

**NBP FUNDS**

Managing Your Savings

Aitemaad اعتماد



Islamic Savings

اسلامک سیونگ

**NBP Fund Management Limited**



# NBP ISLAMIC MUSTAHKAM FUND

**ANNUAL** REPORT  
2023

**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 & Remuneration 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

Habib Bank Limited  
United Bank Limited  
Allied Bank Limited  
Bank Alfalah Limited  
Dubai Islamic Bank Limited  
Faysal Islamic Bank Limited

## **Auditors**

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

## **Legal Advisor**

Akhund Forbes  
D-21, Block 4, Scheme 5,  
Clifton, Karachi 75600, Pakistan.

## **Head Office:**

7th Floor Clifton Diamond Building, Block No. 4,  
Scheme No. 5, Clifton Karachi.  
UAN: 021 (111-111-632),  
(Toll Free): 0800-20002,  
Fax: (021) 35825329  
Website: [www.nbpfunds.com](http://www.nbpfunds.com)

## **Lahore Office:**

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

## **Islamabad Office:**

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

## **Peshawar Office:**

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

## **Multan Office:**

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

## Board of Directors



**Dr. Amjad Waheed, CFA**  
Chief Executive Officer



**Shaikh Muhammad Abdul Wahid Sethi**  
Chairman



**Mr. Khalid Mansoor**  
Director



**Mr. Saad Amanullah Khan**  
Director



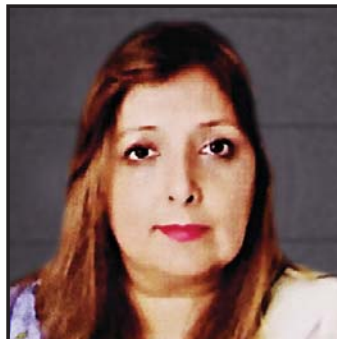
**Mr. Tauqeer Mazhar**  
Director



**Mr. Ali Saigol**  
Director



**Mr. Ruhail Muhammad**  
Director



**Ms. Mehnaz Salar**  
Director



**Mr. Imran Zaffar**  
Director



## Senior Management



**Dr. Amjad Waheed, CFA**  
Chief Executive Officer



**Mr. Muhammad Murtaza Ali**  
Chief Operating Officer &  
Company Secretary



**Mr. Asim Wahab Khan, CFA**  
Chief Investment Officer



**Mr. Ozair Khan**  
Chief Technology Officer



**Mr. Salim S Mehdi**  
Chief Business  
Development Officer



**Mr. Muhammad Imran, CFA, ACCA**  
Head of Portfolio Management



**Mr. Khalid Mehmood**  
Chief Financial Officer



**Mr. Salman Ahmed, CFA**  
Head of Fixed Income



**Mr. Shahzad Mithani**  
Head of Corporate &  
HNWIs Sales - South



**Mr. Muhammad Umer Khan**  
Head of Human Resources &  
Administration



**Syed Sharoz Mazhar, CFA**  
Head of Business &  
Sales Strategy



**Mr. Zaheer Iqbal, ACA FPFA**  
Head of Operations



**Mr. Waheed Abidi**  
Head of Internal Audit



**Mr. Hassan Raza, CFA**  
Head of Research



**Mr. Mustafa Farooq**  
Head of Compliance

## DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the audited financial statements of **NBP ISLAMIC MUSTAHKAM FUND (NIMF)** for the period ended June 30, 2023.

NIMF is categorized as a Shariah Compliant Income Fund. The fund aims to provide competitive returns by investing in Shariah compliant debt securities and money market instruments. The Fund is allowed to invest with Islamic Banks, Islamic branches / windows of conventional banks providing easy liquidity, and in Shariah Compliant Money Market instruments & debt securities rated A or better. The Fund is not authorized to invest in Equities. The weighted average time to maturity of the Fund cannot exceed 4 years excluding government securities.

The cumulative trading in corporate sukuk for FY23 was recorded at Rs. 6.1 billion (around 53% up compared to Rs. 4 billion in FY22). However, fresh issuance of shariah compliant short-term corporate sukuk helped the undersupplied market for long-term shariah compliant debt securities. During FY23, the State Bank's Monetary Policy Committee (MPC) conducted nine meetings and raised the policy rate by 825 basis points to 22% to anchor inflationary pressures, achieve price stability, ensure economic sustainability, and ease currency pressure, all while taking into account domestic uncertainty and continued stress on the external account. The monthly inflation reached a multi-decade high level of 38% in May 2023, and the outlook is subject to prevailing domestic uncertainty and external vulnerabilities, undermining medium- and short-term growth. Additionally, debt repayments amid lower fresh disbursements and weak investment inflows continue to exert pressure on FX reserves. The net liquid foreign exchange reserves with the State Bank of Pakistan (SBP) were recorded at USD 4.5 billion in June 2023, depleting by USD 5.3 billion during FY23, posing challenges and risks to financial stability and fiscal consolidation.

### NBP ISLAMIC FIXED TERM MUNAFA PLAN - I (NIFTMP-I)

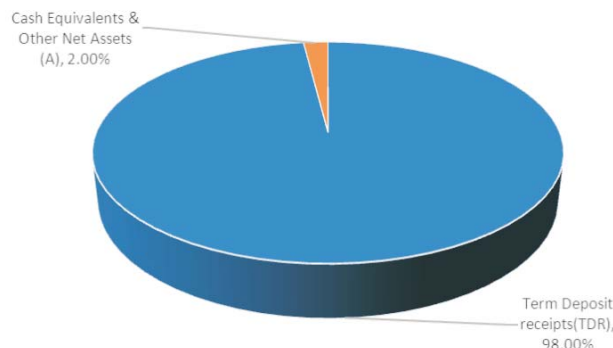
The Board of Directors of NBP Fund Management Limited is pleased to present the 1st Annual Report of NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - I (NIFTMP-I) for the period ended June 30, 2023.

#### Plan's Performance

The size of NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - I was launched on May 30, 2023 and closed at Rs. 392 million on June 30, 2023. During the period, the unit price of the Fund has increased from Rs. 9.8657(Ex-Div) since inception to Rs. 10.0266(Ex-Div), thus showing a return of 19.20% as compared to the benchmark return of 6.75%. The performance of the Fund is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 7.12 million during the year. After deducting total expenses of Rs. 0.57 million, the net income is Rs. 6.55 million.

The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIFTMP-I.



#### Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 1.50% of the opening ex-NAV (1.50% of the par value) during the period ended June 30, 2023.

### NBP ISLAMIC FIXED TERM MUNAFA PLAN - II (NIFTMP-II)

The Board of Directors of NBP Fund Management Limited is pleased to present the 1st Annual Report of NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - II (NIFTMP-II) for the period ended June 30, 2023.

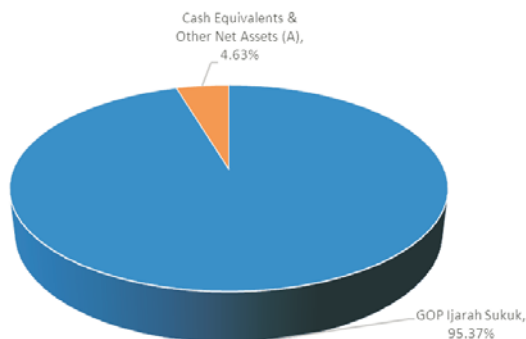


## Plan's Performance

The size of NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - II was launched on April 17, 2023 and closed at Rs. 692 million on June 30, 2023. During the period, the unit price of the Fund has increased from Rs. 9.6258 (Ex-Div) since inception to Rs. 10.0265, thus showing a return of 20.53% as compared to the benchmark return of 6.60%. The performance of the Fund is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 30.82 million during the year. After deducting total expenses of Rs. 1.73 million, the net income is Rs. 29.09 million.

The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIFTMP-II.



## Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 3.85% of the opening ex-NAV (3.85% of the par value) during the period June 30, 2023.

## Taxation

As the above cash dividend is more than 90% of the income earned during the year, as reduced by accumulated losses and capital gains, whether realized or unrealized, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

## Auditors

The present auditors, Messrs A.F. Ferguson & Co., Chartered Accountants, retired and, being eligible, offer themselves for re-appointment for the period ending June 30, 2024.

## Directors' Statement in Compliance with best practices contained in the Listed Companies (Code of Corporate Governance) Regulations, 2017

1. The financial statements, prepared by the management company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and statement of movement in unit holders' funds.
2. Proper books of account of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the Fund's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance.
8. A performance table/ key financial data is given in this annual report.
9. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements.

10. The Board of Directors of the Management Company held six meetings during the year. The attendance of all directors is disclosed in the note 26 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 24 to these financial statements.
12. All trades in the units of the Fund, carried out by directors, CEO, CFO, Company Secretary and their spouses and minor children are disclosed in note 18 to these financial statements.
13. The Management Company encourages representation of independent non-executive directors on its Board. The Company, being an un-listed company, does not have any minority interest. For the year ended June 30, 2023, the Board

Category	Names
<b>Independent Directors</b>	<ol style="list-style-type: none"> <li>1. Mr. Khalid Mansoor</li> <li>2. Mr. Saad Amanullah Khan</li> <li>3. Mr. Ruhail Muhammad</li> <li>4. Mr. Humayun Bashir</li> </ol>
<b>Executive Director</b>	Dr. Amjad Waheed - Chief Executive Officer
<b>Non-Executive Directors</b>	<ol style="list-style-type: none"> <li>1. Shaikh Muhammad Abdul Wahid Sethi (Chairman)</li> <li>2. Mr. Tauqeer Mazhar</li> <li>3. Ms. Mehnaz Salar</li> <li>4. Mr. Ali Saigol</li> <li>5. Mr. Imran Zaffar</li> </ol>

## 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: **September 15, 2023**  
Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NBP اسلامک مستحکم فنڈ (NIMF) کے جائزہ شدہ مالی گوشوارے برائے مختتمہ سال 30 جون 2023ء پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

NIMF شریعت کے مطابق انکم فنڈ کے طور پر درجہ بندی کیا جاتا ہے۔ فنڈ کا مقصد شرعی مطابقت پذیر میڈیٹ سیکورٹیز اور منعی مارکیٹ آئلیمین سرمایہ کاری کر کے سرمایہ کاروں کو مسابقتی آمدنی فراہم کرنا ہے۔ فنڈ اسلامی بینکوں، اسلامی شاخوں اور اجنبی بینکوں کی ونڈوز آسان فراہمی کرنے کے ساتھ سرمایہ کاری کرنے کی اجازت دی جاتی ہے۔ فنڈ شریعت کے مطابق Money Market Instruments اور Debt Securities میں سرمایہ کاری کرنے کی اجازت دیتا ہے جو A یا اس سے بہتر درجہ بندی کا ہو۔ فنڈ کی اوسط میچورٹی گورنمنٹ سکیورٹیز کے علاوہ 4 سال سے زائد نہیں ہو سکتی ہے۔

مالی سال 23 کے لیے کارپوریٹ سکوک میں مجموعی تجارت 6.1 بلین روپے (مالی سال 22 میں 4 بلین روپے کے مقابلے میں تقریباً 53 فیصد زیادہ) ریکارڈ کی گئی۔ تاہم، شریعت کے مطابق قلیل مدتی کارپوریٹ سکوک کے نئے اجراء سے طویل مدتی شرعی مطابقت پذیر میڈیٹ سیکورٹیز کے لیے زیر سپائی مارکیٹ کو کچھ حد تک مدد ملی۔ مالی سال 23 کے دوران، اسٹیٹ بینک کی مانیٹری پالیسی کمیٹی (MPC) نے 19 اجلاس منعقد ہوئے اور ملکی غیر یقینی صورتحال اور بیرونی اکاؤنٹ پر مسلسل دباؤ کی وجہ سے افراط زر کے دباؤ کو روکنے، قیمتوں میں استحکام حاصل کرنے، اقتصادی استحکام کو یقینی بنانے، اور کرنسی کے دباؤ کو کم کرنے کے لیے پالیسی شرح کو 825 بیس پوائنٹس بڑھا کر 22% کر دیا۔ ماہانہ افراط زر مئی 2023 میں کئی دہائیوں کی بلند ترین سطح 38 فیصد تک پہنچ گیا، اور نقطہ نظر مروجہ ملکی غیر یقینی صورتحال اور بیرونی خطرات سے مشروط ہے، جو درمیانی اور قلیل مدتی نمونو کمزور کر رہا ہے۔ مزید برآں، کم نئے انفلوئز اور کمزور سرمایہ کاری کے درمیان قرض کی ادائیگی زرمبادلہ ذخائر پر دباؤ ڈال رہی ہے۔ اسٹیٹ بینک آف پاکستان (SBP) کے ہاں خالص لیکویڈ غیر ملکی زرمبادلہ کے ذخائر جون 2023 میں 4.5 بلین امریکی ڈالر ریکارڈ کیے گئے، جو مالی سال 23 کے دوران 5.3 بلین امریکی ڈالر کی کمی سے مالی استحکام اور مالیاتی کنسولیدیشن کے لیے چیلنجز اور خطرات کا باعث بنے ہیں۔

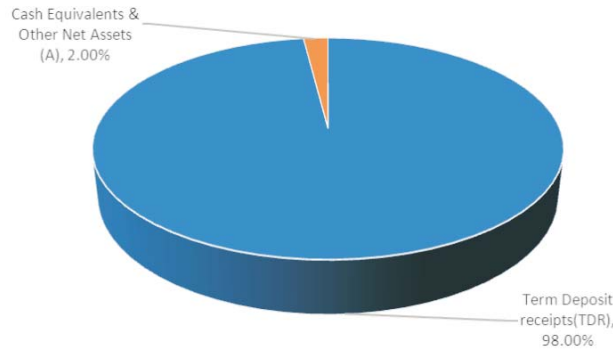
### NBP اسلامک فیکسڈ ٹرم منافع پلان (NIFTMP-I)

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NBP اسلامک مستحکم فنڈ (NIFTMP-I) کی پہلی سالانہ رپورٹ برائے مختتمہ سال 30 جون 2023ء پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

### پلان کی کارکردگی

NBP اسلامک مستحکم فنڈ (NIFTMP-I) اسلامک فیکسڈ ٹرم منافع پلان I-30 مئی 2023 کو آغاز کیا گیا اور 30 جون 2023 کو 392 ملین روپے پر بند ہوا۔ اس مدت کے دوران، فنڈ کے یونٹ کی قیمت اپنے آغاز (Ex-Div) 9.8657 روپے سے بڑھ کر (Ex-Div) 10.0266 روپے ہو گئی، لہذا 6.75 فیصد بچ مارک ریٹرن کے مقابلے 19.20 فیصد کار ریٹرن ظاہر کیا۔ فنڈ کی یہ کارکردگی انتظامی فیس اور دیگر تمام اخراجات کے علاوہ خالص ہے۔

فنڈ کو مدت کے دوران 7.12 بلین روپے کی کل آمدنی ہوئی ہے۔ 0.57 بلین روپے کے اخراجات منہا کرنے کے بعد، خالص آمدنی 6.55 بلین روپے ہے۔ درج ذیل چارٹ 30 جون 2023 کے مطابق NIFTMP-I کی ہر ایک ذیلی کلاسوں کی ایسٹ بلوکیشن اور اوسط کریڈٹ ریٹنگ کی نمائندگی کرتا ہے:



### آمدنی کی تقسیم

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2023 کو ختم ہونے والے سال کے دوران اوپننگ ex-NAV 1.50% (بنیادی قیمت کا 1.50% فیصد) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

## NBP اسلامک فکسڈ ٹرم منافع پلان-II (NIFTMP-II)

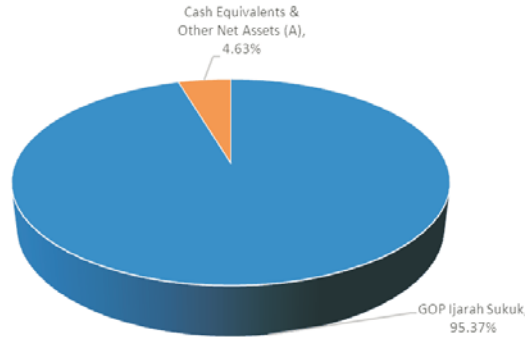
NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NBP اسلامک فکسڈ ٹرم منافع پلان-II (NIFTMP-II) کی پہلی سالانہ رپورٹ برائے نختیمہ سال 30 جون 2023ء پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

### فنڈ کی کارکردگی

NBP اسلامک مستحکم فنڈ-II NBP اسلامک فکسڈ ٹرم منافع پلان-II کا 17 اپریل 2023 کو آغاز کیا گیا اور 30 جون 2023 کو 692 ملین روپے پر بند ہوا۔ اس مدت کے دوران، فنڈ کے پونٹ کی قیمت اپنے آغاز (Ex-Div) 9.6258 روپے سے بڑھ کر 10.0265 روپے ہو گئی، لہذا 6.60 فیصد بیچ مارک ریٹرن کے مقابلے 20.53 فیصد کاربیٹن ظاہر کیا۔ فنڈ کی یہ کارکردگی انتظامی فیس اور دیگر تمام اخراجات کے علاوہ خالص ہے۔

فنڈ کو مدت کے دوران 30.82 ملین روپے کی کل آمدنی ہوئی ہے۔ 1.73 ملین روپے کے اخراجات منہا کرنے کے بعد، خالص آمدنی 29.09 ملین روپے ہے۔

درج ذیل چارٹ 30 جون 2023 کے مطابق NIFTMP-II کی ہر ایک ذیلی کلاسوں کی ایسٹ ایلو کیشن اور اوسط کریڈٹ ریٹنگ کی نمائندگی کرتا ہے:



### آمدنی کی تقسیم

مینیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2023 کو ختم ہونے والی مدت کے دوران اوپننگ ex-NAV کا 3.85 فیصد (بنیادی قیمت کا 3.85 فیصد) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

### ٹیکسیشن

چونکہ مذکورہ بالا نقد منافع منقسمہ سال کے دوران حاصل ہونے والی آمدنی میں سے سرمایہ کاری پر حاصل ہونے والے محصول شدہ اور غیر محصول شدہ کیپٹل گین اور جمع شدہ نقصانات منہا کرنے کے بعد 90 فیصد سے زائد ہے، اس لئے فنڈ پر آگم ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔

### آڈیٹرز

موجودہ آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کو، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر 30 جون 2024 کو ختم ہونے والے سال کی دوبارہ تقرری کے لئے خود کو پیش کرتے ہیں۔

### لسٹڈ کمپنیوں کے کوڈ آف کارپوریٹ گورننس ریگولیشنز 2017 ("CCG") کی پیروی میں ڈائریکٹرز مینجمنٹ

1. مینیجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلوا اور پونٹ ہولڈرز فنڈز میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔
2. فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
3. مالی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی گئی ہے۔ شمار یا تہیجیئے مناسب اور معقول نظریات پر مبنی ہیں۔
4. ان مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی، معیاروں، جہاں تک وہ پاکستان میں قابل اطلاق ہیں، کی پیروی کی گئی ہے۔
5. انٹرنل کنٹرول کا نظام مستحکم اور مؤثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
6. فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔
7. کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔

- 8 • پرفارمنس ٹیبل / اہم مالیاتی ڈیٹا اس سالانہ رپورٹ میں شامل ہیں۔
- 9 • ٹیکسوں، ڈیوٹیوں، محصولات اور چارجز کی مد میں واجب الادا سرکاری ادائیگیاں مالیاتی گوشواروں میں پوری طرح ظاہر کر دی گئی ہیں۔
- 10 • اس مدت کے دوران بینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے چھ اجلاس منعقد ہوئے۔ تمام ڈائریکٹرز کی حاضری ان مالیاتی گوشواروں کے نوٹ 26 میں ظاہر کی گئی ہے۔
- 11 • یونٹ ہولڈنگ کا تفصیلی پیرن مالیاتی گوشواروں کے نوٹ 24 میں ظاہر کیا گیا ہے۔
- 12 • ڈائریکٹرز، ای ای او، ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور کم عمر بچوں کی طرف سے کی جانے والی فنڈ کے بیٹس کی تمام خرید و فروخت ان مالیاتی گوشواروں کے نوٹ 18 میں ظاہر کی گئی ہے۔
- 13 • کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدارانہ ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطہ کوئی منارٹی انٹریسٹ نہیں رکھتی۔ زیر جائزہ مدت 30 جون 2023 کے دوران بورڈ آف ڈائریکٹرز درج ذیل ارکان پر مشتمل رہا۔

نام	کیٹگری
•1 جناب خالد منصور	غیر جانبدار ڈائریکٹرز
•2 جناب سعد امان اللہ خان	
•3 جناب روجیل محمد	
•4 جناب ہمایوں بشیر	
ڈاکٹر امجد وحید (چیف ایگزیکٹو آفیسر)	ایگزیکٹو ڈائریکٹر
•1 شیخ محمد عبدالواحد سیٹھی (چیئرمین)	نان ایگزیکٹو ڈائریکٹرز
•2 جناب توقیر مظہر	
•3 محترمہ مہناز سالار	
•4 جناب علی سیگل	
•5 جناب عمران ظفر	

## اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے بینجمنٹ 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 ٹرسٹی 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 بینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 15 ستمبر 2023ء

مقام: کراچی

## TRUSTEE REPORT TO THE UNIT HOLDERS

### Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Islamic Mustahkam 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 period from April 17, 2023 to June 30, 2023 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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, September 27, 2023



## FUND MANAGER REPORT

### NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - I

NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - I (NIFTMP-I) is an Open-End Shariah Compliant Fixed Rate / Return Plan.

#### Investment Objective of the Fund

To provide investors with potentially higher returns, for fixed tenure by investing primarily in Shariah Compliant Fixed Income instruments for a specific duration of time.

#### Benchmark

Up to 1-year average deposit rates of three (3) AA rated scheduled Islamic Banks or Islamic windows of conventional bank as selected by MUFAP at the time of plan launch.

#### Fund Performance Review

This is the 1st Annual report since the launch of the Fund on May 30, 2023. The Fund size stands at Rs. 392 million as of June 30, 2023. Since its inception, the Fund posted a return of 19.2% p.a. versus the benchmark return of 6.8% p.a. The return of the Fund is net of the management fee.

The Plan invests in Islamic TDRs in line with the maturity of the plan, in order to deliver a fixed return to its unit holders at maturity. NIFTMP-I has an initial maturity of 3 months.

The cumulative trading in corporate sukuk for FY23 was recorded at Rs. 6.1 billion (around 53% up compared to Rs. 4 billion in FY22). However, fresh issuance of shariah compliant short-term corporate sukuk helped the undersupplied market for long-term shariah compliant debt securities. During FY23, the State Bank's Monetary Policy Committee (MPC) conducted nine meetings and raised the policy rate by 825 basis points to 22% to anchor inflationary pressures, achieve price stability, ensure economic sustainability, and ease currency pressure, all while taking into account domestic uncertainty and continued stress on the external account. The monthly inflation reached a multi-decade high level of 38% in May 2023, and the outlook is subject to prevailing domestic uncertainty and external vulnerabilities, undermining medium- and short-term growth. Additionally, debt repayments amid lower fresh disbursements and weak investment inflows continue to exert pressure on FX reserves. The net liquid foreign exchange reserves with the State Bank of Pakistan (SBP) were recorded at USD 4.5 billion in June 2023, depleting by USD 5.3 billion during FY23, posing challenges and risks to financial stability and fiscal consolidation.

#### Asset Allocation of Fund (% of NAV)

Particulars	30-Jun-23	30-Jun-22
Placements with Banks and DFIs	98.00%	N/A
Cash & Other Assets	2%	N/A
<b>Total</b>	<b>100%</b>	<b>N/A</b>

#### Distribution for the Financial Year 2023

Interim Period/ Quarter	Dividend as % of Par Value (Rs.10)	Cumulative Div. Price/Unit	Ex- Div. Price
Interim	1.36%	10.1361	10.0000
Interim	0.13 %	10.0134	10.0000

## Unit Holding Pattern of NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - I as on June 30, 2023

Size of Unit Holding (Units)	# of Unit Holders
1-1000	0
1001-5000	0
5001-10000	0
10001-50000	0
50001-100000	0
100001-500000	15
500001-1000000	10
1000001-5000000	11
10000001-100000000	1
<b>Total</b>	<b>37</b>

### During the period under question

There has been no significant change in the state of affairs of the Fund. NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - I does not have any soft commission arrangement with any broker in the industry.

### NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - II

NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - II (NIFTMP-II) is an Open-End Shariah Compliant Fixed Rate / Return Plan.

### Investment Objective of the Fund

To provide investors with potentially higher returns, for fixed tenure by investing primarily in Shariah Compliant Fixed Income instruments for a specific duration of time.

### Benchmark

Up to 1 year average deposit rates of three (3) AA rated scheduled Islamic Banks or Islamic windows of conventional bank as selected by MUFAP at the time of plan launch.

### Fund Performance Review

This is the 1st Annual report since the launch of the Fund on April 17, 2023. The Fund size stands at Rs. 692 million as of June 30, 2023. Since its inception, the Fund posted a return of 20.5% p.a. versus the benchmark return of 6.6% p.a. The return of the Fund is net of the management fee.

The Plan invests in GOP Ijarah Sukuk in line with the maturity of the plan, in order to deliver a fixed return to its unit holders at maturity. NIFTMP-I has an initial maturity of 1 year.

The cumulative trading in corporate sukuks for FY23 was recorded at Rs. 6.1 billion (around 53% up compared to Rs. 4 billion in FY22). However, fresh issuance of shariah compliant short-term corporate sukuks helped the undersupplied market for long-term shariah compliant debt securities. During FY23, the State Bank's Monetary Policy Committee (MPC) conducted nine meetings and raised the policy rate by 825 basis points to 22% to anchor inflationary pressures, achieve price stability, ensure economic sustainability, and ease currency pressure, all while taking into account domestic uncertainty and continued stress on the external account. The monthly inflation reached a multi-decade high level of 38% in May 2023, and the outlook is subject to prevailing domestic uncertainty and external vulnerabilities, undermining

medium- and short-term growth. Additionally, debt repayments amid lower fresh disbursements and weak investment inflows continue to exert pressure on FX reserves. The net liquid foreign exchange reserves with the State Bank of Pakistan (SBP) were recorded at USD 4.5 billion in June 2023, depleting by USD 5.3 billion during FY23, posing challenges and risks to financial stability and fiscal consolidation.

### Asset Allocation of Fund (% of NAV)

Particulars	30-Jun-23	30-Jun-22
Sukuk	95.37%	N/A
Cash & Other Assets	4.63%	N/A
<b>Total</b>	<b>100%</b>	<b>N/A</b>

### Distribution for the Financial Year 2023

Interim Period/ Quarter	Dividend as % of Par Value (Rs.10)	Cumulative Div. Price/Unit	Ex- Div. Price
Interim	1.325%	10.1325	10.0000
Interim	2.529%	10.2529	10.0000

### Unit Holding Pattern of NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - II as on June 30, 2023

Size of Unit Holding (Units)	# of Unit Holders
1-1000	0
1001-5000	0
5001-10000	0
10001-50000	0
50001-100000	0
100001-500000	4
500001-1000000	7
1000001-5000000	16
5000001-10000000	1
10000001-100000000	1
<b>Total</b>	<b>29</b>

### During the period under question

There has been no significant change in the state of affairs of the Fund. NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - II does not have any soft commission arrangement with any broker in the industry.

## STATEMENT OF COMPLIANCE WITH THE SHARI'AH PRINCIPLES

**NBP Islamic Mustahkam Fund** (the Fund) has fully complied with the Shari'ah principles specified in the Trust Deed and in the guidelines issued by the Shari'ah Advisor for its operations, investments and placements made for the period from April 17, 2023 to June 30, 2023. This has been duly confirmed by the Shari'ah Supervisory Board of the Fund.

For and behalf of the board

Date: **September 15, 2023**  
Karachi

**Dr. Amjad Waheed, CFA**  
Chief Executive Officer

## REPORT OF THE SHARI'AH SUPERVISORY BOARD

September 27, 2023/ Rabiul Awwal 10, 1445

**Alhamdulillah**, the period from July 01, 2022 to June 30, 2023 marks the First year of the operations of NBP Islamic Mustahkam Fund (the "NIMF" or the "Fund") under management of NBP Funds Management Limited (the "NBP Funds" or the "Management Company"). Under this fund, NBP Funds launched its NBP Islamic Fixed Term Munafa Plan-I on May 30, 2023 and NBP Islamic Fixed Term Munafa Plan-II on April 17, 2023.

In the capacity of Shariah Supervisory Board (the "SSB"), we have prescribed specific criteria and procedures to ensure that every investment aligns with Shariah principles and rules.

It is the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah principles, policies and guidelines issued by the SSB and Shariah Governance Regulations issued by Securities and Exchange Commission of Pakistan. The prime responsibility for ensuring Shariah compliance of the Fund operations lies with the Board of Directors and Executive Management.

Based on our day to day reviews during the year and subsequent approvals for investments and related activities of the Fund, we hereby confirm that:

- i. The modes of investments, transactions, relevant documentation and procedures adopted have been in accordance with Shariah principles and rules
- ii. The affairs of the Fund have been carried out in accordance with Shariah principles and rules and relevant Shariah opinions and/or guidelines were issued accordingly from time to time

Based on the above facts, SSB is of the opinion that during the year, nothing has come to our attention that causes us to believe that overall operations of the Fund for the year ended June 30, 2023 are not in compliance with the Shariah principles and rules.

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

**For and on behalf of Shariah Technical Services & Support**

**For and on behalf of NBP Fund's Shariah Supervisory Board**

**Mufti Muhammad Naveed Alam**  
Member  
Shariah Supervisory Board

**Mufti Ehsan Waqar**  
Shariah Advisor & Member  
Shariah Supervisory Board

**Dr. Imran Ashraf Usmani**  
Chairman  
Shariah Supervisory Board

## INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

To the Unit holders of NBP Islamic Mustahkam Fund

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **NBP Islamic Mustahkam Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2023, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the period from April 17, 2023 to June 30, 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2023, and of its financial performance and its cash flows for the period from April 17, 2023 to June 30, 2023, in accordance with the accounting and reporting standards as applicable in Pakistan.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	<p><b>Net Asset Value</b> (Refer note 5 to the annexed financial statements)</p> <p>The investments constitute the most significant component of the net asset value (NAV). The investments of the Fund as at June 30, 2023 amounted to Rs. 1,043.713 million.</p> <p>The existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2023 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> <li>tested the design and operating effectiveness of the key controls for valuation of investments;</li> <li>obtained independent confirmation for verifying the existence of the investment portfolio as at June 30, 2023 and traced balances in this confirmation with the books and records of the Fund. Where such confirmation was not available, alternate audit procedures were performed; and</li> <li>re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies.</li> </ul>



## Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.

**A.F. Ferguson & Co.**  
**Chartered Accountants**  
Karachi

Date: September 21, 2023

UDIN: AR202310061xH2M0Ey7R

## STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2023

		2023		
		NIFTM Plan - II	NIFTM Plan - I	Total
		(Rupees in '000)		
<b>ASSETS</b>				
Banks balances	4	5,731	2,493	8,224
Investments	5	659,713	384,000	1,043,713
Profit receivable		28,865	6,612	35,477
Preliminary expenses and floatation costs	6	138	114	252
<b>Total assets</b>		694,447	393,219	1,087,666
<b>LIABILITIES</b>				
Payable to NBP Fund Management Limited - the Management Company	7	1,242	537	1,779
Payable to the Central Depository Company of Pakistan Limited - the Trustee	8	35	21	56
Payable to the Securities and Exchange Commission of Pakistan	9	29	7	36
Accrued expenses and other liabilities	10	1,433	814	2,247
<b>Total liabilities</b>		2,739	1,379	4,118
<b>NET ASSETS</b>		691,708	391,840	1,083,548
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		691,708	391,840	1,083,548
<b>CONTINGENCIES AND COMMITMENTS</b>	11	----- No. of units -----		
<b>NUMBER OF UNITS IN ISSUE</b>	12	68,987,703	39,079,898	
		-----Rupees-----		
<b>NET ASSET VALUE PER UNIT</b>	14	10.0265	10.0266	

The annexed notes 1 to 29 form an integral part of these financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2023

	For the period from April 17, 2023 to June 30, 2023	For the period from May 30, 2023 to June 30, 2023	Total
	NIFTM Plan - II	NIFTM Plan - I	
Note ----- (Rupees in '000) -----			
<b>INCOME</b>			
Profit on bank balances	214	407	621
Income on GoP Ijarah sukuks	29,725	-	29,725
Income on term deposit receipts	-	6,712	6,712
Contingent load income	221	-	221
Loss on sale of investments - net	(55)	-	(55)
	30,105	7,119	37,224
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.3 713	-	713
	30,818	7,119	37,937
<b>Total income</b>			
<b>EXPENSES</b>			
Remuneration of NBP Fund Management Limited - the Management Company	7.1 216	137	353
Sindh sales tax on remuneration of the Management Company	7.2 28	18	46
Remuneration of the Central Depository Company of Pakistan Limited - the Trustee	8.1 80	19	99
Sindh sales tax on remuneration of the Trustee	8.2 10	2	12
Annual fee of the Securities and Exchange Commission of Pakistan	9.1 29	7	36
Reimbursement of allocated expenses	7.3 216	52	268
Reimbursement of selling and marketing expenses	7.4 720	117	837
Settlement and bank charges	35	7	42
Annual listing fee	14	13	27
Auditors' remuneration	13 221	119	340
Legal and professional charges	85	18	103
Shariah advisory fee	18	2	20
Amortisation of preliminary expenses and floatation costs	6 35	59	94
Printing charges	26	2	28
<b>Total expenses</b>	1,733	572	2,305
<b>Net income for the period before taxation</b>	29,085	6,547	35,632
Taxation	15 -	-	-
<b>Net income for the period after taxation</b>	29,085	6,547	35,632
<b>Earnings per unit</b>	16		
<b>Allocation of net income for the period</b>			
Net income for the period after taxation	29,085	6,547	
Income already paid on units redeemed	(148)	(252)	
<b>Accounting income available for distribution</b>	28,937	6,295	
- Relating to capital gains	713	-	
- Excluding capital gains	28,224	6,295	
	28,937	6,295	

The annexed notes 1 to 29 form an integral part of these financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2023

	For the period from April 17, 2023 to June 30, 2023	For the period from May 30, 2023 to June 30, 2023	Total
	NIFTM Plan - II	NIFTM Plan - I	
	----- (Rupees in 000) -----		
Net income for the period after taxation	29,085	6,547	35,632
Other comprehensive income for the period	-	-	-
<b>Total comprehensive income for the period</b>	<u>29,085</u>	<u>6,547</u>	<u>35,632</u>

The annexed notes 1 to 29 form an integral part of these financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

## STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE YEAR ENDED JUNE 30, 2023

For the period from April 17, 2023 to June 30, 2023			For the period from May 30, 2023 to June 30, 2023			Total		
NIFTM Plan - II			NIFTM Plan - I					
Capital value	Undist-ributed income	Total	Capital value	Undist-ributed income	Total	Capital value	Undist-ributed income	Total

(Rupees in '000)

Net assets at the beginning of the period

Issuance of units:

NIFTM Plan - II: 76,874,310 units / NIFTM Plan - I: 41,204,859 units

- Capital value (at net asset value per unit at commencement of the fund)

- Element of income

Total proceeds on issuance of units

768,743	-	768,743	412,049	-	412,049	1,180,792	-	1,180,792
14	-	14	2	-	2	16	-	16
768,757	-	768,757	412,051	-	412,051	1,180,808	-	1,180,808

Redemption of units:

NIFTM Plan - II: 7,886,607 units / NIFTM Plan - I: 2,124,961 units

- Capital value (at net asset value per unit at commencement of the fund)

- Element of loss

Total payments on redemption of units

(78,866)	-	(78,866)	(21,250)	-	(21,250)	(100,116)	-	(100,116)
(222)	(148)	(370)	-	(252)	(252)	(222)	(400)	(622)
(79,088)	(148)	(79,236)	(21,250)	(252)	(21,502)	(100,338)	(400)	(100,738)

Total comprehensive income for the period

Distribution for the period ended June 30, 2023: NIFTM Plan - II

- @ Re. 0.1325 per unit declared on May 8, 2023

- @ Re. 0.2529 per unit declared on June 26, 2023

NIFTM Plan - I @ Re 0.1361 per unit

declared on June 26, 2023

-	(9,854)	(9,854)	-	-	-	-	(9,854)	(9,854)
(5)	(17,039)	(17,044)	-	-	-	(5)	(17,039)	(17,044)
-	-	-	-	(5,256)	(5,256)	-	(5,256)	(5,256)
(5)	(26,893)	(26,898)	-	(5,256)	(5,256)	(5)	(32,149)	(32,154)

**Net assets at the end of the period**

<b>689,664</b>	<b>2,044</b>	<b>691,708</b>	<b>390,801</b>	<b>1,039</b>	<b>391,840</b>	<b>1,080,465</b>	<b>3,083</b>	<b>1,083,548</b>
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Undistributed income brought forward

- Realised income

- Unrealised income

Accounting income available for distribution

- Relating to capital gains

- Excluding capital gains

Distribution during the period

Undistributed income carried forward

Undistributed income carried forward

- Realised income

- Unrealised income

Net asset value per unit at the beginning of the period

Net asset value per unit at the end of the period

Rupees

10.0000

10.0265

Rupees

10.0000

10.0266

The annexed notes 1 to 29 form an integral part of these financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director



## CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2023

	For the period from April 17, 2023 to June 30, 2023	For the period from May 30, 2023 to June 30, 2023	Total
Note	NIFTM Plan - II	NIFTM Plan - I	
(Rupees in 000)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period before taxation	29,085	6,547	35,632
<b>Adjustments</b>			
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.3 (713)	-	(713)
Income on term deposit receipts	-	(6,712)	(6,712)
Income on GoP Ijarah sukuk	(29,725)	-	(29,725)
Profit on balances with banks	(214)	(407)	(621)
Amortisation of preliminary expenses and floatation costs	35	59	94
	(30,617)	(7,060)	(37,677)
<b>Increase in assets</b>			
Investments	(659,000)	-	(659,000)
Preliminary expenses and floatation costs	(173)	(173)	(346)
	(659,173)	(173)	(659,346)
<b>Increase in liabilities</b>			
Payable to NBP Fund Management Limited - the Management Company	1,242	537	1,779
Payable to the Central Depository Company of Pakistan Limited - the Trustee	35	21	56
Payable to the Securities and Exchange Commission of Pakistan	29	7	36
Accrued expenses and other liabilities	1,433	814	2,247
	2,739	1,379	4,118
Profit received on bank balances and sukuk certificates	1,074	507	1,581
<b>Net cash (used in) / generated from operating activities</b>	(656,892)	1,200	(655,692)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net receipts from issuance of units - net of refund of capital	768,752	412,051	1,180,803
Net payments against redemption of units	(79,236)	(21,502)	(100,738)
Distributions paid	(26,893)	(5,256)	(32,149)
<b>Net cash generated from financing activities</b>	662,623	385,293	1,047,916
<b>Net increase in cash and cash equivalents during the period</b>	5,731	386,493	392,224
Cash and cash equivalents at the beginning of the period	-	-	-
<b>Cash and cash equivalents at the end of the period</b>	19 5,731	386,493	392,224

The annexed notes 1 to 29 form an integral part of these financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NBP Islamic Mustahkam Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered 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 July 21, 2022.
- 1.2 The Fund is required to be registered under the Sindh Trusts Act, 2020 (the Sindh Trust Act). Accordingly, on August 29, 2022 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.3 The Management Company of the Fund has been licensed to act as an Asset Management Company by the SECP under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the 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 a member of the Mutual Funds Association of Pakistan (MUFAP).
- 1.4 The Fund has been categorised as an open ended 'Shariah Compliant Fixed Rate' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription under pre - IPO from April 14, 2023 to April 17, 2023 for NIFTMP Plan - II and from May 24, 2023 to May 30, 2023 for NIFTMP Plan - I at a par value of Rs 10 per unit and are transferable and redeemable by surrendering them to the Fund.
- 1.5 The objective of NBP Islamic Fixed Term Munafa Plan – I (NIFTM Plan - I) and NBP Islamic Fixed Term Munafa Plan – II (NIFTM Plan - II) is to earn potentially higher returns by investing in Shariah Compliant Fixed Income instruments. The investment objectives and policies are explained in the Fund's offering document.
- 1.6 The Pakistan Credit Rating Agency (PACRA) has reaffirmed an Asset Manager Rating of AM1 as at June 22, 2023 (June 22, 2022: AM1) to the Management Company. The Fund has not yet been rated.
- 1.7 These are the first audited financial statements of the Fund for the period from April 17, 2023 to June 30, 2023 therefore, comparative figures have not been included.
- 1.8 The title to the assets of the Fund is held in the name of CDC as the Trustee of the Fund.

### 2 BASIS OF PRESENTATION

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- 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 from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

## **2.2 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period:**

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on April 17, 2023. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

## **2.3 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective:**

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2023 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements.

## **2.4 Critical accounting estimates and judgments**

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on these financial statements of the Fund relate to classification and valuation of financial assets (notes 3.2 and 5).

## **2.5 Basis of measurement**

These financial statements have been prepared under the historical cost convention except investments that have been carried at fair values.

## **2.6 Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupees, which is the Fund's functional and presentation currency.

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below.

### **3.1 Cash and cash equivalents**

These comprise balances with banks in profit and loss sharing and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

### **3.2 Financial assets**

#### **3.2.1 Initial recognition and measurement**

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the income statement.

## 3.2.2 Classification and subsequent measurement

### Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL)

### based on the business model of the entity.

The investments of the Fund includes investments in units of mutual funds which are categorised as puttable instruments and are mandatorily required to be classified as financial assets 'at fair value through profit or loss'.

## 3.2.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

### Financial assets 'at fair value through profit or loss'

#### Basis of valuation of debt securities

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The aforementioned circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

## 3.2.4 Impairment

The Fund assesses on a forward-looking basis the expected credit loss (ECL) associated with its financial assets carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

## 3.2.5 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has been placed on the Management Company's website as required under the SECP's circular.

### 3.2.6 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

### 3.2.7 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the income statement.

### 3.3 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the income statement.

### 3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'statement of assets and liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### 3.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

### 3.6 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the period end.

### 3.7 Issue and redemption of units

Units issued are recorded at the offer price of each plan, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units of each plan for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

### 3.8 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the period also includes a portion of income already paid on units redeemed during the period.

Distributions declared subsequent to the period end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

### **3.9 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed**

Element of income represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net asset value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.

### **3.10 Revenue recognition**

- Gains / (losses) arising on sale of investments are recorded on the date at which the transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets' at fair value through profit or loss are recorded in the accounting period in which these arise.
- Profit on balances with banks is recognised on an accrual basis.
- Dividend income is recognised when the right to receive the dividend is established.

### **3.11 Expenses**

All expenses including remuneration of the Management Company and the Trustee and annual fee of the SECP are recognised in the income statement on an accrual basis.

### **3.12 Taxation**

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed to the unit holders in cash.

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.

### **3.13 Earnings / (loss) per unit**

Earnings / (loss) per unit is calculated by dividing the net income / (loss) of the period before taxation of the Fund by the weighted average number of units outstanding during the period. The determination of earning per unit is not practicable as disclosed in note 16.

### **3.14 Foreign currency translation**

Transactions denominated in foreign currencies are accounted for in Pakistan Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.



		2023			
		NIFTM Plan - II	NIFTM Plan - I	Total	
		(Rupees in '000)			
<b>4</b>	<b>BANK BALANCES</b>	<b>Note</b>			
	Savings accounts	4.1	5,731	2,493	8,224
			5,731	2,493	8,224

4.1 These carry profits at rates ranging from 19.50% to 20.50% per annum for NIFTM Plan - I and NIFTM Plan - II.

		2023			
		NIFTM Plan - II	NIFTM Plan - I	Total	
		(Rupees in '000)			
<b>5</b>	<b>INVESTMENTS</b>	<b>Note</b>			
	<b>Financial assets 'at fair value through profit or loss'</b>				
	GoP Ijarah sukuk	5.1	659,713	-	659,713
	Term deposit receipts	5.2	-	384,000	384,000
			659,713	384,000	1,043,713

## 5.1 GoP Ijarah Sukuks

### 5.1.1 NIFTM Plan - II

Name of the security	Profit payments	Issue date	Maturity date	Profit rate	Purchased during the period	Sold during the period	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised appreciation as at June 30, 2023	Percentage in relation to		
											Total market value of investments	Net assets of the Fund	
										Number of certificates		(Rupees in '000)	%
GoP Ijarah Sukuks XX - FRR 20 (Note 5.1.2)	Semi-annually	April 17, 2023	April 17, 2024	21.25%	7,380	790	6,590	659,000	659,713	713	100.00%	95.37%	
<b>Total as at June 30, 2023</b>								659,000	659,713	713	100.00%	95.37%	

5.1.2 The nominal value of these sukuk is Rs 100,000 each.

## 5.2 Term deposit receipts

### 5.2.1 NIFTM Plan - I

Name of investee company	Rating	Maturity date	Profit rate	Purchased during the period	Matured during the period	As at June 30, 2023	Carrying Value as at June 30, 2023	Market value as at June 30, 2023	Unrealised appreciation as at June 30, 2023	Percentage in relation to		
										Total market value of investments	Net assets of the Fund	
										(Rupees in '000)		%
<b>ISLAMIC BANKS</b>												
Faysal Bank Limited	AA, PACRA	August 31, 2023	19.90%	200,000	-	200,000	200,000	200,000	-	52.08%	51.04%	
Allied Bank Limited	AAA, PACRA	August 31, 2023	20.20%	204,000	20,000	184,000	184,000	184,000	-	47.92%	46.96%	
<b>Market value as at June 30, 2023</b>								384,000	384,000	-	100.00%	98.00%

		2023			
		NIFTM Plan - II	NIFTM Plan - I	Total	
		(Rupees in '000)			
<b>5.3</b>	<b>Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net</b>	<b>Note</b>			
	Market value of investments	5.1 & 5.2	659,713	384,000	1,043,713
	Less: carrying value of investments	5.1 & 5.2	(659,000)	(384,000)	(1,043,000)
			713	-	713

		2023		
		NIFTM Plan - II	NIFTM Plan - I	Total
		(Rupees in '000)		
<b>PRELIMINARY EXPENSES AND FLOATION COSTS</b>	<b>Note</b>			
Incurred during the period		173	173	346
Less: amortisation during the period	6.1	(35)	(59)	(94)
At the end of the period		<u>138</u>	<u>114</u>	<u>252</u>

- 6.1** Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over the life of Fund in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations.

		2023		
		NIFTM Plan - II	NIFTM Plan - I	Total
		(Rupees in '000)		
<b>7 PAYABLE TO NBP FUND MANAGEMENT LIMITED - THE MANAGEMENT COMPANY - RELATED PARTY</b>	<b>Note</b>			
Remuneration payable to the Management Company	7.1	84	135	219
Sindh sales tax on remuneration payable to the Management Company	7.2	11	18	29
Reimbursement of selling and marketing expenses payable	7.4	720	117	837
Payable against preliminary expenses and floatation cost		173	173	346
Reimbursement of allocated expenses payable	7.3	216	52	268
Other payables		38	42	80
		<u>1,242</u>	<u>537</u>	<u>1,779</u>

- 7.1** The Management Company has charged its remuneration at the rate of 0.40% of net assets for NIFTM Plan - I and 0.15% of net assets for NIFTM Plan - II, subject to minimum of 0.15% of the average daily net assets and 8% per annum of the gross earnings of the Scheme during the periods from May 30, 2023 to June 30, 2023 and April 17, 2023 to June 30, 2023 for NIFTM Plan - I and NIFTM Plan - II respectively. The remuneration is payable to the Management Company monthly in arrears.

- 7.2** During the period, an amount of Rs 0.018 million in NIFTM Plan - I and Rs 0.028 million in NIFTM Plan - II was charged on account of sales tax at the rate of 13% on management fee levied through Sindh Sales Tax on Services Act, 2011.

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

The Management Company based on its discretion has currently charged accounting and operational charges at 0.15% of average annual net assets.

- 7.4** In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses at 0.35% in NIFTM Plan - I and 0.50% in NIFTM Plan - II of the average annual net assets of the Fund keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008.

		2023		
		NIFTM Plan - II	NIFTM Plan - I	Total
		(Rupees in '000)		
<b>8</b>	<b>PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE - RELATED PARTY</b>	Note		
	Trustee fee payable	8.1	31	19
	Sindh sales tax payable on the Trustee fee	8.2	4	2
			<u>35</u>	<u>21</u>
			<u>56</u>	

**8.1** The Trustee is entitled to monthly remuneration of 0.055% per annum of average net assets for services rendered to the Fund under the provisions of the Trust Deed.

**8.2** During the period, an amount of Rs 0.002 million in NIFTM Plan - I, and Rs 0.01 million in NIFTM Plan - II, was charged on account of sales tax at the rate of 13% on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011.

		2023		
		NIFTM Plan - II	NIFTM Plan - I	Total
		(Rupees in '000)		
<b>9</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>	Note		
	Annual fee payable	9.1	29	7
			<u>36</u>	

**9.1** In accordance with SRO No. 685(I)/2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% of the average annual net assets of the Fund.

		2023		
		NIFTM Plan - II	NIFTM Plan - I	Total
		(Rupees in '000)		
<b>10</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
	Auditors' remuneration payable		221	119
	Bank and settlement charges payable		26	2
	Legal and professional charges payable		85	18
	Printing charges payable		26	2
	Shariah advisor fee payable		18	3
	Withholding tax payable		1,057	670
			<u>1,433</u>	<u>814</u>
			<u>2,247</u>	

## 11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2023.

		2023		
		NIFTM Plan - II	NIFTM Plan - I	Total
		(Number of units)		
<b>12</b>	<b>NUMBER OF UNITS IN ISSUE</b>			
	Total units in issue at the beginning of the period	-	-	-
	Units issued during the period	76,874,310	41,204,859	118,079,169
	Less: units redeemed during the period	(7,886,607)	(2,124,961)	(10,011,568)
	Total units in issue at the end of the period	<u>68,987,703</u>	<u>39,079,898</u>	<u>108,067,601</u>

		2023		
		NIFTM Plan - II	NIFTM Plan - I	Total
		(Rupees in '000)		
<b>13</b>	<b>AUDITORS' REMUNERATION</b>			
	Annual audit fee		150	80
	Other certification		50	20
	Out of pocket expenses		21	19
			<u>221</u>	<u>119</u>
			<u>340</u>	

## 14 NET ASSET VALUE PER UNIT

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

## 15 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 accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders. 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 has distributed the required minimum percentage of income earned by NIFTMP Plan - I and NIFTMP Plan - II for the period ended June 30, 2023 to the unit holders in cash during the period, no provision for taxation has been made in these financial statements for NIFTM Plan - I and NIFTM Plan - II.

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.

## 16 EARNINGS PER UNIT

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

## 17 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.67% in NIFTM Plan - I and 1.20% in NIFTM Plan - II which includes 0.08% in NIFTM Plan - I and 0.04% in NIFTM Plan - II representing government levies such as sales taxes and SECP fee. The TER excluding government levies is 1.59% in NIFTM Plan - I and 1.16% in NIFTM Plan - II which is within the prescribed limit for the ratio is 2.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an 'Income fund' scheme.

## 18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 18.1** Connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Baltoro Growth Fund being the sponsors, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 18.2** Transactions with connected persons essentially comprise of sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 18.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 18.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 18.5** Allocated expenses and selling and marketing expenses are reimbursed by the Fund to the Management Company subject to the maximum prescribed Total Expense Ratio.

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

For the period from April 17, 2023 to June 30, 2023	For the period from May 30, 2023 to June 30, 2023	Total
NIFTM Plan - II	NIFTM Plan - I	

(Rupees in '000)

**NBP Fund Management Limited - the Management Company**

Remuneration of the Management Company	216	137	353
Sindh sales tax on remuneration of the Management Company	28	18	46
Reimbursement of allocated expenses	216	52	268
Reimbursement of selling and marketing expenses	720	117	837

**Central Depository Company of Pakistan Limited - the Trustee**

Remuneration of the Trustee	80	19	99
Sindh sales tax on remuneration of the Trustee	10	2	12
Settlement charges	4	2	6

**Portfolio managed by the Management Company**

Units issued: 11,198,720 units	111,987	-	111,987
Units redeemed: 7,886,608 units	79,236	-	79,236
Dividend re-invest units issued: 215,709 units	2,159	-	2,159

**GCL Officers Provident Fund - unit holder with more than 10% holding**

Units issued 7,500,055 units	75,000	-	75,000
Dividend re-invest units issued: 291,348 units	2,915	-	2,915

**Master Textile Provident Fund - unit holder with more than 10% holding**

Units issued: 20,000,146 units	200,000	-	200,000
Dividend re-invest units issued: 776,929 units	7,774	-	7,774

**Raghib Rashid - unit holder with more than 10% holding**

Units issued: 5,010,549 units	-	50,105	50,105
Dividend re-invest units issued: 57,931 units	-	580	580

**Sardar Abid Ali Khan - unit holder with more than 10% holding**

Units issued: 4,502,738 units	-	45,027	45,027
Dividend re-invest units issued: 52,059 units	-	521	521

**18.7 Amounts / balances outstanding as at period end are as follows:**

2023		
NIFTM Plan - II	NIFTM Plan - I	Total

(Rupees in '000)

**NBP Fund Management Limited - the Management Company**

Remuneration payable to the Management Company	84	135	219
Sindh sales tax on remuneration payable to the Management Company	11	18	29
Reimbursement of selling and marketing expenses payable	720	117	837
Payable against preliminary expenses and floatation costs	173	173	346
Reimbursement of allocated expenses payable	216	52	268
Other payables	38	42	80

	2023		
	NIFTM Plan - II	NIFTM Plan - I	Total
	(Rupees in '000)		
<b>Central Depository Company of Pakistan Limited - the Trustee</b>			
Remuneration payable to the Trustee	31	19	50
Sindh sales tax payable on remuneration of the Trustee	4	2	6
<b>Portfolio managed by the Management Company</b>			
Units held: 3,527,821 units	35,372	-	35,372
<b>GCL Officers Provident Fund- unit holder with more than 10% holding</b>			
Units held: 7,791,403 units	78,121	-	78,121
<b>Master Textile Provident Fund - unit holder with more than 10% holding</b>			
Units held: 20,777,076 units	208,321	-	208,321
<b>Raghib Rashid - unit holder with more than 10% holding more than 10% holding</b>			
Units held: 5,068,480 units	-	50,820	50,820
<b>Sardar Abid Ali Khan - unit holder with more than 10% holding more than 10% holding</b>			
Units held: 4,554,797 units	-	45,669	45,669

## 19 CASH AND CASH EQUIVALENTS

	2023		
	NIFTM Plan - II	NIFTM Plan - I	Total
	(Rupees in '000)		
Bank balances	5,731	2,493	8,224
Term deposit receipts	-	384,000	384,000
	5,731	386,493	392,224

## 20 FINANCIAL INSTRUMENTS BY CATEGORY

### 20.1 NIFTM Plan - I

	2023		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)		
<b>Financial assets</b>			
Banks balances	2,493	-	2,493
Investments	-	384,000	384,000
Profit receivable	6,612	-	6,612
	9,105	384,000	393,105
<b>Financial liabilities</b>			
Payable to NBP Fund Management Limited - the Management Company	537	-	537
Payable to the Central Depository Company of Pakistan Limited - the Trustee	21	-	21
Accrued expenses and other liabilities	144	-	144
	702	-	702

		2023		
		At amortised cost	At fair value through profit or loss	Total
		(Rupees in '000)		
<b>20.2</b>	<b>NIFTM Plan - II</b>			
	<b>Financial assets</b>			
	Banks balances	5,731	-	5,731
	Investments	-	659,713	659,713
	Profit receivable	28,865	-	28,865
		<u>34,596</u>	<u>659,713</u>	<u>694,309</u>
	<b>Financial liabilities</b>			
	Payable to NBP Fund Management Limited - the Management Company	1,242	-	1,242
	Payable to the Central Depository Company of Pakistan Limited - the Trustee	35	-	35
	Accrued expenses and other liabilities	376	-	376
		<u>1,653</u>	<u>-</u>	<u>1,653</u>

## 21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervise the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

### 21.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: yield / profit rate risk, currency risk and price risk.

#### (i) Yield / profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2023, the Fund is exposed to such risk on its balances with banks and investment in GoP Ijarah Sukuks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

#### a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net profit for the period and net assets of the Fund would have been higher / lower by for NIFTM Plan - I: Rs 0.025 million and NIFTM Plan - II: Rs. 0.057 million respectively.

#### b) Sensitivity analysis for fixed rate instruments

Presently, the Fund holds term deposit receipts and GoP Ijarah Sukuks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net profit for the period and net assets of the Fund would have been higher / lower by Rs. 3.840 million for NIFTM Plan - I and by Rs. 6.567 million for NIFTM Plan - II respectively.

Yield / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2023 can be determined as follows:

## NIFTM Plan - I

2023					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

(Rupees in '000)

### Financial assets

Bank balances	19.50 - 20.50	2,493	-	-	-	2,493
Investments	19.90 - 20.20	384,000	-	-	-	384,000
Profit receivable		-	-	-	6,612	6,612
		386,493	-	-	6,612	393,105

### Financial liabilities

Payable to NBP Fund Management Limited - the Management Company		-	-	-	537	537
Payable to the Central Depository Company of Pakistan Limited - the Trustee		-	-	-	21	21
Accrued expenses and other liabilities		-	-	-	144	144
		-	-	-	702	702

### On-balance sheet gap

386,493 - 5,910

### Total profit rate sensitivity gap

386,493 -

### Cumulative profit rate sensitivity gap

386,493 386,493 386,493

## NIFTM Plan - II

2023					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

(Rupees in '000)

### Financial assets

Bank balances	19.50 - 20.50	5,731	-	-	-	5,731
Investments	21.25	659,713	-	-	-	659,713
Profit receivable		-	-	-	28,865	28,865
		665,444	-	-	28,865	694,309

### Financial liabilities

Payable to NBP Fund Management Limited - the Management Company		-	-	-	1,242	1,242
Payable to the Central Depository Company of Pakistan Limited - the Trustee		-	-	-	35	35
Accrued expenses and other liabilities		-	-	-	376	376
		-	-	-	1,653	1,653

### On-balance sheet gap

665,444 - 27,212

### Total profit rate sensitivity gap

665,444 -

### Cumulative profit rate sensitivity gap

665,444 665,444 665,444



## (ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

## (iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

As of June 30, 2023, the Fund does not have investments that would expose it to price risk.

## 21.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions requests, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the period.

The table below summaries the maturity profile of the Fund's financial liabilities. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the liabilities that are payable on demand have been included in the maturity grouping of one month:

### NIFTM Plan - I

----- 2023 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total

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

### Financial liabilities

Payable to NBP Fund Management Limited - the Management Company	537	-	-	-	-	537
Payable to the Central Depository Company of Pakistan Limited - the Trustee	21	-	-	-	-	21
Accrued expenses and other liabilities	25	119	-	-	-	144
	583	119	-	-	-	702

## NIFTM Plan - II

2023						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total

(Rupees in '000)

### Financial liabilities

Payable to NBP Fund Management Limited - the Management Company  
Payable to the Central Depository Company of Pakistan Limited - the Trustee  
Accrued expenses and other liabilities

1,242	-	-	-	-	-	1,242
35	-	-	-	-	-	35
155	221	-	-	-	-	376
1,432	221	-	-	-	-	1,653

## 21.3 Credit risk

21.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

2023	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk

(Rupees in '000)

### NIFTM Plan - I

Bank balances  
Investments  
Profit receivable

2,493	2,493
384,000	384,000
6,612	6,612
393,105	393,105

### NIFTM Plan - II

Bank balances  
Investments  
Profit receivable

5,731	5,731
659,713	-
28,865	90
694,309	5,821

The maximum exposure to credit risk before any credit enhancement as at June 30, 2023 is the carrying amount of the financial assets.

## 21.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks, accrued profit thereon and investment in term deposit receipts. Their credit rating profile is as follows:

Rating	2023	
	NIFTMP Plan - II	NIFTMP Plan - I
Bank balances and accrued profit thereon		
AAA	0.001%	0.612%
AA+	0.001%	0.001%
AA	0.836%	0.066%
	0.838%	0.679%

2023	
% of financial assets exposed to credit risk	
NIFTMP Plan - II	NIFTMP Plan - I
AAA	47.584%
AA	51.737%
	99.321%

### Term deposit receipts

AAA	-	47.584%
AA	-	51.737%
	-	99.321%

## 22 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 tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

### Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at 30 June, 2023, the Fund held the following financial instruments measured at fair values:

### 22.1 NIFTM Plan - I

2023			
Level 1	Level 2	Level 3	Total

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

#### ASSETS

Investments - financial assets 'at fair value through profit or loss'

- Term deposit receipts*	-	384,000	-	384,000
	-	384,000	-	384,000

### 22.2 NIFTM Plan - II

2023			
Level 1	Level 2	Level 3	Total

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

#### ASSETS

Investments - financial assets 'at fair value through profit or loss'

- GoP Ijarah Sukuks	-	659,713	-	659,713
	-	659,713	-	659,713

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

## 23 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has maintained and complied with the requirement of minimum fund size at all times during the period.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 21, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

## 24 UNIT HOLDING PATTERN OF THE FUND

Category	2023		
	Number of unit holders	Investment amount	Percentage of total
----- (Rupees in '000) -----			
<b>NIFTM Plan - I</b>			
Individuals	31	288,466	73.62%
Others	1	3,049	0.78%
Retirement funds	5	100,325	25.60%
	<u>37</u>	<u>391,840</u>	<u>100.00%</u>
<b>NIFTM Plan - II</b>			
Individuals	19	256,070	37.02%
Others	2	35,660	5.16%
Retirement funds	8	399,978	57.82%
	<u>29</u>	<u>691,708</u>	<u>100.00%</u>

## 25 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience in years
Dr. Amjad Waheed	Chief Executive Officer	MBA / Doctorate in Business Administration / CFA	35
Asim Wahab Khan	Chief Investment Officer	CFA	17
Salman Ahmed (note 25.1)	Head of Fixed Income	CFA	18
Hassan Raza	Head of Research	ACCA / BSC / CFA	12
Usama Bin Razi	Senior Manager Fixed Income	BE, MBA	19

25.1 The name of the Fund Manager is Salman Ahmed. Other funds being managed by the Fund Manager are as follows:

- NBP Islamic Daily Dividend Fund
- NBP Riba Free Savings Fund

- NBP Islamic Mahana Amdani Fund
- NBP Islamic Savings Fund
- NBP Islamic Money Market Fund
- NBP Islamic Income Fund
- NBP Government Securities Liquid Fund
- NBP Money Market Fund
- NBP Government Securities Savings Fund
- NBP Mahana Amdani Fund
- NBP Financial Sector Income Fund
- NBP Income Opportunity Fund
- NBP Savings Fund
- NBP Mustahkam Fund
- NBP Income Fund of Fund
- NBP Government Securities Fund - I

## 26 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 86th, 87th, 88th, 89th, 90th and 91st Board Meetings were held on July 06, 2022, September 27, 2022, October 29, 2022, February 21, 2023, April 29, 2023 and June 01, 2023, respectively. Information in respect of attendance by directors in the meetings is given below:

Name of Directors	Number of meetings			Meetings not attended
	Held / applicable	Attended	Leave granted	
Shaikh Muhammad Abdul Wahid Sethi	6	6	-	-
Tauqeer Mazhar	6	5	1	91st Meeting
Mehnaz Salar	6	6	-	-
Ali Saigol	6	6	-	-
Imran Zaffar	6	5	1	89th Meeting
Khalid Mansoor	6	6	-	-
Saad Amanullah Khan	6	6	-	-
Humayun Bashir (note 26.1)	2	2	-	-
Ruhail Muhammad (note 26.2)	3	3	-	-
Dr. Amjad Waheed	6	6	-	-

**26.1** Mr. Humayun Bashir retired from the Board with effect from October 04, 2022.

**26.2** Mr. Ruhail Muhammad was opted as Director on the Board with effect from October 04, 2022.

## 27 EVENTS AFTER THE REPORTING PERIOD

Subsequent to the period end, on July 6, 2023, the Management Company of the Fund has declared dividend for NIFTM Plan - I of Re 0.0134 per unit on the face value of Rs 10 each (i.e. 0.134%) amounting to Rs 0.5196 million. The financial statements of the Fund for the period ended June 30, 2023 do not include the effect of this distribution which will be accounted for in the financial statements of the Fund for the next period.

## 28 GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

## 29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **September 15, 2023** by the Board of Directors of the Management Company.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

## PERFORMANCE TABLE

Particulars	NIFTMP-II	NIFTMP-I
	For the Period from April 17, 2023 to June 30, 2023	For the Period from May 30, 2023 to June 30, 2023
Net assets at the year / period ended (Rs '000)	691,708	391,840
Net income/(loss) for the year / period ended (Rs '000)	29,085	6,547
Net Asset Value per unit at the year / period ended (Rs)	10.0265	10.0266
Offer Price per unit	N/A	N/A
Redemption Price per unit	N/A	N/A
Ex - Highest offer price per unit (Rs.)	N/A	N/A
Ex - Lowest offer price per unit (Rs.)	N/A	N/A
Ex - Highest redemption price per unit (Rs.)	10.0265	10.1361
Ex - Lowest redemption price per unit (Rs.)	9.6258	9.8657
Opening Nav of Fiscal Year/Since inception NAV	9.6258	9.8657
Total return of the fund	20.53%	19.20%
Capital growth	1.52%	1.60%
Income distribution as a % of ex nav	19.01%	17.60%
Income distribution as a % of par value	19.01%	17.60%
<b>Distribution</b>		
Interim distribution per unit	0.1325	0.1361
Interim distribution per unit	0.2529	0.0134
Final distribution per unit	-	-
<b>Distribution Dates</b>		
Interim	8-May-23	26-Jun-23
Interim	26-Jun-23	6-Jul-23
Average annual return of the fund (Since inception to June 30, 2023)	20.53%	19.20%
Portfolio Composition ( Please see Fund Manager Report)		
<b>Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up</b>		

## Head Office

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