

NBP FUNDS

Managing Your Savings

Aitemaad اعتماد



اساتاب سائراز

Islamic Savings

NBP Fund Management Limited



NBP ISLAMIC MONEY MARKET FUND

QUARTERLY REPORT
MARCH 31, 2023

AM1
Rated by PACRA

MISSION STATEMENT

"To become country's most
investor-focused company,
by assisting investors
in achieving their financial goals."

Contents

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

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Saad Amanullah Khan	Director
Mr. Ruhail Muhammad	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Ruhail Muhammad	Chairman
Mr. Saad Amanullah Khan	Member
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member

Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Mr. Tauqeer Mazhar	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. 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

Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Faysal Bank 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 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.nbpffunds.com

Lahore Office:

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

Islamabad Office:

1st Floor, Ranjha Arcade
Main Double Road, Gulberg Greens,
Islamabad.
UAN: 051-111-111-632
Fax: 051-4859031

Peshawar Office:

Opposite Gul Haji Plaza, 2nd Floor
National Bank Building
University Road Peshawar,
UAN: 091-111 111 632
Fax: 091-5703202

Multan Office:

Khan Center, 1st Floor, Abdali Road, Multan.
Phone No. : 061-4540301-6, 061-4588661-2 & 4

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited financial statements of **NBP Islamic Money Market Fund (NIMMF)** for the period ended March 31, 2023.

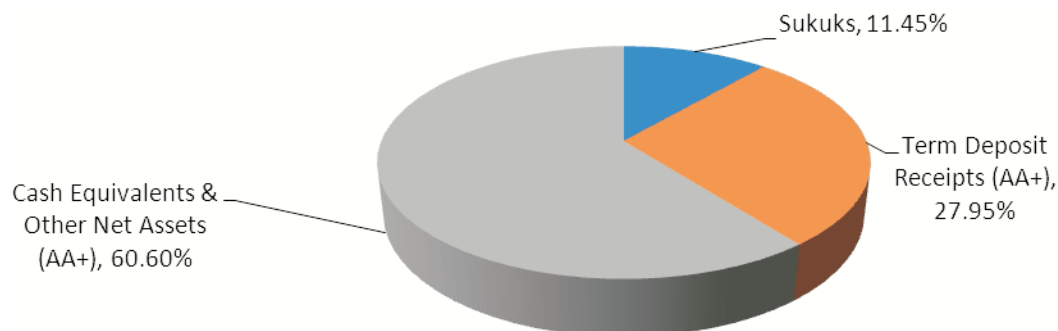
Fund's Performance

The market witnessed issuance of a decent size of short-term corporate sukuks to meet the increasing funding need for working capital/bridge financing for fixed capital investments. During 9MFY23, the State Bank of Pakistan (SBP) held six Monetary Policy Committee (MPC) meetings and increased the Policy Rate by 6.25% to 20%. Various stringent administrative measures were taken, however, near-term risks to inflation outlook from external and fiscal adjustments persisted. The CPI inflation averaging at 27.3% YoY coupled with a decline in financial inflows, rising global interest rates and domestic uncertainties, continued to exert pressure on FX reserves and led to significant deterioration in exchange rate. The net liquid foreign exchange reserves with SBP stands at only USD 4.2 billion at March end, posing serious challenges and persistent risks to the financial stability & fiscal consolidation. Sovereign yields also responded to these policy actions and to the rising inflation & interest rate outlook.

NIMMF is categorized as 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 while also providing easy liquidity along with a high-quality credit profile.

The size of NBP Islamic Money Market Fund has increased from Rs. 6,087 million to Rs. 14,569 million during the period (a significant increase of 139%). During the period, the unit price of the Fund has increased from Rs. 10.0764 on June 30, 2022 to Rs. 11.1946 on March 31, 2023, thus showing return of 14.8% as compared to the benchmark return of 6.0% for the same period. The performance of the Fund is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 1,024.92 million during the period. After deducting total expenses of Rs. 62.59 million, the net income is Rs. 962.33 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIMMF.



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: April 29, 2023

Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2023ء کو ختم ہونے والی نو ماہی کے لئے NAFA اسلامک منی مارکیٹ فنڈ (NIMMF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

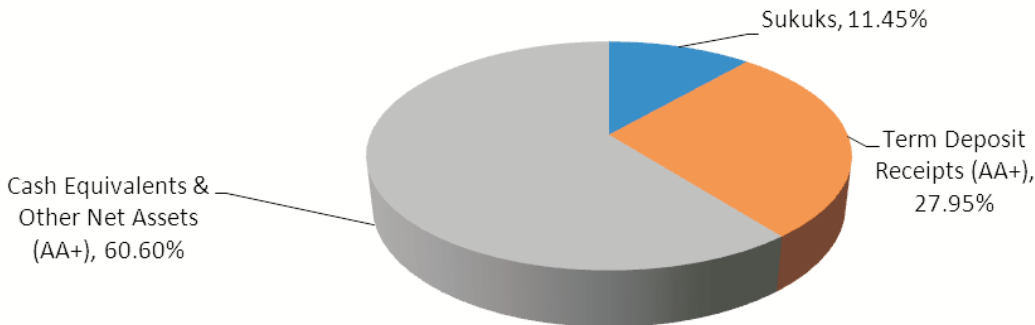
فنڈ کی کارکردگی

مارکیٹ نے بالترتیب فیکسڈ کیپیٹل انویسٹمنٹ اور ورکنگ کیپیٹل کی بڑھتی ہوئی فنڈنگ کی ضروریات کو پورا کرنے کے لیے کارپوریٹ سکوک کے معقول سائز کا اجراء دیکھا۔ جبکہ کارپوریٹ سکوک میں تجارتی سرگرمیوں میں گزشتہ سال کی اسی مدت کے دوران 3.2 بلین روپے کے مقابلے میں تقریباً 4.9 بلین روپے کی تجارتی قیمت میں بہتری آئی، مجموعی سرگرمی حوصلہ افزا نہیں رہی۔ 9MFY23 کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (MPC) کے چھ اجلاس منعقد کیے اور پالیسی کی شرح میں 6.25 فیصد سے 20 فیصد تک کا اضافہ کیا۔ مختلف سخت انتظامی اقدامات اٹھائے گئے، تاہم، بیرونی اور مالیاتی مطابقت کے باعث افراط زر کے نقطہ نظر سے قلیل مدت کے خطرات برقرار رہے۔ مالیاتی بہاؤ میں کمی، بڑھتی ہوئی عالمی شرح سود اور مقامی غیر یقینی صورتحال کے ساتھ ساتھ 27.3 فیصد سالانہ اوسط CPI افراط زر نے FX ذخائر پر دباؤ ڈالنا جاری رکھا اور شرح مبادلہ میں نمایاں گراؤ کا باعث بنی۔ SBP کے پاس خالص لیکویڈیٹی غیر ملکی زرمبادلہ کے ذخائر مارچ کے آخر میں صرف 4.2 بلین امریکی ڈالر رہ گئے، جو مالیاتی اور مالی استحکام کے لیے سنگین چیلنجز اور مستقل خطرات کا باعث ہیں۔ حکومتی شرح منافع نے بھی ان پالیسی اقدامات اور بڑھتی ہوئی افراط زر اور شرح سود کے نقطہ نظر کا اثر لیا۔

NIMMF کی درجہ بندی بطور شریعہ مکملہ منی مارکیٹ فنڈ کی گئی ہے اور PACRA کی طرف سے 'AA(f)' کی مستحکم ریٹنگ عطا کی گئی ہے۔ اس فنڈ کا مقصد اسلامی بینکوں / تجارتی بینکوں کی اسلامی وٹڈوز کی پیش کردہ منافع کی شرحوں کے مقابلے میں تو اتر سے بہتر منافع فراہم کرنا ہے۔ ریٹنگ کا کم از کم تقاضا AA ہے، جب کہ فنڈ کو چھ ماہ سے زائد میچورٹی والی سیکورٹی میں انویسٹ کرنے کی اجازت نہیں ہے۔ فنڈ کی میچورٹی کی نئی تلی اوسط مدت 90 دن سے زائد نہیں ہو سکتی، جبکہ اعلیٰ کوالٹی پروفائل کے ساتھ آسان لیکویڈیٹی بھی فراہم کرتی ہے۔

موجودہ مدت کے دوران NBP اسلامک منی مارکیٹ فنڈ کا سائز 6,087 ملین روپے سے بڑھ کر 14,569 ملین روپے ہو گیا ہے یعنی 139% کا نمایاں اضافہ ہوا۔ اس مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2022 کو 10.0746 روپے (EX-Div) سے بڑھ کر 31 مارچ 2023 کو 11.1946 روپے ہو گئی، لہذا اس مدت کے دوران فنڈ نے اپنے بیچ مارک 6.0% کے مقابلے میں 14.8% منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے موجودہ مدت کے دوران 1,024.92 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 62.59 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 962.33 ملین روپے ہے۔ درج ذیل چارٹ NIMMF کی ایسٹیلیوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:





اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ڈسٹی 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

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 29 اپریل 2023

مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2023

	Note	Un-Audited March 31, 2023	Audited June 30, 2022
(Rupees in '000)			
ASSETS			
Bank balances		8,577,005	4,532,900
Investments	5	5,739,935	1,540,000
Preliminary and floatation costs		-	140
Deposits, prepayments and other receivables		412	295
Receivables against sale of units		3,230	75,017
Profit Accrued		314,878	23,735
Total assets		14,635,460	6,172,087
LIABILITIES			
Payable to Management Company		31,146	12,637
Payable to Trustee		804	308
Payable to the Securities and Exchange Commission of Pakistan		1,349	1,080
Payable against redemption of units		8,732	45,355
Accrued expenses and other liabilities		24,617	25,769
Total liabilities		66,648	85,149
NET ASSETS		14,568,812	6,086,938
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		14,568,812	6,086,938
CONTINGENCIES AND COMMITMENTS	6	-	-
Number of units in issue		1,301,414,851	604,077,218
NET ASSET VALUE PER UNIT		11.1946	10.0764

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2023

Note	Nine Months Ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in '000)			
INCOME				
Return / profit on:				
- bank balances	699,375	239,045	321,170	109,321
- term deposits	165,801	36,723	106,211	26,205
- Certificate of Investment	3,215	-	-	-
- sukuk	116,134	24,073	46,527	8,744
- bai maujjal	39,931	9,255	34,454	3,169
- commercial paper	-	22,844	(813)	6,829
	1,024,456	331,940	507,549	154,268
Gain/(Loss) on sale of investment at fair value through profit and loss	460	(8)	460	(9)
Total income	1,024,916	331,932	508,009	154,259
EXPENSES				
Remuneration of the Management Company	9,733	3,960	4,836	1,549
Sindh sales tax on remuneration of the Management Company	1,265	515	628	202
Remuneration to the Trustee	3,709	2,227	1,758	851
Sindh Sales Tax on remuneration of the Trustee	482	289	228	110
Reimbursement of accounting and operational charges to the Management Company	8,429	4,803	3,995	1,934
Reimbursement of selling and marketing expense to the Management Company	34,543	19,210	16,807	7,732
Annual fee - Securities and Exchange Commission of Pakistan	1,349	768	640	309
Auditors' remuneration	1,007	343	450	90
Shariah advisory fee	776	456	198	148
Security transaction fee	72	-	46	-
Settlement & Bank charges	710	351	68	74
Annual listing fee	21	21	7	7
Fund rating charges	187	170	62	56
Legal and professional charges	112	279	37	43
Amortization of preliminary expenses and floatation costs	140	166	29	55
Printing charges	55	137	18	45
Total Expenses	62,590	33,695	29,807	13,204
Net Income from operating activities	962,326	298,237	478,202	141,054
Reversal of / (Provision against) Sindh Workers' Welfare Fund	-	16,079	-	-
Net Income for the period before taxation	962,326	314,316	478,202	141,054
Taxation	-	-	-	-
Net Income for the period after taxation	962,326	314,316	478,202	141,054
Allocation of Net income for the period:				
Net income for the period	962,326	314,316	478,202	141,055
Income already paid on units redeemed	(300,368)	(87,129)	(212,820)	(47,040)
	661,958	227,187	265,382	94,014
Accounting Income available for distribution:				
- Relating to capital gains	460	-	460	-
- Excluding capital gains	661,498	227,187	265,382	94,014
	661,958	227,187	265,842	94,014

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2023

	Nine Months Ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in '000)			
Net Income for the period after taxation	962,326	314,316	478,202	141,054
Other comprehensive income	-	-	-	-
Total comprehensive Income for the period	<u><u>962,326</u></u>	<u><u>314,316</u></u>	<u><u>478,202</u></u>	<u><u>141,054</u></u>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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 NINE MONTHS PERIOD ENDED MARCH 31, 2023

	March 31, 2023			March 31, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the period	6,057,492	29,446	6,086,938	4,807,069	15,573	4,822,642
Issue of 3,101,271,346 units (March 31, 2022: 865,148,343 units)						
- Capital value	31,249,651	-	31,249,651	8,695,087	-	8,695,087
- Element of income	2,390,866	-	2,390,866	292,760	-	292,760
Total proceeds on issuance of units	33,640,517	-	33,640,517	8,987,847	-	8,987,847
Redemption of 2,403,933,713 units (March 31, 2022: 721,514,910 units)						
- Capital value	(24,222,998)	-	(24,222,998)	(7,251,513)	-	(7,251,513)
- Element of loss	(1,597,603)	(300,368)	(1,897,971)	(131,015)	(87,129)	(218,144)
Total payments on redemption of units	(25,820,601)	(300,368)	(26,120,969)	(7,382,528)	(87,129)	(7,469,657)
Total comprehensive income for the period	-	962,326	962,326	-	314,316	314,316
Net assets at end of the period	13,877,408	691,404	14,568,812	6,412,388	242,760	6,655,148
Undistributed income brought forward						
- Realised		29,446			15,573	
- Unrealised		-			-	
		29,446			15,573	
Accounting income available for distribution:						
- Relating to capital gains		460			-	
- Excluding capital gains		661,498			227,187	
		661,958			227,187	
Undistributed income carried forward		691,404			242,760	
Undistributed income carried forward						
- Realised		691,404			242,760	
- Unrealised		-			-	
		691,404			242,760	
			-- (Rupees) --			-- (Rupees) --
Net assets value per unit at beginning of the period			10.0764			10.0504
Net assets value per unit at end of the period			11.1946			10.6742

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	March 31, 2023	March 31, 2022
(Rupees in '000)		
CASH FLOW FROM OPERATING ACTIVITIES		
Net Income for the period before taxation	962,326	314,316
Adjustments		
Return / profit on:		
- bank balances	(699,375)	(239,045)
- term deposits	(165,801)	(36,723)
- sukuk	(116,134)	(24,073)
- bai maujjal	(39,931)	(9,255)
- Certificate of Investment	(3,215)	-
- commercial paper	-	(22,844)
Amortization of preliminary expenses and floatation costs	140	166
(Reversal of) / Provision against Sindh Workers' Welfare Fund	-	(16,079)
	(61,990)	(33,537)
(Increase) in assets		
Investments	(4,200,395)	(209,373)
Profit Accrued	733,773	287,601
Deposits, prepayments and other receivables	(117)	(209)
	(3,466,739)	78,019
Increase in liabilities		
Payable to Management Company	18,509	1,038
Payable to Trustee	496	46
Payable to the Securities and Exchange Commission of Pakistan	269	(187)
Accrued expenses and other liabilities	(1,152)	(19,067)
	18,122	(18,170)
Net cash generated from operating activities	(3,510,607)	26,312
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts from issue of units	33,712,304	9,013,783
Net payments on redemption of units	(26,157,592)	(7,501,500)
Net cash generated / (used in) from financing activities	7,554,712	1,512,283
Cash and cash equivalents at the Beginning of the period	4,532,900	3,767,594
Cash and cash equivalents at the end of the period	8,577,005	5,306,189

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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 NINE MONTHS PERIOD ENDED MARCH 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Money Market 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 executed on January 09, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 07, 2018 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

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

The Fund is an open-ended mutual fund and classified as sharia compliant "money market 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 30 June, 2021 The Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 14, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

The objective of the Fund is to provide competitive return with maximum possible capital preservation by investing in low risk and liquid Shariah Compliant authorised instruments.

The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company and has assigned stability rating AA (f) to the fund.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan limited (CDC) as 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 applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2022.

These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2022.

4 BANK BALANCES

		(Un-audited) As at March 31, 2023	(Audited) As at June 30, 2022
	Note	(Rupees in '000)	
Current Accounts		112,409	19,781
Savings Accounts	4.1	<u>8,464,596</u>	<u>5,403,119</u>
		<u>8,577,005</u>	<u>5,422,900</u>

4.1 These savings accounts carry mark-up at rates ranging from 6.50% to 18.18% per annum (June 30, 2022 6.55% to 15.44% per annum)

5 INVESTMENTS

Fair value through profit or loss

Commercial papers	5.1	-	-
Sukuk	5.2	1,668,000	650,000
Term deposits receipts	5.3	1,000,000	890,000
Bai Maujjal	5.4	<u>3,071,935</u>	-
		<u>5,739,935</u>	<u>1,540,000</u>

5.1 Commercial papers

Name of the investee company	Note	Face Value			Carrying value as at March 31, 2023	Carrying value as at March 31, 2023
		As at July 01, 2022	Purchases during the period	Sales / matured during the period		
----- Rupees in '000 -----						
UBL Ameen Islamic Banking	5.1.1		1,000,000	1,000,000	-	-
UBL Ameen Islamic Banking	5.1.1		500,000	500,000	-	-
UBL Ameen Islamic Banking	5.1.1		900,000	900,000	-	-
UBL Ameen Islamic Banking	5.1.1		500,000	500,000	-	-
UBL Ameen Islamic Banking	5.1.1		1,350,000	1,350,000	-	-
			4,250,000	4,250,000	-	-
Carrying value as at March 31, 2023						-

5.1.1

Particulars	Profit/ mark-up rates	Issue date	Maturity Date	Face Value	Carrying value as a % of net assets	Carrying value as a % of total investment
----- Rupees in '000 - ----- Percentage -----						
UBL Ameen Islamic Banking	15.65%	December 27, 2022	January 27, 2023	1,000,000	0.00%	0.00%
UBL Ameen Islamic Banking	15.65%	December 27, 2022	January 27, 2023	500,000	0.00%	0.00%
UBL Ameen Islamic Banking	15.85%	February 10, 2023	March 10, 2023	900,000	0.00%	0.00%
UBL Ameen Islamic Banking	17.25%	March 15, 2023	March 29, 2023	500,000	0.00%	0.00%
UBL Ameen Islamic Banking	17.25%	March 21, 2023	March 30, 2023	1,350,000	0.00%	0.00%
				4,250,000		

5.2 Sukuk

Name of the investee company	As at July 01, 2022	Number of certificates			Market value as at March 31, 2023	Investment as a percentage of		
		Purchases during the year	Disposals / matured during the year	As at March, 2023		Net assets	Market value of total investments	
----- Rupees '000' ----- % -----								
K-Electric STS-7	-	4900	4550	-	-	0.00%	0.00%	
K-Electric STS-8	-	450	450	-	-	0.00%	0.00%	
K-Electric STS-9	-	700	700	-	-	0.00%	0.00%	
K-Electric STS-10	-	2950	2700	250	250,000	1.72%	4.36%	
K-Electric STS-14	-	498	-	498	498,000	3.42%	8.68%	
K-Electric STS-15	-	470	-	470	470,000	3.23%	8.19%	
NML STS-01	-	120	-	-	-	0.00%	0.00%	
CPHGC STS	-	100	-	100	100,000	0.69%	1.74%	
CPHGC STS-3	-	350	-	350	350,000	2.40%	6.10%	
Carrying value as at March 31, 2023						1,668,000	11.45%	29.06%

5.2.1 Significant terms and conditions of sukuk outstanding as at March 31, 2023 are as follows:

Name of security	Total face value	Face value (unredeemed)	Mark-up rate (per annum)	Issue Date	Maturity Date
K-Electric STS-7	-	-	17.24%	21-Aug-22	10-Feb-23
K-Electric STS-8	-	-	18.30%	29-Aug-22	28-Feb-23
K-Electric STS-9	-	-	18.35%	21-Sep-22	21-Mar-23
K-Electric STS-10	250,000	250,000	18.40%	5-Oct-22	5-Apr-23
NML STS-01	-	-	16.66%	1-Nov-22	1-May-23
CPHGC STS	100,000	100,000	18.42%	7-Dec-22	1-May-23
		350,000			

5.3 Term deposit receipts

Name of the investee company	Note	Carrying Value				Carrying Value as at March 31, 2023
		As at July 01, 2022	Purchases during the period	Sales / matured during the period	As at March 31, 2023	
----- Rupees in '000 -----						
Bank Al-Falah Ltd Islamic Banking		890,000	-	890,000	-	-
Bank Al-Falah Ltd Islamic Banking		-	910,000	910,000	-	-
Bank Al-Falah Ltd Islamic Banking		-	910,000	910,000	-	-
Bank Al-Falah Ltd Islamic Banking		-	900,000	900,000	-	-
Bank Al-Falah Ltd Islamic Banking		-	1,000,000	-	1,000,000	1,000,000
Askari Bank Limited - Islamic Banking		-	500,000	500,000	-	-
		890,000	4,220,000	4,110,000	1,000,000	1,000,000

Face value as at March 31, 2023

1,000,000

5.3.1

Particulars	Profit / mark-up rates	Issue date	Maturity Date	Carrying value	Carrying value as at % of net assets	Carrying value as a % of total investment
Rupees in '000						
Bank Alfalah Ltd- Islamic Banking	15.50%	December 07, 2022	March 7, 2023	-	0.00%	0.00%
Askari Bank Limited - Islamic Banking	16.00%	January 31, 2023	March 2, 2023	-	0.00%	0.00%
Bank Alfalah Ltd- Islamic Banking	18.20%	March 31, 2023	May 2, 2023	1,000,000	6.86%	17.42%
				1,000,000		

5.4 Bai Muajjal

Name of the investee company	Note	Carrying Value				Carrying Value as at March 31, 2023
		As at July 01, 2022	Purchases during the period	Sales / matured during the period	As at March 31, 2023	
----- Rupees in '000 -----						
Pak Brunei Investment Company Ltd		-	1,360,714	1,046,149	314,565	314,565
Pak Kuwait Investment Company Ltd		-	1,758,159	-	1,758,159	1,758,159
Pak-Oman Inv. Co. Ltd.		-	999,211	-	999,211	999,211
		-	4,118,084	1,046,149	3,071,935	3,071,935

Pak Brunei have face value of RS. 314,565,959 as at March 31, 2023

Pak Kuwait have face value of RS. 1,758,159,418 as at March 31, 2023

Pak-Oman have face value of RS. 999,211,027 as at March 31, 2023

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies outstanding as at March 31, 2023 and as at June 30, 2022.

7 REIMBURSEMENT OF SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 0.61% per annum of the net assets of the Fund.

8 TAXATION

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

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

9 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses incurred during the period divided by average net assets for the period) is 0.93% (2022: 0.88%) including 0.05% (2022: 0.04%) representing government levies on collective investment scheme such as Sindh Sales Tax on management & trustee remuneration and Securities and Exchange Commission of Pakistan fee for the period. However, as per SECP SRO 639 (I)/2019 date June 30, 2019, total expense ratio has been limited to 2% for Shariah Complaint Money Market Funds.

10 TRANSACTIONS WITH CONNECTED PERSONS

10.1 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.

10.2 The transactions with connected persons and related parties are carried out in the normal course of business, at contracted rates and terms determined in accordance with the market norms.

10.3 Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations.

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

10.5 Details of the transactions with connected persons are as follows:

	March 31, 2023	March 31, 2022
	(Rupees in '000)	
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	9,733	3,960
Sindh sales tax on remuneration of the Management Company	1,265	515
Reimbursement of accounting and operational charges to the Management Company	8,429	4,803
Reimbursement of selling and marketing expense to the Management Company	34,543	19,210
Sales load and transfer load inclusive of Sindh Sales Tax	5,817	2,019
ADC generated inclusive of Sindh Sales Tax	10	52
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	3,709	2,227
Sindh Sales Tax on remuneration of the Trustee	482	289
CDC Trustee NAFA Islamic Capital Preservation Plan - I		
Units issued during the period: 1,660,426 units (March 31, 2022: 1,640,844 units)	17,783	16,946
Units redeemed during the period: 1,687,311 units (March 31, 2022: 6,155,213 units)	17,899	62,712
CDC Trustee NAFA Islamic Capital Preservation Plan - II		
Units issued during the period: 662,721 units (March 31, 2022: 779,824 units)	7,149	8,100
Units redeemed during the period: 1,252,876 units (March 31, 2022: 3,423,525 units)	13,460	34,968
CDC Trustee NAFA Islamic Capital Preservation Plan - III		
Units issued during the period: 502,211 units (March 31, 2022: 2,370,099 units)	5,417	24,617
Units redeemed during the period: 1,126,606 units (March 31, 2022: 6,127,497 units)	11,978	62,847
CDC Trustee NAFA Islamic Capital Preservation Plan - IV		
Units issued during the period: 304,001 units (March 31, 2022: 753,102 units)	3,200	7,845
Units redeemed during the period: 790,108 units (March 31, 2022: 4,053,041 units)	8,106	41,612
CDC Trustee NAFA Islamic Capital Preservation Plan - V		
Units issued during the period: 115,163 units (March 31, 2022: 809,067 units)	1,243	8,422
Units redeemed during the period: 473,279 units (March 31, 2022: 4,734,816 units)	4,980	48,524
CDC Trustee NAFA Islamic Capital Preservation Plan - VI		
Units issued during the period: 3,867,336 units (March 31, 2022: 809,067 units)	41,365	8,422
Units redeemed during the period: 2,074,115 units (March 31, 2022: 4,734,816 units)	22,554	48,524
Employees of the Management Company		
Units issued during the period: 29,278,966 units (March 31, 2022: 18,682,049 units)	312,686	194,158
Units redeemed during the period: 24,889,448 units (March 31, 2022: 18,372,332 units)	266,365	190,711
The Trustees Karachi Electric Provident Fund - More than 10% holding **		
Units issued during the period: Nil units (March 31, 2022: 88,007,256 units)	-	912,389

	March 31, 2023	March 31, 2022
	(Rupees in '000)	
Portfolio Managed by the Management Company		
Units issued during the period: 88,192,180 units (March 31, 2022: 74,266,077 units)	910,100	766,870
Units redeemed during the period: 67,479,952 units (March 31, 2022: 59,215,041 units)	723,134	605,216
National Bank of Pakistan (parent company of the Management Company)		
Profit accrued	13	13
Fauji Fertilizers Company Limited (common director)		
Units issued during the period: 804,877,732 units (March 31, 2022: Nil units)	8,845,094	-
Units redeemed during the period: 804,878,661 units (March 31, 2022: Nil units)	8,921,194	
Khalid Mehmood - CFO		
Units issued during the period: 66,349 units (March 31, 2022: Nil units)	700	-
Units redeemed during the period: 57,797 units (March 31, 2022: Nil units)	616	
10.6 Amounts outstanding as at period end	As at March 31, 2023	As at June 30, 2022
	(Unaudited)	(Audited)
	(Rupees in '000)	
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	2,090	649
Sindh Sales Tax on remuneration of the Management Company	272	84
Reimbursement of accounting and operational charges to the Management Company	3,995	1,950
Reimbursement of selling and marketing expense to the Management Company	16,807	7,799
Sales & transfer load including sindh sales tax	6,773	1,625
Sindh Sales Tax and FED on Sales load	880	212
ADC Share charges payable	178	167
Other payable	151	151
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	712	273
Sindh sales tax on remuneration of the Trustee	93	35
CDC Charges	266	7
Security deposit	100	100
CDC Trustee NAFA Islamic Capital Preservation Plan - I		
Investment held in the Fund: 1,738,699 Units (June 30, 2022: 1,765,584 Units)	19,464	17,791
CDC Trustee NAFA Islamic Capital Preservation Plan - II		
Investment held in the Fund: 1,205,705 units (June 30, 2022: 1,795,861 units)	13,497	18,096
CDC Trustee NAFA Islamic Capital Preservation Plan - III		
Investment held in the Fund: 689,854 units (June 30, 2022: 1,314,248 units)	7,723	13,243
CDC Trustee NAFA Islamic Capital Preservation Plan - IV		
Investment held in the Fund: 293,193 units (June 30, 2022: 779,301 units)	3,282	7,853
CDC Trustee NAFA Islamic Capital Preservation Plan - V		
Investment held in the Fund: 192,134 units (June 30, 2022: 550,250 units)	2,151	5,545

	As at March 31, 2023 (Unaudited)	As at June 30, 2022 (Audited)
	(Rupees in '000)	
CDC Trustee NAFA Islamic Capital Preservation Plan - VI		
Investment held in the Fund: 1,793,220 units (June 30, 2022: Nil units)	20,074	-
Fauji Fertilizer Company Limited (common director)		
Investment held in the Fund: Nil units (June 30, 2022: 928 units)	-	9
Employees of the Management Company		
Investment held in the Fund: 7,042,596 Units (June 30, 2022: 2,643,168 Units)	78,839	26,634
Khalid Mehmood - CFO		
Investment held in the Fund: 8,551 units (June 30, 2022: Nil units)	96	-
National Bank of Pakistan - Parent of the Management Company		
Bank Balances	1,206	1,129
Profit Receivable	7	-
BankIslami of Pakistan Limited - (Common directorship with the Management Company)		
Bank Balances	873	3,832
Portfolio Managed by the Management Company		
Investment held in the Fund 67,286,878 units : (June 30, 2022: 46,574,649)	753,250	469,305
JUBILEE LIFE INSURANCE CO. LTD - More than 10% holding **		
Investment held in the Fund: 178,657,567 units (June 30, 2022: Nil units)	2,000,000	-
The Trustees Karachi Electric Provident Fund*		
Investment held in the Fund: Nil units (June 30, 2022: 90,782,220 units)	-	914,758
CP Fund Lady Reading Hospital Medical Teaching Institution		
Investment held in the Fund: Nil units (June 30, 2022: 62,973,029 units)	-	634,541

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

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

11 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.

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.

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.

11.1 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).

12 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue on April 29, 2023 by the Board of directors of the Management Company.

13 GENERAL

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

13.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better resentation.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

7th Floor, Clifton Diamond Building, Block No.4,
Scheme No.5, Clifton, Karachi.

UAN: 021-111-111-632

Toll Free: 0800-20002

Sms: INVEST to 9995

Fax: 021-35825335

Email: info@nbpffunds.com

Website: www.nbpffunds.com

 /nbpffunds