

NBP FUNDS

Managing Your Savings

Aitemaad اعتماد



اسلامک سیونگز

Islamic Savings

NBP Fund Management Limited



NBP ISLAMIC DAILY DIVIDEND FUND

HALF YEARLY REPORT
DECEMBER 31, 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. Khalid Mansoor	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
Habib Metropolitan 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.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 reviewed financial statements of **NBP Islamic Daily Dividend Fund (NIDDF)** for the period ended December 31, 2022.

Fund's Performance

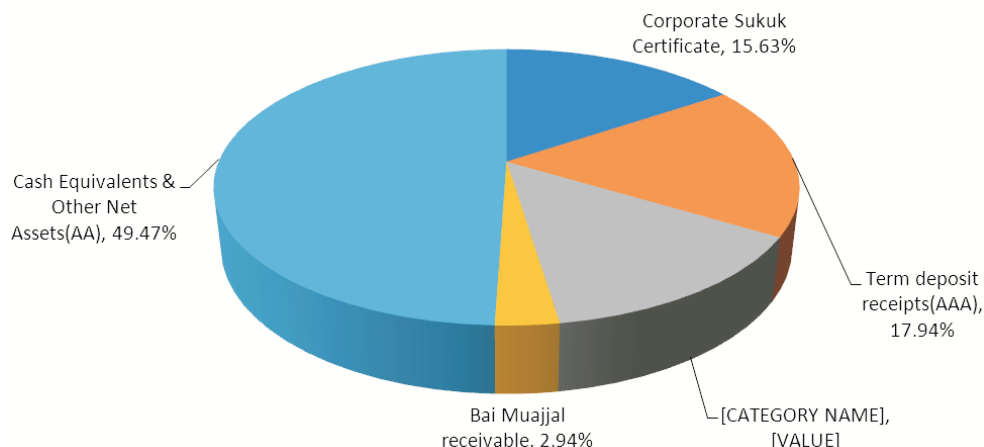
NIDDF is categorized as a Shariah Compliant Money Market Fund and has been awarded stability rating of 'AA+(f)' by PACRA. The fund aims to consistently provide better return than the profit rates offered by Islamic Banks / Islamic windows of commercial banks. Minimum eligible rating is AA, while the 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 market saw a decent increase in the issuance of short-term debt securities and commercial papers in the primary market, although it remained under-supplied against a large and growing demand. During 1HFY23, Monetary Policy Committee (MPC) held four meetings and raised the policy rate by 225 basis points to 16%, with a view to anchor the inflationary pressures, achieve price stability - ensuring economic sustainability and easing pressure on currency. However, inflation expectations have been raised in anticipation of tough measures that may follow post re-entry into the IMF Program. According to SBP, rising input costs due to global & domestic supply shocks could de-anchor inflation expectations and undermine (medium-short term) growth.

Despite the administrative contraction in the current account deficit, external account management still looks challenging whereas these measures have also created supply-chain bottlenecks. Also, the production cuts by firms due to supply constraints have resulted in decline in LSM growth. The lack of fresh financial inflows and ongoing debt repayments have led to a continuous drawdown in official reserves. The net liquid foreign exchange reserves with SBP were recorded at USD 5.6 billion in December 2022 (depleting by USD 4.2 billion during 1HFY23), posing challenges and risks to the financial stability and fiscal consolidation.

The size of NBP Islamic Daily Dividend Fund has increased from Rs. 11,192 million to Rs. 17,835 million during the period, a significant growth of 59%. The unit price of the Fund has increased from Rs. 9.3072 (Ex-Div) on June 30, 2022 to Rs. 10.0000 on December 31, 2022 thus posting a return of 14.8% p.a. as compared to its Benchmark return of 5.9% p.a. The performance of the Fund is net of management fee and other expenses.

The Fund has earned a total income of Rs. 1,002.07 million during the period. After deducting total expenses of Rs. 44.51 million, the net income is Rs. 957.56 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 14.2% of the opening ex-NAV (14.2% of the par value) during the period ended December 31, 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: **February 21, 2023**
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بھد مسرت 31 دسمبر 2022ء کو ختم ہونے والی ششماہی کے لئے NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ (NIDDF) کے جائزہ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

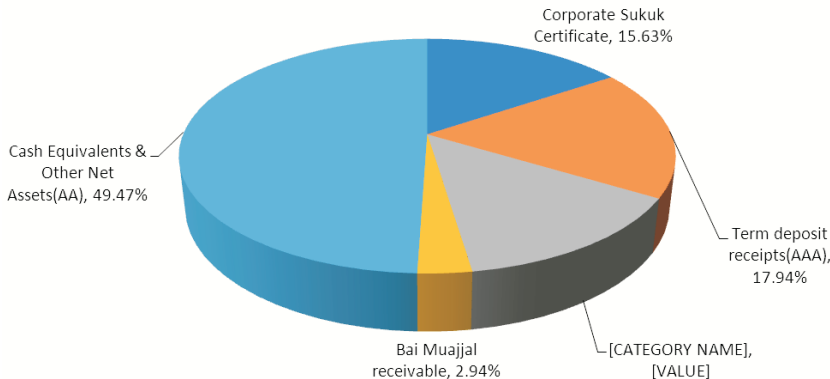
NIDDF کی شریعہ کمپلیٹ منی مارکیٹ فنڈ کے طور پر درجہ بندی کی گئی ہے اور اسے PACRA کی طرف سے (f) AA+ کی مستحکم ریٹنگ دی گئی ہے۔ فنڈ کا مقصد اسلامی بینکوں / کمرشل بینکوں کی اسلامی وینڈوز کی پیش کردہ منافع کی شرحوں کے مقابلے تو اتار سے بہتر منافع فراہم کرنا ہے، کم از کم اہل ریٹنگ AA ہے، جب کہ فنڈ چھ ماہ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

مارکیٹ نے پرائمری مارکیٹ میں قلیل مدتی ڈیٹ سیکورٹیز اور کمرشل پیپرز کے اجراء میں معقول اضافہ دیکھا، حالانکہ بڑی اور بڑھتی ہوئی طلب کے مقابلے میں سپلائی کم رہی۔ مالی سال 23 کی پہلی ششماہی کے دوران، مانیٹری پالیسی کمیٹی (MPC) کے چار اجلاس منعقد ہوئے اور افراط زر کے دباؤ کو قابو کرنے، قیمتوں کا استحکام حاصل کرنے، اقتصادی استحکام کو یقینی بنانے اور کرنسی پر دباؤ کو کم کرنے کے مقصد سے پالیسی شرح کو 225 بیس پوائنٹس سے بڑھا کر 16 فیصد کر دیا گیا۔ تاہم IMF پروگرام میں دوبارہ داخلہ کے باعث متوقع سخت اقدامات کے باعث افراط زر کی توقعات میں مزید اضافہ ہو گیا۔ SBP کے مطابق، عالمی اور ملکی فراہمی کے خطرات کی وجہ سے مہنگائی پیداواری اخراجات کو بڑھا رہی ہے، جو افراط زر کی توقعات کو کم اور (درمیانی مختصر مدت) نمو کو کمزور کر سکتی ہے۔

کرنٹ اکاؤنٹ خسارہ میں انتظامی سکڑاؤ کے باعث بیرونی کھاتوں کا انتظام اب بھی چیلنجنگ نظر آتا ہے جبکہ ان اقدامات نے سپلائی چین میں رکاوٹیں بھی پیدا کی ہیں۔ نیز سپلائی کی ان رکاوٹوں کی وجہ سے فرمز کی طرف سے پیداوار میں کمی کے نتیجے میں LSM کی نمو میں کمی واقع ہوئی ہے۔ فریش مالی قوم کی کمی اور قرضوں کی جاری ادائیگیاں سرکاری ذخائر میں مسلسل کمی کا باعث بنی۔ دسمبر 2022 میں اسٹیٹ بینک نے خالص غیر ملکی زرمبادلہ کے ذخائر 5.6 بلین امریکی ڈالر ریکارڈ کیے (1HFY23 میں 4.2 بلین امریکی ڈالر کی کمی)، جو مالی اور مالیاتی استحکام کے لیے چیلنج اور خطرات پیدا کر رہے ہیں۔

NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ کا سائز 11,192 ملین روپے سے کم ہو کر زیر جائزہ مدت کے دوران 17,835 ملین روپے ہو گیا (یعنی 59% کا نمایاں اضافہ ہوا)۔ اس مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2022 کو (Ex-Div) 9.3072 روپے سے بڑھ کر 31 دسمبر 2022 کو 10.0000 روپے ہو گئی۔ لہذا فنڈ نے اسی مدت میں نیچ مارک منافع 5.9% کے مقابلے 14.8% کا سالانہ منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

مدت کے دوران فنڈ کو 1,002.07 ملین روپے کی مجموعی آمدنی ہوئی۔ 44.51 ملین روپے کے اخراجات مٹھا کرنے کے بعد خالص آمدنی 957.56 ملین روپے ہے۔ درج ذیل چارٹ NIDDF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:





آمدنی کی تقسیم

میٹجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 31 دسمبر 2022 کو ختم ہونے والی سہ ماہی کے لئے اوپننگ ex-NAV کا 14.2% (بنیادی قدر کا 14.2%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے میٹجمنٹ 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 تخلص رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور آرٹسٹ 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 فنڈ منجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 21 فروری 2023ء

مقام: کراچی



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Islamic Daily Dividend Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 27, 2023



INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP Islamic Daily Divided Fund** (the Fund) as at December 31, 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the half year ended December 31, 2022, together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'). The Management Company (NBP Fund Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement for the quarter ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Engagement Partner: **Noman Abbas Sheikh**

Dated: February 27, 2023

UDIN: RR202210061tDc7bS8jR



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2022

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
Note	----- (Rupees in '000) -----	
ASSETS		
Bank balances	4 8,557,115	9,869,948
Investments	5 9,012,275	1,200,000
Profit receivable	300,045	157,612
Prepayments, deposits and other receivables	656	746
Preliminary expenses and floatation costs	6 426	554
Total assets	17,870,517	11,228,860
LIABILITIES		
Payable to NBP Fund Management Limited - the Management Company	7 17,225	5,518
Payable to Central Depository Company of Pakistan Limited - the Trustee	1,120	547
Payable to the Securities and Exchange Commission of Pakistan	8 1,338	2,452
Payable against redemption of units	1,788	16,791
Accrued expenses and other liabilities	9 14,188	11,258
Total liabilities	35,659	36,566
NET ASSETS	<u>17,834,858</u>	<u>11,192,294</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	<u>17,834,858</u>	<u>11,192,294</u>
CONTINGENCIES AND COMMITMENTS	10	
	----- Number of units -----	
NUMBER OF UNITS IN ISSUE	<u>1,783,492,529</u>	<u>1,119,229,210</u>
	----- Rupees -----	
NET ASSET VALUE PER UNIT	11 <u>10.0000</u>	<u>10.0000</u>

The annexed notes from 1 to 20 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 HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended December 31,		Quarter ended December 31,	
	2022	2021	2022	2021
INCOME	(Rupees in '000)			
Income on corporate sukuk certificates	115,633	9,380	82,860	9,380
Income on term deposit receipts	133,510	30,528	84,473	15,062
Income on Islamic commercial papers	-	64,662	-	28,990
Income on bai muajjal certificate	9,128	24,898	9,128	14,960
Income on certificate of musharakah	12,822	-	12,822	-
Profit on bank balances	729,432	371,601	425,104	184,850
Gain / (loss) on sale of investments - net	1,548	(131)	1,548	(72)
Total income	1,002,073	500,938	615,935	253,170
EXPENSES				
Remuneration of NBP Fund Management Limited - the Management Company	7.1	18,157	6,835	9,617
Sindh Sales Tax on remuneration of the Management Company	7.2	2,360	889	1,250
Reimbursement of allocated expenses	7.3	8,362	8,264	5,075
Reimbursement of selling and marketing expenses	7.4	7,761	1,129	7,235
Remuneration of Central Depository Company of Pakistan Limited - the Trustee		3,679	3,988	2,233
Sindh Sales Tax on remuneration of the Trustee		478	518	290
Annual fee to the Securities and Exchange Commission of Pakistan	8.1	1,338	1,322	812
Amortisation of preliminary expenses and floatation costs	6.1	128	116	64
Settlement and bank charges		683	409	669
Auditors' remuneration		309	424	180
Legal and professional charges		71	301	41
Annual listing fee		14	14	7
Shariah advisor fee		1,049	895	719
Printing expenses		18	23	9
Annual rating fee		103	96	56
Total operating expenses		44,510	25,223	28,257
Net income from operating activities		957,563	475,715	587,678
Reversal of provision against Sindh Workers' Welfare Fund		-	22,404	-
Net income for the period before taxation		957,563	498,119	587,678
Taxation	13	-	-	-
Net income for the period after taxation		957,563	498,119	587,678
Earnings per unit	14			
Allocation of net income for the period				
Net income for the period after taxation		957,563	498,119	
Income already paid on units redeemed		-	-	
		957,563	498,119	
Accounting income available for distribution				
- Relating to capital gains		1,548	-	
- Excluding capital gains		956,015	498,119	
		957,563	498,119	

The annexed notes from 1 to 20 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 HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended December 31,		Quarter ended December 31,	
	2022	2021	2022	2021
	----- (Rupees in '000) -----			
Net income for the period after taxation	957,563	498,119	587,678	240,961
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>957,563</u>	<u>498,119</u>	<u>587,678</u>	<u>240,961</u>

The annexed notes from 1 to 20 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 HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended December 31, 2022			Half year ended December 31, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
Note	----- (Rupees in '000) -----					
Net assets at the beginning of the period (audited)	11,192,294	-	11,192,294	13,292,072	-	13,292,072
Issuance of 2,479,733,757 units (2021: 714,445,743 units)						
- Capital value (at ex-net asset value per unit)	24,797,269	-	24,797,269	7,144,457	-	7,144,457
- Element of (loss) / income	-	-	-	-	-	-
Total proceeds on issuance of units	24,797,269	-	24,797,269	7,144,457	-	7,144,457
Redemption of 1,815,470,438 units (2021: 837,331,566 units)						
- Capital value (at ex-net asset value per unit)	(18,154,704)	-	(18,154,704)	(8,373,357)	-	(8,373,357)
- Element of (loss) / income	-	-	-	-	-	-
Total payments on redemption of units	(18,154,704)	-	(18,154,704)	(8,373,357)	-	(8,373,357)
Total comprehensive income for the period	-	957,563	957,563	-	498,119	498,119
Total distribution during the period	16	(957,563)	(957,563)	-	(498,119)	(498,119)
Net income for the period less distribution	-	-	-	-	-	-
Net assets at the end of the period (un-audited)	<u>17,834,858</u>	-	<u>17,834,858</u>	<u>12,063,172</u>	-	<u>12,063,172</u>
Undistributed income brought forward						
- Realised income		-			-	
- Unrealised income		-			-	
		<u>-</u>			<u>-</u>	
Accounting income available for distribution						
- Relating to capital gains		1,548			-	
- Excluding capital gains		956,015			498,119	
		<u>957,563</u>			<u>498,119</u>	
Distribution for the period	16	(957,563)			(498,119)	
Undistributed income carried forward		<u>-</u>			<u>-</u>	
Undistributed income carried forward						
- Realised income		-			-	
- Unrealised income		-			-	
		<u>-</u>			<u>-</u>	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			<u>10.0000</u>			<u>10.0000</u>
Net asset value per unit at the end of the period			<u>10.0000</u>			<u>10.0000</u>

The annexed notes from 1 to 20 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 HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended December 31,	
	2022	2021
	Note ----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	957,563	498,119
Adjustments:		
Income on corporate sukuk certificates	(115,633)	(9,380)
Income on term deposit receipts	(133,510)	(30,528)
Income on Islamic commercial papers	-	(64,662)
Income on certificate of musharakah	12,822	-
Income on bai muajjal certificate	(9,128)	(24,898)
Profit on bank balances	(729,432)	(371,601)
Reversal of provision against Sindh Workers' Welfare Fund	-	(22,404)
Amortisation of preliminary expenses and floatation costs	6.1 128	116
	(974,753)	(523,357)
(Increase) / decrease in assets		
Investments - net	(5,112,275)	(455,880)
Prepayments, deposits and other receivables	90	82
	(5,112,185)	(455,798)
Increase / (decrease) in liabilities		
Payable to NBP Fund Management Limited - the Management Company	11,707	(2,562)
Payable to Central Depository Company of Pakistan Limited - the Trustee	573	(191)
Payable to the Securities and Exchange Commission of Pakistan	(1,114)	(1,427)
Accrued expenses and other liabilities	2,930	(1,486)
	14,096	(5,666)
Profit received on bank balances, corporate sukuk certificates, certificate of musharakah, term deposit receipts, Islamic commercial papers and bai muajjal certificate	832,448	492,632
Net cash (used in) / generated from operating activities	(4,282,831)	5,930
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	24,797,269	7,144,457
Net payment against redemption of units	(18,169,707)	(8,372,357)
Distributions paid	(957,563)	(498,119)
Net cash flows generated from / (used in) financing activities	5,669,998	(1,726,019)
Net increase / (decrease) in cash and cash equivalents during the period	1,387,167	(1,720,089)
Cash and cash equivalents at the beginning of the period	10,369,948	11,531,064
Cash and cash equivalents at the end of the period	12 11,757,115	9,810,975

The annexed notes from 1 to 20 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 INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NBP Islamic Daily Dividend 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 September 19, 2019, under the Non - Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2 During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trust Act, 2020" (the Sindh Trust Act). The Fund was 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.
- 1.3 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).
- 1.4 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.
- 1.5 The objective of the Fund is to provide competitive return along with daily dividend by investing in Shariah compliant money market instruments.
- 1.6 The Pakistan Credit Rating Agency (PACRA) has reaffirmed an asset manager rating of the Management Company of AM1 on June 22, 2022 (June 30, 2022: AM1). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, PACRA has maintained the stability rating of the Fund to AA+(f) on September 28, 2022 (June 30, 2022: AA(f) dated April 19, 2022).
- 1.7 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
- 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 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.

2.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of the 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.

2.3 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at and for the half year ended December 31, 2022.

3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGMENTS AND CHANGES THEREIN

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 these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the 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 these 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 in the annual audited financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2022.

3.3 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are effective in the current period

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are not yet effective

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2023. However, these will not have any significant effects on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

4 BANK BALANCES	Note	(Un-audited) December 31, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
Balances with banks in:			
Savings accounts	4.1	8,457,724	9,857,463
Current accounts		99,391	12,485
		<u>8,557,115</u>	<u>9,869,948</u>



- 4.1 These include a balance of Rs 0.171 million (June 30, 2022: Rs 0.393 million) and Rs. 2.403 million (June 30, 2022: Rs 2.940 million) maintained with National Bank of Pakistan and BankIslami Pakistan Limited, (related parties), that carries profit at the rates of 15.55% (June 30, 2022: 12.25%) per annum and 15% (June 30, 2022: 14.50%) per annum respectively. Other savings accounts carry profit rates ranging from 7.02% to 15.75% (June 30, 2022: 6.50% to 15.59%) per annum.

5 INVESTMENTS	Note	(Un-audited)	(Audited)
		December 31, 2022	June 30, 2022
At fair value through profit or loss			
Certificate of musharakah	5.1	2,500,000	-
Corporate sukuk certificates	5.2	2,788,000	700,000
Term deposit receipts	5.3	3,200,000	500,000
Bai Muajjal receivable	5.4	524,275	-
		9,012,275	1,200,000

5.1 Certificate of musharakah

Name of investee company	Maturity Date	Profit rate	As at July 1, 2022	Placed during the period	Matured during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of	
									total investments of the Fund	net assets of the Fund
		%	----- (Rupees in '000) -----					----- % -----		
UBL Ameen Islamic Banking	January 20, 2023	15.60%	-	2,500,000	-	2,500,000	2,500,000	2,500,000	27.74%	14.02%
Total as at December 31, 2022 (un-audited)							2,500,000	2,500,000	27.74%	14.02%
Total as at June 30, 2022 (audited)							-	-	-	-

5.2 Corporate sukuk certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2022	Purchased during the period	Sold/Redeemed during the period	As at Dec 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	unrealised appreciation	Market value as a percentage of	
											total investments of the Fund	net assets of the Fund
				----- Number of certificates -----			----- (Rupees in '000) -----			----- % -----		
Power generation & distribution												
K-Electric short term sukuk - 4 (AA, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	August 4, 2022	6 months KIBOR plus base rate of 0.85%	300	-	300	-	-	-	-	-	-
K-Electric short term sukuk - 2 (AA, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	August 15, 2022	6 months KIBOR plus base rate of 0.85%	300	-	300	-	-	-	-	-	-
K-Electric short term sukuk - 6 (AA, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	October 27, 2022	6 months KIBOR plus base rate of 0.70%	100	-	100	-	-	-	-	-	-
K-Electric short-term sukuk - 6 (AA, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	October 27, 2022	6 months KIBOR plus base rate of 0.90%	-	400	400	-	-	-	-	-	-
K-Electric short term sukuk - 7 (AA, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	February 10, 2023	6 months KIBOR plus base rate of 1.35%	-	8,850	8,350	500	500,000	500,000	-	5.55%	2.80%
K-Electric short term sukuk - 8 (AA, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	February 28, 2023	6 months KIBOR plus base rate of 1.35%	-	500	-	500	500,000	500,000	-	5.55%	2.80%



Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2022	Purchased during the period	Sold/Redeemed during the period	As at Dec 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	unrealised appreciation	Market value as a percentage of	
											total investments of the Fund	net assets of the Fund
							Number of certificates	(Rupees in '000)		%		
K-Electric short term sukuk - 9 (AA, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	March 21, 2023	6 months KIBOR plus base rate of 1.40%	-	275	-	275	275,000	275,000	-	3.05%	1.54%
K-Electric short term sukuk - 10 (AA, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	April 5, 2023	6 months KIBOR plus base rate of 1.45%	-	50	-	50	50,000	50,000	-	0.55%	0.28%
K-Electric short term sukuk - 12 (AA, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	June 13, 2023	6 months KIBOR plus base rate of 1.40%	-	653	-	653	653,000	653,000	-	7.25%	3.66%
China Power Hub Generation Company short-term sukuk - 7 (AA+, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	June 7, 2023	6 months KIBOR plus base rate of 1.45%	-	360	-	360	360,000	360,000	-	3.99%	2.02%
Textile composite												
Nishat Mills Limited short term sukuk - 1 (AA, PACRA, traded) (Face value of Rs 1,000,000 per certificate)	Quarterly	May 1, 2023	3 months KIBOR plus base rate of 0.9%	-	450	-	450	450,000	450,000	-	4.99%	2.52%
Total as at December 31, 2022 (un-audited)								2,788,000	2,788,000	-	30.94%	15.63%
Total as at June 30, 2022 (audited)								700,000	700,000	-	58.33%	6.25%

5.3 Term deposit receipts

Name of Investee Company	Maturity date	Profit rate	Face value				Carrying value as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of	
			As at July 1, 2022	Purchased during the period	Matured during the period	As at December 31, 2022			total investments of the Fund	net assets of the Fund
							(Rupees in '000)	%		
Commercial banks										
Bank Alfalah Limited - Islamic Banking	July 22, 2022	14.65%	500,000	-	500,000	-	-	-	-	-
Bank Alfalah Limited - Islamic Banking	October 24, 2022	15.25%	-	1,511,000	1,511,000	-	-	-	-	-
Bank Alfalah Limited - Islamic Banking	December 7, 2022	15.25%	-	1,511,000	1,511,000	-	-	-	-	-
Bank Alfalah Limited - Islamic Banking	December 30, 2022	15.02%	-	350,000	350,000	-	-	-	-	-
Bank Alfalah Limited - Islamic Banking	March 7, 2023	15.50%	-	1,500,000	-	1,500,000	1,500,000	1,500,000	16.64%	8.41%
Bank Alfalah Limited - Islamic Banking	March 7, 2023	15.75%	-	1,000,000	-	1,000,000	1,000,000	1,000,000	11.10%	5.61%
Bank Alfalah Limited - Islamic Banking	March 13, 2023	15.75%	-	700,000	-	700,000	700,000	700,000	7.77%	3.92%
Total as at December 31, 2022 (un-audited)							3,200,000	3,200,000	35.51%	17.94%
Total as at June 30, 2022 (audited)							500,000	500,000	41.67%	4.47%

5.4 Bai Muajjal receivable

Name of investee companies	Rating	Maturity date	Profit rate	Total Transaction Price	Deferred Income	Accrued Profit	Carrying value
Development finance institutions							
Pak Brunei Investment Company Limited	AA+, VIS	May 19, 2023	15.50%	564,127	30,723	-	-
Total as at December 31, 2022 (un-audited)				564,127	30,723	-	-
Total as at June 30, 2022 (audited)				5,092,043	-	-	-



		(Un-audited) December 31, 2022	(Audited) June 30, 2022
6	PRELIMINARY EXPENSES AND FLOATATION COSTS		
		----- (Rupees in '000) -----	
	At the beginning of the period / year	554	788
	Less: amortisation during the period / year	(128)	(234)
	At the end of the period / year	<u>426</u>	<u>554</u>

6.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are paid by NBP Fund Management Limited (a related party). These costs are being amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
7	PAYABLE TO NBP FUND MANAGEMENT LIMITED - THE MANAGEMENT COMPANY - RELATED PARTY		
		----- (Rupees in '000) -----	
	Remuneration payable to the Management Company	2,223	1,265
	Sindh Sales Tax payable on remuneration of the Management Company	289	164
	Reimbursement of allocated expenses payable	5,075	3,329
	Reimbursement of selling and marketing expenses payable	7,235	533
	Sales load payable to the Management company	1,980	163
	Sindh Sales Tax payable on sales load	258	21
	ADC charges payable including Sindh Sales Tax	165	42
		<u>17,225</u>	<u>5,518</u>

7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the following rates:

Rate applicable from July 1, 2022 to November 30, 2022	Rate applicable from December 1, 2022 to December 14, 2022	Rate applicable from December 15, 2022 to December 31, 2022	Rate applicable from July 1, 2021 to June 30, 2022
2.25% on net income, subject to floor and capping of 0.3% and 1% per annum of the average net assets	1% on net income, subject to floor and capping of 0.1% and 1% per annum of the average net assets	0.5% on net income, subject to floor and capping of 0.1% and 1% per annum of the average net assets	1% on net income, subject to floor and capping of 0.1% and 1% per annum of the average net assets

7.2 During the period, an amount of Rs. 2.36 million (December 31, 2021: Rs. 0.889 million) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13% (December 31, 2021: 13%).

7.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation service, related to a Collective Investment Scheme (CIS).

The Management Company based on its discretion has charged accounting and operational charges under the following rates:



Rate applicable from July 1, 2022 to December 31, 2022	Rate applicable from July 1, 2021 to June 30, 2022
0.125% of average annual net assets	0.125% per annum of average annual net assets

7.4 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses at the following rates keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008.

Rate applicable from July 1, 2022 to November 30, 2022	Rate applicable from December 1, 2022 to December 14, 2022	Rate applicable from December 15, 2022 to December 31, 2022	Rate applicable from July 1, 2021 to July 25, 2021	Rate applicable from July 26, 2021 to June 30, 2022
0.02% of average annual net assets	0.35% per annum of average annual net assets	0.40% per annum of average annual net assets	0% per annum of average annual net assets	0.02% per annum of average annual net assets

8	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	(Un-audited) December 31, 2022	(Audited) June 30, 2022
			----- (Rupees in '000) -----	
	Annual fee payable	8.1	1,338	2,452

8.1 Under the provisions of the NBFC Regulations, a collective investment scheme is required to pay as annual fee to the SECP, an amount equal to 0.02% (June 30, 2022: 0.02%) of the average annual net assets of the Fund.

9 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable		301	544
Shariah advisory fee payable		1,053	1,814
Brokerage payable		33	-
Legal fee payable		98	150
Withholding tax payable		12,596	8,549
Payable against printing charges		70	70
Bank and settlement charges payable		37	131
		14,188	11,258

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

11 NET ASSET VALUE PER UNIT

The net asset value (NAV) per unit, as disclosed in the condensed interim statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the period / year end.

12 CASH AND CASH EQUIVALENTS

Bank balances	4	8,557,115	9,869,948
Term deposit receipts	5.3	3,200,000	500,000
		11,757,115	10,369,948



13 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.

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.

14 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

15 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 0.67% (December 31, 2021: 0.38%) which includes 0.07% (December 31, 2021: 0.04%) representing government levies such as sales tax and annual fee to the SECP. The prescribed limit for the ratio is 2% (December 31, 2021: 2%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a Shariah compliant money market scheme.

16 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, the Management Company on behalf of the Fund, has distributed the total profit earned during the period amounting to Rs 957.567 million as dividend and the same has been re-invested.

Payout date	Payout per unit	Payout date	Payout per unit	Payout date	Payout per unit
	Rupees		Rupees		Rupees
July 1, 2022	0.0040	July 16, 2022	0.0036	July 31, 2022	0.0036
July 2, 2022	0.0040	July 17, 2022	0.0036	August 1, 2022	0.0037
July 3, 2022	0.0040	July 18, 2022	0.0037	August 2, 2022	0.0037
July 4, 2022	0.0040	July 19, 2022	0.0036	August 3, 2022	0.0036
July 5, 2022	0.0041	July 20, 2022	0.0036	August 4, 2022	0.0037
July 6, 2022	0.0040	July 21, 2022	0.0036	August 5, 2022	0.0037
July 7, 2022	0.0040	July 22, 2022	0.0037	August 6, 2022	0.0037
July 8, 2022	0.0040	July 23, 2022	0.0037	August 7, 2022	0.0036
July 9, 2022	0.0039	July 24, 2022	0.0036	August 8, 2022	0.0037
July 10, 2022	0.0040	July 25, 2022	0.0037	August 9, 2022	0.0036
July 11, 2022	0.0039	July 26, 2022	0.0037	August 10, 2022	0.0037
July 12, 2022	0.0040	July 27, 2022	0.0037	August 11, 2022	0.0038
July 13, 2022	0.0040	July 28, 2022	0.0037	August 12, 2022	0.0037
July 14, 2022	0.0039	July 29, 2022	0.0037	August 13, 2022	0.0038
July 15, 2022	0.0037	July 30, 2022	0.0037	August 14, 2022	0.0037

NBP ISLAMIC DAILY DIVIDEND FUND



NBP FUNDS
Managing Your Savings

Payout date	Payout per unit	Payout date	Payout per unit	Payout date	Payout per unit
	Rupees		Rupees		Rupees
August 15, 2022	0.0037	October 1, 2022	0.0041	November 17, 2022	0.0040
August 16, 2022	0.0038	October 2, 2022	0.0038	November 18, 2022	0.0040
August 17, 2022	0.0039	October 3, 2022	0.0038	November 19, 2022	0.0039
August 18, 2022	0.0038	October 4, 2022	0.0038	November 20, 2022	0.0039
August 19, 2022	0.0037	October 5, 2022	0.0039	November 21, 2022	0.0039
August 20, 2022	0.0038	October 6, 2022	0.0040	November 22, 2022	0.0040
August 21, 2022	0.0037	October 7, 2022	0.0039	November 23, 2022	0.0039
August 22, 2022	0.0030	October 8, 2022	0.0039	November 24, 2022	0.0039
August 23, 2022	0.0030	October 9, 2022	0.0038	November 25, 2022	0.0039
August 24, 2022	0.0037	October 10, 2022	0.0039	November 26, 2022	0.0039
August 25, 2022	0.0037	October 11, 2022	0.0038	November 27, 2022	0.0039
August 26, 2022	0.0038	October 12, 2022	0.0039	November 28, 2022	0.0039
August 27, 2022	0.0038	October 13, 2022	0.0039	November 29, 2022	0.0039
August 28, 2022	0.0037	October 14, 2022	0.0039	November 30, 2022	0.0041
August 29, 2022	0.0037	October 15, 2022	0.0039	December 1, 2022	0.0041
August 30, 2022	0.0038	October 16, 2022	0.0038	December 2, 2022	0.0040
August 31, 2022	0.0038	October 17, 2022	0.0038	December 3, 2022	0.0041
September 1, 2022	0.0038	October 18, 2022	0.0039	December 4, 2022	0.0040
September 2, 2022	0.0039	October 19, 2022	0.0039	December 5, 2022	0.0040
September 3, 2022	0.0039	October 20, 2022	0.0039	December 6, 2022	0.0041
September 4, 2022	0.0037	October 21, 2022	0.0039	December 7, 2022	0.0040
September 5, 2022	0.0039	October 22, 2022	0.0039	December 8, 2022	0.0041
September 6, 2022	0.0039	October 23, 2022	0.0038	December 9, 2022	0.0040
September 7, 2022	0.0039	October 24, 2022	0.0038	December 10, 2022	0.0041
September 8, 2022	0.0045	October 25, 2022	0.0039	December 11, 2022	0.0040
September 9, 2022	0.0040	October 26, 2022	0.0039	December 12, 2022	0.0041
September 10, 2022	0.0040	October 27, 2022	0.0038	December 13, 2022	0.0040
September 11, 2022	0.0040	October 28, 2022	0.0039	December 14, 2022	0.0041
September 12, 2022	0.0041	October 29, 2022	0.0039	December 15, 2022	0.0041
September 13, 2022	0.0040	October 30, 2022	0.0038	December 16, 2022	0.0041
September 14, 2022	0.0041	October 31, 2022	0.0039	December 17, 2022	0.0041
September 15, 2022	0.0041	November 1, 2022	0.0038	December 18, 2022	0.0040
September 16, 2022	0.0041	November 2, 2022	0.0038	December 19, 2022	0.0041
September 17, 2022	0.0041	November 3, 2022	0.0039	December 20, 2022	0.0041
September 18, 2022	0.0041	November 4, 2022	0.0039	December 21, 2022	0.0040
September 19, 2022	0.0041	November 5, 2022	0.0038	December 22, 2022	0.0041
September 20, 2022	0.0041	November 6, 2022	0.0039	December 23, 2022	0.0041
September 21, 2022	0.0041	November 7, 2022	0.0039	December 24, 2022	0.0041
September 22, 2022	0.0041	November 8, 2022	0.0038	December 25, 2022	0.0040
September 23, 2022	0.0041	November 9, 2022	0.0039	December 26, 2022	0.0041
September 24, 2022	0.0041	November 10, 2022	0.0039	December 27, 2022	0.0040
September 25, 2022	0.0041	November 11, 2022	0.0038	December 28, 2022	0.0041
September 26, 2022	0.0041	November 12, 2022	0.0039	December 29, 2022	0.0041
September 27, 2022	0.0041	November 13, 2022	0.0039	December 30, 2022	0.0041
September 28, 2022	0.0041	November 14, 2022	0.0038	December 31, 2022	0.0041
September 29, 2022	0.0041	November 15, 2022	0.0040		
September 30, 2022	0.0041	November 16, 2022	0.0039		



17 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 17.1** 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 (NBP) and Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by 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.
- 17.2** Transactions with related parties / 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 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.
- 17.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 17.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 17.5** Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 17.6** The details of transactions with related parties / connected persons during the period are as follows:

	----- (Un-audited) -----	
	Half year ended	
	December 31,	
	2022	2021
	----- (Rupees in '000) -----	
NBP Fund Management Limited - the Management Company		
Remuneration of NBP Fund Management Limited - the Management Company	18,157	6,835
Sindh Sales Tax on remuneration of the Management Company	2,360	889
Reimbursement of allocated expenses	8,362	8,264
Reimbursement of selling and marketing expenses	7,761	1,129
Sales and transfer load	1,818	232
Sindh Sales Tax on sales and transfer load	236	30
ADC charges including Sindh Sales Tax	153	16
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration of the Trustee	3,679	3,988
Sindh Sales Tax on remuneration of the Trustee	478	518
Key management personnel of the Management Company		
Dividend re-invest units issued - 194,546 units (2021: 6071 units)	1,945	61
Units issued - 2,463,878 units (2021: 1,106,047 units)	24,639	11,060
Units redeemed - 2,001,542 units (2021: 462,067 units)	20,015	4,621
NBP Islamic Capital Preservation Plan - VI		
Dividend re-invest units issued - 613,779 units (2021: Nil)	6,138	-
Units issued / transferred in - 11,740,800 units (2021: Nil)	117,408	-
Units redeemed / transferred out - 4,000,000 units (2021: Nil)	40,000	-
National Bank of Pakistan - Parent of the Management Company		
Profit on bank balances***	10,225	-



	----- (Un-audited) -----	
	Half year ended	
	December 31,	
	2022	2021
	----- (Rupees in '000) -----	
Baltoro Partners (Private) Limited - common directorship		
Dividend re-invest units issued - 23 (2021: 2,035) units***	-	20
Units redeemed - Nil units (2021: 82,800)	-	828
Yunus Textile Mills Limited*		
Dividend re-invest units issued - 5,456,757 units (2021: Nil)	54,568	-
Units issued / transferred in - 250,000,000 units (2021: Nil)	2,500,000	-
NAFA Islamic Capital Preservation Plan - I		
Dividend re-invest units issued - 238,154 units (2021: 60,743 units)	2,382	607
Units issued / transferred in - Nil (2021: 2,971,200 units)	-	29,712
NAFA Islamic Capital Preservation Plan - II		
Dividend re-invest units issued - 20,746 units (2021: 34,923 units)	207	349
Units issued / transferred in - Nil (2021: 2,449,200 units)	-	24,492
Units redeemed / transferred out - Nil (2021: 2,220,000 units)	-	22,200
NAFA Islamic Capital Preservation Plan - III		
Dividend re-invest units issued - 105,148 units (2021: 46,751 units)	1,051	468
Units issued / transferred in - Nil (2021: 2,286,800 units)	-	22,868
NAFA Islamic Capital Preservation Plan - IV		
Dividend re-invest units issued - 43,947 units (2021: 45,778 units)	439	458
Units issued / transferred in - Nil (2021: 2,239,200 units)	-	22,392
Units redeemed / transferred out - 826,900 (2021: Nil)	8,269	-
NBP Islamic Capital Preservation Plan - V		
Dividend re-invest units issued - 103,140 units (2021: 50,711 units)	1,031	507
Units issued / transferred in - Nil (2021: 2,480,500 units)	-	24,805
K-Electric Limited**		
Purchase of sukuk	11,076,124	-
Sale of sukuk	9,099,671	-
Income on sukuk	98,562	-
Portfolio managed by the Management Company		
Dividend re-invest units issued - 1,446,123 units (2021: 1,027,414 units)	14,461	10,274
Units issued / transferred in - 70,543,498 units (2021: 51,583,482 units)	705,435	515,835
Units redeemed / transferred out - 89,168,359 units (2021: 21,757,837 units)	891,684	217,578
Pakistan Defence Officers Housing Authority - unit holders with more than 10% holding		
Dividend re-invest units issued - 14,314,556 units (2021: 8,295,045 units)	143,146	82,950
Units issued / transferred in - 150,000,000 units (2021: Nil)	1,500,000	-
Units redeemed / transferred out - 25,000,000 units (2021: Nil)	250,000	-
Hamdard Laboratories (Waqf) Pakistan - unit holders with more than 10% holding**		
Dividend re-invest units issued - Nil (2021: 3,927,302 units)	-	39,273
Units issued / transferred in - Nil (2021: 116,693,794 units)	-	1,166,938

* Prior period comparatives have not been shown as the company was not a related party / connected person of the Fund as at December 31, 2021.



** Current period figures have not been presented as the person is not classified as a related party / connected person of the Fund as at December 31, 2022.

*** Nil due to rounding off differences.

17.7 Amounts / balances outstanding as at period / year end are as follows:	(Un-audited) December 31, 2022	(Audited) June 30, 2022
	----- (Rupees in '000) -----	
NBP Fund Management Limited - the Management Company		
Remuneration payable to the Management Company	2,223	1,265
Sindh Sales Tax on remuneration of the Management Company	289	164
Reimbursement of allocated expenses payable	5,075	3,329
Reimbursement of selling and marketing expenses payable	7,235	533
Sales load payable to Management Company	1,980	163
Sindh Sales Tax payable on sales load	258	21
ADC charges payable including Sindh Sales Tax	165	42
Central Depository Company of Pakistan Limited - the Trustee		
Trustee remuneration payable	991	484
Sindh Sales Tax payable on remuneration of the Trustee	129	63
Security deposit receivables	100	100
Key management personnel of the Management Company		
Units outstanding - 3,087,166 units (June 30, 2022: 2,341,459 units)	30,897	23,415
Baltoro Partners (Private) Limited - common directorship		
Units outstanding - 397 units (June 30, 2022: 374 units)	4	4
Yunus Textile Mills Limited*		
Units outstanding - 255,456,757 units (June 30, 2022: Nil)	2,554,568	-
Pakistan Defence Officers Housing Authority - unit holders with more than 10% holding		
Units outstanding - 386,908,778 units (June 30, 2022: 247,594,222 units)	3,869,088	2,475,942
National Bank of Pakistan - Parent of the Management Company		
Bank balance	171	393
Profit receivable**	10,237	-
BankIslami Pakistan Limited - common directorship		
Bank balance	2,403	2,940
NAFA Islamic Capital Preservation Plan - I		
Units outstanding - 3,437,593 units (June 30, 2022: 3,199,439 units)	34,376	31,994
NAFA Islamic Capital Preservation Plan - II		
Units outstanding - 299,460 units (June 30, 2022: 278,714 units)	2,995	2,787
NAFA Islamic Capital Preservation Plan - III		
Units outstanding - 1,517,737 units (June 30, 2022: 1,412,589 units)	15,177	14,126
NAFA Islamic Capital Preservation Plan - IV		
Units outstanding - 196,616 units (June 30, 2022: 979,568 units)	1,966	9,796



	(Un-audited) December 31, 2022	(Audited) June 30, 2022
	----- (Rupees in '000) -----	
NBP Islamic Capital Preservation Plan - V		
Units outstanding - 1,488,754 units (June 30, 2022: 1,385,614 units)	14,888	13,856
NBP Islamic Capital Preservation Plan - VI		
Units outstanding - 8,354,599 units (June 30, 2022: Nil)	83,546	-
K-Electric Limited*		
Sukuk held	1,978,000	-
Profit receivable	86,142	-
Portfolio managed by the Management Company		
Units outstanding - 21,497,168 units (June 30, 2022: 37,568,504 units)	214,972	375,686

* Prior period comparatives have not been shown as the company was not a related party / connected person of the Fund as at June 30, 2022.

** Nil due to rounding off

17.8 Other balances due to / from related parties / connected persons are included in the respective notes to these condensed interim financial statements.

18 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Financial assets which are tradeable in an open market are revalued at market prices prevailing on the reporting date. The estimated fair value of all other financial assets and financial liabilities is considered not to be significantly different from the respective book values as the items are either short-term in nature or repriced periodically.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

18.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at December 31, 2022 and June 30, 2022 the Fund held the following financial instruments measured at fair value.



----- Un-audited -----			
----- As at December 31, 2022 -----			
Level 1	Level 2	Level 3	Total

----- (Rupees in '000) -----

At fair value through profit or loss

Corporate sukuk certificates*	-	2,788,000	-	2,788,000
Term deposit receipts*	-	3,200,000	-	3,200,000
Certificate of musharakah	-	2,500,000	-	2,500,000
Bai Muajjal receivable		524,275		
	-	9,012,275	-	8,488,000

----- Audited -----			
----- As at June 30, 2022 -----			
Level 1	Level 2	Level 3	Total

----- (Rupees in '000) -----

At fair value through profit or loss

Corporate sukuk certificates*	-	700,000	-	700,000
Term deposit receipts*	-	500,000	-	500,000
	-	1,200,000	-	1,200,000

* The carrying value of these securities approximate their fair values since these are short term in nature and are placed with counter parties which have high credit ratings.

19 GENERAL

19.1 Figures in these condensed interim financial statements have been rounded off to the nearest thousand of Rupees, unless otherwise stated.

19.2 Corresponding figures have been re-classified and re-arranged in these condensed financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current period. No significant rearrangements or reclassifications have been made in these condensed financial statements during the current period.

20 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 21, 2023.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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