



Islamic Savings

NBP Fund Management Limited



NBP ISLAMIC MAHANA AMDANI 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."



Contents

FUND'S INFORMATION	03
DIRECTORS' REPORT	05
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	09
CONDENSED INTERIM INCOME STATEMENT	10
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	11
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	12
CONDENSED INTERIM CASH FLOW STATEMENT	13
NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS	14



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

Al Baraka Bank Limited
Allied Bank Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Bank Alfalah Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Silk Bank Limited
Soneri Bank Limited



Auditors

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

Legal Advisor

Akhund Forbes
D-21, Block 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.nbpfund.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 Mahana Amdani Fund (NIMAF)** for the quarter ended September 30, 2022.

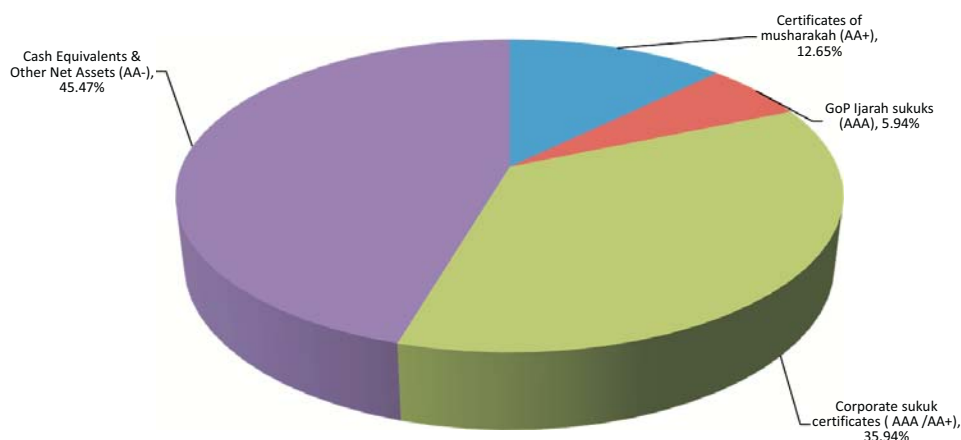
Fund's Performance

During the quarter, SBP held two Monetary Policy Committee meetings and increased the policy rate by 125 basis points to 15%. The primary market for Corporate Sukuks remained under-supplied against the growing demand. In the secondary market, the trading activity in Corporate Sukuks was slow with a cumulative traded value of Rs. 1.38 billion. 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.

NIMAF is categorized as a Shariah Compliant Income Fund. The Fund aims to provide monthly income to investors by investing in Shariah Compliant money market and debt avenues. Minimum eligible rating is A-, while the Fund is allowed to invest with Islamic Banks, Islamic branches / windows of conventional banks providing easy liquidity. The Fund is allowed to invest in Shariah Compliant Money Market instruments & debt securities rated A- or better. The Fund is not authorized to invest in Equities. The weighted average time to maturity of the Fund cannot exceed 4 years excluding government securities.

The size of NBP Islamic Mahana Amdani Fund has decreased from Rs. 10,365 million to Rs. 10,112 million during the period (i.e., a decline of 2%). During the period, the unit price of the Fund has increased from Rs. 10.0598 on June 30, 2022 to Rs. 10.3870 on September 30, 2022, thus showing return of 12.9% p.a. as compared to its benchmark return of 4.7% p.a. for the same period. The performance of the Fund is net of management fee and other expenses.

The Fund has earned a total income of Rs. 373.043 million during the quarter. After deducting total expenses of Rs. 40.782 million, the net income is Rs. 332.261 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset class of NIMAF:





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 مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2022ء کو ختم ہونے والی سہ ماہی کے لئے NBP اسلامک ماہانہ آمدنی فنڈ (NIMAF) کے غیر جانچ شدہ کنڈینسڈ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

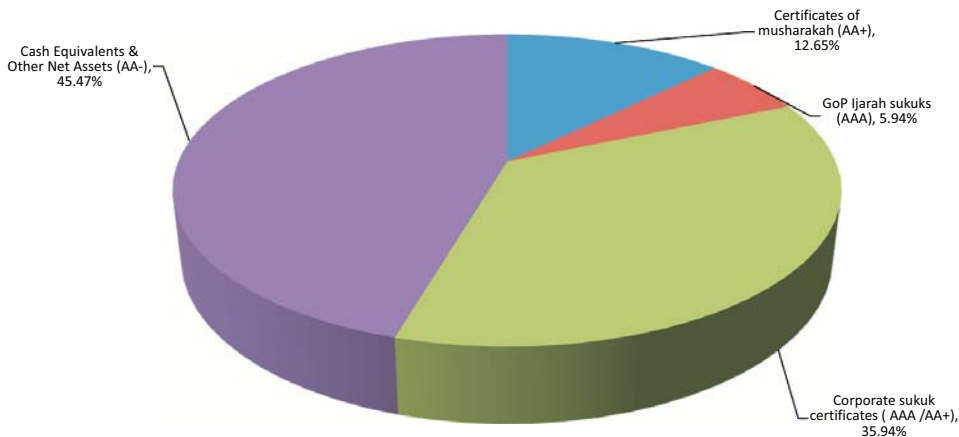
فنڈ کی کارکردگی

سہ ماہی کے دوران، SBP نے دو مائٹری پالیسی کمیٹی کے اجلاس منعقد کیے اور پالیسی کی شرح کو 125 بیس پوائنٹس بڑھا کر 15% کر دیا۔ پرائمری مارکیٹ میں زیادہ طلب کے برعکس کارپوریٹ سکوک کی رسد کم رہی ہے۔ ثانوی مارکیٹ میں، کارپوریٹ سکوک کی تجارتی سرگرمی 1.38 بلین روپے کی مجموعی تجارتی قدر کے ساتھ سست رہی۔ اسی عرصے کے دوران CPI کی پیمائش کردہ افراط زر تیزی سے بڑھی اور اوسطاً 25.1% جو مابقی سال 2022 کی پہلی سہ ماہی میں 8.6% تھی۔ خراب ہونے والی اشیاء کی قیمتوں اور یوٹیلٹی 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 شواہد 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۔

NIMAF شریعت کے مطابق انکم فنڈ کے طور پر درجہ بندی کیا جاتا ہے۔ فنڈ کا مقصد شریعتی مطابقت پذیر ماریٹ اور قرض کی آمد میں سرمایہ کاری کر کے سرمایہ کاروں کو ماہانہ آمدنی فراہم کرنا ہے۔ کم از کم اہل درجہ بندی-A، جبکہ فنڈ اسلامی بینکوں، اسلامی شاخوں/روایتی بینکوں کی وٹڈ آسان فراہمی کرنے کے ساتھ سرمایہ کاری کرنے کی اجازت دی جاتی ہے۔ فنڈ شریعت کے مطابق Money Market Instruments اور Debt Securities میں سرمایہ کاری کرنے کی اجازت دیتا ہے جو-A یا اس سے بہتر ہو۔ فنڈ ایکویٹیز میں سرمایہ کاری کرنے کا اختیار نہیں رکھتا۔ فنڈ کی اوسط میچورٹی گورنمنٹ سکیورٹیز کے علاوہ 4 سال سے زائد نہیں ہے۔

موجودہ مدت کے دوران NBP اسلامک ماہانہ آمدنی فنڈ کا سائز 10,365 ملین روپے سے کم ہو کر 10,112 ملین روپے ہو گیا ہے یعنی 2% کی کمی ہوئی۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2022 کو 10.0598 روپے (EX-Div) سے بڑھ کر 30 ستمبر 2022 کو 10.3870 روپے ہو گئی، لہذا اس مدت کے دوران فنڈ نے اپنے بیچ مارک 4.7% کے مقابلے میں 12.9% منافع درج کیا۔ یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے پہلی سہ ماہی کے دوران 373.043 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 40.782 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 332.261 ملین روپے ہے۔ درج ذیل چارٹ NIMAF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:





اظہار تشکر

بورڈ اس موقع سے فائدہ 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

	Note	(Un-Audited) September 30, 2022	(Audited) June 30, 2022
(Rupees in '000)			
Assets			
Bank balances	4	4,400,961	5,027,270
Investments	5	5,514,084	6,236,068
Profit receivable		261,474	200,751
Receivable against sale of units		317	17,245
Preliminary expenses and floatation costs		204	254
Deposits, prepayments and other receivables		2,968	3,008
Total Assets		10,180,008	11,484,596
Liabilities			
Payable to NBP Fund Management Limited - the Management Company		36,081	40,558
Payable to Central Depository Company of Pakistan Limited - the Trustee		720	800
Payable to the Securities and Exchange Commission of Pakistan		524	2,577
Payable against redemption of units		19,988	28,963
Payable against purchase of investments		-	901,429
Accrued expenses and other liabilities		10,722	145,293
Total Liabilities		68,035	1,119,620
Net Assets		10,111,973	10,364,976
Unit holders' funds (As per Statement attached)		10,111,973	10,364,976
Contingencies and commitments	6		
		(Number of units)	
Number of units in issue		973,523,761	1,030,332,335
		(Rupees)	
Net asset value per unit		10.3870	10.0598

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



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	
Income		
Income on sukuk certificates	163,596	89,868
Income on Islamic commercial papers	3,977	24,044
Income on term deposit receipts	-	16,085
Profit on savings accounts	172,304	105,583
Income on bai muajjal receivable	-	4,587
Income on certificates of musharakah	46,127	19,615
Gain on sale of investments - net	73	5,785
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(13,034)	12,054
Total Income	373,043	277,621
Expenses		
Remuneration of the Management Company	5,422	7,583
Sindh Sales Tax on remuneration of the Management Company	705	986
Reimbursement of allocated expenses	3,274	4,380
Reimbursement of selling and marketing expenses	27,500	26,262
Remuneration of the Trustee	1,964	2,628
Sales Tax on remuneration of the Trustee	255	342
Annual fees to the Securities and Exchange Commission of Pakistan	524	701
Amortisation of preliminary expenses and floatation costs	51	51
Securities and transaction cost	24	6
Settlement and bank charges	258	137
Auditors' remuneration	184	175
Annual rating fee	60	52
Shariah advisory fee	476	598
Listing fee	7	7
Printing charges	32	18
Legal and professional charges	46	35
Total Expenses	40,782	43,961
Net income from operating activities	332,261	233,660
Reversal of provision against Sindh Workers' Welfare Fund	-	66,853
Net income for the period before taxation	332,261	300,513
Taxation	-	-
Net income for the period after taxation	332,261	300,513
Allocation of Net income for the period:		
Net income for the period	332,261	300,513
Income already paid on units redeemed	(30,885)	(33,290)
	301,376	267,223
Accounting Income available for distribution:		
- Relating to capital gains	-	17,839
- Excluding capital gains	301,376	249,384
	301,376	267,223

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

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

Chief Financial Officer

Chief Executive Officer

Director



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	332,261	300,513
Other comprehensive income	-	-
Total comprehensive income for the period	332,261	300,513

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

Note	Quarter Ended September 30, 2022			Quarter Ended September 30, 2021		
	Capital value	Undistributed profit	Total	Capital value	Undistributed profit	Total
	----- (Rupees in '000) -----					
Net Assets at beginning of the year	10,286,249	78,727	10,364,976	15,016,569	68,237	15,084,806
Issuance of 152,726,734 units (2021 : 397,121,414 units)						
- Capital value	1,536,400	-	1,536,400	3,990,792	-	3,990,792
- Element of Income	24,051	-	24,051	44,458	-	44,458
Total proceeds on issuance of units	1,560,451	-	1,560,451	4,035,250	-	4,035,250
Redemption of 209,535,308 units (2021 : 558,314,920 units)						
- Capital value	(2,107,883)	-	(2,107,883)	(5,610,674)	-	(5,610,674)
- Element of (Loss)	(6,947)	(30,885)	(37,832)	(16,571)	(33,290)	(49,861)
Total payments on redemption of units	(2,114,830)	(30,885)	(2,145,715)	(5,627,245)	(33,290)	(5,660,535)
Total comprehensive Income for the period	-	332,261	332,261	-	300,513	300,513
Net assets at end of the period	9,731,870	380,103	10,111,973	13,424,574	335,460	13,760,034
Undistributed Income brought forward						
- Realised income		74,265			55,951	
- Unrealised income		4,462			12,286	
		78,727			68,237	
Accounting income available for distribution:						
- Relating to capital gains		-			17,839	
- Excluding capital gains		301,376			249,384	
		301,376			267,223	
Undistributed income carried forward		380,103			335,460	
Undistributed income carried forward						
- Realised Income		393,137			323,406	
- Unrealised (loss) / Income		(13,034)			12,054	
		380,103			335,460	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		10.0598			10.0493	
Net assets value per unit at end of the period		10.3870			10.2695	

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

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

Chief Financial Officer

Chief Executive Officer

Director



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

Note	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation	332,261	300,513
Adjustments for:		
(Reversal) of provision against Sindh Workers' Welfare Fund	-	(66,853)
Amortisation of preliminary expenses and floatation costs	51	51
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	13,034	(12,054)
	345,346	221,657
Decrease / (Increase) in assets		
Investments	708,949	2,417,185
Profit receivable	(60,723)	(17,000)
Deposits, prepayments and other receivables	40	31
	648,266	2,400,216
(Decrease) in liabilities		
Payable to NBP Fund Management Limited - the Management Company	(4,477)	(7,588)
Payable to Central Depository Company of Pakistan Limited - the Trustee	(80)	(240)
Payable to the Securities and Exchange Commission of Pakistan	(2,053)	(3,013)
Payable against purchase of investments	(901,429)	(790,746)
Accrued expenses and other liabilities	(134,571)	(126,529)
	(1,042,610)	(928,116)
Net cash (used in) / generated from operating activities	(48,998)	1,693,757
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts from issue of units	1,577,379	4,131,067
Net payments on redemption of units	(2,154,690)	(5,656,194)
Net cash (used in) financing activities	(577,311)	(1,525,127)
Net (decrease) / increase in cash and cash equivalents during the period	(626,309)	168,630
Cash and cash equivalents at the beginning of the period	5,027,270	7,268,163
Cash and cash equivalents at the end of the period	4,400,961	7,436,793

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



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 Mahana Amdani Fund (the Fund) is an open end mutual fund constituted under a Trust Deed entered into on August 09, 2018 between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 07, 2018.

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 October 26, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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 through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (the 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 Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended 'Shariah compliant income scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription under pre - IPO at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from October 07, 2018 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to earn a reasonable rate of return along with a high degree of liquidity by investing in short-term Shariah compliant money market and debt securities.

The Pakistan Credit Rating Agency (PACRA) has reaffirmed an asset manager rating of the Management Company of AM1 on June 22, 2022 (2021: AM1 on June 23, 2021). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, PACRA has upgraded the stability rating of the Fund to A+(f) on April 19, 2022 (2021: A(f) on April 16, 2021).

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

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.

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

4	BANK BALANCES	Note	(Un-Audited) September 30, 2022	(Audited) June 30, 2022
			Rupees in '000	
	Balances with banks in:			
	Savings accounts	4.1	4,356,855	4,981,707
	Current accounts		44,106	45,563
			<u>4,400,961</u>	<u>5,027,270</u>

- 4.1 These include a balance of Rs 456.791 million (2022: Rs 28.089 million) maintained with BankIslami Pakistan Limited (a related party) and balances of Rs 6.736 million (2022: Rs. 8.970 million) with National Bank of Pakistan (a related party) that carry profit at the rate of 15.25% (2022: 15.25%) per annum and 12.25% (2022: 12.25%) per annum respectively. Other savings accounts of the Fund carry profit rates ranging from 6.50% to 16.00% (2022: 6.50% to 16.00%) per annum.



		(Un-Audited) September 30, 2022	(Audited) June 30, 2022
5	INVESTMENTS	Note	Rupees in '000

Financial assets at fair value through profit or loss

GoP Ijarah sukuks	5.1	600,780	886,293
Corporate sukuk certificates	5.2	3,633,987	3,863,190
Islamic commercial papers	5.3	-	348,545
Certificates of musharakah	5.4	1,279,317	1,138,040
		5,514,084	6,236,068

5.1 GoP Ijarah sukuks

Name of the security	Issue date	Profit rate	As at July 01, 2022	Purchased during the period	Sales / redemptions 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 investments	Market value as a percentage of net assets
			Number of certificates			(Rupees in '000)		Percentage		
GoP Ijarah Sukuk Certificates - XX	30-Apr-20	Weighted average 6 months T-Bills	2,435	-	2,435	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXI	29-May-20	Weighted average 6 months T-Bills	6,500	-	497	6,003	600,480	600,780	10.90	5.94
Total as at September 30, 2022							600,480	600,780		

5.2 Corporate sukuk certificates

Name of the security	Issue date	Profit rate	As at July 01, 2022	Purchased during the period	Sales / redemptions 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 investments	Market value as a percentage of net assets
			Number of certificates				(Rupees in '000)		Percentage	
COMMERCIAL BANKS										
Meezan Bank Limited	16-Dec-21	6 months KIBOR plus base rate of 0.35%	170	-	-	170	175,950	175,950	3.19	1.74
POWER GENERATION AND DISTRIBUTION										
Hub Power Holding company limited	12-Nov-20	6 months KIBOR plus base rate of 2.50%	5,700	-	-	5,700	564,689	564,689	10.24	5.58
Hub Power Company Limited	19-Mar-20	1 year KIBOR plus base rate of 1.90%	6,500	-	-	6,500	503,302	498,518	9.04	4.93
K-Electric short-term sukuk - I	4-Feb-22	6 months KIBOR plus base rate of 0.85%	225	-	225	-	-	-	-	-
K-Electric short-term sukuk- II	15-Feb-22	6 months KIBOR plus base rate of 0.85%	200	-	200	-	-	-	-	-
K-Electric short-term sukuk - VI	27-Apr-22	6 months KIBOR plus base rate of 0.90%	460	-	-	460	460,000	460,000	8.34	4.55
K-Electric short-term sukuk - IX	21-Sep-22	6 months KIBOR plus base rate of 1.4%	360	-	-	360	360,000	360,000	6.53	3.56

NBP ISLAMIC MAHANA AMDANI FUND



NBP FUNDS
Managing Your Savings

NBP Fund Management Limited

Name of the security	Issue date	Profit rate	As at July 01, 2022	Purchased during the period	Sales / redemptions 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 investments	Market value as a percentage of net assets
			Number of certificates			(Rupees in '000)		Percentage		
K-Electric Limited	3-Aug-20	3 months KIBOR plus base rate of 1.7%	83,300	-	-	83,300	425,330	424,830	7.70	4.20
Pakistan Energy Sukuk-II	21-May-20	6 months KIBOR plus base rate of 0.10%	230,000	-	-	230,000	1,158,050	1,150,000	20.86	11.37
Total as at September 30, 2022							3,647,321	3,633,987		

5.3

Islamic commercial papers

Name of Investee Company	Issue date	Yield	As at July 01, 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 investments	Market value as a percentage of net assets
			Face value (Rupees in '000)			(Rupees in '000)		Percentage		
Lucky Electric Power Company Limited	12-Jan-22	12.97%	200,000	-	200,000	-	-	-	-	-
Mughal Iron and Steel Industries Limited	26-Jul-21	9.44%	150,000	-	150,000	-	-	-	-	-
Total as at September 30, 2022							-	-		

5.4

Certificates of musharakah

Name of Investee Company	Issue date	Profit rate	As at July 01, 2022	Placed 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 investments	Market value as a percentage of net assets
			Rupees in '000					Percentage		
First Habib Modaraba	26-Apr-22	13.40%	534,726	-	534,726	-	-	-	-	-
First Habib Modaraba	28-Apr-22	13.40%	603,314	-	603,314	-	-	-	-	-
First Habib Modaraba	26-Jul-22	15.75%	-	554,083	-	554,083	554,083	554,083	10.05	5.48
First Habib Modaraba	28-Jul-22	15.75%	-	625,234	-	625,234	625,234	625,234	11.34	6.18
First Habib Modaraba	29-Sep-22	15.75%	-	100,000	-	100,000	100,000	100,000	1.81	0.99
Total as at September 30, 2022							1,279,317	1,279,317		



6 CONTINGENCIES AND COMMITMENTS

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

7 REIMBURSEMENT OF SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 1.05% per annum of the net assets of the Fund.

8 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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

9 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 1.56% (September 30, 2021: 1.26%) which includes 0.06% (September 30, 2021: 0.06%) representing Government Levies, and the SECP Fee. The prescribed limit for the ratio is 2.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "Shariah compliant income" scheme.

10 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 10.1** Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the sponsors, other collective investment schemes managed by the Management Company, entities having common directorship with the Management Company, retirement funds of group companies, directors and officers of the Management Company and any person or company which beneficially owns directly or indirectly 10% or more of the units in issue / net assets of the Fund.
- 10.2** Transactions with connected persons are executed on an arm's length basis and 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 connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 10.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 10.4** Remuneration to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.



10.5 Details of transactions with related parties / connected persons during the period are as follows:

	(Un-Audited)	
	Quarter Ended	Quarter Ended
	September 30,	September 30,
	2022	2021
	Rupees in '000	
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	5,422	7,583
Sindh Sales Tax on remuneration of the Management Company	705	986
Sales load and transfer load including sales tax during the period	3,878	6,670
ADC charges including Sindh sales tax	1,604	375
Reimbursement of allocated expenses	3,274	4,380
Reimbursement of selling and marketing expenses	27,500	26,262
Amortisation of preliminary expenses and floatation costs	51	51
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	1,964	2,628
Sindh sales tax on remuneration of Trustee	255	342
Dr Amjad Waheed - Chief Executive Officer		
591 units redeemed / transferred out (2021 : Nil units)	6	-
Employees of NBP Fund Management Limited		
1,722,766 units issued / transferred in (2021 : 4,036,111 units)	17,634	41,110
2,611,781 units redeemed / transferred out (2021 : 4,329,069 units)	26,752	43,965
Khalid Mehmood - Chief Financial Officer		
28 units issued / transferred in (2021 : 207,913 units) **	-	2,100
Nil units redeemed / transferred out (2021 : 207,913 units)	-	2,134
Muhammad Murtaza Ali - Chief Operating Officer and Company Secretary		
Nil units issued / transferred in (2021 : 71 units)	-	1
1,160 units redeemed / transferred out (2021 : 1,707 units)	12	18
Portfolio managed by the Management Company		
Nil units issued / transferred in (2021 : 1,286 units)	-	13
737 units redeemed / transferred out (2021: 1,793,564 units)	8	18,158
Sell of Gop Ijarah Sukuk	51,290	-
National Bank of Pakistan Limited - parent company		
Profit on savings account	53	30
BankIslami Pakistan Limited - common directorship		
Profit on savings account	20,202	2,464
Income from term deposit receipts	-	8,221
Placement of Term Deposit Receipts	-	1,200,000
K - Electric Limited - common directorship *		
Purchase of K-electric sukuk	360,000	-
Income on sukuk certificates	42,347	-



	(Un- Audited) September 30, 2022	Audited June 30, 2022
	Rupees in '000	
NBP Fund Management Limited - Management Company		
Remuneration payable to the Management Company	1,734	1,906
Sales load payable to management company	799	3,224
Transfer load payable to management company	15	18
ADC charges payable including Sindh sales tax	2,339	1,718
Other payable to the Management Company	80	80
Sindh sales tax payable on remuneration of the Management Company	225	248
Sindh sales tax payable on sales load	115	430
Reimbursement of allocated expenses payable	3,274	3,635
Reimbursement of selling and marketing expenses payable	27,500	29,299
Key management personnel of the Management Company		
Units held 4,882,799 (2022: 5,524,230) units	50,718	55,573
Muhammad Murtaza Ali - Chief Operating Officer and Company Secretary		
Units held 517 (2022: 1,676) units	6	17
Imran Zaffar - Director		
Units held 2,270 (2022: 2,270) units	24	23
Portfolio managed by the Management Company		
Units held 442,809 (2022: 1,384) units	4,600	14
Dr Amjad Waheed - Chief Executive Officer		
Units held Nil units (2022: 591)	-	6
Fauji Fertilizer Company Limited - common directorship		
Units held 18 units (2022: 18) *	-	-
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration payable to the Trustee	637	708
Sindh sales tax on remuneration of the Trustee	83	92
Security deposit	103	103
Settlement charges	42	16
K-Electric Limited - common directorship *		
Investment in Sukuk Certificate	1,244,830	-
Profit receivable on Sukuk Certificate	43,174	-
BankIslami Pakistan Limited - common directorship		
Bank balances	456,791	28,090
Profit receivable on bank balances	8,859	209
National Bank of Pakistan - parent company		
Bank balances	6,737	8,970
Profit receivable on bank balances	17	13



* Prior period figures have not been presented as the person is not a related party / connected person as at September 30, 2021.

** Nil due to rounding off.

11 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

12 GENERAL

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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