

NBP FUNDS
Managing Your Savings

Aitemaad اعتماد
اسلامک سیونر

Islamic Savings

اسلامک سیونر

NBP Fund Management Limited



NBP ISLAMIC SAVINGS 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 Shakra-e-Faisal, Karachi.

Bankers to the Fund

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



Auditors

Grant Thornton Anjum Rahman.
1st & 3rd Floor,
Modern Motors House, Beaumont Road,
Karachi, 75530

Legal Advisor

Akhund Forbes
D-21, Block, 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.
Phone: 051-2514987
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 Savings Fund (NBP-ISF)** for the half year ended December 31, 2022.

Fund's Performance

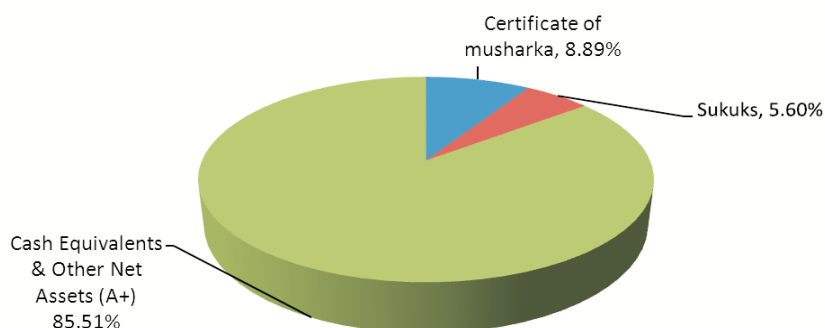
During 1HFY23, Monetary Policy Committee (MPC) held four meetings and raised the policy rate by 225 basis points to 16%, with a view to anchor the inflationary pressures, achieve price stability - ensuring economic sustainability and ease pressure on currency. However, inflation expectations have been raised in anticipation of tough measures that may follow post re-entry into an 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.

NBP-ISF is categorized as Islamic Income Scheme and has been awarded stability rating of 'AA- (f)' by PACRA. In terms of issuance of fresh corporate sukuks, the market witnessed low activity in the primary market against a large and growing demand. In the secondary market, a value of Rs. 3.1 billion was traded against Rs. 2.2 billion in the same period last year.

The size of NBP Islamic Savings Fund has increased from Rs. 1,845 million to Rs. 3,216 million during the period, a significant growth of 74%. The unit price of the Fund has increased from Rs. 9.5511 on June 30, 2022 to Rs. 10.1660 on December 31, 2022 thus showing return of 12.8% p.a. as compared to its benchmark return of 5.4% p.a. for the same period. The performance of the Fund is net of management fee and other expenses.

The Fund has earned a total income of Rs. 164.41 million during the period. After deducting total expenses of Rs. 26.92 million, the net income is Rs. 137.49 million. The asset allocation of NBP-ISF as on December 31, 2022 is as follows:



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 بصد مسرت 31 دسمبر 2022ء کو ختم ہونے والی ششماہی کے لئے NBP اسلامک سیونگ فنڈ (NBP-ISF) کے جائزہ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

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۔

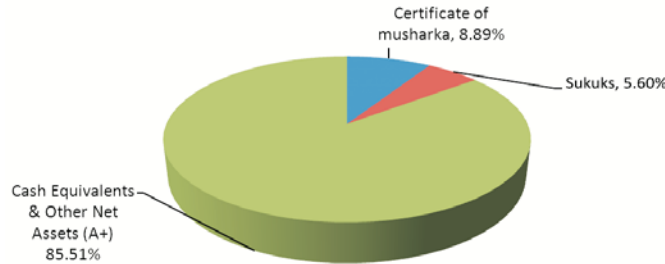
کرنٹ اکاؤنٹ خسارہ میں انتظامی سکڑاؤ کے باعث بیرونی کھاتوں کا انتظام اب بھی چیلنجنگ نظر آتا ہے جبکہ ان اقدامات نے سپلائی چین میں رکاوٹیں بھی پیدا کی ہیں۔ نیز سپلائی کی ان رکاوٹوں کی وجہ سے فرمز کی طرف سے پیداوار میں کمی کے نتیجے میں LSM کی نمو میں کمی واقع ہوئی ہے۔ فریش مالی رقوم کی کمی اور قرضوں کی جاری 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 بیکارڈ 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-ISF کی شریعہ کمپلائنسٹ انکم فنڈ کے طور پر درجہ بندی کی گئی ہے اور PACRA کی طرف سے 'AA-(f)' کی مستحکم ریٹنگ دی گئی ہے۔ فریش کارپوریٹ سکوک کے اجراء کے لحاظ سے، مارکیٹ نے پرائمری مارکیٹ میں بڑی اور بڑھتی ہوئی طلب کے مقابلے کم سرگرمی دیکھی۔ ثانوی مارکیٹ میں، گزشتہ سال کی اسی مدت میں 2.2 بلین روپے کے مقابلے میں 3.1 بلین کا کاروبار ہوا۔

NBP اسلامک سیونگ فنڈ کا سائز اس مدت کے دوران 1,845 ملین روپے سے بڑھ کر 3,216 ملین روپے ہو گیا ہے (یعنی 74% کا اضافہ ہوا)۔ مدت کے دوران، فنڈ کی یونٹ قیمت 30 جون 2022 کو 9.5511 روپے سے بڑھ کر 31 دسمبر 2022 کو 10.1660 روپے تک پہنچ گئی ہے، لہذا اسی مدت کے دوران 5.4% سالانہ نیچ مارک منافع کے مقابلے میں 12.8% سالانہ منافع درج کروایا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے موجودہ مدت کے دوران 164.41 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 26.92 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 137.49 ملین روپے ہے۔

31 دسمبر 2022 کو NBP-ISF کی ایسٹ ایلویشن درج ذیل ہے:



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمیٹی 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 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 فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو آفیسر

ڈائریکٹرز

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 Savings 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' REVIEW REPORT ON THE INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP Islamic Savings 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 unitholders' fund and condensed interim cash flow statement and notes to the financial statements for the half year then ended (here-in-after referred to as the interim financial statements). The Management Company (NBP Fund Management Limited) is responsible for the preparation and presentation of the interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim financial Information Performed by the Independent Auditor of the Entity". A review of 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 interim financial information is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matters

The figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the three months' period ended December 31, 2022 and 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months' period ended December 31, 2022.

The engagement partner on the review resulting in this independent auditors' review report is **Muhammad Shaukat Naseeb**.

Grant Thornton Anjum Rahman

Chartered Accountants

Date: February 21, 2023

Karachi



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	2,735,830	1,309,827
Investments	5	465,917	548,554
Accrued profit	6	52,214	34,102
Deposits, prepayments and other receivables	7	1,354	1,589
Total assets		3,255,315	1,894,072
LIABILITIES			
Payable to NBP Fund Management Limited - the Management Company	8	22,093	9,137
Payable to Central Depository Company of Pakistan Limited - the Trustee	9	216	147
Payable to the Securities and Exchange Commission of Pakistan	10	220	429
Payable against redemption of units		9,302	10,692
Accrued expenses and other liabilities	11	7,331	28,174
Total liabilities		39,162	48,579
NET ASSETS		3,216,153	1,845,493
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,216,153	1,845,493
Contingencies and commitments			
	12	----- Number of units -----	
Number of units in issue		316,363,448	193,223,949
----- Rupees -----			
Net asset value per unit		10.1660	9.5511

The annexed notes 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		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Note ----- Rupees in '000 -----				
INCOME				
Profit / income on:				
- bank balances	126,189	49,749	73,770	29,836
- term deposit	-	9,562	-	3,974
- sukuks	15,200	3,065	8,547	1,411
- commercial paper	184	10,689	184	4,026
- certificate of musharka	22,829	12,404	11,476	6,395
Total income	164,402	85,469	93,977	45,642
EXPENSES				
Remuneration of NBP Fund Management Limited - the Management Company	8.1	12,092	5,963	6,923
Sindh Sales Tax on remuneration of the Management Company	8.2	1,572	775	900
Reimbursement of operational expenses to the Management Company	8.3	1,377	1,367	775
Reimbursement of selling and marketing expenses	8.4	9,361	7,953	5,269
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	9.1	826	820	465
Sindh Sales Tax on remuneration of the Trustee	9.2	107	107	60
Annual fee to the Securities and Exchange Commission of Pakistan	10	220	219	124
Settlement and bank charges		193	203	79
Auditors' remuneration		604	351	421
Fund rating fee		249	227	124
Annual listing fee		14	14	7
Printing charges		21	40	8
Shariah advisory fee		154	133	76
Legal and professional charges		127	308	27
Total expenses		26,917	18,480	15,258
Net income from operating activities		137,485	66,989	78,719
Reversal / (Provision) for Sindh Workers Welfare Fund		-	22,002	-
Net income for the period before taxation		137,485	88,991	78,719
Taxation	13	-	-	-
Net profit for the period after taxation		137,485	88,991	78,719
Earnings per unit				
Allocation of net income for the period				
Net income for the period after taxation		137,485	88,991	78,719
Income already paid on redemption of units		(13,321)	(11,917)	(9,055)
		124,164	77,074	69,664
Accounting income available for distribution:				
- Relating to capital gains		-	-	-
- Excluding capital gains		124,164	77,074	69,664
		124,164	77,074	69,664

The annexed notes 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		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- Rupees in '000 -----			
Net income for the period after taxation	137,485	88,991	78,719	35,966
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	137,485	88,991	78,719	35,966

The annexed notes 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	December 31, 2021
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	137,485	88,991
Adjustments:		
- bank balances	(126,189)	(49,749)
- term deposit	-	(9,562)
- sukuks	(15,200)	(3,065)
- commercial paper	(184)	(10,689)
- certificate of musharka	(22,829)	(12,404)
Provision for Sindh Workers' Welfare Fund	-	(22,002)
	<u>(164,402)</u>	<u>(107,471)</u>
	(26,917)	(18,480)
Decrease in assets		
Investments	82,637	475,867
Deposit, prepayments and other receivables	235	213
	82,872	476,080
(Decrease) / increase in liabilities		
Payable to the Management Company	12,956	412
Payable to the Trustee	69	(8)
Payable to the Securities and Exchange Commission of Pakistan	(209)	(373)
Accrued expenses and other liabilities	(20,843)	(18,488)
	<u>(8,027)</u>	<u>(18,457)</u>
Mark-up on bank balances received	112,114	45,425
Mark-up on term deposit received	-	9,622
Mark-up on sukuks received	11,355	3,308
Mark-up on commercial paper	184	10,688
Mark-up on certificate of musharka	22,637	12,942
Net cash generated from operating activities	<u>194,218</u>	<u>521,128</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issuance of units	2,030,587	666,421
Amounts paid on redemption of units	(798,802)	(774,920)
Net cash used in financing activities	<u>1,231,785</u>	<u>(108,499)</u>
Net increase / (decrease) in cash and cash equivalents during the period	<u>1,426,003</u>	<u>412,629</u>
Cash and cash equivalents at the beginning of the period	1,309,827	1,095,575
Cash and cash equivalents at the end of the period	<u>4</u> <u>2,735,830</u>	<u>1,508,204</u>

The annexed notes 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

NBP Islamic 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 August 17, 2007 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 Fund is an open-ended mutual fund and classified as sharia compliant "income" scheme by the Management Company and is listed on the Pakistan Stock Exchange Limited. Units 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.

During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to promulgation of Provincial Trust Act namely "Sindh Trust Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 18, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

Management Company has obtained approval of SECP, pursuant to which the category of the Fund was changed from shariah compliant aggressive fixed income scheme to 'shariah compliant income scheme' and the name of the Fund was 'NAFA Islamic Savings Fund' with effect from March 14, 2017.

The objective of the Fund is to provide preservation of capital and earn a reasonable rate of return by investing in Shariah compliant securities, having a good credit rating and liquidity.

The Pakistan Credit Rating Agency Limited (PACRA) has maintained an asset manager rating of 'AM1' to the Management Company on June 22, 2022, and has assigned stability rating of 'AA-(f)' to the Fund on September 22, 2022.

Title of the assets of the Fund is held in the name of CDC as a trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. The approved accounting standards comprise of International Accounting Standard 34- Interim Financial Reporting issued by International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017, Voluntary Pension System Rules, 2005 (the VPS Rules) and the requirement of Trust Deed.



Where provisions of and directives issued under the Companies Act, 2017, the VPS Rules and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, the VPS Rules and requirements of the Trust Deed have been followed. These condensed financial statements are unaudited and are being distributed to the unitholders as required by section 227 of the companies Act (The Act). The figures from the half year ended December 31, 2022 have, however, been subjected to limited scope review.

The condensed interim financial statements do not include all the information and disclosures as required in a full set of financial statements and should vary in conjunction with the annual financial statements of the fund for the year ended June 30, 2022. Selected self explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the fund's financial position and performance since the last annual financial statements.

The Fund is required at all the times, meet the minimum equity requirement of Rs. 100 million as per NBFC Regulations, 2008.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2022 except for the adaption of any new amended standard, as setout in 3.2.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future periods.

3.1 The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the period ended December 31, 2022.

3.2 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS

Standards, amendments and interpretations to the published standards that may be relevant to the Fund and adopted in the current year

The Fund has adopted the following new standards, amendments to published standards and interpretations of IFRSs which became effective during the current year.

New or Revised Standard or Interpretation

Effective Date

"(Annual periods beginning on or after)"

Annual improvements to IFRSs 2018 - 2020 Cycle

January 1, 2022



IFRS 3 References to Conceptual Framework January 1, 2022

IAS 16 Proceeds before intended use January 1, 2022

IAS 37 Onerous Contracts- Cost of Fulfilling a contract January 1, 2022

Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Fund

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation.

Standard or Interpretation	IASB effective date "(Annual periods beginning on or after)"
IAS 1 Classification of Liabilities as Current or Non-current	January 1, 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	January 1, 2023
Definition of Accounting Estimates (Amendments to IAS 8)	January 1, 2023

The Fund is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Fund.

Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Following new standards have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard or Interpretation	IASB effective date "(Annual periods beginning on or after)"
IFRS 17 'Insurance Contracts' and amendments to IFRS 17	January 1, 2023

4 BANK BALANCES	Note	(Un-audited) December 31, 2022	(Audited) June 30, 2022
		Rupees in '000	
Current accounts	4.1	22,879	12,009
Saving accounts	4.2	2,712,951	1,297,818
		<u>2,735,830</u>	<u>1,309,827</u>

4.1 These include a bank balance of Rs.0.3 million (June 30, 2022: Rs.1.2 million), which is maintained in current accounts with National Bank of Pakistan and Bank Islami Pakistan amounted to Rs. 7.03 million (June 30,2022: nil), related parties.



- 4.2 These savings accounts carry profit at rates ranging from 5.5% to 16% (June 30, 2022: 6.5% to 16% per annum). Balance maintained with related parties i.e National Bank of Pakistan amount to Rs. 0.7 million (June 30, 2022: Rs. 2.35 million) Bank Islami Pakistan amounted to Rs. 8.7 million (June 30, 2022: Rs. 19.05 million) respectively.

5	INVESTMENTS	Note	(Un-audited)	(Audited)
			December 31, 2022	June 30, 2022
----- Rupees in '000 -----				
Financial assets at fair value through profit or loss				
	Sukuks	5.1 & 5.2	180,000	175,000
	Commercial paper	5.3	-	49,816
	Certificate of musharka	5.4	285,917	323,738
			465,917	548,554

5.1 Sukuk's certificates- At fair value through profit or loss

Description	Number of certificates				Market value as at December 31, 2022	Investment as a percentage of	
	As at July 01, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022		Net assets	Market value of total investments
Rupees in '000						------(%)-----	
All sukuks have a face value of Rs. 100,000 each							
K-Electric	50	-	50	-	-	0.0%	0.0%
K-Electric	50	-	50	-	-	0.0%	0.0%
K-Electric	75	-	75	-	-	0.0%	0.0%
K-Electric (STS-7)	-	55	-	55	55,000	1.7%	11.8%
K-Electric (STS-8)	-	50	-	50	50,000	1.6%	10.7%
K-Electric (STS-9)	-	50	-	50	50,000	1.6%	10.7%
K-Electric (STS-10)	-	25	-	25	25,000	0.8%	5.4%
Total as at December 31, 2022					180,000		
Carrying value before mark to market as at December 31, 2022					180,000		

5.2 Non-performing sukuks classified at fair value through profit or loss

New Allied Electronics Industries (Private) Limited								
- Sukuk 1	5.2.1 & 5.2.2	352,000	-	-	352,000	110,000	3.4%	23.6%
New Allied Electronics Industries (Private) Limited								
- Sukuk 2	5.2.1 & 5.2.2	1,000	-	-	1,000	4,905	0.2%	1.1%
Carrying value as at December 31, 2022					114,905			
Accumulated impairment					114,905			

- 5.2.1 These represent investment in privately placed sukuks with a term of five years. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly has been classified as non performing asset by MUFAP since January 9, 2009. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circulars.

- 5.2.2 The sukuks held by the Fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.



5.2.3 Significant terms and conditions of sukuk outstanding as at December 31, 2022 are as follows:

Name of the investee company	Face value (unredeemed)	Profit rate per annum	Issue date	Maturity date
--Rupees in '000--				
K-Electric (STS-7)	55,000	6 month KIBOR + 1.35%	Aug 10, 2022	Feb 10, 2023
K-Electric (STS-8)	50,000	6 month KIBOR + 1.35%	Aug 29, 2022	Feb 28, 2023
K-Electric (STS-9)	50,000	6 month KIBOR + 1.4%	Sep 21, 2022	Mar 21, 2023
K-Electric (STS-10)	25,000	6 month KIBOR + 1.45%	Oct 05, 2022	Apr 05, 2023
New Allied Electronics Industries	110,000	3 month KIBOR + 2.60%	Jul 25, 2007	Jul 25, 2025
electronics Industries	4,905	6 month KIBOR + 2.20%	Dec 03, 2007	Dec 03, 2022

5.3 Commercial Paper

Name of the investee company	Note	Face value				Carrying Value as at December 31, 2022	Carrying Value as at June 30, 2022
		As at July 01, 2022	Purchases during the period	Sales / Matured during the period	As at December 31, 2022		
----- Rupees in '000 -----							
Lucky Electric Power Company Ltd		49,816	-	49,816	-	-	49,816
Total		49,816	-	49,816	-	-	49,816
Carrying value as at December 31, 2022						-----	-----

5.4 Musharka

Name of the investee company	Note	Face value				Face Value as at June 30, 2022
		As at July 01, 2022	Purchases during the period	Sales / Matured during the period	As at December 31, 2022	
----- Rupees in '000 -----						
First Habib Modaraba		323,738	-	323,738	-	-
First Habib Modaraba			275,000	275,000	-	-
First Habib Mudarba	5.4.1	-	285,917	-	285,917	285,917
		323,738	560,917	598,738	285,917	285,917

5.4.1

Particulars	Profit / mark-up rates	Issue Date	Maturity Date	Carrying Amount	Carrying Amount as a % of net assets	Carrying Amount as a % of total investment
----Rupees in '000----						
First Habib Modaraba	15.75%	October 26, 2022	January 26, 2023	285,917	0.09	0.61

(Un-audited) (Audited)
December 31, June 30,
2022 2022

6 ACCRUED PROFIT

----- Rupees in '000 -----

Profit accrued on:

- Bank balances	33,403	19,328
- Sukuk	10,302	6,458
- Certificate of musharka	8,509	8,316
	52,214	34,102



		(Un-audited) December 31, 2022	(Audited) June 30, 2022
		----- Rupees in '000 -----	
7	DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
	Security deposit with Central Depository Company of Pakistan	100	100
	Advance Tax	1,240	1,240
	Prepayments	14	249
		<u>1,354</u>	<u>1,589</u>
8	PAYABLE TO NBP FUND MANAGEMENT LIMITED - THE MANAGEMENT COMPANY		
	Remuneration of the Management Company	8.1 2,974	1,897
	Sindh Sales Tax on remuneration of the Management Company	8.2 387	247
	Reimbursement of operational expenses	8.3 775	662
	Sales load	10,037	4,503
	Sindh Sales Tax and Federal Excise Duty on sales load	1,925	867
	Reimbursement of selling and marketing expense payable	8.4 5,269	734
	ADC charges and Sindh Sales Tax on ADC charges	726	227
		<u>22,093</u>	<u>9,137</u>

8.1 Under the provisions of Non-Banking Finance Companies and Notified Entities Regulations 2008, an Asset Management Company shall be entitled to an accrued remuneration. During the year, Management Company has charged remuneration as follows:

- 8% per annum on the daily income of the Fund subject to minimum 0.5% as average of NAV and maximum 1.5% of average NAV, applicable from January 10, 2020 onwards.

For the purpose of above calculation, daily net income is equals to gross income minus all expenses of the Fund excluding management remuneration and related sales tax and federal excise duty thereon.

8.2 This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

8.3 As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to Collective Investment Scheme (CIS) are chargeable to the scheme. Accordingly, the Management Company has charged 0.125% of the average annual net assets.

8.4 The SECP through its Circular No. SCD/PRDD/Circular/394/2018 (Circular No. 5 of 2018) dated June 04, 2018 allowed to charge selling and marketing expenses to all categories of mutual funds (except fund of funds and money market funds) subject to, cap of 0.4% per annum of net assets or actual whichever is lower and Board approval. In prior year, SECP through its Circular No. 11 of 2019 dated July 5, 2019, has now removed cap of 0.4% on all open end funds (except "Fund of Funds"). In addition to the requirement of Board approval, now these expenses to be paid to Management Company on reimbursement basis and subject to approval of the Trustee.



		(Un-audited) December 31, 2022	(Audited) June 30, 2022
		----- Rupees in '000 -----	
9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE		
	Remuneration of the Trustee	191	130
	Sindh Sales Tax on remuneration of the Trustee	25	17
		216	147
		216	147

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per tariff specified therein, based on the net assets of the Fund. The remuneration is payable to the Trustee monthly in arrears.

This amount represents the Trustee is entitled to a monthly remuneration for services rendered to the Fund at the rate of 0.075% per annum of average net assets.

9.2 This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

10.1 Under the provisions of the NBFC Regulations, a collective investment scheme categorised as "shariah compliant" is required to pay as annual fee to the Securities and Exchange Commission of Pakistan.

SECP has charged fees at the rate of 0.02% percent of the average net assets during the year. (June 30, 2022 0.02% of the average net assets) The fee is paid annually in arrears.

11 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration		470	597
Federal Excise Duty on remuneration of the Management	11.1	3,955	3,955
Settlement charges		39	19
Withholding tax		185	20,222
Capital gains tax		478	1,575
Legal and professional charges		207	203
Bank charges		47	41
Brokerage payable		17	19
Printing charges		92	89
Shariah advisor fee		185	348
Others		1,656	1,106
		7,331	28,174
		7,331	28,174

11.1 The legal status of applicability of Federal Excise Duty on the Fund is same as disclosed in note 11.1 and 11.2 to the annual audited financial statements of the Fund for the year ended June 30, 2021, and the appeal, filed by tax authorities against the order in the Supreme Court of Pakistan dated July 16, 2016, is pending for decision.



In view of above, the Management Company, being prudent, is carrying provision for FED for the period from January 13, 2013 to December 31, 2022 aggregating to Rs. 3.955 million. Had the provision not been retained, NAV per unit of the Fund as at December 31, 2022 would have been higher by Rs.0.0125 per unit (June 30, 2022: Rs.0.0205 per unit).

12 CONTINGENCIES AND COMMITMENTS

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

13 TAXATION

The Fund's income is exempt from income tax as per Clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders (excluding distribution made by issuance of bonus units). Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute ninety percent of accounting income other than capital gains whether realised or unrealised to the unit holders. The Fund intends to distribute such accounting income for the year ending June 30, 2022 to its unit holders. Accordingly, no provision in respect of taxation has been made in the current period.

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

- 13.1** In assessment for Tax Year 2018 in respect of NBP Islamic Saving Fund, the said exemption has been denied by The Additional Commissioner – Audit (AC), on the ground that the amount paid as income on units redeemed by investors during the tax year cannot be treated as distribution of income as per criteria envisaged under Clause 99 of Part 1 of the Second Schedule of the Ordinance and AC due to commented that the distribution by the Fund fell short of 90% distribution threshold.

Last year income tax order was passed for tax year 2018 dated November 12, 2020 through which a tax demand of Rs. 64,268,100 was raised by the concern Additional Commissioner Inland Revenue (ACIR) of Federal Board of Revenue (FBR). In response to the order, the Fund filed appeal with commissioner dated December 9, 2020.

The Fund also obtained stay from the Hon'ble High Court of Sindh (SHC) dated December 14, 2020 against recovery of impugned tax demand. In its judgement, SHC held that since the subject matter is pending before commissioner appeal inland revenue, the recovery of impugned demand would not be enforced till the final decision of appeal.

Further, the issue of distribution of income was also being contested by MUFAP on behalf of the mutual funds industry at various regulatory and Government levels and were very hopeful that the matter will be resolved soon as the matter had merely arisen due to incorrect interpretation by the relevant commissioners as to what construes as distribution of profit by an open end mutual fund. Further, we have been given to understand by management that SECP agrees with MUFAPs interpretation and is also actively following up with FBR to resolve the matter at the earliest.

The Management Company also filed representation to the Chairman FBR under section 7 of FBR, ACT, 2007, in response to which a letter dated February 25, 2021 was issued by Revenue Division of FBR which states that the subject matter was referred to ICMAP, ICAP and SECP for their expert opinion and all three referees expressed identical opinions, holding that the payments of income on redemption were to be construed as 'distribution of profits'. In view of the same, FBR advised concerned ACIR to decide the issue in view of the legal position narrated in this letter.



During the current period, the ACIR disposed off the aforementioned appeal by passing the order of being annulled as on October 14, 2021.

- 13.2** On the same above basis of note 13, show cause notice was issued to the Fund on July 8, 2020 for the tax year 2016. Subsequently, during the period ended December 31, 2021, the concerned Additional Commissioner passed the order dated November 16, 2021 demanding tax payable of Rs. 40,750,720. In response, the fund filed appeal with Commissioner Inland Revenue Appeals (CIRA) on December 11, 2021. However, no hearing has been fixed yet. Meanwhile the Fund has obtained the stay order against recovery of impugned tax demand till February 27, 2022.

Management believes that the Fund have distributed required amount of income to be eligible for tax exemption under clause 99 of Part 1 of the Second Schedule of the Income Tax Ordinance 2001 and they have a good case against the said order. Hence, no provision for taxation has been made in the condensed interim financial statements.

14 TOTAL EXPENSE RATIO

Total Expense Ratio (TER) of the fund as at December 31, 2022 is 2.44% (June 2022: 1.91%) which includes 0.17% (June 2022: 0.21%) representing government levies on the fund such as sales tax, federal excise duties, annual fee to SECP, etc. The ratio is within the limit of 2.5% as prescribed under NBFC regulations for a collective investment scheme categorized as "Shariah compliant income scheme".

15 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.

16 DETAILS OF NON-COMPLIANT INVESTMENTS

The Securities and Exchange Commission of Pakistan (SECP) vide Circular no. 7 of 2009 dated March 6, 2009, required all Asset Management Companies to categorize funds under their management on the basis of criteria laid down in the circular. The Board has approved the category of the fund as 'income scheme'.

The SECP vide Circular no. 16 dated July 07, 2010, prescribed specific disclosures for the scheme holding investments that are non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with investment requirements of their constitutive documents.

Following is the detail of non-compliant investments:

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	Value of investment after provision	Value of investment after provision
New Allied Electronics Industries (Private) Limited - Sukuk 1	Rating is below investment grade as prescribed in clause 9(v) of the Annexure of circular 7 of 2009	Sukuks (5.2)	110,000	(110,000)	-	-	-
New Allied Electronics Industries (Private) Limited - Sukuk 2	Rating is below investment grade as prescribed in clause 9(v) of the Annexure of circular 7 of 2009	Sukuks (5.2)	4,905	(4,905)	-	-	-



16.1 At the time of purchase, these sukuks were in compliance with the aforementioned circular. However, they either subsequently defaulted or were downgraded to non investment grade.

17 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS AND RELATED PARTIES

17.1 Connected persons and related parties include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan being the Parent of the Management Company 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.

17.2 The transactions with connected persons and related parties are carried out at agreed terms.

17.3 Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations and Trust Deed.

17.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

17.5 Details of transactions with connected persons and related parties are as follows:

	(Unaudited) Half year ended	
	December 31, 2022	December 31, 2021
	----- Rupees in '000 -----	

NBP Fund Management Limited - Management Company

Remuneration of the Management Company	12,092	5,963
Sindh Sales Tax on remuneration of the Management Company	1,572	775
Reimbursement of operational expenses to the Management Company	1,377	1,367
Sales load including Sindh Sales Tax and Federal Excise Duty	16,894	1,599
Reimbursement of selling and marketing expenses	9,361	7,953
ADC charges including Sindh Sales Tax	499	278
Units issued / transferred in 210,714 units (2022: 10,067 units)	2,125	100
Units Redeemed / Transferred Out 150,134 units (2022: 52 units)	1,476	1

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	826	820
Sindh Sales Tax on remuneration of the Trustee	107	107
Settlement charges	9	29

Employees of the Management Company

Units issued / transferred in 1,294,171 units (2022: 465,969 units)	12,960	4,529
Units redeemed / transferred out 350,172 units (2022: 301,288 units)	3,465	2,930

Mr. Khalid Mehmood (Chief Financial Officer of the Management Company)

Units redeemed / transferred out Nil. units (2022: nil units)	-	60
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	(Unaudited) Half year ended	
	December 31, 2022	December 31, 2021
	----- Rupees in '000 -----	
Bank Islami Pakistan Limited (Common directorship)		
Profit on Saving accounts	5,218	11,998
Profit on Term deposit receipt	-	9,562
Placement of Term deposit receipt	-	1,266,929
K-Electric limited (Common directorship)*		
Certificate of Sukuk	180,000	-
Income on Sukuk	15,200	-
17.6	Amounts 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 - Management Company		
Remuneration of the Management Company	2,974	1,897
Sindh Sales Tax on remuneration of the Management Company	387	247
Reimbursement of operational expenses	775	662
Sales load	10,037	867
Sindh Sales Tax and Federal Excise Duty on sales load	1,925	734
Reimbursement of selling and marketing expense payable	5,269	4,503
ADC charges and Sindh Sales Tax on ADC Charges	726	227
Investment held in the Fund: 192,301 units (June 30, 2022: 133,830 units)	1,955	1,278
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	191	130
Sindh sales tax on remuneration of the Trustee	25	17
Security deposit	100	100
Settlement Charges	39	19
National Bank of Pakistan (Parent of the Management Company)		
Bank balance	1,014	2,351
Profit receivable	161	4
Employees of the Management Company		
Investment held in the Fund: 1,470,757 units (June 30, 2022: 526,758 units)	14,952	5,031
Bank Islami Pakistan Limited (Common directorship)		
Balance in savings accounts	8,744	19,052
Profit on Bank Deposit	89	104
K-Electric limited (Common directorship)*		
Certificate of Sukuk	180,000	-
Profit receivable	10,302	-



* Prior period balances with these parties have not been disclosed as they were not connected persons and related parties during prior periods.

** Current period transactions with these parties have not been disclosed as they did not remain connected persons and related parties during the period.

18 FAIR VALUE OF FINANCIAL INSTRUMENTS

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. 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. The fair value of financial assets traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

	Note	Carrying amount			Fair value			
		At Fair value through profit or loss	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
December 31, 2022		----- Rupees in '000 -----						
Financial assets measured at fair value								
Sukuk's	5	180,000	-	180,000	-	180,000	-	180,000
Certificate of musharka	5	285,917	-	285,917	-	285,917	-	285,917
		465,917	-	465,917	-	465,917	-	465,917
Financial assets not measured at fair value								
Bank balances	4	-	2,735,830	2,735,830	-	-	-	-
Accrued interest and dividend receivable	6	-	52,214	52,214	-	-	-	-
Deposits and other receivables	7	-	1,354	1,354	-	-	-	-
		-	2,789,398	2,789,398	-	-	-	-
Financial liabilities not measured at fair value								
Payable to the Management Company	8	-	22,093	22,093	-	-	-	-
Remuneration payable to the Trustee	9	-	216	216	-	-	-	-
Payable against redemption of units		-	9,302	9,302	-	-	-	-
Net assets attributable to redeemable units		-	3,216,153	3,216,153	-	-	-	-
Accrued expenses and other liabilities	11	-	3,169	3,169	-	-	-	-
		-	3,250,933	3,250,933	-	-	-	-



	Note	Carrying amount			Fair value			
		At Fair value through profit or loss	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
June 30, 2022		Rupees in '000						
Financial assets measured at fair value								
Sukuk's	5	175,000	-	175,000	-	175,000	-	175,000
Term deposit receipt	5	-	-	-	-	0	-	-
Commercial paper	5	49,816	-	49,816	-	49,816	-	49,816
Certificate of Musharka	5	323,738	-	323,738		323,738	-	323,738
		<u>548,554</u>	<u>-</u>	<u>548,554</u>	<u>-</u>	<u>548,554</u>	<u>-</u>	<u>548,554</u>
Financial assets not measured at fair value								
Bank balances	4	-	1,309,827	1,309,827	-	-	-	-
Receivable against Transfer of Shares		-	-	-	-	-	-	-
Profit Accrued	6	-	34,102	34,102	-	-	-	-
Deposits	7	-	1,354	1,354	-	-	-	-
		<u>-</u>	<u>1,345,283</u>	<u>1,345,283</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value								
Payable to the Management Company	8	-	22,093	22,093	-	-	-	-
Remuneration payable to the Trustee	9.	-	216	216	-	-	-	-
Payable to Securities and Exchange			220	220				
Payable against redemption of units			9,302	9,302	-	-	-	-
Net assets attributable to redeemable units			1,845,493	1,845,493	-	-	-	-
Accrued expenses and other liabilities	11	-	7,331	7,331	-	-	-	-
		<u>-</u>	<u>1,884,655</u>	<u>1,884,655</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

19 GENERAL

19.1 Figures have been rounded off to the nearest thousand rupees.

20 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the Board 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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