



Islamic Savings

اسلامک سیونگز

NBP Fund Management Limited



NBP ISLAMIC DAILY DIVIDEND FUND

QUARTERLY REPORT
SEPTEMBER 30, 2022

AM1
Rated by PACRA



MISSION STATEMENT

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



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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
Mr. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Saad Amanullah Khan	Director
Mr. Ruhail Muhammad	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

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

Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Mr. Tauqeer Mazhar	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Ruhail Muhammad	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

Askari Bank Limited
Bank Alhabib Limited
United Bank Limited
Meezan Bank Limited
Habib Bank Limited
Dubai Islamic Bank Limited
Allied Bank Limited
National Bank Of Pakistan
JS Bank Limited
Bank Islami Pakistan Limited
Zarai Taraqiat Bank Limited
Faysal Bank Limited
Bank Alfalah 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 4, Scheme 5,
Clifton, Karachi 75600, Pakistan.

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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



DIRECTORS' REPORT

The Board of Directors of **NBP Fund Management Limited** is pleased to present the unaudited Condensed Interim financial statements of **NBP Islamic Daily Dividend Fund (NIDDF)** for the quarter ended September 30, 2022.

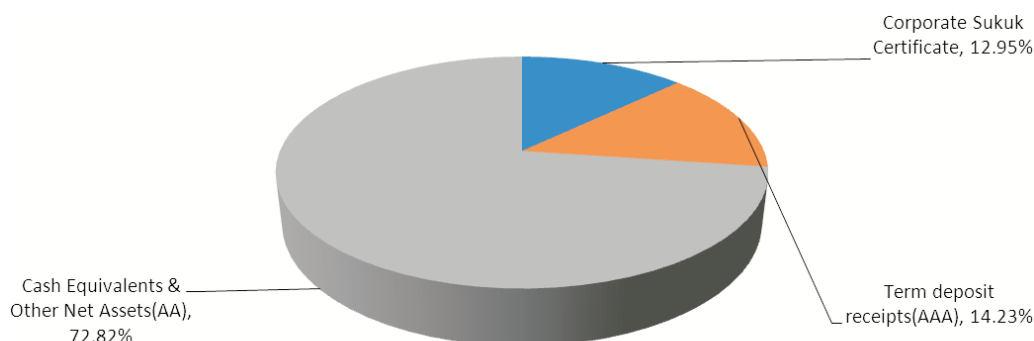
Fund's Performance

During the quarter, SBP held two Monetary Policy Committee meetings and increased the policy rate by 125 basis points to 15%. The market witnessed a sizable issuance of Shariah Compliant commercial papers from the corporates to meet their increasing funding need for working capital/bridge financing for fixed capital investments. Inflation as measured by the CPI, escalated sharply and averaged 25.1% during the period as compared to 8.6% in 1QFY22. Amid spike in the perishable item prices, the utilities also increased significantly. Owing to the global and domestic uncertainties, and due to pressure on the exchange rate, the inflation outlook remains elevated for FY23. The exacerbating political noise as well as the global unrest due to the Russia-Ukraine conflict intensifying; significant uncertainties prevail around the outlook for international commodity prices and domestic fiscal consolidation. Also, following the increase in FED rates, the central banks across the world are pushed to confront with challenging outlook.

NIDDF is categorized as a Shariah Compliant Money Market Fund. The fund aims to consistently provide better return than the profit rates offered by Islamic Banks / Islamic windows of commercial banks. Minimum eligible rating is AA, while the Fund is not allowed to invest in any security exceeding six months maturity. The weighted average time to maturity of the Fund cannot exceed 90 days, thereby providing easy liquidity along with a high-quality credit profile.

The size of NBP Islamic Daily Dividend Fund has decreased from Rs. 11,192 million to Rs. 10,619 million during the period (i.e., a fall of 5%). During the period, the unit price of the Fund has increased from Rs. 9.6514 (Ex-Div) on June 30, 2022 to Rs. 10.0000 on September 30, 2022, thus showing return of 14.3% p.a. as compared to the benchmark return of 5.5% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 386.138 million during the period. After deducting total expenses of Rs. 16.253 million, the net income is Rs. 369.885 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIDDF.



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 3.55% of the opening ex-NAV (3.55% of the par value) for the period ended September 30, 2022.



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: October 29, 2022
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2022ء کو ختم ہونے والی پہلی سہ ماہی کے لئے NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ (NIDDF) کے غیر جانچ شدہ کنڈینسڈ عبوری عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

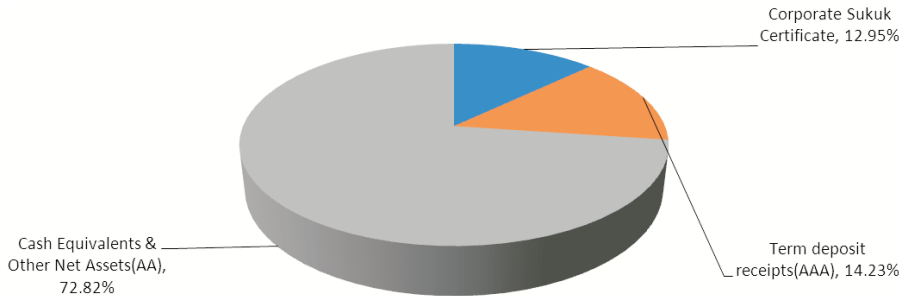
فنڈ کی کارکردگی

سہ ماہی کے دوران، SBP نے دو مائٹری پالیسی کمیٹی کے اجلاس منعقد کیے اور پالیسی شرح کو 125 بیس پوائنٹس بڑھا کر 15% کر دیا۔ مارکیٹ نے ورکنگ کیپٹل کے لئے اپنی زیادہ فنڈنگ ضروریات / مقررہ کیپٹل سرمایہ کاری کے لئے برج فنانسنگ کو پورا کرنے کے لئے کارپوریٹس سے شریعہ کیپلیٹ کمرشل پیپرز کا قابل ذکر اجراء دیکھا۔ اسی عرصے کے دوران CPI کی پیمائش کردہ افراط زر تیزی سے بڑھی اور اوسطاً 25.1% رہی جو کہ مالی سال 2022 کی پہلی سہ ماہی میں 8.6% تھی۔ خراب ہونے والی اشیاء کی قیمتوں اور یوٹیلٹیز میں بھی نمایاں اضافہ ہوا۔ عالمی اور ملکی غیر یقینی صورتحال اور شرح مبادلہ پر دباؤ کی وجہ سے، مالی سال 23 کے لیے افراط زر کا نقطہ نظر بلند ہے۔ روس اور یوکرین کے تنازع کی شدت سے بڑھتا ہوا سیاسی شور اور عالمی بد امنی؛ بین الاقوامی اجناس کی قیمتوں اور ملکی مالی استحکام کے نقطہ نظر کو نمایاں غیر یقینی صورتحال کا سامنا ہے۔ نیز، FED کی شرح میں اضافے کے بعد، دنیا بھر کے مرکزی بینکوں کو چیلنجنگ نقطہ نظر کا سامنا کرنے پر مجبور کر دیا گیا ہے۔

NIDDF کی شریعہ کیپلیٹ منی مارکیٹ فنڈ کے طور پر درجہ بندی کی گئی ہے۔ فنڈ کا مقصد اسلامی بینکوں / کمرشل بینکوں کی اسلامی ونڈوز کی پیش کردہ منافع کی شرحوں کے مقابلے تو اتار سے بہتر منافع فراہم کرنا ہے، کم از کم اہل ریٹنگ AA ہے، جب کہ فنڈ چھ ماہ سے زائد میچورٹی کی کسی سیکورٹی میں سرمایہ کاری کی اجازت نہیں دیتا ہے۔ فنڈ کی میچورٹی کی اوسط مدت 90 دنوں سے تجاوز نہیں کر سکتی، لہذا اعلیٰ کوالٹی کے کریڈٹ پروفائل کے ساتھ آسان لیکویڈیٹی بھی مہیا کرتا ہے۔

NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ کا سائز 11,192 ملین روپے سے کم ہو کر زیر جائزہ مدت کے دوران 10,619 ملین روپے ہو گیا (یعنی 5% کی کمی ہوئی)۔ اس مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2022 کو (Ex-Div) 9.6514 روپے سے بڑھ کر 30 ستمبر 2022 کو 10.0000 روپے ہو گئی۔ لہذا فنڈ نے اسی مدت میں بیچ مارک منافع 5.5% کے مقابلے 14.3% کا سالانہ منافع درج کیا۔ فنڈ کی یہ کارکردگی منیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

مدت کے دوران فنڈ کو 386.138 ملین روپے کی مجموعی آمدنی ہوئی۔ 16.253 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 369.885 ملین روپے ہے۔ درج ذیل چارٹ NIDDF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:



آمدنی کی تقسیم

منیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 ستمبر 2022 کو ختم ہونے والی سہ ماہی کے لئے اوپننگ ex-NAV کا 3.55% (بنیادی قدر کا 3.55%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے منجمنٹ 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 ڈسٹری بیوٹرز 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 منجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 29 اکتوبر 2022

مقام: کراچی



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT SEPTEMBER 30, 2022

		(Un-audited) September 30, 2022	Audited 'June 30, 2022
	Note	-----Rupees in '000-----	
ASSETS			
Bank balances	4	7,571,024	9,869,948
Investments	5	2,886,000	1,200,000
Profit receivable		180,086	157,612
Prepayments, deposits and other receivables		719	746
Preliminary expenses and floatation costs		491	554
Total assets		10,638,320	11,228,860
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company		8,126	5,518
Payable to Central Depository Company of Pakistan Limited - Trustee		514	547
Payable to the Securities and Exchange Commission of Pakistan		526	2,452
Payable against redemption of units		1,748	16,791
Accrued expenses and other liabilities		8,440	11,258
Total liabilities		19,354	36,566
NET ASSETS		10,618,966	11,192,294
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		10,618,966	11,192,294
CONTINGENCIES AND COMMITMENTS	6		
Number of units			
NUMBER OF UNITS IN ISSUE		1,061,900,469	1,119,229,210
Rupees			
NET ASSET VALUE PER UNIT		10.0000	10.0000

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

		Quarter Ended September 30 2022	Quarter Ended September 30 2021
	Note	-----Rupees in '000-----	
INCOME			
(Loss) on sale of investments - net		-	(59)
Income on sukuk certificates		32,773	-
Income on term deposit receipts		49,037	15,466
Income on commercial papers		-	35,672
Income on letter of placements		-	9,938
Profit on bank deposits		304,328	186,751
Total income		386,138	247,768
EXPENSES			
Remuneration of NBP Fund Management Limited - Management Company		8,540	3,725
Sindh sales tax on remuneration of the Management Company		1,110	484
Reimbursement of Allocated expenses		3,287	4,392
Reimbursement of Selling and marketing expense	8	526	510
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,446	2,284
Sindh sales tax on remuneration of the Trustee		188	297
Annual fee of the Securities and Exchange Commission of Pakistan		526	703
Amortisation of preliminary expenses and floatation costs		64	57
Auditors' remuneration		129	121
Legal and professional charges		30	46
Listing fee		7	7
Shariah advisor fee		330	113
Settlement and bank charges		14	223
Printing expenses		9	5
Rating fee		47	47
Total operating expenses		16,253	13,014
Net income from operating activities		369,885	234,754
Reversal of provision against Sindh Workers' Welfare Fund	6	-	22,404
Net income for the period before taxation		369,885	257,158
Taxation	8	-	-
Net income for the period after taxation		369,885	257,158
Earnings per unit		-	-
Allocation of net income for the period			
- Net income for the period after taxation		369,885	257,158
- Income already paid on units redeemed		-	-
		369,885	257,158
Accounting income available for distribution:			
- Relating to capital gains		-	-
- Excluding capital gains		369,885	257,158
		369,885	257,158

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Quarter Ended September 30 2022	Quarter Ended September 30 2021
	-----Rupees in '000-----	
Net income for the period after taxation	369,885	257,158
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>369,885</u>	<u>257,158</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

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 QUARTER ENDED SEPTEMBER 30, 2022

	FOR THE QUARTER ENDED SEPTEMBER 30, 2022			FOR THE QUARTER ENDED SEPTEMBER 30, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
Note	----- Rupees in '000 -----			----- Rupees in '000 -----		
Net assets at beginning of the period	11,192,294	-	11,192,294	13,292,072	-	13,292,072
Issuance of 473,502,400 units (2021: 423,739,477 units)						
- Capital value	4,734,983	-	4,734,983	4,237,405	-	4,237,405
- Element of income	-	-	-	-	-	-
Total proceeds on issuance of units	4,734,983	-	4,734,983	4,237,405	-	4,237,405
Redemption of 530,831,141 units (2021: 438,562,229 units)						
- Capital value	(5,308,311)	-	(5,308,311)	(4,385,622)	-	(4,385,622)
- Element of loss	-	-	-	-	-	-
Total payments on redemption of units	(5,308,311)	-	(5,308,311)	(4,385,622)	-	(4,385,622)
Total comprehensive income for the period	-	369,885	-	-	257,158	-
Distribution paid	-	(369,885)	-	-	(257,158)	-
Net income for the period less distribution	-	-	-	-	-	-
Net assets at end of the period (un-audited)	10,618,966	-	10,618,966	13,143,855	-	13,143,855
Undistributed income / (loss) brought forward						
- Realised	-	-	-	-	-	-
- Unrealised	-	-	-	-	-	-
Accounting income available for distribution:						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	369,885	-	369,885	257,158	-	257,158
Cash distribution	(369,885)	-	(369,885)	(257,158)	-	(257,158)
Undistributed income carried forward	-	-	-	-	-	-
Undistributed income carried forward:						
- Realised income	-	-	-	-	-	-
- Unrealised income	-	-	-	-	-	-
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period	10.0000		10.0000	10.0000		10.0000
Net assets value per unit at end of the period	10.0000		10.0000	10.0000		10.0000

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	QUARTER ENDED SEPTEMBER 30, 2022	QUARTER ENDED SEPTEMBER 30, 2021
-----Rupees in '000-----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	369,885	257,158
Adjustments		
Income on sukuk certificates	(32,773)	-
Income on term deposit receipts	(49,037)	(15,466)
Income on commercial papers	-	(35,672)
Income on letter of placements	-	(9,938)
Profit on bank deposits	(304,328)	(186,751)
Reversal of provision against Sindh Workers' Welfare Fund	-	(22,404)
Amortisation of preliminary expenses and floatation costs	64	57
	(386,074)	(270,174)
(Increase) / Decrease in assets		
Prepayments, deposits and other receivables	27	26
Investments - net	(1,686,001)	968,844
	(1,685,974)	968,870
(Decrease) in liabilities		
Payable to NBP Fund Management Limited - Management company	2,608	80
Payable to Central Depository Company of Pakistan Limited - Trustee	(33)	(21)
Payable to the Securities and Exchange Commission of Pakistan	(1,926)	(2,046)
Accrued expenses and other liabilities	(2,818)	330
	(2,169)	(1,657)
Profit received on Investments	363,664	262,791
(Used in) / net cash generated from operating activities	(1,340,668)	1,216,988
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units	4,734,983	4,237,405
Amount paid against redemption of units	(5,323,354)	(4,385,136)
Distributions paid	(369,885)	(257,158)
Net cash (used in) from financing activities	(958,256)	(404,889)
Net (decrease) in cash and cash equivalents during the period	(2,298,924)	812,099
Cash and cash equivalents at the beginning of the period	9,869,948	11,427,064
Cash and cash equivalents at the end of the period	7,571,024	12,239,163

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

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 QUARTER ENDED SEPTEMBER 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Daily Dividend Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on September 19, 2019 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the 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 Shariah compliant money market fund by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by 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 at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from November 2, 2019 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to provide competitive return along with daily dividend by investing in Shariah compliant money market instruments.

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

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

During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on November 2, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.



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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2022.

These condensed interim financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.

The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2022.

	Note	(Un-audited) September 30, 2022	Audited June 30, 2022
		-----Rupees in '000-----	
4 BANK BALANCES			
Savings accounts	4.1	7,562,710	9,857,463
Current accounts		8,314	12,485
		7,571,024	9,869,948

4.1 These accounts carry profit at the rates ranging from 6.5% to 16.00% (30 June 2022: 6.5% to 15.59%) per annum.

5 INVESTMENTS

Corporate Sukuk certificates	5.1	1,375,000	700,000
Term deposit receipts	5.2	1,511,000	500,000
		2,886,000	1,200,000



5.1 SUKUK

Name of the security	Issue date	Coupon rate / tenor	Number of certificates				Market value as at Septemembr 30, 2022	Market value as a percentage of	
			As at July 1, 2022	Purchased during the period	Matured during the period	As at September 30, 2022		Net assets of the Fund	Total market value of investments
Rupees in 000 ----- % -----									
K-Electric STS-6	Apr 27, 2022	15.00%							
		6 months	100	-	-	100	100,000	0.94	3.47
K-Electric STS-7	Aug 10, 2022	17.24%							
		6 months	-	500	-	500	500,000	4.71	17.33
K-Electric STS-8	Aug 29, 2022	17.35%							
		6 months	-	500	-	500	500,000	4.71	17.33
K-Electric STS-9	Sep 21, 2022	17.51%							
		6 months	-	275	-	275	275,000	2.59	9.53
Carrying value as at September 30, 2022							1,375,000		

5.2 Term deposits receipts

Name of the security	Issue date	Profit rate	As at July 1, 2022	Purchased during the period	Matured during the period	As at September 30, 2022	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Market value as a percentage of total investment	Market value as a percentage of net assets
							Rupees in '000	Percentage		
Bank Alfalah Ltd- Islamic Banking	27-May-22	14.65%	500,000	-	500,000	-	-	-	-	-
Bank Alfalah Ltd- Islamic Banking	22-Jul-22	15.25%	-	1,511,000	-	1,511,000	1,511,000	1,511,000	52.36	14.23
Total as at September 30, 2022							1,511,000	1,511,000	52.36	14.23
Total as at June 30, 2022							500,000	500,000		

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2022 and June 30, 2022.

7 REIMBURSEMENT SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 0.02% per annum of the net assets of the Fund.



8 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2023 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these condensed financial statements during the period. Provision for taxation has been made in these condensed interim financial statements.

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

9 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 0.62% (September 30, 2021: 0.37%) which includes 0.07% (September 30, 2021: 0.04%) representing Government Levies and the SECP Fee. The prescribed limit for the ratio is 2% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a Shariah compliant money market scheme.

10 INTERIM DISTRIBUTION

The Fund makes distribution on daily basis as per clause 12.1 of the Trust Deed and clause 1.4 of the Offering Document and re-invests the distributed dividend as per clause 1.4 of the Offering Document. During the period ended September 30, 2021, the Management Company on behalf of the Fund, has distributed total profit earned during the period amounting to Rs 369.88 million as dividend after deducting applicable taxes.

Payout Date	Payout Per Rupees	Payout Date	Payout Per Unit Rupees	Payout Date	Payout Per Unit Rupees
July 1, 2022	0.0040	August 1, 2022	0.0037	September 1, 2022	0.0039
July 2, 2022	0.0040	August 2, 2022	0.0036	September 2, 2022	0.0039
July 3, 2022	0.0040	August 3, 2022	0.0037	September 3, 2022	0.0037
July 4, 2022	0.0041	August 4, 2022	0.0037	September 4, 2022	0.0039
July 5, 2022	0.0040	August 5, 2022	0.0037	September 5, 2022	0.0039
July 6, 2022	0.0040	August 6, 2022	0.0036	September 6, 2022	0.0039
July 7, 2022	0.0040	August 7, 2022	0.0037	September 7, 2022	0.0045
July 8, 2022	0.0039	August 8, 2022	0.0036	September 8, 2022	0.0040
July 9, 2022	0.0040	August 9, 2022	0.0037	September 9, 2022	0.0040
July 10, 2022	0.0039	August 10, 2022	0.0038	September 10, 2022	0.0040
July 11, 2022	0.0040	August 11, 2022	0.0037	September 11, 2022	0.0041
July 12, 2022	0.0040	August 12, 2022	0.0038	September 12, 2022	0.0040
July 13, 2022	0.0039	August 13, 2022	0.0037	September 13, 2022	0.0041
July 14, 2022	0.0037	August 14, 2022	0.0037	September 14, 2022	0.0041
July 15, 2022	0.0036	August 15, 2022	0.0038	September 15, 2022	0.0041
July 16, 2022	0.0036	August 16, 2022	0.0038	September 16, 2022	0.0041
July 17, 2022	0.0037	August 17, 2022	0.0038	September 17, 2022	0.0041
July 18, 2022	0.0036	August 18, 2022	0.0037	September 18, 2022	0.0041
July 19, 2022	0.0036	August 19, 2022	0.0038	September 19, 2022	0.0041
July 20, 2022	0.0036	August 20, 2022	0.0037	September 20, 2022	0.0041



Payout Date	Payout Per Rupees	Payout Date	Payout Per Unit Rupees	Payout Date	Payout Per Unit Rupees
July 21, 2022	0.0037	August 21, 2022	0.0038	September 21, 2022	0.0041
July 22, 2022	0.0037	August 22, 2022	0.0038	September 22, 2022	0.0041
July 23, 2022	0.0036	August 23, 2022	0.0037	September 23, 2022	0.0041
July 24, 2022	0.0037	August 24, 2022	0.0037	September 24, 2022	0.0041
July 25, 2022	0.0037	August 25, 2022	0.0038	September 25, 2022	0.0041
July 26, 2022	0.0037	August 26, 2022	0.0038	September 26, 2022	0.0041
July 27, 2022	0.0037	August 27, 2022	0.0037	September 27, 2022	0.0041
July 28, 2022	0.0037	August 28, 2022	0.0037	September 28, 2022	0.0041
July 29, 2022	0.0037	August 29, 2022	0.0038	September 29, 2022	0.0041
July 30, 2022	0.0036	August 30, 2022	0.0038	September 30, 2022	0.0041
July 31, 2022	0.0037	August 31, 2022	0.0038		

11 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 11.1** Related parties / connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan, Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, Funds under management of the Management Company, directors and key management personnel of the Management Company and other associated companies. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.
- 11.2** Transactions with related parties / connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to related parties / connected persons. The transactions with related parties / connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with the market rates.
- 11.3** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the Trust Deed and Offering Document.
- 11.4** Details of transactions with related parties / connected persons during the period are as follows:

	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
	Rupees in '000	
NBP Fund Management Limited - Management Company		
Remuneration of NBP Fund Management Limited - Management Company	8,540	3,725
Sindh sales tax on remuneration of the Management Company	1,110	484
Reimbursement of Allocated expenses	3,287	4,392
Reimbursement of Selling and marketing expense	526	510
Sales and transfer load	53	55
Sindh sales tax on sales and transfer load	121	7
Preliminary expenses and floatation costs borne by the Management Company	64	57
ADC charges including Sindh sales tax	653	13
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,446	2,284
Sindh sales tax on remuneration of the Trustee	188	297



	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
	Rupees in '000	
Key management personnel of the Management Company		
Dividend re-invest units issued: 94,234 (2021: 17,453 units)	942	175
Units issued: 1,786,826 (2021: 236,938 units)	17,868	2,369
Units redeemed: 685,386 (2021: 437,053 units)	6,854	4,371
National Bank of Pakistan Limited - parent company		
Profit on bank balances	-	-
Baltoro Partners (Private) Limited - sponsor		
Dividend re-invest units issued: 11 (2021: 1,277 units)	0	13
Portfolio managed by the Management Company		
Dividend re-invest units issued: 696,275 (2021: 191,218 units)	6,962	1,912
Units issued: 66,216,872 (2021: 41,625,830 units)	662,169	416,258
Units Redemption: 86,322,359 (2021: 19,656,037 units)	863,224	196,560
Pakistan Defence Officers Housing Authority - unit holders with more than 10% holding		
Dividend re-invest units issued: 6,861,985 (2021: 3,975,433 units)	68,620	39,754
Units Redemption: 25,000,000 (2021: Nil units)	250,000	-
NAFA Islamic Capital Preservation Plan-I		
Dividend re-invest units issued: 115,597 (2021: 1,753 units)	1,156	18
Units issued: Nil (2021: 2,971,200 units)	-	29,712
NAFA Islamic Capital Preservation Plan-II		
Dividend re-invest units issued: 10,070 (2021: 1,445 units)	101	14
Units issued: Nil (2021: 2,449,200 units)	-	24,492
NAFA Islamic Capital Preservation Plan-III		
Dividend re-invest units issued: 51,038 (2021: 1,349 units)	510	13
Units issued: Nil (2021: 2,286,800 units)	-	22,868
NAFA Islamic Capital Preservation Plan-IV		
Dividend re-invest units issued: 31,762 (2021: 1,321 units)	318	13
Units issued: Nil (2021: 2,239,200 units)	-	22,392
Units Redemption: 250,000 (2021: Nil units)	2,500	-
NBP Islamic Capital Preservation Plan-V		
Dividend re-invest units issued: 50,063 (2021: 1,464 units)	501	15
Units issued: Nil (2021: 2,480,500 units)	-	24,805
Units Redemption: Nil (2021: Nil units)	-	-
NBP Islamic Capital Preservation Plan-VI		
Dividend re-invest units issued: 242,283 (2021: Nil units)	2,423	-
Units issued: 11,740,800 (2021: Nil units)	117,408	-
K-Electric (Common Directorship)		
Purchases of Sukuk	1,275,000	-



11.5 Amounts / balances outstanding as at period end are as follows

	As at September 30, 2022	As at June 30, 2022
Rupees in '000		
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	2,827	1,265
Sindh sales tax on remuneration of the Management Company	368	164
Reimbursement of Allocated expenses payable	3,287	3,329
Reimbursement of Selling and marketing expenses payable	526	533
Sales load payable to Management Company	931	163
Sindh sales tax payable on sales load	121	21
ADC charges payable including Sindh sales tax	66	42
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	455	484
Sindh sales tax payable on Trustee remuneration	59	63
Security deposit with Central Depository Company of Pakistan Limited	100	100
Key management personnel of the Management Company		
Units outstanding - Units 3,625,846 (June 30, 2022: 2,341,459)	36,258	23,415
NAFA Islamic Capital Preservation Plan-I		
Investment held in the Fund: 3,315,036 units (June 30, 2022: 3,199,439 units)	33,150	31,994
NAFA Islamic Capital Preservation Plan-II		
Investment held in the Fund: 288,784 units (June 30, 2022: 278,714 units)	2,888	2,787
NAFA Islamic Capital Preservation Plan-III		
Investment held in the Fund: 1,463,627 units (June 30, 2022: 1,412,589 units)	14,636	14,126
NAFA Islamic Capital Preservation Plan-IV		
Investment held in the Fund: 761,330 units (June 30, 2022: 979,568 units)	7,613	9,796
NBP Islamic Capital Preservation Plan-V		
Investment held in the Fund: 1,435,677 units (June 30, 2022: 1,385,614 units)	14,357	13,856
NBP Islamic Capital Preservation Plan-VI		
Investment held in the Fund: 11,983,083 units (June 30, 2022: Nil units)	119,831	-
Baltoro Partners (Private) Limited - sponsor		
Units outstanding - Units 385 (June 30, 2022: 374 units)	4	4
Portfolio managed by the Management Company		
Units outstanding - Units 19,266,693 (June 30, 2022: 37,568,504 Units)	192,667	375,686
Pakistan Defence Officers Housing Authority - unit holders with more than 10% holding		
Units outstanding - Units 229,456,207 (June 30, 2022: 247,594,222 Units)	2,294,562	2,475,942
National Bank of Pakistan Limited - parent company		
Bank balance	317	393
Profit receivable	16	-
BankIslami Pakistan Limited - common directorship		
Bank balance	1,656	2,940
K-Electric		
Sukuks held	1,375,000	-
Profit receivable on sukuk certificates	27,895	-



* Prior period comparative has not been shown as the company was not a related party / connected person as at September 30, 2021.

12 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 29, 2022.

13 GENERAL

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

13.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

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

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