

NBP FUNDS

Managing Your Savings

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اسلامک سیونگز

Islamic Savings

NBP Fund Management Limited



NBP ISLAMIC MONEY MARKET 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

Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
Bank Alfalah Limited

Auditors

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

Legal Advisor

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

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

DIRECTORS' REPORT

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

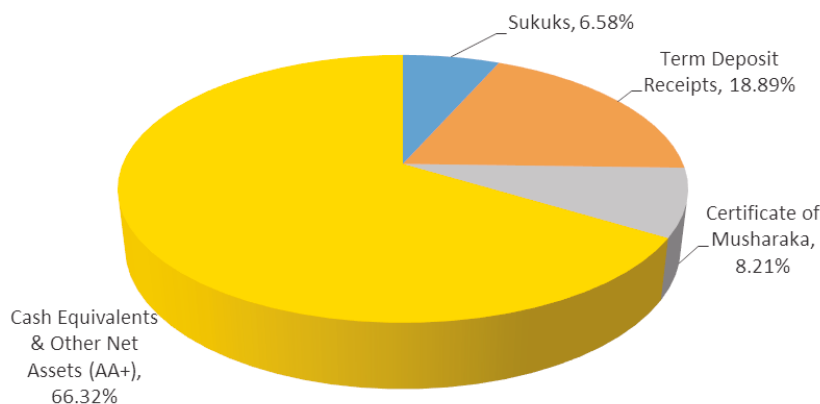
Fund's Performance

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 stand 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.

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

The size of NBP Islamic Money Market Fund has increased from Rs. 14,665 million to Rs. 18,262 million during the period (i.e., a handsome growth of 25%). The unit price of the Fund has increased from Rs. 10.1322 on June 30, 2023 to Rs. 10.6428 on September 30, 2023, thus showing return of 20.0% 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. 868.99 million during the period. After deducting total expenses of Rs. 46.86 million, the net income is Rs. 822.13 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIMMF.



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: October 30, 2023
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2023ء کو ختم ہونے والی سہ ماہی کے لئے NBP اسلامک منی مارکیٹ فنڈ (NIMMF) کے غیر جانچ شدہ کنڈینسڈ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

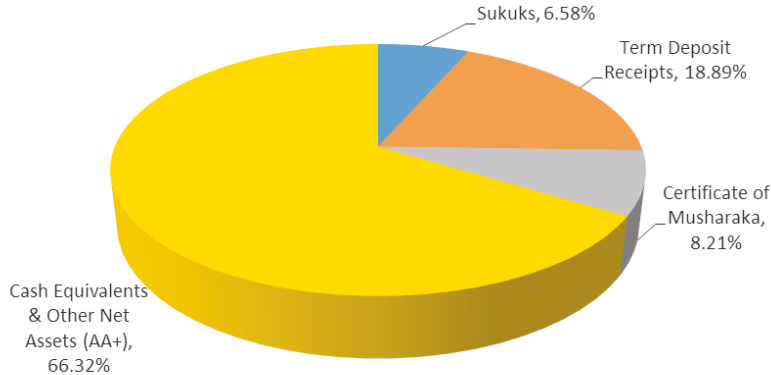
فنڈ کی کارکردگی

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 بلین امریکی ڈالر (جولائی 2023 کے مقابلے میں 543.8 بلین 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 بکسڈ کمپنیل انویسٹمنٹ کے لیے ورکنگ کمپنیل / برج فنانسنگ کی بڑھتی ہوئی فنڈنگ ضروریات کو پورا کیا جاسکے۔

NIMMF کی درجہ بندی بطور شریعہ کمپلائنڈ منی مارکیٹ فنڈ کی گئی ہے۔ اس فنڈ کا مقصد اسلامی بینکوں / تجارتی بینکوں کی اسلامی ونڈوز کی پیش کردہ منافع کی شرحوں کے مقابلے میں توازن سے بہتر منافع فراہم کرنا ہے۔ ریٹنگ کام از کم تقاضا AA ہے، جب کہ فنڈ کو چھ ماہ سے زائد میچورٹی والی سیکورٹی میں انویسٹ کرنے کی اجازت نہیں ہے۔ فنڈ کی میچورٹی کی بنی تلی اوسط مدت 90 دن سے زائد نہیں ہو سکتی، جبکہ اعلیٰ کوالٹی پروفائل کے ساتھ آسان لیکویڈیٹی بھی فراہم کرتی ہے۔

موجودہ مدت کے دوران NBP اسلامک منی مارکیٹ فنڈ کا سائز 14,665 ملین روپے سے بڑھ کر 18,262 ملین روپے ہو گیا ہے یعنی 25% کا اضافہ ہوا۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2023 کو 10.1322 روپے (EX-Div) سے بڑھ کر 30 ستمبر 2023 کو 10.6428 روپے ہو گئی، لہذا اس مدت کے دوران فنڈ نے اپنے بیچ مارک منافع 8.3% سالانہ کے مقابلے میں 20.0% سالانہ منافع درج کیا۔ فنڈ کی یہ کارکردگی میٹمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے موجودہ مدت کے دوران 868.99 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 46.86 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 822.13 ملین روپے ہے۔ درج ذیل چارٹ NIMMF کی ایسٹ ایلوکیٹیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:





اظہار تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز

NBP فونڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 30 اکتوبر 2023

مقام: کراچی

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

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
(Rupees in '000)			
ASSETS			
Bank balances	4	11,900,620	7,703,268
Investment	5	6,150,000	6,899,265
Profit receivable		319,643	250,651
Receivable against transfer of units		5,727	53,167
Deposits, prepayments and other receivable		179	322
Total assets		18,376,169	14,906,673
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company		39,681	29,750
Payable to Central Depository Company of Pakistan Limited - Trustee		886	715
Payable to the Securities and Exchange Commission of Pakistan	10	1,070	2,052
Payable against redemption of units		17,390	120,476
Accrued expenses and other liabilities		54,994	88,742
Total liabilities		114,021	241,735
NET ASSETS		18,262,148	14,664,938
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		18,262,148	14,664,938
Contingencies and commitments			
	6		
		-----Number of units-----	
Number of units in issue		1,715,910,237	1,447,364,903
		-----Rupees-----	
Net asset value per unit		10.6428	10.1322

The annexed notes from 1 to 13 form an integral part of these 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

	Note	Quarter Ended September 30, 2023	Quarter Ended September 30, 2022
(Rupees in '000)			
INCOME			
Return / profit on:			
- bank balances		496,544	174,797
- term deposit receipts		143,187	34,496
- Certificate of Musharaka		104,166	-
- sukuks		114,110	24,574
- bai maujjal		10,986	-
Total income		868,993	233,867
EXPENSES			
Remuneration of NBP Fund Management Limited - Management Company		8,315	2,215
Sindh Sales Tax on remuneration of the Management Company		1,081	288
Reimbursement of operational expenses to the Management Company		5,258	2,076
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		2,314	913
Sindh Sales Tax on remuneration of the Trustee		301	119
Annual fee to the Securities and Exchange Commission of Pakistan		3,155	332
Settlement and bank charges		55	19
Auditors' remuneration		152	192
Preliminary and floatation cost		56	56
Fund rating fee		63	63
Legal and professional charges		38	38
Annual listing fee		7	7
Printing charges		18	18
Reimbursement of selling & Marketing Expense	7	25,660	8,302
Shariah advisor fee		387	202
Total expenses		46,860	14,840
Net income for the period before taxation		822,133	219,027
Taxation	8	-	-
Net income for the period after taxation		822,133	219,027
Allocation of net income for the period:			
Net income for the period after taxation		822,133	219,027
Income already paid on units redeemed		(121,872)	(16,688)
		700,261	202,339
Accounting income available for distribution:			
- Relating to capital gain		-	-
- Excluding capital gain		700,261	202,339
		700,261	202,339

The annexed notes from 1 to 13 form an integral part of these 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)	
Net income for the period after taxation	822,133	219,027
Other comprehensive income	-	-
Total comprehensive income for the period	822,133	219,027

The annexed notes from 1 to 13 form an integral part of these 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)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	822,133	219,027
Adjustments:		
Return on - bank balances	(496,544)	(174,797)
Return on - term deposit receipts	(143,187)	(34,496)
Return on - commercial paper	(104,166)	-
Return on - sukuks	(114,110)	(24,574)
Return On Bai-Moajjal	(10,986)	-
Amortization of preliminary and floatation cost	-	56
	(868,993)	(233,811)
	(46,860)	(14,784)
(Increase) / Decrease in assets		
Investments	853,431	(45,000)
Deposits and prepayments	143	40
	853,574	(44,960)
Decrease in liabilities		
Payable to the Management Company	9,931	2,274
Payable to the Trustee	171	27
Payable to the Securities and Exchange Commission of Pakistan	(982)	(748)
Accrued expenses and other liabilities	(33,748)	(23,285)
	(24,628)	(21,732)
Return on bank balances received	695,835	191,869
Net cash generated from operating activities	1,477,921	110,393
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issuance of units	10,627,156	2,459,335
Amounts paid on redemption of units	(7,907,724)	(2,119,257)
Net cash used in financing activities	2,719,431	340,078
Net increase / (decrease) in cash and cash equivalents during the year	4,197,352	450,471
Cash and cash equivalents at the beginning of the year	7,703,268	4,532,900
Cash and cash equivalents at the end of the year	11,900,620	4,983,371

The annexed notes from 1 to 13 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 THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Money Market Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 04, 2018 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

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

The Fund is an open-ended mutual fund and classified as sharia compliant "shariah compliant money market scheme" by the Management Company and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units of the Fund are transferable and can be redeemed by surrendering them to the Fund.

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

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

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan limited (CDC) as trustee of the Fund.

During the year ended 30 June, 2021 The Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 14, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS, 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 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.

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 ACCOUNTING POLICIES

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

3.2 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.

4	BANK BALANCES	(Un-audited) September 30, 2023	(Audited) June 30, 2023
		Note	Rupees in '000
	Current accounts	578,956	145,678
	Savings accounts	11,321,664	7,557,590
		11,900,620	7,703,268
5	INVESTMENTS		
	At fair value through profit or loss		
	Sukuks	5.1 1,200,000	1,768,000
	Certificate of Musharakah	5.2 1,500,000	2,100,000
	Term Deposit Receipts	5.3	
	Term deposit receipts - short term	2,200,000	2,200,000
	Term deposit receipts - long term	1,250,000	300,000
	Bai Muajjal	5.4 -	531,265
		6,150,000	6,899,265

5.1 Sukuks

Name of the investee company	Number of certificates				Market value as at September 30, 2023	Investment as a percentage of	
	As at July 01, 2023	Purchases during the year	Disposals / matured during the year	As at September 30, 2023		Net assets	Market value of total investments
Rupees '000						----- % -----	
All sukuks have a face value of Rs. 100,000 each .							
China Power Hub Generation Co. (Pvt) Ltd	350	-	350	-	-	0.00%	0.00%
K-Electric	498	-	498	-	-	0.00%	0.00%
K-Electric	470	-	470	-	-	0.00%	0.00%
K-Electric	450	-	-	450	450,000	2.46%	7.32%
K-Electric	-	750	-	750	750,000	4.11%	12.20%
Carrying value as at September 30, 2023					1,200,000	6.57%	19.51%

5.1.1 Significant terms and conditions of sukuk outstanding as at September 30, 2023 are as follows:

Name of security	Total Face Value	Face value (unredeemed)	Profit rate (per annum)	Issue Date	Maturity Date
-----Rupees '000'-----					
K-Electric	450,000	450,000	23.42%	May 18, 2023	November 17, 2203
K-Electric	750,000	750,000	23.24%	August 09, 2023	February 09, 2024

5.2 Certificate of Musharaka

Name of the investee company	Carrying Value				Carrying Value as at June 30, 2023	Investment as a percentage of	
	As at July 01, 2023	Purchases during the year	Sold / matured during the year	As at June 30, 2023		Net assets	Market value of total investments
Rupees in '000							
UBL Ameen Islamic Banking Ltd	-	1,000,000	1,000,000	-	-	0.00%	0.00%
Meezan Bank Limited	-	2,650,000	2,650,000	-	-	0.00%	0.00%
Meezan Bank Limited	-	1,500,000	1,500,000	-	-	0.00%	0.00%
Meezan Bank Limited	-	2,300,000	2,300,000	-	-	0.00%	0.00%
UBL Ameen Islamic Banking Ltd	-	1,500,000	1,500,000	-	-	0.00%	0.00%
Faysal Bank Limited	-	1,600,000	1,600,000	-	-	0.00%	0.00%
Faysal Bank Limited	-	950,000	950,000	-	-	0.00%	0.00%
Meezan Bank Limited	-	950,000	950,000	-	-	0.00%	0.00%
UBL Ameen Islamic Banking Ltd	-	1,500,000	-	1,500,000	1,500,000	8.21%	24.39%
		13,950,000	12,450,000	1,500,000	1,500,000	8.21%	24.39%

5.2.1 This carries profit rate of 21.25% and is to be matured on 16 October 2023.

5.3 Term Deposit Receipts

Name of the investee company	Note	Face Value				Carrying Value as at September 30, 2023
		As at July 01, 2023	Purchases during the quarter	Sold / matured during the quarter	As at September 30, 2023	
Rupees in '000						
Short term						
Askari Bank Limited - Islamic Banking		500,000	-	500,000	-	-
Askari Bank Limited - Islamic Banking		500,000	-	500,000	-	-
Askari Bank Limited - Islamic Banking		200,000	-	200,000	-	-
Bank Alfalah Ltd- Islamic Banking		1,000,000	-	1,000,000	-	-
Bank Alfalah Ltd- Islamic Banking		-	1,400,000	-	1,400,000	1,400,000
Faysal Bank Limited		-	800,000	-	800,000	800,000
Long term						
Faysal Bank Ltd.		300,000	-	300,000	-	-
Allied Bank Limited-Islamic Banking		-	1,250,000	-	1,250,000	1,250,000
		2,500,000	3,450,000	2,500,000	3,450,000	3,450,000
Face value as at September 30, 2023					3,450,000	

5.4 Bai Muajjal

Name of the investee company	Face Value				Carrying Value as at September 30, 2023
	As at July 01, 2023	Purchases during the year	Sold / matured during the year	As at September 30, 2023	
----- Rupees in '000 -----					
Pak Brunei Investment Company Ltd	531,265	-	531,265	-	-

6 CONTINGENCIES AND COMMITMENTS

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

7 REIMBURSEMENT OF SELLING AND MARKETING EXPENSES

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

8 TAXATION

The 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 realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in the manner as explained above, therefore, 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.

9 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 1.11% (September 30, 2022: 0.89%) which includes 0.11% (September 30, 2021: 0.04%) representing Government Levy, Sindh Worker's Welfare Fund 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 'Shari'ah compliant Money Market scheme'.

10 Fee Payable to the Commission

As per NBFC Regulation 62(1) w.e.f. July 01, 2023, the Asset Management Company, 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 this CIS.

11 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

- 11.1 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), Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company, 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.

- 11.2** The transactions with connected persons and related parties are carried out in the normal course of business, at contracted rates and terms determined in accordance with the market norms.
- 11.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations.
- 11.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 11.5** Details of transactions with connected persons are as follows:

	<u>Un-audited</u> Quarter Ended September 30, 2023	<u>Un-audited</u> Quarter Ended September 30, 2022
	----- Rupees in '000 -----	
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	8,315	2,215
Sindh Sales Tax on Management Company's remuneration	1,081	288
Reimbursement of operational expenses to the Management Company	5,258	2,076
Reimbursement of selling & Marketing Expense	25,660	8,302
Sales load inclusive of Sindh Sales Tax	-	1,540
ADC charge	-	214
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	2,314	913
Sindh Sales Tax on Remuneration of the Trustee	301	119
CDS charges	18	1
Employees of the Management Company		
Units Issued / Trasferred In: 14,831,988 units (2022: 6,319,889 units)	154,030	65,152
Units Redeemed / Transferred Out: 11,787,799 units (2022: 4,455,161 units)	122,307	45,902
CDC Trustee NAFA Islamic Capital Preservation Plan-I		
Units issued / transferred in Nil units (2022: 244,575)	-	2,500
Unit redeemed / transferred out Nil units (2022: 758,281)	-	7,751
CDC Trustee NAFA Islamic Capital Preservation Plan-II		
Unit redeemed / transferred out Nil units (2022: 483,311)	-	5,000
CDC Trustee NAFA Islamic Capital Preservation Plan-III		
Unit redeemed / transferred out Nil units (2022: 264,678)	-	2,721
CDC Trustee NAFA Islamic Capital Preservation Plan-IV		
Units issued / transferred in Nil units (2022: 97,760)	-	1,000
Unit redeemed / transferred out Nil units (2022: 743,607)	-	7,606

NBP ISLAMIC MONEY MARKET FUND



NBP FUNDS
Managing Your Savings

NBP Fund Management Limited

	<u>Un-audited</u> <u>Quarter Ended</u> <u>September 30,</u> <u>2023</u>	<u>Un-audited</u> <u>Quarter Ended</u> <u>September 30,</u> <u>2022</u>
	----- Rupees in '000 -----	
CDC Trustee NBP Islamic Capital Preservation Plan-V		
Unit redeemed / transferred out Nil units (2022: 263,009)	-	2,700
CDC-TRUSTEE NBP ISLAMIC CAPITAL PRESERVATION PLAN VI		
Units Redeemed / Transferred Out: 1,910,269 units (2022: Nil)	20,059	-
Portfolios managed by the Management Company		
Units Issued / Trasferred In: 60,244,609 units (2022: 37,060,277 units)	615,585	374,765
Units Redeemed / Transferred Out: 16,783,225 units (2022: 8,810,717 units)	173,417	90,435
FAUJI FERTILIZER COMPANY LTD - RELATED PARTY		
Units Issued / Trasferred In: 360,245,140 units (2022: Nil)	3,688,802	-
Units Redeemed / Transferred Out: 360,245,140 units (2022: Nil)	3,712,470	-
	<u>Un-audited</u> <u>September 30,</u> <u>2023</u>	<u>Audited</u> <u>June 30,</u> <u>2023</u>
	----- Rupees in '000 -----	
11.6 Balances outstanding as at the period / year end		
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	2,835	2,222
Sindh Sales Tax payable on remuneration of the Management Company	369	289
Reimbursement of operational expenses to the Management Company	5,258	4,398
Sales load & Transfer load	4,231	760
Sindh Sales Tax on sales & transfer load	550	99
ADC charges and Sindh Sales Tax on ADC charges	627	369
Reimbursement of Selling and marketing expense	25,660	21,462
Other Payable	151	151
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	784	633
Sindh Sales tax Remuneration payable	102	82
CDC Charges	32	13
Security deposit	100	100
National Bank of Pakistan - Parent of the Management Company		
Bank balances	772	19,347
CDC-TRUSTEE NBP ISLAMIC CAPITAL PRESERVATION PLAN VI		
Investment held in the Fund: Nil units (June 2023: 1,910,269 units)	-	19,355
Portfolios managed by the Management Company		
Investment held in the Fund: 88,698,822 units (June 30, 2023: 45,237,438 units)	944,005	458,354
Khalid Mehmood - CFO ***		
Units held: 9,773 units (June 30, 2023: 9,773 units)	104	99
K Electric Limited - common directorship		
Sukuks held	1,200,000	1,418,000

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

** Balances with these parties are not disclosed as they were not connected persons and related parties during the period.

*** Nil due to rounding off.

12 DATE OF AUTHORISATION FOR ISSUE

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

13 GENERAL

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

13.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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