
Number of units issued (seed capital)	153,892	196,156	197,236	547,284	153,892	196,156	197,236	547,284
<b>Alexandra Fund Management Pte. Limited - Sponsor</b>								
Amount of units issued	18,076,374	16,371,206	15,198,764	49,646,344	14,404,808	14,308,956	14,311,662	43,025,426
Number of units issued (seed capital)	102,595	130,770	131,491	364,856	102,595	130,770	131,491	364,856
<b>Employees of the Company</b>								
Amount of units issued	6,051,175	672,466	6,236	6,729,877	11,923,580	-	-	11,923,580
Number of units issued	34,344	5,372	54	39,770	89	-	-	89
<b>Amjad Waheed - Chief Executive - CEO</b>								
Amount of units issued	25,937,499	-	-	25,937,499	-	-	-	-
Number of units issued	147,212	-	-	147,212	84,923	-	-	84,923
<b>Central Depository Company of Pakistan Limited - Trustee</b>								
Trustee Fee payable	32,571	27,182	21,020	80,773	11,633	9,338	13,679	34,650

## 11 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 21, 2015 by the Board of Directors of the Pension Fund Manager.

## 12 GENERAL

12.1 Figures have been rounded off to the nearest rupee, unless otherwise specified.

For NBP Fullerton Asset Management Limited  
(Pension Fund Manager)

Chief Executive

Director



NBP Fullerton  
Asset Management Ltd.

A Subsidiary of

National Bank of Pakistan

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