



**NBP  
ISLAMIC DAILY DIVIDEND  
FUND**

**QUARTERLY REPORT  
SEPTEMBER 30, 2022**

# 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 Taraqiati 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.nbpfunds.com](http://www.nbpfunds.com)

### Lahore Office:

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

### Islamabad Office:

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

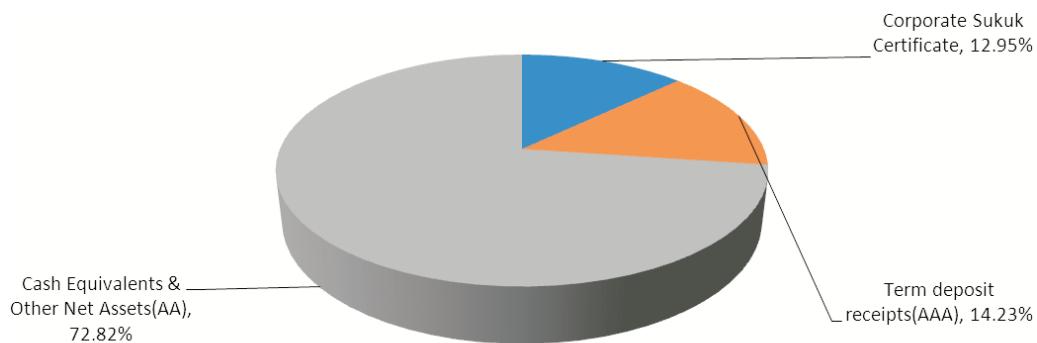
### Fund's Performance

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.

## ڈائریکٹر رپورٹ

NBP فنڈ میجنٹ لیمیٹڈ کے بورڈ آف ڈائریکٹرز بھدم سرت 30 ستمبر 2022 کو ثمن ہونے والی پہلی سماں کے لئے NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ (NIDDF) کے غیر جانچ شدہ کنڈیڈ عبوری عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

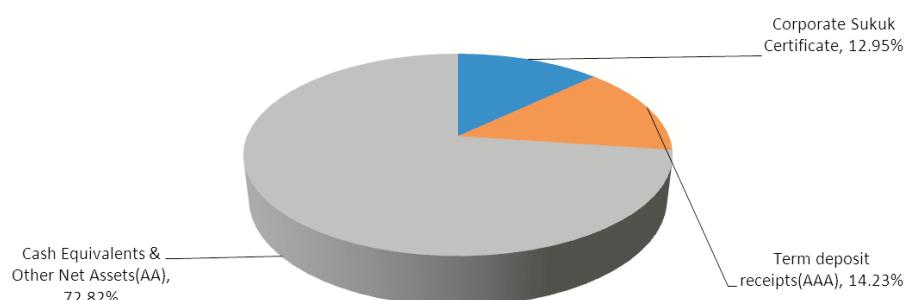
### فنڈ کا کردگی

سماں کے دوران، SBP نے دو مانیٹری پالیسی کمیٹی کے اجلاس منعقد کیے اور پالیسی شرح کو 125 میس پاؤنسٹس برھا کر کر 15% کر دیا۔ مارکیٹ نے درستگ کپیٹل کے لئے اپنی زیادہ فنڈ نگ ضروریات امقر رہ کپیٹل سرمایہ کاری کے لئے برج فناٹنگ کو پورا کرنے کے لئے کارپوریٹس سے شریعہ کمپلینٹ کرشل پیپرز کا قابل ذکرا جراء دیکھا۔ اسی عرصے کے دوران CPI کی پیاٹش کر دہ افراط زریزی سے بڑھی اور اوس طبق 25.1% ری جو کہ مالی سال 2022 کی پہلی سماں میں 8.6% تھی۔ خراب ہونے والی اشیاء کی قیتوں اور یتیلیزیز میں بھی نامیاں اضافو ہوا۔ عالمی اور ملکی غیر یقینی سورجخال اور شرخ مجاہدہ پر دباؤ کی وجہ سے، مالی سال 23 کے لیے افراط زر کا نقطہ نظر بلند ہے۔ روں اور یوکرین کے تازع کی شدت سے بڑھتا ہوا سیاسی شوار و عالمی بدنی؛ میں الاقوامی اجتناس کی قیتوں اور ملکی مالی استحکام کے نقطہ نظر کو نامیاں غیر یقینی سورجخال کا سامنا ہے۔ نیز، FED کی شرح میں اضافے کے بعد، دنیا بھر کے مرکزی بینکوں کو چند جگہ نقطہ نظر کا سامنا کرنے پر مجبود کر دیا گیا ہے۔

NIDDF کی شریعہ کمپلینٹ منی مارکیٹ فنڈ کے طور پر درجہ بندی کی گئی ہے۔ فنڈ کا مقصد اسلامی بینکوں اک مرکزی بینکوں کی اسلامی ونڈوز کی پیش کردہ منافع کی شرحوں کے مقابلے تو اتر سے بہتر منافع فراہم کرنا ہے، کم از کم اہل رینگ AA ہے، جب کہ فنڈ چھ ماہ سے زائد میچوڑی کی کسی سیکورٹی میں سرمایہ کاری کی اجازت نہیں دیتا ہے۔ فنڈ کی میچوڑی کی اوسط مدت 90 دنوں سے تجاوز نہیں کر سکتی، لہذا اعلیٰ کوائٹی کے کریٹ پروفائل کے ساتھ آسان لکیویڈی میں بھی ممیا کرتا ہے۔

NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ کا سائز 192.11 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 نئے مارک منافع 5.5% کے مقابلے 14.3% کا سالانہ منافع درج کیا۔ فنڈ کی یہ کارکردگی میجنٹ فیس اور دیگر تمام اخراجات کے بعد خاص ہے۔

مدت کے دوران فنڈ کو 138.136 ملین روپے کی مجموعی آمدنی ہوئی۔ 16.253 ملین روپے کے اخراجات منها کرنے کے بعد خالص آمدنی 369.885 ملین روپے ہے۔ درج ذیل چارٹ NIDDF کی ایسٹ ایکیشن اور اس کے ذیلی امثالوں کے تمام درجوں کی پیاٹش شدہ اوسط کریٹ رینگ پیش کرتا ہے:



### آمدنی کی تفصیل

میجنٹ کپنی کے بورڈ آف ڈائریکٹرز نے 30 ستمبر 2022 کو ثمن ہونے والی سماں کے لئے اوپنگ ex-NAV کا 3.55% (بیادی قدر کا 3.55%) عبوری نقد منافع مقتسم کی منتظری دی ہے۔

اٹھار تشریف

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے میجنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکر یاد کرتا ہے۔ یہ سکورٹیز اینڈ آئچیشن آف پاکستان اور اسٹائٹ بینک آف پاکستان کی سروپتی اور رہنمائی کے لئے ان کے مخلص رو یہ کام بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ٹریکنگ کی طرف سے سخت محنت لگان اور عزم کے مظاہرے پر اپنا خراج ٹھیکن بھی ریکارڈ پر لانا چاہتا ہے۔

من جانب بورڈ آف ڈائریکٹر

**NBP** نئی میجنٹ لیمیٹڈ

ڈائریکٹر

چیف ایگزیکیوٹو آفیسر

تاریخ: 29 اکتوبر 2022

مقام: کراچی

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2022

	Note	(Un-audited) September 30, 2022	Audited 'June 30, 2022
		-----Rupees in '000-----	
<b>ASSETS</b>			
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
<b>Total assets</b>		<b>10,638,320</b>	<b>11,228,860</b>
<b>LIABILITIES</b>			
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
<b>Total liabilities</b>		<b>19,354</b>	<b>36,566</b>
<b>NET ASSETS</b>		<b>10,618,966</b>	<b>11,192,294</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>10,618,966</b>	<b>11,192,294</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
6			
Number of units			
<b>NUMBER OF UNITS IN ISSUE</b>		<b>1,061,900,469</b>	<b>1,119,229,210</b>
Rupees			
<b>NET ASSET VALUE PER UNIT</b>		<b>10.0000</b>	<b>10.0000</b>

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

	Note	Quarter Ended September 30 2022	Quarter Ended September 30 2021
-----Rupees in '000-----			
<b>INCOME</b>			
(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
<b>Total income</b>		<u>386,138</u>	<u>247,768</u>
<b>EXPENSES</b>			
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
<b>Total operating expenses</b>		<u>16,253</u>	<u>13,014</u>
<b>Net income from operating activities</b>		<u>369,885</u>	<u>234,754</u>
Reversal of provision against Sindh Workers' Welfare Fund	6	-	22,404
<b>Net income for the period before taxation</b>		<u>369,885</u>	<u>257,158</u>
Taxation	8	-	-
<b>Net income for the period after taxation</b>		<u>369,885</u>	<u>257,158</u>
<b>Earnings per unit</b>		-	-
<b>Allocation of net income for the period</b>			
- Net income for the period after taxation		<u>369,885</u>	<u>257,158</u>
- Income already paid on units redeemed		-	-
<b>Accounting income available for distribution:</b>		<u>369,885</u>	<u>257,158</u>
- Relating to capital gains		-	-
- Excluding capital gains		<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 COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

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

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

For NBP Fund Management Limited  
(Management Company)

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Chief Financial Officer

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Chief Executive Officer

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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	-	-	-	-	-	-
<b>Net assets at end of the period (un-audited)</b>	<b>10,618,966</b>	-	<b>10,618,966</b>	<b>13,143,855</b>	-	<b>13,143,855</b>
Undistributed income / (loss) brought forward						
- Realised	-	-	-	-	-	-
- Unrealised	-	-	-	-	-	-
Accounting income available for distribution:						
- Relating to capital gains	-	369,885	-	-	257,158	-
- Excluding capital gains	369,885	-	369,885	-	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	-
Net assets value per unit at end of the period	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-----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	369,885	257,158
<b>Adjustments</b>		
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
	<b>(386,074)</b>	<b>(270,174)</b>
<b>(Increase) / Decrease in assets</b>		
Prepayments, deposits and other receivables	27	26
Investments - net	(1,686,001)	968,844
	<b>(1,685,974)</b>	<b>968,870</b>
<b>(Decrease) in liabilities</b>		
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
	<b>(2,169)</b>	<b>(1,657)</b>
Profit received on Investments	<b>363,664</b>	262,791
<b>(Used in) / net cash generated from operating activities</b>	<b>(1,340,668)</b>	1,216,988
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
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)
<b>Net cash (used in) from financing activities</b>	<b>(958,256)</b>	<b>(404,889)</b>
<b>Net (decrease) in cash and cash equivalents during the period</b>	<b>(2,298,924)</b>	812,099
Cash and cash equivalents at the beginning of the period	<b>9,869,948</b>	11,427,064
<b>Cash and cash equivalents at the end of the period</b>	<b>7,571,024</b>	<b>12,239,163</b>

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

- 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
		<b>2,886,000</b>	<b>1,200,000</b>

## 5.1 SUKUK

Name of the security	Issue date	Coupon rate / tenor	Number of certificates				Market value as at September 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	
<b>Carrying value as at September 30, 2022</b>										<b>1,375,000</b>

## 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
<b>Total as at September 30, 2022</b>										<b>1,511,000 1,511,000 52.36 14.23</b>
<b>Total as at June 30, 2022</b>										<b>500,000 500,000</b>

## 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		
<b>NBP Fund Management Limited - Management Company</b>		
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
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
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		
<b>Key management personnel of the Management Company</b>		
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
<b>National Bank of Pakistan Limited - parent company</b>		
Profit on bank balances	-	-
<b>Baltoro Partners (Private) Limited - sponsor</b>		
Dividend re-invest units issued: 11 (2021: 1,277 units)	0	13
<b>Portfolio managed by the Management Company</b>		
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
<b>Pakistan Defence Officers Housing Authority - unit holders with more than 10% holding</b>		
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	-
<b>NAFA Islamic Capital Preservation Plan-I</b>		
Dividend re-invest units issued: 115,597 (2021: 1,753 units)	1,156	18
Units issued: Nil ((2021: 2,971,200 units)	-	29,712
<b>NAFA Islamic Capital Preservation Plan-II</b>		
Dividend re-invest units issued: 10,070 (2021: 1,445 units)	101	14
Units issued: Nil (2021: 2,449,200 units)	-	24,492
<b>NAFA Islamic Capital Preservation Plan-III</b>		
Dividend re-invest units issued: 51,038 (2021: 1,349 units)	510	13
Units issued: Nil (2021: 2,286,800 units)	-	22,868
<b>NAFA Islamic Capital Preservation Plan-IV</b>		
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	-
<b>NBP Islamic Capital Preservation Plan-V</b>		
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)	-	-
<b>NBP Islamic Capital Preservation Plan-VI</b>		
Dividend re-invest units issued: 242,283 (2021: Nil units)	2,423	-
Units issued: 11,740,800 (2021: Nil units)	117,408	-
<b>K-Electric (Common Directorship)</b>		
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
<b>Rupees in '000</b>		
<b>NBP Fund Management Limited - Management Company</b>		
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
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
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
<b>Key management personnel of the Management Company</b>		
Units outstanding - Units 3,625,846 (June 30, 2022: 2,341,459)	36,258	23,415
<b>NAFA Islamic Capital Preservation Plan-I</b>		
Investment held in the Fund: 3,315,036 units (June 30, 2022: 3,199,439 units)	33,150	31,994
<b>NAFA Islamic Capital Preservation Plan-II</b>		
Investment held in the Fund: 288,784 units (June 30, 2022: 278,714 units)	2,888	2,787
<b>NAFA Islamic Capital Preservation Plan-III</b>		
Investment held in the Fund: 1,463,627 units (June 30, 2022: 1,412,589 units)	14,636	14,126
<b>NAFA Islamic Capital Preservation Plan-IV</b>		
Investment held in the Fund: 761,330 units (June 30, 2022: 979,568 units)	7,613	9,796
<b>NBP Islamic Capital Preservation Plan-V</b>		
Investment held in the Fund: 1,435,677 units (June 30, 2022: 1,385,614 units)	14,357	13,856
<b>NBP Islamic Capital Preservation Plan-VI</b>		
Investment held in the Fund: 11,983,083 units (June 30, 2022: Nil units)	119,831	-
<b>Baltoro Partners (Private) Limited - sponsor</b>		
Units outstanding - Units 385 (June 30, 2022: 374 units)	4	4
<b>Portfolio managed by the Management Company</b>		
Units outstanding - Units 19,266,693 (June 30, 2022: 37,568,504 Units )	192,667	375,686
<b>Pakistan Defence Officers Housing Authority - unit holders with more than 10% holding</b>		
Units outstanding - Units 229,456,207 (June 30, 2022: 247,594,222 Units)	2,294,562	2,475,942
<b>National Bank of Pakistan Limited - parent company</b>		
Bank balance	317	393
Profit receivable	16	-
<b>BankIslami Pakistan Limited - common directorship</b>		
Bank balance	1,656	2,940
<b>K-Electric</b>		
Sukus 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)

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Chief Financial Officer

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Chief Executive Officer

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Director

## **Head Office**

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