



**NBP FUNDS**

Managing Your Savings

Islamic Savings

Aitemaad اعتماد



اساتک ستر

**NBP Fund Management Limited**



# NBP ISLAMIC MUSTAHKAM FUND

**AM1**  
Rated by PACRA

**HALF YEARLY** REPORT  
DECEMBER 31, 2023



# 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

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.nbpffunds.com](http://www.nbpffunds.com)

## **Lahore Office:**

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

## **Islamabad Office:**

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

## **Peshawar Office:**

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

## **Multan Office:**

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

## DIRECTORS' REPORT

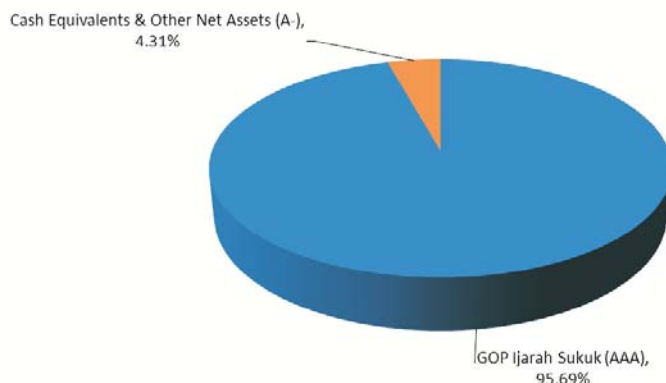
The Board of Directors of NBP Fund Management Limited is pleased to present the reviewed financial statements of **NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - II** (NIFTMP-II) for the half year ended December 31, 2023.

### Fund's Performance

During the first half of fiscal year 2024, the State Bank of Pakistan (SBP) held four Monetary Policy Committee meetings, maintaining the Policy Rate at 22%. Various external and internal factors were considered, with the decision primarily attributed to the upside risks in the inflation outlook. The period was characterized by economic slowdown and uncertainty stemming from increased political noise ahead of the upcoming general elections. Scheduled debt repayments and weak investment inflows impeded the increase in foreign exchange (FX) reserves. Sovereign yields exhibited volatility initially owing to the prevailing uncertainty. However, the pressure on sovereign yields started to ease in the later part of the period due to the growing expectation of an interest rate cut in the coming half, with market participants gradually elongating their maturities. The measures taken to address the ailing economic activity hinge on continued targeted fiscal consolidation and the timely realization of planned external inflows. As of the end of December, the net liquid foreign exchange reserves held with the SBP stood at around USD 8.23 billion. The MoF conducted its first auction of 1-year fixed rate Sukuk (Government Debt Securities - GDS) through PSX. The total participation was Rs. 396 billion between the range of 18.5% an 33.4249%. The accepted amount was Rs. 30,190 million and cutoff yield was 19.5199%.

The size of NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - II has increased from Rs. 692 million to Rs. 713 million during the period, a growth of 3%. The unit price of the Fund has increased from Rs. 9.4624 (Ex-Div) on June 30, 2023 to Rs. 10.4193 on December 31, 2023 thus showing return of 20.1% p.a. as compared to its benchmark return of 6.6% p.a. for the same period. The performance of the Fund is net of management fee and other expenses.

The Fund has earned a total income of Rs. 71.85 million during the period. After deducting total expenses of Rs. 4.00 million, the net income is Rs. 67.85 million. The asset allocation of NIFTMP-II as on December 31, 2023 is as follows:



## Acknowledgement

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

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

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

**Chief Executive Officer**

**Director**

**Date: February 29, 2024**

**Place: Karachi.**

## ڈائریکٹرز رپورٹ

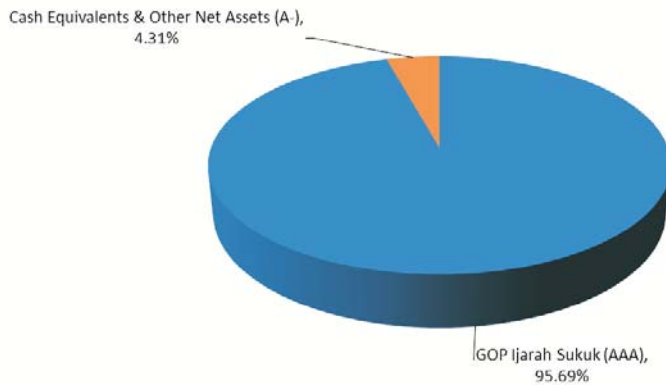
NBP فنڈ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2023ء کو ختم ہونے والی مدت کے لئے NBP اسلامک مستحکم فنڈ - NBP اسلامک فکسڈ ٹرم منافع پلان II (NIFTMP-II) کے جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

مالی سال 24 کی پہلی ششماہی کے دوران، بینک دولت پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (MPC) کے چار اجلاس منعقد کئے، پالیسی ریٹ 22% پر برقرار رکھا۔ مختلف بیرونی اور داخلی عوامل پر غور کرتے ہوئے، بنیادی طور پر یہ فیصلہ افراط زر کے نقطہ نظر میں زیادہ خطرات کی وجہ سے کیا گیا۔ اس عرصہ میں معاشی سست روی اور عام انتخابات سے قبل سیاسی شور سے پیدا ہونے والی غیر یقینی صورتحال کی نشاندہی کی گئی تھی۔ شیڈول قرضوں کی ادائیگی اور کٹر ورس مایہ کاری نے زرمبادلہ کے ذخائر میں اضافہ کو روک دیا۔ موجودہ غیر یقینی صورتحال کی وجہ سے ابتدائی طور پر حکومتی منافع میں اتار چڑھاؤ آیا۔ تاہم، مالی سال 24 کی دوسری ششماہی میں شرح سود میں کمی کی توقع کی وجہ سے اس مدت کے آخر میں حکومتی منافع پر دباؤ کم ہونا شروع ہوا، جس میں مارکیٹ کے شرکاء اپنی پیچورٹیز میں بتدریج اضافہ کر رہے تھے۔ کمزور معاشی سرگرمیوں سے نمٹنے کے لئے اٹھائے گئے اقدامات کا دارومدار مسلسل ہدف شدہ مالی استحکام اور منصوبہ بند بیرونی آمد کی بروقت تکمیل پر ہے۔ دسمبر کے اختتام تک اسٹیٹ بینک پاکستان کے ہاں موجود خالص لیکویڈ زرمبادلہ کے ذخائر تقریباً 8.23 ارب ڈالر تھے۔ MoF نے PSX کے ذریعے ایک سالہ مقررہ شرح سکوک (گورنمنٹ ڈیٹ سیکورٹیز/GDS) کی پہلی نیلامی کی۔ مجموعی شراکت داری 18.5% سے 33.4249% کے درمیان 396 ملین روپے رہی۔ قبول شدہ رقم 30,190 ملین روپے اور کٹ آف منافع 19.5199 فیصد رہا۔

موجودہ مدت کے دوران NBP اسلامک مستحکم فنڈ - NBP اسلامک فکسڈ ٹرم منافع پلان II کا سائز 692 ملین روپے سے بڑھ کر 713 ملین روپے ہو گیا، 3% کا اضافہ ہوا ہے۔ فنڈ کے یونٹ کی قیمت 30 جون 2023 کو (EX-Div) 9.4624 روپے سے بڑھ کر 31 دسمبر 2023 کو 10.4193 روپے ہو چکی ہے، لہذا اسی مدت کے لئے 6.6% سالانہ کے بیچ مارک ریٹرن کے مقابلے 20.1% کار ریٹرن ظاہر کیا ہے۔ یہ کارکردگی منیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ کو موجودہ مدت کے دوران 71.85 ملین روپے کی مجموعی آمدنی ہوئی ہے۔ 4.00 ملین روپے کے مجموعی اخراجات منہا کرنے کے بعد خالص آمدنی 67.85 ملین روپے ہے۔ NIFTMP-II کی ایسٹ ایلوکیٹن 31 دسمبر 2023 کو بمطابق ذیل ہے:



### اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے منیجمنٹ 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 فنڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 29 فروری 2024ء

مقام: کراچی

## TRUSTEE REPORT TO THE UNIT HOLDERS

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

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Islamic 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 six months period ended December 31, 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, February 28, 2024

## INDEPENDENT AUDITORS' REVIEW REPORT TO THE UNITHOLDERS

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP Islamic Mustahkam Fund** (the Fund) as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year ended December 31, 2023. The Management Company (NBP Fund Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement for the quarter ended December 31, 2023 and December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2023.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### A.F. Ferguson & Co.

Chartered Accountants

Karachi

Engagement Partner: **Noman Abbas Sheikh**

Dated: February 29, 2024

UDIN: RR2023100615jxGcML9s

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

(Un-audited)				(Audited)			
Note	December 31, 2023			June 30, 2023			
	NIFTM Plan-I	NIFTM Plan-II	Total	NIFTM Plan-I	NIFTM Plan-II	Total	
(Rupees in '000)			(Rupees in '000)				
<b>ASSETS</b>							
Banks balances	4	2,313	2,025	4,338	2,493	5,731	8,224
Investments	5	-	682,682	682,682	384,000	659,713	1,043,713
Profit receivable		324	30,218	30,542	6,612	28,865	35,477
Prepayments		-	14	14	-	-	-
Preliminary expenses and floatation costs	6	-	51	51	114	138	252
<b>Total assets</b>		2,637	714,990	717,627	393,219	694,447	1,087,666
<b>LIABILITIES</b>							
Payable to NBP Fund Management Limited - the Management Company	7	355	1,090	1,445	537	1,242	1,779
Payable to Central Depository Company of Pakistan Limited - the Trustee	8	-	37	37	21	35	56
Payable to the Securities and Exchange Commission of Pakistan	9	-	45	45	7	29	36
Accrued expenses and other liabilities	10	2,282	386	2,668	814	1,433	2,247
<b>Total liabilities</b>		2,637	1,558	4,195	1,379	2,739	4,118
<b>NET ASSETS</b>		-	713,432	713,432	391,840	691,708	1,083,548
<b>UNIT HOLDERS' FUND</b>		-	713,432	713,432	391,840	691,708	1,083,548
(AS PER STATEMENT ATTACHED)							
<b>CONTINGENCIES AND COMMITMENTS</b>							
11							
----- No. of units -----				----- No. of units -----			
<b>NUMBER OF UNITS IN ISSUE</b>		-	68,472,142	39,079,898	68,987,703		
-----Rupees-----				-----Rupees-----			
<b>NET ASSET VALUE PER UNIT</b>	12	-	10.4193	10.0266	10.0265		

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

Note	For the period from July 1, 2023 to August 31, 2023	Half year ended December 31, 2023	Total	Quarter ended December 31, 2023		Total
	NIFTM Plan-I	NIFTM Plan-II		NIFTM Plan-I	NIFTM Plan-II	
	(Rupees in '000)			(Rupees in '000)		
<b>INCOME</b>						
Profit on bank balances	288	484	772	-	258	258
Income on GoP Ijarah sukuks	-	71,418	71,418	-	36,240	36,240
Income on term deposit receipts	12,494	-	12,494	-	-	-
Contingent load income	12	35	47	-	-	-
	12,794	71,937	84,731	-	36,498	36,498
Loss on sale of investments - net	-	(37)	(37)	-	(2)	(2)
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	-	(48)	(48)	-	6	6
5.2	-	(85)	(85)	-	4	4
<b>Total income</b>	12,794	71,852	84,646	-	36,502	36,502
<b>EXPENSES</b>						
Remuneration of NBP Fund Management Limited - the Management Company	7.1	280	1,661	-	912	912
Sindh sales tax on remuneration of the Management Company	7.2	36	216	-	119	119
Reimbursement of allocated expenses	7.3	98	532	-	266	266
Reimbursement of selling and marketing expenses	7.4	139	665	-	266	266
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	8.1	36	195	-	97	97
Sindh sales tax on remuneration of the Trustee	8.2	5	25	-	12	12
Annual fee to the Securities and Exchange Commission of Pakistan	9.1	49	266	-	133	133
Settlement and bank charges		86	82	-	68	68
Annual listing fee		5	17	-	10	10
Auditors' remuneration		93	159	-	23	23
Legal and professional charges		16	36	-	26	26
Shariah advisory fee		2	48	-	39	39
Amortisation of preliminary expenses and floatation costs	6	114	87	-	43	43
Printing charges		9	13	-	8	8
<b>Total expenses</b>		968	4,002	-	2,022	2,022
<b>Net income for the period before taxation</b>		11,826	67,850	-	34,480	34,480
Taxation	13	-	-	-	-	-
<b>Net income for the period after taxation</b>		11,826	67,850	-	34,480	34,480
<b>Earnings per unit</b>	14					
<b>Allocation of net income for the period</b>						
Net income for the period after taxation		11,826	67,850		79,676	
Income already paid on units redeemed		(29)	(120)		(149)	
		11,797	67,730		79,527	
<b>Accounting income available for distribution</b>						
- Relating to capital gains		-	-		-	
- Excluding capital gains		11,797	67,730		79,527	
		11,797	67,730		79,527	

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

	For the period from July 1, 2023 to August 31, 2023	Half year ended December 31, 2023	Total	Quarter ended December 31, 2023		Total
	NIFTM Plan-I	NIFTM Plan-II		NIFTM Plan-I	NIFTM Plan-II	
	(Rupees in 000)			(Rupees in 000)		
Net income for the period after taxation	11,826	67,850	79,676	-	34,480	34,480
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>11,826</b>	<b>67,850</b>	<b>79,676</b>	<b>-</b>	<b>34,480</b>	<b>34,480</b>

The annexed notes from 1 to 19 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 UNIT HOLDERS' FUND FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	For the period from July 1, 2023 to August 31, 2023			Half year ended December 31, 2023		
	NIFTM Plan-I			NIFTM Plan-II		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
(Rupees in '000)						
Net assets at the beginning of the period (audited)	390,801	1,039	391,840	689,664	2,044	691,708
Issuance of units:						
NIFTMP- I: 1,092,903 units & NIFTMP- II: 854 units						
- Capital value (at net asset value per unit at the beginning of the period)	10,958	-	10,958	9	-	9
- Element of income	(22)	-	(22)	-	-	-
Total proceeds on issuance of units	10,936	-	10,936	9	-	9
Redemption of units:						
NIFTMP- I: 40,172,801 units & NIFTMP- II: 516,415 units						
- Capital value (at net asset value per unit at the beginning of the period)	(402,797)	-	(402,797)	(5,178)	-	(5,178)
- Element of loss	833	(29)	804	(21)	(120)	(141)
Total payments on redemption of units	(401,964)	(29)	(401,993)	(5,199)	(120)	(5,319)
Total comprehensive income for the period	-	11,826	11,826	-	67,850	67,850
Distribution for the period ended August 31, 2023: NIFTMP- I						
- @ Re. 0.0134 per unit declared on July 06, 2023	-	(520)	(520)	-	-	-
Distribution for the period ended August 31, 2023: NIFTMP- I						
- @ Re. 0.3197 per unit declared on August 31, 2023	-	(12,089)	(12,089)	-	-	-
Distribution for the period ended December 31, 2023: NIFTMP-II						
- @ Re. 0.5961 per unit declared on October 31, 2023	-	-	-	(9)	(40,807)	(40,816)
	-	(12,609)	(12,609)	(9)	(40,807)	(40,816)
<b>Net assets at the end of the period (un-audited)</b>	<b>(227)</b>	<b>227</b>	<b>-</b>	<b>684,465</b>	<b>28,967</b>	<b>713,432</b>
Undistributed income brought forward						
- Realised income		1,039			1,331	
- Unrealised income		-			713	
		1,039			2,044	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		11,797			67,730	
		11,797			67,730	
Distribution during the period		(12,609)			(40,807)	
Undistributed income carried forward		227			28,967	
Undistributed income carried forward						
- Realised income		227			29,015	
- Unrealised loss		-			(48)	
		227			28,967	
Net asset value per unit at the beginning of the period			Rupees 10.0266			Rupees 10.0265
Net asset value per unit at the end of the period			-			10.4193

The annexed notes from 1 to 19 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 CASH FLOW (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	For the period from July 1, 2023 to August 31, 2023	Half year ended December 31, 2023	Total
Note	NIFTM Plan-I	NIFTM Plan-II	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Net income for the period before taxation</b>			
	11,826	67,850	79,676
<b>Adjustments</b>			
Income on GoP Ijarah sukuks	-	(71,418)	(71,418)
Profit on balances with banks	(288)	(484)	(772)
Loss on sale of investments - net	-	37	37
Income on term deposit receipts	(12,494)	-	(12,494)
Unrealised diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	-	48	48
Amortisation of preliminary expenses and floatation costs	114	87	201
	(12,668)	(71,730)	(84,398)
<b>Increase in assets</b>			
Investments	-	(23,054)	(23,054)
Prepayments	-	(14)	(14)
	-	(23,068)	(23,068)
<b>(Decrease) / increase in liabilities</b>			
Payable to NBP Fund Management Limited - the Management Company	(182)	(152)	(334)
Payable to the Central Depository Company of Pakistan Limited - the Trustee	(21)	2	(19)
Payable to the Securities and Exchange Commission of Pakistan	(7)	16	9
Accrued expenses and other liabilities	1,468	(1,047)	421
	1,258	(1,181)	77
Profit received on bank balances and sukuk certificates	19,070	70,549	89,619
<b>Net cash generated from operating activities</b>	<b>19,486</b>	<b>42,420</b>	<b>61,906</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net receipts from issuance of units - net of refund of capital	10,936	-	10,936
Net payments against redemption of units	(401,993)	(5,319)	(407,312)
Distributions paid	(12,609)	(40,807)	(53,416)
<b>Net cash used in financing activities</b>	<b>(403,666)</b>	<b>(46,126)</b>	<b>(449,792)</b>
<b>Net decrease in cash and cash equivalents during the period</b>	<b>(384,180)</b>	<b>(3,706)</b>	<b>(387,886)</b>
Cash and cash equivalents at the beginning of the period	386,493	5,731	392,224
<b>Cash and cash equivalents at the end of the period</b>	<b>2,313</b>	<b>2,025</b>	<b>4,338</b>

The annexed notes from 1 to 19 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 THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 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 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 was required to be registered under 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 at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from May 30, 2023 for NIFTMP Plan - I and April 17, 2023 for NIFTMP Plan - II 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 (June 30, 2023: AM1) as at June 22, 2023 to the Management Company. The Fund has not yet been rated.
- 1.7 The title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.
- 1.8 During the current period, NBP Islamic Fixed Term Munafa Plan I matured on August 31, 2023 as per the provisions of the offering document.

## 2 BASIS OF PRESENTATION

### 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 Regulation) Rules, 2003 (the NBFC Rules), 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.

- 2.2** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of the financial statements and should be read in conjunction with the published annual audited financial statements of the Fund for the year ended June 30, 2023.
- 2.3** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at and for the half year ended December 31, 2023.

## 3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGMENTS AND CHANGES THEREIN

- 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 these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the 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 these 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 in the audited annual 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 audited annual financial statements as at and for the year ended June 30, 2023.



### 3.3 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are effective in the current period

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

### 3.4 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are not yet effective

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2024. However, these will not have any significant effects on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

		----- (Un-audited) -----			----- (Audited) -----			
Note	December 31, 2023			June 30, 2023				
	NIFTM Plan-I	NIFTM Plan-II	Total	NIFTM Plan-I	NIFTM Plan-II	Total		
		----- (Rupees in '000) -----			----- (Rupees in '000) -----			
4	<b>BANK BALANCES</b>							
	Balances with banks in:							
	Savings accounts	4.1	2,313	2,025	4,338	2,493	5,731	8,224
			2,313	2,025	4,338	2,493	5,731	8,224

4.1 The savings accounts carry profit at rates ranging from 19.50% to 20.50% per annum for NIFTM Plan I and NIFTM Plan II (June 30, 2023: 19.50% to 20.50% per annum for NIFTM Plan II).

		----- (Un-audited) -----			----- (Audited) -----		
Note	December 31, 2023			June 30, 2023			
	NIFTM Plan-I	NIFTM Plan-II	Total	NIFTM Plan-I	NIFTM Plan-II	Total	
4.2	CASH AND CASH EQUIVALENTS	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Bank balances	2,313	2,025	4,338	2,493	5,731	8,224	
Term deposit receipts	-	-	-	384,000	-	384,000	
	2,313	2,025	4,338	386,493	5,731	392,224	

### 5 INVESTMENTS

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

GoP Ijarah sukuks	5.1	-	682,682	682,682	-	659,713	659,713
Term deposit receipts	5.1	-	-	-	384,000	-	384,000
		-	682,682	682,682	384,000	659,713	1,043,713



## 5.1 Investments

### 5.1.1 NIFTM Plan - I - Term Deposit Receipts

Name of investee company	Rating	Maturity date	Profit rate	As at July 1, 2023	Purchased during the period	Matured during the period	As at December 31, 2023	Carrying Value as at December 31, 2023	Market value as at December 31, 2023	Unrealised appreciation / (diminution)	Percentage in relation to net assets of the Fund	total market value of investments of the Fund
(Rupees in '000)											%	
<b>ISLAMIC BANKS</b>												
Faysal Bank Limited	AA, PACRA	August 31, 2023	19.90%	200,000	-	200,000	-	-	-	-	-	-
Allied Bank Limited	AAA, PACRA	August 31, 2023	20.20%	184,000	-	184,000	-	-	-	-	-	-
Total as at December 31, 2023 (un-audited)								-	-	-	-	-
Total as at June 30, 2023 (audited)								384,000	384,000	-		

### 5.1.2 NIFTM Plan - II - GOP Ijarah Sukuks

Name of the security	Profit payments	Maturity date	Profit rate	As at July 1, 2023	Purchased during the period	Sold during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised (diminution) / appreciation	Percentage in relation to net assets of the Fund	total market value of investments of the Fund
				Number of certificates			(Rupees in '000)				%	
GoP Ijarah sukuk GIS - FRR - XX (Face value of Rs. 100,000 per certificate)	Semi-annually	April 17, 2024	21.25%	6,590	310	80	6,820	682,730	682,682	(48)	95.69%	100.00%
Total as at December 31, 2023 (unaudited)								682,730	682,682	(48)	95.69%	100.00%
Total as at June 30, 2023 (audited)								659,000	659,713	713		

## 5.2 Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net

Note	(Un-audited)			(Audited)		
	December 31, 2023			June 30, 2023		
	NIFTM Plan-I	NIFTM Plan-II	Total	NIFTM Plan-I	NIFTM Plan-II	Total
	(Rupees in '000)			(Rupees in '000)		
5.1	-	682,682	682,682	384,000	659,713	1,043,713
5.1	-	(682,730)	(682,730)	(384,000)	(659,000)	(1,043,000)
	-	(48)	(48)	-	713	713

## 6 PRELIMINARY EXPENSES AND FLOATION COSTS

At the beginning of the period / year		114	138	252	173	173	346
Less: amortisation during the period / year	6.1	(114)	(87)	(201)	(59)	(35)	(94)
At the end of the period / year		-	51	51	114	138	252

6.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are paid by NBP Fund Management Limited (Management Company). These costs are being amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations.

## 7 PAYABLE TO NBP FUND MANAGEMENT LIMITED - THE MANAGEMENT COMPANY - RELATED PARTY

		(Un-audited)			(Audited)		
	Note	December 31, 2023			June 30, 2023		
		NIFTM Plan-I	NIFTM Plan-II	Total	NIFTM Plan-I	NIFTM Plan-II	Total
		(Rupees in '000)			(Rupees in '000)		
Remuneration payable to the Management Company	7.1	-	309	309	135	84	219
Sindh sales tax on remuneration payable to the Management Company	7.2	-	40	40	18	11	29
Reimbursement of allocated expenses payable	7.3	-	265	265	52	216	268
Reimbursement of selling and marketing expenses payable	7.4	139	265	404	117	720	837
Payable against preliminary expenses and floatation cost		173	173	346	173	173	346
Other payable to the Management Company		43	38	81	42	38	80
		355	1,090	1,445	537	1,242	1,779

- 7.1** As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold the Management Company has charged its remuneration at the rate of 2.5% of gross earnings for NIFTM Plan - I and NIFTM Plan - II, subject to minimum of 0.15% (June 30, 2023: NIFTM Plan - I : 0.40% and NIFTM Plan - II: 0.15%) of the average daily net assets and 8% per annum of the gross earnings of the Scheme during the period from July 1, 2023 to August 31, 2023 and July 1, 2023 to December 31, 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 0.036 million in NIFTM Plan - I and Rs 0.216 million NIFTM Plan - II was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (June 30, 2023:13%).
- 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% (June 30, 2023: 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% of the average annual net assets in NIFTM Plan - I for the period July 1, 2023 to August 31, 2023 and 0.50% of the average annual net assets in NIFTM Plan - II for the period July 1, 2023 to July 20, 2023 and 0.15% of the average annual net assets for the period July 21, 2023 to December 31, 2023 (June 30, 2023: NIFTM Plan - I : 0.35% and NIFTM Plan - II: 0.50%), keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008.

## 8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE - RELATED PARTY

Note	(Un-audited)			(Audited)		
	December 31, 2023			June 30, 2023		
	NIFTM Plan-I	NIFTM Plan-II	Total	NIFTM Plan-I	NIFTM Plan-II	Total
	(Rupees in '000)			(Rupees in '000)		
Trustee fee payable	8.1	-	33	19	31	50
Sindh sales tax payable on the Trustee fee	8.2	-	4	2	4	6
	-	37	37	21	35	56

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.055% (June 30, 2023: 0.055%) per annum of net assets.
- 8.2 During the period, an amount of Rs 0.005 million in NIFTM Plan - I and Rs 0.025 million in NIFTM Plan - II was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (June 30, 2023:13%).

## 9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Note	(Un-audited)			(Audited)		
	December 31, 2023			June 30, 2023		
	NIFTM Plan-I	NIFTM Plan-II	Total	NIFTM Plan-I	NIFTM Plan-II	Total
	(Rupees in '000)			(Rupees in '000)		
Annual fee payable	9.1	-	45	7	29	36

- 9.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2023, the SECP vide SRO No. 692(I)/2023 dated May 17, 2023, has revised the rate of fee to 0.075% per annum of the daily net assets of the Fund, applicable to "Shariah Compliant Fixed Rate". Previously, the rate of fee applicable on all categories of CISs was 0.02% per annum of the daily net assets of the Fund. Accordingly, the Fund has charged the SECP fee at the rate of 0.075% per annum of the daily net assets during the period.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

## 10 ACCRUED EXPENSES AND OTHER LIABILITIES

Note	(Un-audited)			(Audited)		
	December 31, 2023			June 30, 2023		
	NIFTM Plan-I	NIFTM Plan-II	Total	NIFTM Plan-I	NIFTM Plan-II	Total
	(Rupees in '000)			(Rupees in '000)		
Auditors' remuneration payable	-	148	148	119	221	340
Bank and settlement charges payable	97	39	136	2	26	28
Legal and professional charges payable	5	88	93	18	85	103
Printing charges payable	7	26	33	2	26	28
Shariah advisor fee payable	4	66	70	3	18	21
Withholding tax payable	1,591	19	1,610	670	1,057	1,727
Annual listing fee	5	-	5	-	-	-
Other payable	573	-	573	-	-	-
	2,282	386	2,668	814	1,433	2,247

## 11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2023 and June 30, 2023.

## 12 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.

## 13 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 intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2024 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these condensed interim financial statements during the period.

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.

## 14 EARNINGS PER UNIT

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

## 15 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.50% in NIFTM Plan - I and 1.13% in NIFTM Plan - II which includes 0.14% in NIFTM Plan - I and 0.14% in NIFTM Plan - II representing government levies such as sales taxes and SECP fee. The TER excluding government levies is 1.36% in NIFTM Plan - I and 0.99% 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 a 'Shariah Compliant Fixed Rate'.

## 16 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

**16.1** 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 (NBP) and 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 being 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.

**16.2** Transactions with related parties / connected persons are executed on an arm's length basis and 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.



- 16.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 16.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 16.5** Allocated expenses and selling and marketing expenses are reimbursed by the Fund to the Management Company subject to the maximum prescribed Total Expense Ratio.

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

(Un-audited)		
December 31, 2023		Total
NIFTM Plan-I	NIFTM Plan-II	
(Rupees in '000)		

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

Remuneration of the Management Company	280	1,661	1,941
Sindh sales tax on remuneration of the Management Company	36	216	252
Reimbursement of allocated expenses	98	532	630
Reimbursement of selling and marketing expenses	139	665	804

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

Remuneration of the Trustee	36	195	231
Sindh sales tax on remuneration of the Trustee	5	25	30
Settlement charges	1	18	19

**Portfolio managed by the Management Company**

Units issued: 46 units **	-	-	-
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**GCL Officers Provident Fund - unit holder with more than 10% holding**

Units issued: 104 units **	-	-	-
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**Raghib Rashid - unit holder with more than 10% holding more than 10% holding**

Dividend reinvested: 143,577 units	1,436,627	-	1,436,627
Units redeemed: 5,212,057 units	52,143,505	-	52,143,505

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

Dividend reinvested: 129,026 units	1,291,026	-	1,291,026
Units redeemed: 4,683,823 units	46,858,839	-	46,858,839





## 16.7 Amounts / balances outstanding as at period end are as follows:

	(Un-audited)			(Audited)		
	December 31, 2023			June 30, 2023		
	NIFTM Plan-I	NIFTM Plan-II	Total	NIFTM Plan-I	NIFTM Plan-II	Total
	(Rupees in '000)			(Rupees in '000)		
<b>NBP Fund Management Limited - the Management Company</b>						
Remuneration payable to the Management Company	-	309	309	135	84	219
Sindh sales tax on remuneration payable to the Management Company	-	40	40	18	11	29
Reimbursement of allocated expenses payable	-	265	265	52	216	268
Reimbursement of selling and marketing expenses payable	139	265	404	117	720	837
Payable against preliminary expenses and floatation costs	173	173	346	173	173	346
Other payable to the Management Company	43	38	81	42	38	80
<b>Central Depository Company of Pakistan Limited - the Trustee</b>						
Remuneration payable to the Trustee	-	33	33	19	31	50
Sindh sales tax payable on remuneration of the Trustee	-	4	4	2	4	6
<b>Portfolio managed by the Management Company</b>						
Units held: 3,527,867 (June 30, 2023: 3,527,821 units)	-	36,759	36,759	-	35,372	35,372
<b>GCL Officers Provident Fund- unit holder with more than 10% holding</b>						
Units held: 7,791,507 units (June 30, 2023: 7,791,403 units)	-	81,182	81,182	-	78,121	78,121
<b>Master Textile Provident Fund - unit holder with more than 10% holding *</b>						
Units held: Nil (June 30, 2023: 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: Nil (June 30, 2023: 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: Nil (June 30, 2023: 4,554,797 units)	-	-	-	45,669	-	45,669

\*Current period figures have not been presented as the person is not a related party / connected person as at December 31, 2023.

\*\* Nil due to rounding off

## 17 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 December 31, 2023 and June 30, 2023 the Fund held the following financial instruments measured at fair value.

### 17.1 NIFTM Plan-I

	Un-audited				Audited			
	As at December 31, 2023				As at June 30, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				(Rupees in '000)			
<b>ASSETS</b>								
Investments - financial assets 'at fair value through profit or loss'								
- Term Deposits Receipts*	-	-	-	-	-	384,000	-	384,000
<b>Total</b>	-	-	-	-	-	384,000	-	384,000

### 17.2 NIFTM Plan-II

	Un-audited				Audited			
	As at December 31, 2023				As at June 30, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				(Rupees in '000)			
<b>ASSETS</b>								
Investments - financial assets 'at fair value through profit or loss'								
- GoP Ijarah Sukuks	-	682,682	-	682,682	-	659,713	-	659,713
<b>Total</b>	-	682,682	-	682,682	-	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.



## 18 GENERAL

Figures in these condensed interim financial statements have been rounded off to the nearest thousand of Rupees unless otherwise stated.

## 19 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 29, 2024.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

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