

NBP FUNDS

Managing Your Savings

اعتماد
Aitemaad



Islamic Savings

اسلامک سیونگ

NBP Fund Management Limited



NBP RIBA FREE SAVINGS 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 Shahr-e-Faisal, Karachi.

Bankers to the Fund

Al Baraka Islamic Bank Limited
Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Silk Bank Limited
Soneri Bank Limited
United 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 Riba Free Savings Fund (NRFSF)** for the quarter ended September 30, 2022.

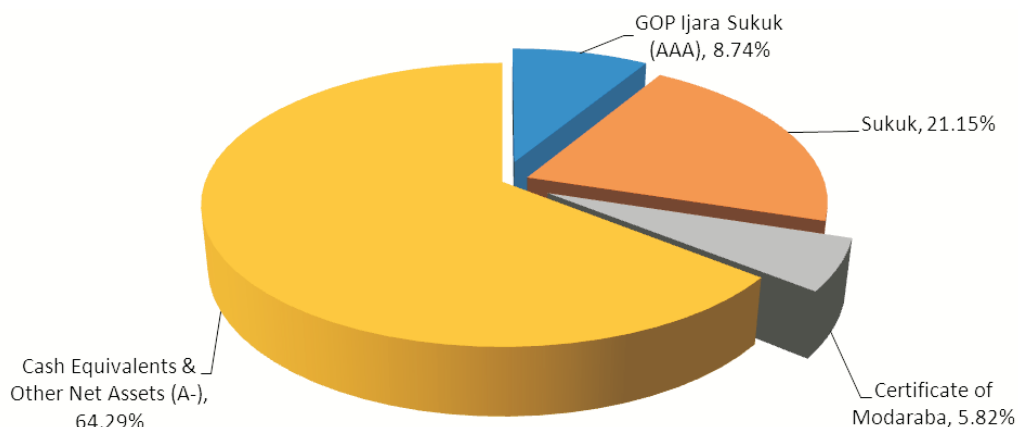
Fund's Performance

The size of NBP Riba Free Savings Fund has decreased from Rs. 2,793 million to Rs. 2,577 million during the period (i.e., a fall of 8%). During the period, the unit price of the Fund has increased from Rs. 10.2667 on June 30, 2022 to Rs. 10.5821 on September 30, 2022, thus showing a return of 12.2% p.a. as compared to the benchmark return of 4.7% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses.

NRFSF is an Islamic Income Scheme. The stability rating of the Fund by PACRA is 'A+(f)', which denotes a strong capacity to maintain relative stability in returns and very low exposure to risks. The Fund aims to consistently provide better returns than profit rates offered by Islamic Banks/Islamic windows of commercial banks, while also providing easy liquidity along with a good quality credit profile.

During the quarter, SBP held two Monetary Policy Committee meetings and increased the policy rate by 125 basis points to 15%. 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.

The Fund has earned a total income of Rs. 95.25 million during the year. After deducting total expenses of Rs.14.64 million, the net income is Rs.80.61 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NRFSF.



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 ربا فری سیونگز فنڈ (NRFSF) کے غیر جانچ شدہ کنڈینسڈ مالیاتی گوشوارے پیش کرتے ہیں۔

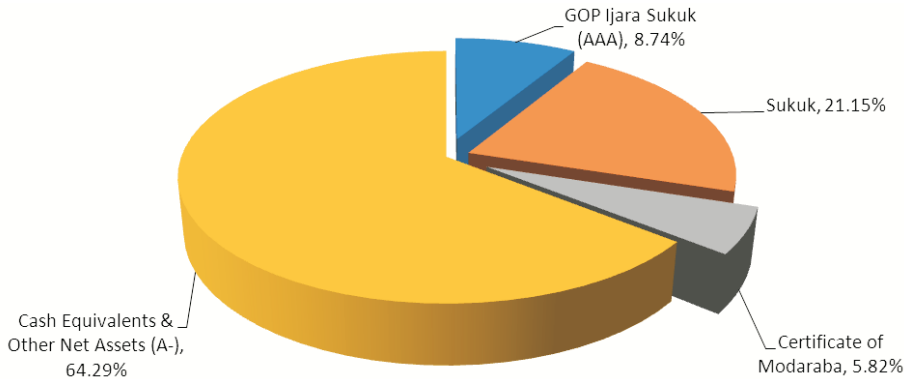
فنڈ کی کارکردگی

NBP ربا فری سیونگز فنڈ کا سا سز اس مدت کے دوران 2,793 ملین روپے سے کم ہو کر 2,577 ملین روپے ہو گیا ہے یعنی 8% کی کمی ہوئی ہے۔ اس مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2022 کو 10.2667 روپے سے بڑھ کر 30 ستمبر 2022 کو 10.5821 روپے تک پہنچ چکی ہے، لہذا اسی مدت کے لئے اسپنچ مارک منافع 4.7% کے مقابلے میں 12.2% منافع درج کرایا۔ فنڈ کا منافع مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NRFSF ایک اسلامک انکم اسکیم ہے۔ فنڈ کو PACRA کی طرف سے A+(f) کی اسٹیٹمنٹ ریٹنگ دی گئی ہے جو منافع جات میں استحکام برقرار رکھنے کی زبردست اہلیت اور خطرات کی زد میں آنے کے بہت معمولی امکانات کی نشان دہی کرتی ہے۔ فنڈ کا مقصد اسلامی بینکوں / کرسٹل بینکوں کی اسلامی وندوز کی پیش کردہ منافع کی شرحوں کے مقابلے تو اتار سے بہتر منافع فراہم کرنا ہے، جب کہ اعلیٰ کوالٹی کے کریڈٹ پروفائل کے ساتھ آسان لیویڈیٹی بھی مہیا کرتا ہے۔

سہ ماہی کے دوران، SBP نے دو ماہی پالیسی کمیٹی کے اجلاس منعقد کیے اور پالیسی کی شرح کو 125 بیسیس پوائنٹس بڑھا کر 15% کر دیا۔ 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 پمپلیٹی 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۔

فنڈ نے اس مدت کے دوران 95.25 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 14.64 ملین روپے کے اخراجات متہا کرنے کے بعد خالص آمدنی 80.61 ملین روپے رہی۔ درج ذیل چارٹ 30 ستمبر 2022 کو NRFSF کی ایسٹ ایلو کیشن 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

ASSETS	Note	<i>Un-Audited</i> September 30, 2022	<i>Audited</i> June 30, 2022
Rupees in '000			
Balances with banks	4	1,654,023	1,954,436
Investments	5	920,180	898,769
Profit receivable		53,582	40,215
Deposits, prepayments and other receivables		363	487
Receivable against issue of units		3,289	481
Total assets		2,631,437	2,894,388
LIABILITIES			
Payable to the Management Company		20,485	21,135
Payable to the Central Depository Company of Pakistan Limited -Trustee		182	196
Payable to the Securities and Exchange Commission of Pakistan		134	703
Payable against redemption of units		27,591	40,689
Accrued expenses and other liabilities		5,872	38,411
Total Liabilities		54,264	101,134
NET ASSETS		2,577,173	2,793,254
UNITHOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,577,173	2,793,254
CONTINGENCIES AND COMMITMENTS	6		
		Number of units	
NUMBER OF UNITS IN ISSUE		243,541,375	272,070,677
		Rupees	
NET ASSET VALUE PER UNIT		10.5821	10.2667

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

	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
Note	Rupees in '000	
INCOME		
Return / profit on;		
- bank balances and term deposits	70,410	46,165
- government securities	8,796	10,969
- commercial papers	184	10,283
- sukuks	17,513	5,261
- certificate of musharakah	129	-
Capital (Loss) on sale of investments - net	(495)	-
Unrealised (diminution) / appreciation in the value of investments at fair value "through profit or loss" - net	(1,287)	4,113
Total income	95,250	76,791
EXPENSES		
Remuneration of the Management Company	5,290	5,235
Sindh Sale Tax on Management Company's remuneration	688	681
Reimbursement of allocated expenses	840	1,261
Remuneration of the Central Depository Company of Pakistan Ltd. - Trustee	504	756
Sindh Sale Tax on remuneration of trustee	65	98
Reimbursement of selling and marketing expenses	6,381	7,555
Annual fee - Securities and Exchange Commission of Pakistan	134	202
Auditors' remuneration	266	248
Listing fee	7	7
Rating fee	143	130
Printing charges	18	9
Legal fee	38	111
Securities transaction cost	48	-
Shariah advisor fee	92	164
Settlement & Bank charges	125	150
Total expenses	14,639	16,607
Net income from operating activities	80,611	60,184
Reversal of Provision against Sindh Workers' Welfare Fund	-	34,128
Net income for the period before taxation	80,611	94,312
Taxation	-	-
Net income for the period after taxation	80,611	94,312
Earning per unit	-	-
Allocation of Net income for the period:		
Net income for the year after taxation	80,611	94,312
Income already paid on units redeemed	(5,815)	(6,187)
Accounting income available for distribution:	74,796	88,125
- Relating to Capital Gains	-	4,113
- Excluding Capital Gains	74,796	84,012
	74,796	88,125

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 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 available for distribution:	80,611	94,312
Other comprehensive income for the period	-	-
Total comprehensive income for the period	80,611	94,312

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

NBP RIBA FREE SAVINGS FUND



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

	Quarter ended September 30th					
	2022			2021		
	(Rupees in '000)					
Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total	
Net assets at the beginning of the period	2,739,798	53,456	2,793,254	4,279,800	47,198	4,326,998
Issuance of units 12,864,856 (2021: 37,957,602 units)						
- Capital value	132,080	-	132,080	388,785	-	388,785
- Element of income	2,213	-	2,213	6,678	-	6,678
Total proceeds on issuance of units	134,293	-	134,293	395,463	-	395,463
Redemption of units 4,1394,158 (2021: 75,142,932 units)						
- Capital value	(424,981)	-	(424,981)	(769,659)	-	(769,659)
- Element of loss	(189)	(5,815)	(6,004)	(228)	(6,187)	(6,415)
Total payments on redemption of units	(425,170)	(5,815)	(430,985)	(769,887)	(6,187)	(776,074)
Total comprehensive income for the period	-	80,611	80,611	-	94,312	94,312
Net assets at the end of the period	2,448,921	128,252	2,577,173	3,905,376	135,323	4,040,699
Undistributed income brought forward						
- Realised		53,231			44,948	
- Unrealised		225			2,250	
		<u>53,456</u>			<u>47,198</u>	
Accounting income available for distribution						
- Relating to capital gain		-			4,113	
- Excluding capital gain		74,796			84,012	
		<u>74,796</u>			<u>88,125</u>	
Undistributed income carried forward		<u>128,252</u>			<u>135,323</u>	
Undistributed income carried forward						
- Realised		129,539			135,323	
- Unrealised		(1,287)			-	
		<u>128,252</u>			<u>135,323</u>	
				(Rupees) -		(Rupees) -
Net assets value per unit at beginning of the period			<u>10.2667</u>			<u>10.2426</u>
Net assets value per unit at end of the period			<u>10.5821</u>			<u>10.4880</u>

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

	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation	80,611	94,312
Adjustments		
Unrealised diminution / (appreciation) in the value of investments 'at fair value through profit or loss' - net	1,287	(4,113)
	81,898	90,199
(Increase) / decrease in assets		
Investments	(22,698)	1,171,718
Deposits, prepayments and other receivables	124	110
Profit receivable	(13,367)	(12,605)
	(35,941)	1,159,223
Increase / (decrease) in liabilities		
Payable to the Management Company	(650)	(644)
Payable to the Trustee	(14)	(26)
Payable to Securities and Exchange Commission of Pakistan	(569)	(803)
Payable against purchase of Investment	-	(625,481)
Accrued expenses and other liabilities	(32,539)	(75,834)
	(33,772)	(702,788)
Net cash generated from operating activities	12,185	546,634
CASH FLOW FROM FINANCING ACTIVITIES		
Receipts from issue of units	131,485	398,685
Payments on redemption of units	(444,083)	(895,311)
Net cash (used in) financing activities	(312,598)	(496,626)
Net (decrease) / increase in cash and cash equivalents during the period	(300,413)	50,008
Cash and cash equivalents at the beginning of the period	1,954,436	2,317,066
Cash and cash equivalents at the end of the period	1,654,023	2,367,074

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 Riba Free Savings Fund (the Fund) was established under a Trust Deed executed 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 June 18, 2010, in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of Mutual Fund Association of Pakistan (MUFAP).

The Fund is an open-ended mutual fund categorised as "Shariah Compliant Income scheme" and its units are listed on Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units of the Fund are transferable and can be redeemed by surrendering them to the Fund.

The objective of the Fund is to provide preservation of capital and earn a reasonable rate of return along with a high degree of liquidity by investing in Shariah compliant banks and money market / 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, the Pakistan Credit Rating Agency Limited (PACRA) has maintained the stability rating of the Fund to A+(f) on April 19, 2022 (2021: A+(f) on April 16, 2021).

Title of the assets of the Fund is held in the name of CDC as 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 was required to be registered under the Sindh Trust Act. Accordingly, on October 18, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

2 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 applicable in Pakistan for interim financial reporting comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), 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 from IFRS Standards, 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 declared 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 financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 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.

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	BALANCES WITH BANKS	Note	<i>Un-Audited</i> September 30, 2022	<i>Audited</i> June 30, 2022
			Rupees in '000	
	Current accounts		18,639	20,293
	Savings accounts	4.1	1,635,384	1,934,143
			<u>1,654,023</u>	<u>1,954,436</u>

- 4.1 These savings accounts carry profit at rates ranging from 6.5% to 16% per annum (June 2021: 6.5% to 16% per annum).

5	INVESTMENTS	Note	<i>Un-Audited</i> September 30, 2022	<i>Audited</i> June 30, 2022
			Rupees in '000	
	Islamic commercial papers	5.1	-	49,816
	Government securities - Ijarah sukuks	5.2	225,180	322,028
	Corporate sukuk certificates	5.3	545,000	526,925
	Certificate of musharakah	5.4	150,000	-
			<u>920,180</u>	<u>898,769</u>

- 5.1 These carry profits rates ranging from 8.1% to 8.48% pre anum of K- Electric Limited Commercial paper (from 19 April 2021 to 19 October 2021).

5.2 Government securities - Ijarah sukuku

Description	Issue date	Maturity date	Number of certificates				Market value as at September 30, 2022	Investment as a percentage of			
			As at July 01, 2022	Purchased during the year	Sold / matured during the year	As at September 30, 2022		Net assets	Market value of total investments	Issue size	
							Rupees in '000'	----- % -----			
GOP Ijarah sukuk - I	April 30, 2020	April 30, 2025	20,000	-	20,000	-	-	-	-	-	
GOP Ijarah sukuk - II	May 29, 2020	May 29, 2025	45,000	-	-	45,000	225,180	0.09	0.24	0.00	
							<u>225,180</u>				
Carrying value before mark to market as at September 30, 2022							<u>225,067</u>				

5.3 Sukuku

Description	Issue date	Maturity date	Number of certificates				Market value as at September 30, 2022	Investment as a percentage of		
			As at July 01, 2022	Purchased during the year	Sold / matured during the year	As at September 30, 2022		Net assets	Market value of total investments	
							Rupees in '000'	----- % -----		
K-Electric Limited - short-term sukuk - 1 (Face value of Rs. 1,000,000 per certificate)	04-Feb-2022	04-Aug-2022	100	-	100	-	-	-	-	
K-Electric Limited - short-term sukuk - 2 (Face value of Rs. 1,000,000 per certificate)	15-Feb-2022	15-Aug-2022	75	-	75	-	-	-	-	
K-Electric Limited - short-term sukuk - 6 (Face value of Rs. 1,000,000 per certificate)	27-Apr-2022	27-Oct-2022	75	-	-	75	75,000	0.03	0.08	
K-Electric Limited - short-term sukuk - 7 (Face value of Rs. 1,000,000 per certificate)	10-Aug-2022	10-Feb-2023	-	70	-	70	70,000	0.03	0.08	
K-Electric Limited - short-term sukuk - 8 (Face value of Rs. 1,000,000 per certificate)	29-Aug-2022	28-Feb-2023	-	75	-	75	75,000	0.03	0.08	
K-Electric Limited - short-term sukuk - 9 (Face value of Rs. 1,000,000 per certificate)	21-Sep-2022	21-Mar-2023	-	125	-	125	125,000	0.05	0.14	
Pak Energy Sukuk - II (Face value of Rs. 5,000 per certificate)	May 21, 2020	20-May-2030	55,000	-	15,000	40,000	200,000	0.08	0.22	
							<u>545,000</u>	0.21	0.59	
Carrying value before mark to market as at September 30, 2022							<u>546,400</u>			

- 5.4** This represents the purchase of Musharakah from First Habib Modaraba on September 29, 2022 face value of Rs.150 million, which carry profit at the rate of 15.75% and will mature on December 29, 2022.

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 0.5% 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 2.18% (September 30, 2021: 1.65%) which includes 0.13% (September 30, 2020: 0.1%) representing Government Levy, 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

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 sponsor of the Management Company. It also includes associated companies of Management Company due to common directorship, post-employment benefit funds of the Management Company, its parent and sponsor. It also includes subsidiaries and associated companies of the Parent of the Management Company and other collective investment schemes (CIS) managed by the Management Company, directors and key management personnel of the Management Company and any person or company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

- 10.1** The transactions with connected persons and related parties are carried out at agreed terms
- 10.2** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations.
- 10.3** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

	<i>Un-audited</i>	
	Quarter Ended September 30, 2022	Quarter Ended September 30, 2021
10.4 Details of the transactions with connected persons are as follows:	---Rupees in '000---	
NBP Fund Management Limited - Management Company		
Remuneration for the period	5,290	5,235
Sindh Sales Tax on Management Company's remuneration	688	681
Reimbursement of selling and marketing expenses	6,381	1,261
Reimbursement of allocated expenses	840	7,555
Sale Load for the period	204	451
ADC charges including Sindh sale tax	75	35
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	504	756
Sindh Sale Tax on remuneration of trustee	65	98
Employees of the Management Company		
Issue of units 383,796 units (2021: 109,8033 units)	3,994	1,149
Redemption of 472,250 units (2021: 315,828 units)	4,910	3,302
Bank Islami Pakistan Limited - Common Directorship		
Income on saving accounts	22,307	142
Income on term deposit receipts	-	11,026
Placement of term deposit receipts.	-	1,770,000
National Clearing Company Limited (NCCPL) - Common Directorship		
NCCPL Charges	78	75
K-Electric - Common Directorship		
Purchase of Sukuk	270,000	-
Profit on Sukuk	9,024	-
	<i>Un-Audited</i>	<i>Audited</i>
	September 30,	June 30,
	2022	2022
10.5 Amounts outstanding as at period end	--Rupees in '000 --	
NBP Fund Management Limited (Management Company)		
Remuneration of the Management Company	1,751	1,778
Sindh Sales Tax on remuneration of the Management Company	229	232
Federal excise duty on remuneration of the Management Company	10,657	10,657
Federal excise duty on sales load	334	334
Sales and transfer load payable	151	235
Sindh Sales Tax on sales load	20	31
Reimbursement of allocated expenses payable	841	904
Reimbursement of selling and marketing expenses payable	6,381	6,864
ADC charges payable including Sindh sale tax	121	100
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	162	174
Sindh sales tax on remuneration of the Trustee	20	22
CDS charges	42	39
Security deposit	200	200

	<i>Un-Audited</i> September 30, 2022	<i>Audited</i> June 30, 2022
	--Rupees in '000--	
National Bank of Pakistan (Parent of the Management Company)		
Bank balance	586	831
Profit accrued on bank balances	-	14
K-Electric - Common Directorship		
Investment in Sukuk	345,000	-
Profit receivable on Sukuk	8,334	-
Bank Islami Pakistan Limited - common directorship		
Bank balance	999,131	339,820
Profit accrued on bank balances	10,745	354
Employees of the Management Company		
Investment held in the fund 396,455 Units (30, June 2022: 484,786 units)	4,195	4,977
Portfolios Managed by the Management Company		
Investment held in the fund 277 units (30, June 2022: 277 units)	2	3
Mr. Khalid Mehmood - Chief Finance Officer		
Investment held in the fund: 65 units (30, June 2022: 64 units)	1	1
National Clearing Company Limited (NCCPL) - common directorship		
Settlement charges payable	25	25

11 DATE OF AUTHORISATION FOR ISSUE

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

12 GENERAL

- 12.1 Figures have been rounded off to the nearest thousand Rupees.
- 12.2 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

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