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Aitemaad اعتمالا



Islamic Savings

اسلامك سونچر

NBP Fund Management Limited



# NBP ISLAMIC DAILY DIVIDEND FUND

QUARTERLY REPORT  
SEPTEMBER 30, 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
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

### Human Resource & Remuneration Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Tauqeer Mazhar	Member

### Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
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

Askari Bank Limited  
Bank Alhabib Limited  
United Bank Limited  
Meezan Bank Limited  
Habib Bank Limited  
Dubai Islamic Bank Limited  
Allied Bank Limited  
National Bank Of Pakistan  
JS Bank Limited  
Bank Islami Pakistan Limited  
Zarai Taraqiati Bank Limited  
Faysal Bank Limited  
Bank Alfalah Limited  
Habib Metropolitan Bank Limited

## **Auditors**

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

## **Legal Advisor**

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

## **Head Office:**

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

## **Lahore Office:**

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

## **Islamabad Office:**

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

## **Peshawar Office:**

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

## **Multan Office:**

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

## DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited Condensed Interim financial statements of NBP Islamic Daily Dividend Fund (NIDDF) for the quarter ended September 30, 2023.

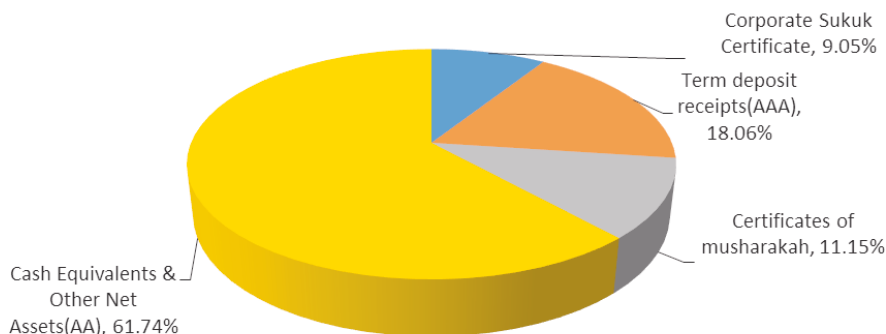
### Fund's Performance

During the quarter, two Monetary Policy Committee meetings were held and SBP maintained the policy rate at 22%. The stress on external accounts and PKR continued as fiscal discipline remained weak, though PKR depreciation was eventually brought under control with administrative measures. Inflation as measured by the CPI averaged at 29% for the quarter. With the recent surge in oil prices and expected hike in gas tariffs, the inflation is expected to remain elevated in the near term, though a decline is expected from next half as high base effect kicks in. The upcoming debt repayments and weak investment inflows will exert pressure on FX reserves. The net liquid foreign exchange reserves with SBP as at 28-Sep-23 stood at USD 7.62 billion (down by USD 543.8million compared to July 2023). This signifies grave challenges & risks to financial stability. The market witnessed a sizable issuance of Shariah Compliant commercial papers from the corporates to meet their increasing funding need for working capital/bridge financing for fixed capital investments.

NIDDF is categorized as a Shariah Compliant Money Market Fund. The fund aims to consistently provide better return than the profit rates offered by Islamic Banks / Islamic windows of commercial banks. Minimum eligible rating is AA, while the Fund is not allowed to invest in any security exceeding six months maturity. The weighted average time to maturity of the Fund cannot exceed 90 days, thereby providing easy liquidity along with a high-quality credit profile.

The size of NBP Islamic Daily Dividend Fund has increased from Rs. 19,820 million to Rs. 22,428 million during the period (i.e., a growth of 13%). The unit price of the Fund has increased from Rs. 9.5137 (Ex-Div) on June 30, 2023 to Rs. 10.0000 on September 30, 2023, thus showing return of 20.3% p.a. as compared to the benchmark return of 8.3% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses. The Fund has earned a total income of Rs. 1,198.392 million during the quarter. After deducting total expenses of Rs. 63.917 million, the net income is Rs. 1,134.475 million.

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



## Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of  
**NBP Fund Management Limited**

**Chief Executive Officer**

**Director**

Date: October 30, 2023  
Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مدت 30 ستمبر 2023ء کو ختم ہونے والی پہلی سہ ماہی کے لئے NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ (NIDDF) کے غیر جانچ شدہ کنڈیشنڈ عبوری عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

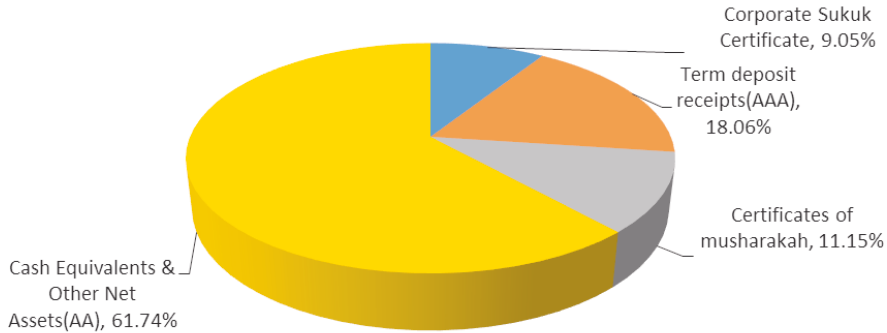
### فنڈ کی کارکردگی

سہ ماہی کے دوران، مانیٹری پالیسی کمیٹی کے دو اجلاس منعقد ہوئے اور اسٹیٹ بینک نے پالیسی شرح کو 22% پر برقرار رکھا۔ بیرونی کھاتوں اور پاکستانی روپیہ پر دباؤ جاری رہا کیونکہ مالی نظم و ضبط کمزور رہا، حالانکہ پاکستانی روپیہ کی قدر میں کمی کو بالآخر انتظامی اقدامات سے قابو میں لایا گیا۔ CPI کی طرف سے پیمائش کردہ مہنگائی اس سہ ماہی کے لئے اوسطاً 29% رہی۔ تیل کی قیمتوں میں حالیہ اضافہ اور گیس کے نرخوں میں متوقع اضافہ کے ساتھ، قریب مدت میں مہنگائی کے بلند رہنے کی توقع ہے، حالانکہ اگلی ششماہی سے کمی کی توقع ہے کیونکہ زیادہ بیس کا اثر شروع ہوگا۔ آئندہ قرضوں کی ادائیگی اور کم سرمایہ کاری بہاؤ FX ذخائر پر دباؤ ڈالیں گے۔ 28 ستمبر 23 کو SBP کے ہاں خالص لیکویڈز ریمبادلہ کے ذخائر 7.62 ملین امریکی ڈالر (جولائی 2023 کے مقابلے میں 543.8 ملین امریکی ڈالر کی کمی) ہیں۔ یہ مالیاتی استحکام کے لیے سنگین مشکلات اور خطرات کی نشاندہی کرتا ہے۔ مارکیٹ نے کارپوریٹس کی جانب سے شریعہ کمپلیٹ کمرشل پیپرز کے قابل ذکر اجراء کا مشاہدہ کیا تاکہ فکسڈ کمپنیل انویسٹمنٹ کے لیے ورکنگ کمپنیل / برج فنانسنگ کی بڑھتی ہوئی فنڈنگ ضروریات کو پورا کیا جاسکے۔

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

NBP اسلامک ڈیلی ڈیویڈنڈ فنڈ کا سائز 19,820 ملین روپے سے بڑھ کر زبرد جائزہ مدت کے دوران 22,428 ملین روپے ہو گیا (یعنی 13% کا اضافہ ہوا)۔ اس مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2023 کو (Ex-Div) 9.5137 روپے سے بڑھ کر 30 ستمبر 2023 کو 10.0000 روپے ہو گئی۔ لہذا فنڈ نے اسی مدت میں بیچ مارک منافع 8.3% سالانہ کے مقابلے 20.3% کا سالانہ منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

مدت کے دوران فنڈ کو 1,198,392 ملین روپے کی مجموعی آمدنی ہوئی۔ 63,917 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 1,134,475 ملین روپے ہے۔ درج ذیل چارٹ NIDDF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:







## اظہار تشکر

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

بورڈ اپنے اسٹاف اور ڈسٹی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

**NBP** منجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 30 اکتوبر 2023

مقام: کراچی

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	Audited 'June 30, 2023
	Note	-----Rupees in '000-----	
<b>ASSETS</b>			
Bank balances	4	13,689,414	8,651,435
Investments	5	8,580,000	10,936,190
Profit receivable		383,121	305,278
Prepayments, deposits and other receivables		815	849
Preliminary expenses and floatation costs		238	320
<b>Total assets</b>		<b>22,653,588</b>	<b>19,894,072</b>
<b>LIABILITIES</b>			
Payable to NBP Fund Management Limited - Management Company		54,712	50,464
Payable to Central Depository Company of Pakistan Limited - Trustee		1,472	1,131
Payable to the Securities and Exchange Commission of Pakistan		1,406	3,475
Payable against redemption of units		1,794	1,788
Accrued expenses and other liabilities		166,385	17,515
<b>Total liabilities</b>		<b>225,769</b>	<b>74,373</b>
<b>NET ASSETS</b>		<b>22,427,819</b>	<b>19,819,699</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>22,427,819</b>	<b>19,819,699</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	6		
		<b>Number of units</b>	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>2,242,780,917</b>	<b>1,981,975,309</b>
		<b>Rupees</b>	
<b>NET ASSET VALUE PER UNIT</b>		<b>10.0000</b>	<b>10.0000</b>

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	Quarter Ended September 30 2023	Quarter Ended September 30 2022
	-----Rupees in '000-----	
<b>INCOME</b>		
Income on corporate sukuk certificates	142,880	32,773
Income on term deposit receipts	178,793	49,037
Income on letter of placements	227,396	-
Profit on bank deposits	649,323	304,328
<b>Total income</b>	<b>1,198,392</b>	<b>386,138</b>
<b>EXPENSES</b>		
Remuneration of NBP Fund Management Limited - Management Company	10,570	8,540
Sindh sales tax on remuneration of the Management Company	1,374	1,110
Reimbursement of allocated expenses	7,151	3,287
Reimbursement of selling and marketing expenses	35,565	526
Remuneration of Central Depository Company of Pakistan Limited - Trustee	3,146	1,446
Sindh sales tax on remuneration of the Trustee	409	188
Annual fee of the Securities and Exchange Commission of Pakistan	4,291	526
Amortisation of preliminary expenses and floatation costs	64	64
Auditors' remuneration	214	129
Legal and professional charges	38	30
Listing fee	7	7
Shariah advisor fee	630	330
Settlement and bank charges	386	14
Printing expenses	14	9
Rating fee	58	47
<b>Total operating expenses</b>	<b>63,917</b>	<b>16,253</b>
<b>Net income for the period before taxation</b>	<b>1,134,475</b>	<b>369,885</b>
Taxation	-	-
<b>Net income for the period after taxation</b>	<b>1,134,475</b>	<b>369,885</b>
<b>Earnings per unit</b>	-	-
<b>Allocation of net income for the period</b>		
- Net income for the period after taxation	1,134,475	369,885
- Income already paid on units redeemed	-	-
	<b>1,134,475</b>	<b>369,885</b>
<b>Accounting income available for distribution:</b>		
- Relating to capital gains	-	-
- Excluding capital gains	1,134,475	369,885
	<b>1,134,475</b>	<b>369,885</b>

Note

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

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The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	Quarter Ended September 30 2023	Quarter Ended September 30 2022
	-----Rupees in '000-----	
<b>Net income for the period after taxation</b>	1,134,475	369,885
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	1,134,475	369,885

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	FOR THE QUARTER ENDED SEPTEMBER 30, 2023			FOR THE QUARTER ENDED SEPTEMBER 30, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
<b>Note</b>	----- Rupees in '000 -----			----- Rupees in '000 -----		
Net assets at beginning of the period	19,819,699	-	19,819,699	11,192,294	-	11,192,294
Issuance of 1,995,993,424 units (2022: 473,502,400 units)						
- Capital value	19,959,934	-	19,959,934	4,734,983	-	4,734,983
- Element of income	-	-	-	-	-	-
Total proceeds on issuance of units	19,959,934	-	19,959,934	4,734,983	-	4,734,983
Redemption of 1,735,187,816 units (2022: 530,831,141 units)						
- Capital value	(17,351,814)	-	(17,351,814)	(5,308,311)	-	(5,308,311)
- Element of loss	-	-	-	-	-	-
Total payments on redemption of units	(17,351,814)	-	(17,351,814)	(5,308,311)	-	(5,308,311)
Total comprehensive income for the period	-	1,134,475	-	-	369,885	-
Distribution paid	-	(1,134,475)	-	-	(369,885)	-
Net income for the period less distribution	-	-	-	-	-	-
<b>Net assets at end of the period (un-audited)</b>	<b>22,427,819</b>	<b>-</b>	<b>22,427,819</b>	<b>10,618,966</b>	<b>-</b>	<b>10,618,966</b>
Undistributed income / (loss) brought forward						
- Realised	-	-	-	-	-	-
- Unrealised	-	-	-	-	-	-
Accounting income available for distribution:						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	1,134,475	-	1,134,475	369,885	-	369,885
Cash distribution	(1,134,475)	-	(1,134,475)	(369,885)	-	(369,885)
Undistributed income carried forward	-	-	-	-	-	-
Undistributed income carried forward:						
- Realised income	-	-	-	-	-	-
- Unrealised income	-	-	-	-	-	-
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			<u>10.0000</u>			<u>10.0000</u>
Net assets value per unit at end of the period			<u>10.0000</u>			<u>10.0000</u>

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	QUARTER ENDED SEPTEMBER 30, 2023	QUARTER ENDED SEPTEMBER 30, 2022
-----Rupees in '000-----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	1,134,475	369,885
<b>Adjustments</b>		
Income on sukuk certificates	(142,880)	(32,773)
Income on term deposit receipts	(178,793)	(49,037)
Income on commercial papers	-	-
Income on letter of placements	(227,396)	-
Profit on bank deposits	(649,323)	(304,328)
Reversal of provision against Sindh Workers' Welfare Fund	-	-
Amortisation of preliminary expenses and floatation costs	64	64
	(1,198,328)	(386,074)
<b>(Increase) / Decrease in assets</b>		
Prepayments, deposits and other receivables	34	27
Investments - net	2,356,189	(1,686,001)
	2,356,223	(1,685,974)
<b>(Decrease) in liabilities</b>		
Payable to NBP Fund Management Limited - Management company	4,248	2,608
Payable to Central Depository Company of Pakistan Limited - Trustee	341	(33)
Payable to the Securities and Exchange Commission of Pakistan	(2,069)	(1,926)
Accrued expenses and other liabilities	148,889	(2,818)
	151,409	(2,169)
Profit received on Investments	1,120,549	363,664
<b>(Used in) / net cash generated from operating activities</b>	3,564,328	(1,340,668)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received against issuance of units	19,959,934	4,734,983
Amount paid against redemption of units	(17,351,808)	(5,323,354)
Distributions paid	(1,134,475)	(369,885)
<b>Net cash (used in) from financing activities</b>	1,473,651	(958,256)
<b>Net (decrease) in cash and cash equivalents during the period</b>	5,037,979	(2,298,924)
Cash and cash equivalents at the beginning of the period	8,651,435	9,869,948
<b>Cash and cash equivalents at the end of the period</b>	13,689,414	7,571,024

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

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

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

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

\_\_\_\_\_  
Director

## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

### 1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Daily Dividend Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on September 19, 2019 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended Shariah compliant money market fund by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from November 2, 2019 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to provide competitive return along with daily dividend by investing in Shariah compliant money market instruments.

The Pakistan Credit Rating Agency Limited (PACRA) has maintained an asset manager rating of 'AM1' to the Management Company and a stability rating of 'AA+(f)' to the Fund.

The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan as the Trustee of the Fund.

During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on November 2, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2023.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2023.

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

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2023.

The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2023.

	Note	(Un-audited) September 30, 2023	Audited June 30, 2023
<b>4 BANK BALANCES</b>		-----Rupees in '000-----	
Savings accounts	4.1	13,667,118	8,392,078
Current accounts		22,296	259,357
		<b>13,689,414</b>	<b>8,651,435</b>
<b>4.1</b>	These accounts carry profit at the rates ranging from 10.00% to 21.25% (30 June 2023: 10.00% to 20.50% per annum.		

	Note	(Un-audited) September 30, 2023	Audited June 30, 2023
<b>5 INVESTMENTS</b>		-----Rupees in '000-----	
Certificates of musharakah	5.1	2,500,000	3,000,000
Corporate sukuk certificates	5.2	2,030,000	1,955,000
Bai muajjal		-	1,681,190
Term deposit receipts	5.3	4,050,000	4,300,000
		<b>8,580,000</b>	<b>10,936,190</b>



## 5.1 Certificates of musharakah

Name of the security	Maturity Date	Profit Rate	Face value				Carrying value as at September 30, 2023	Market value as at September 30, 2023	Unrealised appreciation as at June 30, 2023	Market value as a percentage of	
			As at July 1, 2023	Purchased during the year	Matured during the year	As at September 30, 2023				total investments of the Fund	net assets of the Fund
									Rupees in 000		
									%		
UBL Ameen (A-1+, VIS)	July 10, 2023	20.25%	500,000		500,000	-	-	-	0.00%	0.00%	
UBL Ameen (A-1+, VIS)	July 19, 2023	20.25%	2,500,000		2,500,000	-	-	-	0.00%	0.00%	
UBL Ameen (A-1+, VIS)	August 16, 2023	21.25%	-	500,000	500,000	-	-	-	0.00%	0.00%	
UBL Ameen (A-1+, VIS)	August 2, 2023	21.25%	-	2,500,000	2,500,000	-	-	-	0.00%	0.00%	
Meezan Bank (AAA/A-1+, VIS)	August 1, 2023	20.70%	-	1,750,000	1,750,000	-	-	-	0.00%	0.00%	
Meezan Bank (AAA/A-1+, VIS)	August 1, 2023	20.70%	-	350,000	350,000	-	-	-	0.00%	0.00%	
UBL Ameen (A-1+, VIS)	September 15, 2023	21.25%	-	2,500,000	2,500,000	-	-	-	0.00%	0.00%	
Meezan Bank (AAA/A-1+, VIS)	August 15, 2023	20.65%	-	600,000	600,000	-	-	-	0.00%	0.00%	
Meezan Bank (AAA/A-1+, VIS)	August 18, 2023	20.75%	-	3,000,000	3,000,000	-	-	-	0.00%	0.00%	
Meezan Bank (AAA/A-1+, VIS)	August 22, 2023	20.80%	-	700,000	700,000	-	-	-	0.00%	0.00%	
Faysal Bank Ltd.(AA, A-1+, VIS)	August 25, 2023	20.90%	-	2,400,000	2,400,000	-	-	-	0.00%	0.00%	
Faysal Bank Ltd.(AA, A-1+, VIS)	August 25, 2023	21.00%	-	400,000	400,000	-	-	-	0.00%	0.00%	
Faysal Bank Ltd.(AA, A-1+, VIS)	September 1, 2023	20.95%	-	1,750,000	1,750,000	-	-	-	0.00%	0.00%	
Meezan Bank (AAA/A-1+, VIS)	September 5, 2023	20.70%	-	1,750,000	1,750,000	-	-	-	0.00%	0.00%	
UBL Ameen (A-1+, VIS)	October 16, 2023	21.25%	-	2,500,000	-	2,500,000	2,500,000	2,500,000	29.18%	11.15%	
<b>Total as at September 30, 2023</b>							2,500,000	2,500,000	-	27.43%	15.13%
<b>Total as at June 30, 2023</b>							3,000,000	3,000,000	-	27.43%	15.13%

## 5.2 SUKUK

Name of the security	Issue date	Coupon rate / tenor	Number of certificates				Market value as at September 30, 2023	Market value as a percentage of		
			As at July 1, 2023	Purchased during the period	Matured during the period	As at September 30, 2023		Net assets of the Fund	Total market value of investments	
									Rupees in 000	
									%	
K-Electric Limited	Apr 27, 2022	15.00%	525,000	-	525,000	-	-	0.0%	0.0%	
K-Electric Limited	Aug 10, 2022	17.24%	450,000	-	450,000	-	-	0.0%	0.0%	
China Power Hub Generation	Aug 29, 2022	17.35%	300,000	-	300,000	-	-	0.0%	0.0%	
K-Electric Limited	Sep 21, 2022	23.40%	680,000	-	-	680,000	680,000	3.0%	7.9%	
K-Electric Limited	Aug 09, 2023	23.24%	-	750,000	-	750,000	750,000	3.3%	8.7%	
Lucky Electric Power	Aug 16, 2022	23.53%	-	600,000	-	600,000	600,000	2.7%	7.0%	
<b>Total as at September 30, 2023</b>							2,030,000	2,030,000	9.1%	23.7%
<b>Total as at June 30, 2023</b>							1,955,000	1,955,000	17.88%	9.86%

## 5.3 Term deposits receipts

Name of the security	Issue date	Profit rate	As at July 1, 2023	Purchased during the period	Matured during the period	As at September 30, 2023	Carrying value as at September 30, 2023	Market value as at September 30, 2023	Market value as a percentage of total investments	Market value as a percentage of net assets
						Rupees in '000		Percentage		
Bank Alfalah Limited - Islamic Banking	5-Jul-23	20.00%	2,000,000	-	2,000,000	-	-	-	-	-
Askari Bank Limited - Islamic Banking	11-Aug-23	20.20%	1,500,000	-	1,500,000	-	-	-	-	-
Askari Bank Limited - Islamic Banking	11-Aug-23	20.20%	200,000	-	200,000	-	-	-	-	-
Askari Bank Limited - Islamic Banking	11-Aug-23	20.20%	100,000	-	100,000	-	-	-	-	-
Faysal Bank Limited	31-Aug-23	19.90%	500,000	-	500,000	-	-	-	-	-
Bank Alfalah Limited - Islamic Banking	7-Aug-23	20.98%	-	1,600,000	1,600,000	-	-	-	-	-
Bank Alfalah Limited - Islamic Banking	7-Sep-23	20.97%	-	1,600,000	1,600,000	-	-	-	-	-
Allied Bank Limited.	27-Nov-23	21.25%	-	1,250,000	-	1,250,000	1,250,000	1,250,000	14.6%	5.6%
Bank Alfalah Limited - Islamic Banking	9-Oct-23	20.97%	-	1,600,000	-	1,600,000	1,600,000	1,600,000	18.6%	7.1%
Faysal Bank Limited	18-Oct-23	21.30%	-	1,200,000	-	1,200,000	1,200,000	1,200,000	14.0%	5.4%
<b>Total as at September 30, 2023</b>							<b>4,050,000</b>	<b>4,050,000</b>	<b>-</b>	<b>-</b>
<b>Total as at June 30, 2023</b>							<b>4,300,000</b>	<b>4,300,000</b>	<b>39.32%</b>	<b>21.69%</b>

## 6 CONTINGENCIES AND COMMITMENTS

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

## 7 REIMBURSEMENT SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 0.02% per annum of the net assets of the Fund.

## 8 Payable to the Securities and Exchange Commission of Pakistan

As per NBFC Regulation 62(1) w.e.f July 01, 2023, an Asset Management Company managing a Collective Investment Scheme, within fifteen days of the close of every calendar month of the Collective Investment Scheme, shall pay the Commission non-refundable fee which is 0.075% of average annual net assets of the Collective Investment Scheme.

## 9 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realized or unrealized, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2023 to the unit holders in cash, no provision for taxation has been made in these financial statements during the year.

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.

## 10 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 1.12% (September 30, 2022: 0.62%) which includes 0.11% (September 30, 2022: 0.07%) representing Government Levies and the SECP Fee. The prescribed limit for the ratio is 2% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a Shariah compliant money market scheme.

## 11 INTERIM DISTRIBUTION

The Fund makes distribution on daily basis as per clause 12.1 of the Trust Deed and clause 1.4 of the Offering Document and re-invests the distributed dividend as per clause 1.4 of the Offering Document. During the period ended September 30, 2021, the Management Company on behalf of the Fund, has distributed total profit earned during the period amounting to Rs 369.88 million as dividend after deducting applicable taxes.

Payout date	Payout per unit	Payout date	Payout per unit	Payout date	Payout per unit
	Rupees		Rupees		Rupees
July 1, 2023	0.0052	August 1, 2023	0.0066	September 1, 2023	0.0054
July 2, 2023	0.0052	August 2, 2023	0.0054	September 2, 2023	0.0054
July 3, 2023	0.0052	August 3, 2023	0.0054	September 3, 2023	0.0054
July 4, 2023	0.0053	August 4, 2023	0.0054	September 4, 2023	0.0054
July 5, 2023	0.0052	August 5, 2023	0.0055	September 5, 2023	0.0055
July 6, 2023	0.0053	August 6, 2023	0.0054	September 6, 2023	0.0054
July 7, 2023	0.0054	August 7, 2023	0.0054	September 7, 2023	0.0054
July 8, 2023	0.0053	August 8, 2023	0.0055	September 8, 2023	0.0055
July 9, 2023	0.0053	August 9, 2023	0.0054	September 9, 2023	0.0054
July 10, 2023	0.0053	August 10, 2023	0.0054	September 10, 2023	0.0055
July 11, 2023	0.0054	August 11, 2023	0.0054	September 11, 2023	0.0054
July 12, 2023	0.0054	August 12, 2023	0.0054	September 12, 2023	0.0055
July 13, 2023	0.0053	August 13, 2023	0.0054	September 13, 2023	0.0055
July 14, 2023	0.0054	August 14, 2023	0.0054	September 14, 2023	0.0054
July 15, 2023	0.0053	August 15, 2023	0.0055	September 15, 2023	0.0055
July 16, 2023	0.0054	August 16, 2023	0.0054	September 16, 2023	0.0055
July 17, 2023	0.0054	August 17, 2023	0.0055	September 17, 2023	0.0054
July 18, 2023	0.0053	August 18, 2023	0.0054	September 18, 2023	0.0055
July 19, 2023	0.0054	August 19, 2023	0.0055	September 19, 2023	0.0055
July 20, 2023	0.0054	August 20, 2023	0.0054	September 20, 2023	0.0055
July 21, 2023	0.0053	August 21, 2023	0.0055	September 21, 2023	0.0055
July 22, 2023	0.0054	August 22, 2023	0.0054	September 22, 2023	0.0055
July 23, 2023	0.0053	August 23, 2023	0.0055	September 23, 2023	0.0054
July 24, 2023	0.0054	August 24, 2023	0.0054	September 24, 2023	0.0055
July 25, 2023	0.0054	August 25, 2023	0.0054	September 25, 2023	0.0055
July 26, 2023	0.0054	August 26, 2023	0.0054	September 26, 2023	0.0055
July 27, 2023	0.0053	August 27, 2023	0.0054	September 27, 2023	0.0055
July 28, 2023	0.0054	August 28, 2023	0.0054	September 28, 2023	0.0055
July 29, 2023	0.0053	August 29, 2023	0.0054	September 29, 2023	0.0055
July 30, 2023	0.0054	August 30, 2023	0.0054	September 30, 2023	0.0054
July 31, 2023	0.0054	August 31, 2023	0.0055		

## 12 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 12.1** Related parties / connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan, Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, Funds under management of the Management Company, directors and key management personnel of the Management Company and other associated companies. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

- 12.2** Transactions with related parties / connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to related parties / connected persons. The transactions with related parties / connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with the market rates.
- 12.3** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the Trust Deed and Offering Document.
- 12.4** Details of transactions with related parties / connected persons during the period are as follows:

	Quarter Ended September 30, 2023	Quarter Ended September 30, 2022
<b>Rupees in '000</b>		
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration of NBP Fund Management Limited - Management Company	10,570	8,540
Sindh sales tax on remuneration of the Management Company	1,374	1,110
Reimbursement of Allocated expenses	7,151	3,287
Reimbursement of Selling and marketing expense	35,565	526
Sales and transfer load	53	53
Sindh sales tax on sales and transfer load	121	121
Preliminary expenses and floatation costs borne by the Management Company	64	64
ADC charges including Sindh sales tax	289	653
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	3,146	1,446
Sindh sales tax on remuneration of the Trustee	409	188
<b>Key management personnel of the Management Company</b>		
Dividend re-invest units issued: 160,906 (2022: 94,234 units)	1,609	942
Units issued: 1,332,561 (2022: 1,786,826 units)	13,326	17,868
Units redeemed: 1,266,889 (2022: 685,386 units)	12,669	6,854
<b>National Bank of Pakistan Limited - parent company</b>		
Profit on bank balances	4,027	-
<b>Baltoro Partners (Private) Limited - sponsor</b>		
Dividend re-invest units issued: 19,477 (2022: 11 units)	195	-
<b>Fauji Fertilizer Company Ltd</b>		
Dividend re-invest units issued: 3,746,632 (2022: Nil units)	37,466	6,962
Units issued: 748,193,927 (2022: Nil units)	7,481,939	662,169
Units Redemption: 751,940,559 (2022: Nil units)	7,519,406	863,224
<b>Portfolio managed by the Management Company</b>		
Dividend re-invest units issued: 1,581,992 (2022: 696,275 units)	12,188	6,962
Units issued: 20,849,676 (2022: 66,216,872 units)	212,128	662,169
Units Redemption: 26,843,454 (2022: 86,322,359 units)	268,436	863,224
<b>Pakistan Defence Officers Housing Authority - unit holders with more than 10% holding</b>		
Dividend re-invest units issued: Nil (2022: 6,861,985 units)	-	68,620
Units Redemption: Nil (2022: 25,000,000 units)	-	250,000
<b>NAFA Islamic Capital Preservation Plan-I</b>		
Dividend re-invest units issued: Nil (2022: 115,597 units)	-	1,156
Units issued: Nil ((2022: Nil units)	-	-
<b>NAFA Islamic Capital Preservation Plan-II</b>		
Dividend re-invest units issued: Nil (2022: 10,070 units)	-	101
Units issued: Nil (2022: Nil units)	-	-
<b>NAFA Islamic Capital Preservation Plan-III</b>		
Dividend re-invest units issued: Nil (2022: 51,038 units)	-	510
Units issued: Nil (2022: Nil units)	-	-



Quarter Ended September 30, 2023	Quarter Ended September 30, 2022
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Rupees in '000

**NAFA Islamic Capital Preservation Plan-IV**

Dividend re-invest units issued: Nil (2022: 31,762 units)	-	318
Units issued: Nil (2022: Nil units)	-	-
Units Redemption: Nil (2022: 250,000 units)	-	2,500

**NBP Islamic Capital Preservation Plan-V**

Dividend re-invest units issued: Nil (2022: 50,063 units)	-	501
Units issued: Nil (2022: Nil units)	-	-
Units Redemption: Nil (2022: Nil units)	-	-

**NBP Islamic Capital Preservation Plan-VI**

Dividend re-invest units issued: Nil (2022: 242,283 units)	-	2,423
Units issued: 21,701 (2022: 11,740,800 units)	217	117,408
Units Redemption: Nil (2021: Nil units)	6,254	-

**K-Electric (Common Directorship)**

Purchases of Sukuk	1,350,000	1,275,000
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As at September 30, 2023	As at June 30, 2023
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Rupees in '000

**12.5 Amounts / balances outstanding as at period end are as follows**

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

Remuneration payable to the Management Company	3,772	1,819
Sindh sales tax on remuneration of the Management Company	490	236
Reimbursement of allocated expenses payable	7,151	6,849
Reimbursement of selling and marketing expenses payable	35,565	36,273
Sales load payable to Management Company	6,215	4,307
Sindh sales tax payable on sales load	808	560
ADC charges payable including Sindh sales tax	626	420

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

Remuneration payable to the Trustee	1,025	1,001
Sindh sales tax payable on Trustee remuneration	133	130
Security deposit with the Central Depository Company of Pakistan Limited	(100)	100

**National Bank of Pakistan - Parent company**

Bank balance	14,335	14,847
Profit receivable ***	4,227	271

**Key management personnel of the Management Company**

Units held: 4,155,542 units (30 June, 2023: 3,928,963 units)	41,555	39,290
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**Portfolio managed by the Management Company**

Units held: 31,965,275 units (30 June, 2023: 35,125,606 units)	319,652	351,256
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**K-Electric Limited - common directorship**

Short term sukuks held: 1,430 units (30 June, 2023: 1,655 units)	1,430,000	1,655,000
Profit receivable on short term sukuks	63,705	86,660

**NBP Islamic Capital Preservation Plan - VI**

Units held: Nil units (30 June, 2023: 603,674 units)	-	6,037
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**Baltoro Partners (Private) Limited - common directorship**

Units held: 467,782 units (30 June, 2023: 374 units)	4,678	4,483
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\* Prior period comparative has not been shown as the company was not a related party / connected person as at September 30, 2023.

## 13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 30, 2023.

## 14 GENERAL

- 14.1 Figures in these condensed interim financial statements have been rounded off to the nearest thousand of rupees.
- 14.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation.

For NBP Fund Management Limited  
(Management Company)

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Chief Financial Officer

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Chief Executive Officer

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Director

## Head Office

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