

NBP FUNDS

Managing Your Savings

Aitemaad اعتماد



اسلامک سیونرز

Islamic Savings

NBP Fund Management Limited



NBP ISLAMIC MAHANA AMDANI FUND

QUARTERLY REPORT
MARCH 31, 2024

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

Al Baraka Bank Limited
Allied Bank Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Bank Alfalah Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Silk Bank Limited
Soneri Bank Limited

Auditors

Yousuf Adil
Chartered Accountants
Cavish Court,
A-35, Block 7 & 8,
KCHSU, Sharae Faisal
Karachi-75350 Pakistan.

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 financial statements of **NBP Islamic Mahana Amdani Fund (NIMAF)** for the period ended March 31, 2024.

Fund's Performance

The market witnessed issuance of a decent size of corporate sukuk to meet the increasing funding need for fixed capital investments and working capital, respectively. In the secondary market, the trading activity in corporate sukuk declined with traded value of around Rs. 3.6 billion compared to Rs. 4.9 billion, during the same period last year. Throughout the first nine months of fiscal year 2024, the State Bank of Pakistan (SBP) convened six Monetary Policy Committee (MPC) meetings, maintaining the policy rate at 22%. This decision was made in light of a recent decrease in inflation, although the committee remained cautious due to persisting risks and challenges. Despite some improvements in the inflation outlook, which remains elevated, the need for a prudent approach to monetary policy was emphasized, particularly considering significant adjustments in administered energy prices that have impacted inflation outcomes and future projections.

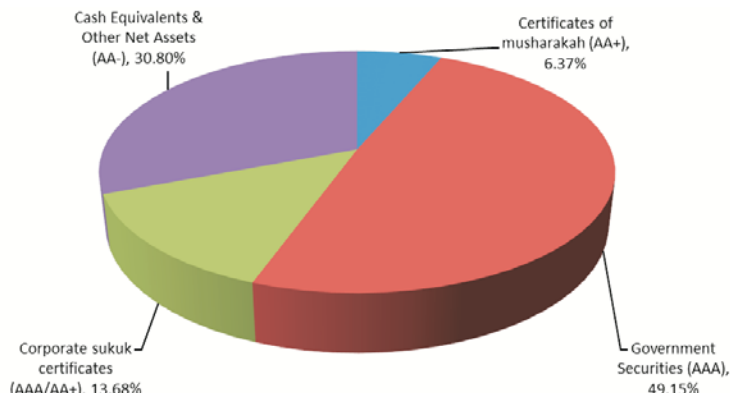
The MPC considered various factors, including an improved agricultural outlook, fluctuations in global oil prices, and ongoing efforts toward fiscal consolidation. However, the economic situation continues to face challenges due to lack of fiscal discipline. Additionally, escalating geopolitical tensions have led to increased global freight charges, posing threats to global trade and commodity prices.

As of March 29, 2024, the net liquid foreign exchange reserves held with the SBP stood at approximately USD 8.04 billion

NIMAF is categorized as a Shariah Compliant Income Fund and has been awarded stability rating of 'A+ (f)' by PACRA. The Fund aims to provide monthly income to investors by investing in Shariah Compliant money market and debt avenues. Minimum eligible rating is A-, while the Fund is allowed to invest with Islamic Banks, Islamic branches / windows of conventional banks providing easy liquidity. The Fund is allowed to invest in Shariah Compliant Money Market instruments & debt securities rated A- or better. The Fund is not authorized to invest in Equities. The weighted average time to maturity of the Fund cannot exceed 4 years excluding government securities.

The size of NBP Islamic Mahana Amdani Fund has increased from Rs. 8,616 million to Rs. 13,662 million during the period (an increase of 58.6%). During the period, the unit price of the Fund has increased from Rs. 10.1057 on June 30, 2023 to Rs. 11.6721 on March 31, 2024, thus showing return of 20.6% as compared to the benchmark return of 9.8% 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. 1,743.844 million during the period. After deducting total expenses of Rs. 150.607 million, the net income is Rs. 1,593.237 million. The chart below presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIMAF.



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: **April 25, 2024**

Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بھد مسرت 31 مارچ 2024ء کو ختم ہونے والی نو ماہی کے لئے NBP اسلامک ماہانہ آمدنی فنڈ (NIMAF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

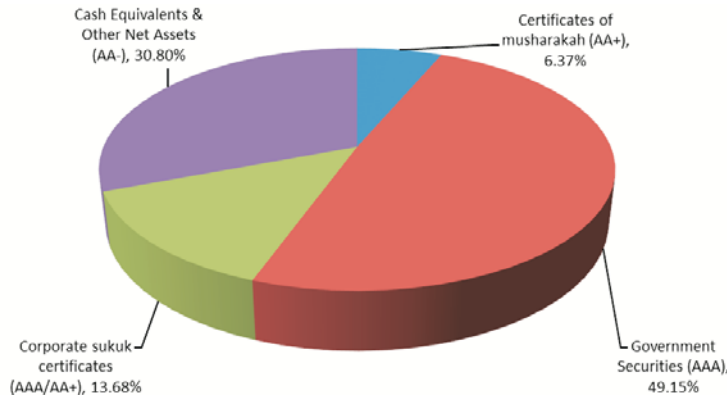
مارکیٹ نے بالترتیب فاسڈ کیپٹل انویسٹمنٹ اور ورکنگ کیپٹل کی بڑھتی ہوئی فنڈنگ کی ضرورت کو پورا کرنے کے لیے کارپوریٹ سکوک کے معقول سائز کا اجراء دیکھا۔ ثانوی مارکیٹ میں، کارپوریٹ سکوک میں تجارتی سرگرمی کم رہی، جس نے پچھلے سال کی اسی مدت میں 4.9 بلین روپے کے برعکس 3.6 بلین روپے کی مجموعی تجارتی قیمت ریکارڈ کی ہے۔ مالی سال 24 کی نو ماہی کے دوران، بینک دولت پاکستان (SBP) نے مائٹری پالیسی کمیٹی (MPC) کے چھ اجلاس منعقد کئے، پالیسی ریٹ 22% پر برقرار رکھا۔ یہ فیصلہ افراط زر میں حالیہ کمی کی روشنی میں کیا گیا تھا، اگرچہ کمیٹی درپیش خطرات اور مشکلات کے باعث محتاط رہی۔ افراط زر کے نقطہ نظر میں کچھ بہتری کے باوجود، جو زیادہ رہی، مائٹری پالیسی کے لیے ایک محتاط اروج کی ضرورت پر زور دیا گیا، خاص طور پر زیر انتظام توانائی کی قیمتوں میں اہم ایڈجسٹمنٹ پر غور کیا گیا جس نے افراط زر کے نتائج اور مستقبل کے تخمینوں کو متاثر کیا ہے۔

MPC نے بہتر زرعی نقطہ نظر، تیل کی عالمی قیمتوں میں اتار چڑھاؤ، اور مالی استحکام کی جانب جاری کوششوں سمیت مختلف عوامل پر غور کیا۔ تاہم، مالیاتی نظم و ضبط کے فنڈران کی وجہ سے معاشی صورتحال کو مسلسل چیلنجز کا سامنا ہے۔ مزید برآں، بڑھتے ہوئے جغرافیائی سیاسی تناؤ کی وجہ سے عالمی فریٹ چارجز میں اضافہ ہوا ہے، جس سے عالمی تجارت اور اجناس کی قیمتوں کو خطرات لاحق ہیں۔ 29 مارچ 2024 تک اسٹیٹ بینک پاکستان کے ہاں موجود خالص لیکویڈز رمدادہ کے ذخائر تقریباً 8.04 بلین امریکی ڈالر تھے۔

NIMAF شریعت کے مطابق انکم فنڈ کے طور پر درجہ بندی کیا جاتا ہے۔ فنڈ کا مقصد شریعی مطابقت پذیر منی مارکیٹ اور قرض کی آمد میں سرمایہ کاری کر کے سرمایہ کاروں کو ماہانہ آمدنی فراہم کرنا ہے۔ کم از کم اہل درجہ بندی-A، جبکہ فنڈ اسلامی بینکوں، اسلامی شاخوں / رواہتی بینکوں کی ونڈو آسان فراہمی کرنے کے ساتھ سرمایہ کاری کرنے کی اجازت دی جاتی ہے۔ فنڈ شریعت کے مطابق Money Market Instruments اور Debt Securities میں سرمایہ کاری کرنے کی اجازت دیتا ہے جو-A یا اس سے بہتر ہو۔ فنڈ ایکویٹیز میں سرمایہ کاری کرنے کا اختیار نہیں رکھتا۔ فنڈ کی اوسط میچورٹی گورنمنٹ سیکورٹیز کے علاوہ 4 سال سے زائد نہیں ہے۔

موجودہ مدت کے دوران NBP اسلامک ماہانہ آمدنی فنڈ کا سائز 8,616 ملین روپے سے بڑھ کر 13,662 ملین روپے ہو گیا ہے یعنی 58.6% کا اضافہ ہوا۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2023 کو 10.1057 روپے (EX-Div) سے بڑھ کر 31 مارچ 2024 کو 11.6721 روپے ہو گئی، لہذا اس مدت کے دوران فنڈ نے اپنے بیچ مارک 9.8% کے مقابلے میں 20.6% منافع درج کیا۔ یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے مدت کے دوران 1,743.844 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 150.607 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 1,593.237 ملین روپے ہے۔ درج ذیل چارٹ NIMAF کی ایسٹیلیوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:





اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے منجمنٹ 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 آرٹسٹس 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: 25 اپریل 2024ء
مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2024

	Note	(Un-Audited) March 31, 2024	(Audited) June 30, 2023
(Rupees in '000)			
Assets			
Bank balances	4	3,783,488	3,439,569
Investments	5	9,454,264	5,110,561
Profit receivable		686,310	203,525
Preliminary expenses and floatation costs		-	53
Receivable against transfer of units		15,614	88,702
Deposits, prepayments and other receivables		3,100	3,023
Total assets		13,942,776	8,845,433
Liabilities			
Payable to NBP Fund Management Limited - Management Company		49,878	34,312
Payable to Central Depository Company of Pakistan Limited - Trustee		983	641
Payable to Securities and Exchange Commission of Pakistan		870	2,010
Payable against redemption of units		205,269	10,568
Accrued expenses and other liabilities		24,157	181,648
Total liabilities		281,157	229,179
Net assets		13,661,619	8,616,254
Unit holders' funds (As per Statement attached)		13,661,619	8,616,254
Contingencies and commitments			
	6	(Number of units)	
Number of units in issue		1,170,453,237	852,614,679
(Rupees)			
Net asset value per unit		11.6721	10.1057

The annexed notes 1 to 13 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 NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2024

Note	Nine Months Period Ended		Quarter Ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Rupees in '000			
Income				
Income on sukuk certificates	972,633	465,543	427,258	147,468
Income on Islamic commercial papers	-	3,977	-	-
Income on term deposit receipts	54,848	-	-	-
Income on certificates of musharakah	134,119	141,331	46,174	41,958
Profit on bank balances	583,370	573,021	209,734	227,073
	1,744,970	1,183,872	683,166	416,499
Gain / (loss) on sale of investments - net	8,798	1,487	(1,859)	1,350
Unrealised (diminution) / appreciation on re-measurement of investments at fair value through profit or loss - net	(9,924)	(26,333)	(24,657)	(17,593)
	(1,126)	(24,846)	(26,516)	(16,243)
Total income	1,743,844	1,159,026	656,650	400,256
Expenses				
Remuneration of the Management Company	40,313	16,704	15,617	5,848
Sindh Sales Tax on remuneration of the Management Company	5,241	2,172	2,031	761
Reimbursement of allocated expenses	12,538	9,788	4,975	3,355
Reimbursement of selling and marketing expenses	76,136	81,562	29,849	27,525
Remuneration of the Trustee	6,269	5,809	2,488	1,949
Sindh sales tax on remuneration of the Trustee	815	755	323	253
Annual fees to the Securities and Exchange Commission of Pakistan	6,269	1,549	2,488	520
Amortisation of preliminary expenses and floatation costs	53	151	-	50
Securities transaction cost	313	63	17	37
Settlement and bank charges	418	546	136	45
Auditors' remuneration	601	588	91	180
Annual rating fee	206	176	73	58
Shariah advisor fee	1,056	1,307	352	426
Annual listing fee	23	21	8	7
Printing charges	79	96	39	32
Legal and professional charges	277	139	45	47
Total expenses	150,607	121,426	58,532	41,093
Net income from operating activities	1,593,237	1,037,600	598,118	359,163
Net income for the period before taxation	1,593,237	1,037,600	598,118	359,163
Taxation	-	-	-	-
Net income for the period after taxation	1,593,237	1,037,600	598,118	359,163
Allocation of Net income for the period:				
Net income for the period	1,593,237	1,037,600		
Income already paid on units redeemed	(335,373)	(271,677)		
	1,257,864	765,923		
Accounting Income available for distribution:				
- Relating to capital gains	-	-		
- Excluding capital gains	1,257,864	765,923		
	1,257,864	765,923		

The annexed notes 1 to 13 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 NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2024

	Nine Months Period Ended		Quarter Ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Rupees in '000'			
Net income for the period after taxation	1,593,237	1,037,600	598,118	359,163
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u><u>1,593,237</u></u>	<u><u>1,037,600</u></u>	<u><u>598,118</u></u>	<u><u>359,163</u></u>

The annexed notes 1 to 13 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 NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Nine Months Period Ended					
	March 31, 2024			March 31, 2023		
	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total
<i>Note</i>	----- (Rupees in '000) -----					
Net Assets at beginning of the year	8,499,708	116,546	8,616,254	10,286,249	78,727	10,364,976
Issuance of 1,172,004,078 units (2023 : 608,879,763 units)						
- Capital value	11,843,922	-	11,843,922	6,125,209	-	6,125,209
- Element of Income	977,292	-	977,292	335,522	-	335,522
Total proceeds on issuance of units	12,821,214	-	12,821,214	6,460,731	-	6,460,731
Redemption of 854,165,520 units (2023 : 790,028,723 units)						
- Capital value	(8,631,940)	-	(8,631,940)	(7,947,531)	-	(7,947,531)
- Element of (Loss)	(401,773)	(335,373)	(737,146)	(195,946)	(271,677)	(467,623)
Total payments on redemption of units	(9,033,713)	(335,373)	(9,369,086)	(8,143,477)	(271,677)	(8,415,154)
Total comprehensive Income for the period	-	1,593,237	1,593,237	-	1,037,600	1,037,600
Net assets at end of the period	12,287,209	1,374,410	13,661,619	8,603,503	844,650	9,448,153
Undistributed Income brought forward						
- Realised income		139,480			74,265	
- Unrealised (loss) / income		(22,934)			4,462	
		<u>116,546</u>			<u>78,727</u>	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		1,257,864			765,923	
		<u>1,257,864</u>			<u>765,923</u>	
Interim cash distribution		-			-	
Undistributed income carried forward		<u>1,374,410</u>			<u>844,650</u>	
Undistributed income carried forward						
- Realised income		1,384,334			870,983	
- Unrealised (loss) / income		(9,924)			(26,333)	
		<u>1,374,410</u>			<u>844,650</u>	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			<u>10.1057</u>			<u>10.0598</u>
Net assets value per unit at end of the period			<u>11.6721</u>			<u>11.1262</u>

The annexed notes 1 to 13 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 NINE MONTHS PERIOD ENDED MARCH 31, 2024

Note	Nine Months Period Ended	
	March 31, 2024	March 31, 2023
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation	1,593,237	1,037,600
Adjustments for:		
Unrealised diminution / (appreciation) on re-measurement of investments at fair value through profit or loss - net	9,924	26,333
Amortisation of preliminary expenses and floatation costs	53	151
	1,603,214	1,064,084
(Increase) / decrease in assets		
Investments	(4,353,627)	2,277,901
Profit receivable	(482,785)	(70,278)
Deposits, prepayments and other receivables	(77)	(81)
	(4,836,489)	2,207,542
(Decrease) in liabilities		
Payable to NBP Fund Management Limited - Management Company	15,566	7,295
Payable to Central Depository Company of Pakistan Limited - Trustee	342	(69)
Payable to Securities and Exchange Commission of Pakistan	(1,140)	(1,028)
Payable against purchase of investments	-	(901,429)
Accrued expenses and other liabilities	(157,491)	(131,352)
	(142,723)	(1,026,583)
Net cash (used in) / generated from operating activities	(3,375,998)	2,245,043
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts from issue of units	12,894,302	6,477,976
Net payments on redemption of units	(9,174,385)	(8,425,088)
Net cash generated from / (used in) financing activities	3,719,917	(1,947,112)
Net increase in cash and cash equivalents during the period	343,919	297,931
Cash and cash equivalents at the beginning of the period	3,439,569	5,027,270
Cash and cash equivalents at the end of the period	4 3,783,488	5,325,201

The annexed notes 1 to 13 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 INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Mahana Amdani Fund (the Fund) is an open end mutual fund constituted under a Trust Deed entered into on August 09, 2018 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 August 07, 2018.

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 October 26, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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 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 Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended 'Shariah compliant income scheme' 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 since October 07, 2018 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to earn a reasonable rate of return along with a high degree of liquidity by investing in short-term Shariah compliant money market and debt securities.

The Pakistan Credit Rating Agency (PACRA) has reaffirmed the asset manager rating of the Management Company of AM1 on June 22, 2023 (June 30, 2023: AM1). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, PACRA has maintained the stability rating of the Fund to A+(f) (June 30, 2023: A+(f) rated on April 14, 2023) on October 13, 2023.

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.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

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

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

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

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2024.

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

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 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	Note	(Un-Audited)	(Audited)
			March 31, 2024	June 30, 2023
			Rupees in '000	
	Balances with banks in:			
	Savings accounts	4.1	3,753,179	3,396,747
	Current accounts	4.1	30,309	42,822
			3,783,488	3,439,569

4.1 These include a balance of Rs 2.377 million (June 30, 2023: Rs 0.733 million) with National Bank of Pakistan Limited (a related party) that carry profit at the rate of 12% (June 30, 2023: 18.4%) per annum. Other savings accounts of the Fund carry profit rates ranging from 11.01% to 21.75% (June 30, 2023: 10.00% to 20.50%) per annum.

5 INVESTMENTS	Note	(Un-Audited)	(Audited)
		March 31, 2024	June 30, 2023
		Rupees in '000	
At fair value through profit or loss			
GoP Ijarah sukuk certificates	5.1	6,715,384	658,515
Corporate sukuk certificates	5.2	1,868,421	2,513,689
Islamic commercial papers		-	-
Term deposit receipts		-	1,200,000
Certificates of musharakah	5.3	870,459	738,357
		9,454,264	5,110,561

5.1 GoP Ijarah sukuk certificates

Name of the securities	Maturity date	Profit rate	As at July 01, 2023	Purchased during the period	Sales / redemptions during the period	As at March 31, 2024	Carrying value as at March 31, 2024	Market value as at March 31, 2024	Market value as a percentage of total investments	Market value as a percentage of net assets
			Number of certificates			(Rupees in '000)		Percentage		
GoP Ijarah sukuk FRR 20 (Face value of Rs 100,000 per certificate)	17-Apr-24	21.25%	620	340	620	340	34,034	34,035	0.36	0.25
GoP Ijarah sukuk VRR 30 (Face value of Rs 100,000 per certificate)	17-Apr-24	Weighted average 6 months T-Bills	-	7,000	5,191	1,809	183,577	181,045	1.91	1.33
GoP Ijarah sukuk VRR 37 (Face value of Rs 100,000 per certificate)	7-Aug-24	Weighted average 6 months T-Bills	-	13,750	4,000	9,750	982,956	975,195	10.31	7.14
GoP Ijarah sukuk VRR 38 (Face value of Rs 100,000 per certificate)	20-Sep-24	Weighted average 6 months T-Bills	-	1,335	-	1,335	133,567	133,500	1.41	0.98
GoP Ijarah sukuk VRR 39 (Face value of Rs 100,000 per certificate)	9-Oct-24	Weighted average 6 months T-Bills	-	21,200	1,000	20,200	2,025,077	2,027,878	21.45	14.84
GoP Ijarah sukuk VRR 40 (Face value of Rs 100,000 per certificate)	4-Dec-24	Weighted average 6 months T-Bills	-	500	-	500	50,003	50,000	0.53	0.37
GoP Ijarah sukuk 'Listed (Face value of Rs 5,000 per certificate)	9-Dec-24	19.52%	-	283,664	-	283,664	1,257,072	1,261,454	13.34	9.23
GoP Ijarah sukuk XIX (Face value of Rs 100,000 per certificate)	29-May-25	Weighted average 6 months T-Bills	6,003	-	-	6,003	596,447	597,117	6.32	4.37
GoP Ijarah sukuk FRR 33 (Face value of Rs 100,000 per certificate)	4-Dec-26	16.19%	-	750	-	750	75,000	75,150	0.79	0.55
GoP Ijarah sukuk VRR 41 (Face value of Rs 100,000 per certificate)	4-Dec-26	Weighted average 6 months T-Bills	-	1,500	-	1,500	149,669	149,445	1.58	1.09
GoP Ijarah sukuk VRR 42 (Face value of Rs 100,000 per certificate)	4-Dec-28	Weighted average 6 months T-Bills	-	2,000	-	2,000	200,010	200,140	2.12	1.46
GoP Ijarah sukuk VRR 32 (Face value of Rs 100,000 per certificate)	26-Jun-24	Weighted average 6 months T-Bills	-	3,000	-	3,000	300,750	300,060	3.17	2.20
GoP Ijarah sukuk FRR 32 (Face value of Rs 100,000 per certificate)	9-Oct-24	22.49%	-	7,250	-	7,250	733,638	730,365	7.73	5.35
Total as at March 31, 2024							6,721,800	6,715,384		

5.2 Corporate sukuk certificates

Name of the security	Maturity date	Profit rate	As at July 01, 2023	Purchased during the period	Sales / redemptions during the period	As at March 31, 2024	Carrying value as at March 31, 2024	Market value as at March 31, 2024	Market value as a percentage of total investments	Market value as a percentage of net assets
			Number of certificates			(Rupees in '000)		Percentage		
Commercial banks										
Meezan Bank Limited Sukuk	December 16, 2031	6 months KIBOR plus base rate of 0.35%	170	-	-	170	168,300	167,740	1.77	1.23
POWER GENERATION AND DISTRIBUTION										
Hub Power Holdings Limited	November 12, 2025	6 months KIBOR plus base rate of 2.5%	4,950	-	1,000	3,950	405,389	402,829	4.26	2.95
K-Electric Limited	August 3, 2027	3 months KIBOR plus base rate of 1.7%	83,300	-	-	83,300	298,040	296,652	3.14	2.17
Pakistan Energy Sukuk-II	May 21, 2030	6 months KIBOR minus base rate of 0.10%	230,000	-	30,000	200,000	1,000,200	1,001,200	10.59	7.33
Total as at March 31, 2024							1,871,929	1,868,421		

5.3 Certificates of musharakah

Name of the security	Issue date	Profit rate (%) / Tenor	As at July 01, 2023	Purchased during the period	Matured during the period	As at March 31, 2024	Carrying value as at March 31, 2024	Market value as at March 31, 2024	Market value as a percentage of total investments	Market value as a percentage of net assets
			Rupees in '000				Percentage			
First Habib Modarba	2-Feb-24	21.50 3 months	-	741,356	-	741,356	741,356	741,356	7.84	5.43
First Habib Modarba	20-Mar-24	21.80 3 months	-	129,103	-	129,103	129,103	129,103	1.37	0.95
Total as at March 31, 2024							870,459	870,459		

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2024 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 0.90% 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 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.

9 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2024 is 1.80% (March 31, 2023 : 1.57%) which includes 0.15% (March 31, 2023 : 0.06%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% (as amended by S.R.O 639 dated June 20, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorised as 'Shari'ah compliant income scheme'.

10 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

10.1 Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the sponsors, other collective investment schemes managed by the Management Company, entities having common directorship with the Management Company, retirement funds of group companies, directors and officers of the Management Company and any person or company which beneficially owns directly or indirectly 10% or more of the units in issue / net assets of the Fund.

10.2 Transactions with 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 connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

10.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

10.4 Remuneration to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

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

(Un-Audited)
Nine Months Period Ended

March 31, 2024	March 31, 2023
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Rupees in '000

NBP Fund Management Limited - Management Company

Remuneration of the Management Company	40,313	16,704
Sindh Sales Tax on remuneration of the Management Company	5,241	2,172
Sales and transfer load including Sindh sales tax	27,273	16,218
Reimbursement of allocated expenses	12,538	9,788
Reimbursement of selling and marketing expenses	76,136	81,562
Amortisation of preliminary expenses and floatation costs	53	151
ADC charges including Sindh sales tax	4,438	2,784

(Un-Audited)
Nine Months Period Ended

March 31, 2024	March 31, 2023
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Rupees in '000

Central Depository Company of Pakistan Limited - Trustee

Remuneration	6,269	5,809
Sindh sales tax on remuneration of Trustee	815	755
Settlement charges	5	182

Employees of NBP Fund Management Limited

Units issued during the period - 21,733,853 units (2023: 9,028,292 units)	237,664	96,054
Units redeemed during the period - 19,637,898 units (2023: 10,335,123 units)	213,946	109,807

Dr Amjad Waheed - Chief Executive Officer of the Management Company

Units redeemed during the period - Nil units (2023: 591 units)	-	6
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Khalid Mehmood - Chief Financial Officer

Units issued during the period - Nil units (2023: 28 units) *	-	-
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Muhammad Murtaza Ali - Chief Operating Officer and Company Secretary

Units issued - 583 units (2023: Nil units)	7	-
Units redeemed - 583 units (2023: 1,160 units)	7	12

Portfolio managed by the Management Company

Units issued during the period - 1,362,583 (2023: Nil units)	15,443	-
Units redeemed during the period - Nil units (2023: 442,162 units)	-	4,756
Sell of Ijarah Sukuks	-	51,290

K-Electric Limited - common directorship

Purchase of sukuk certificate	-	1,044,065
Sale of sukuk certificate	-	684,129
Profit of sukuk certificate	57,235	113,199

National Bank of Pakistan - Parent of the Management Company

Profit on bank deposits	581	191
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BankIslami Pakistan Limited - common directorship **

Profit on bank deposits	-	27,667
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* Nil due to rounding off

** Current period figures have not been presented as the person was not a related party / connected person as at March 31, 2024.

10.6 Amounts / balances outstanding as at period end:

	(Un- Audited) March 31, 2024	(Audited) June 30, 2023
	Rupees in '000	
NBP Fund Management Limited - the Management Company		
Remuneration payable to the Management Company	5,445	2,267
Sindh Sales Tax payable on remuneration of the Management Company	708	295
Reimbursement of allocated expenses payable	4,975	3,461
Reimbursement of selling and marketing expenses payable	29,850	25,152
Sales load payable to management company	3,220	1,085
Transfer load payable	-	-
Sindh Sales Tax payable on sales load and transfer load	427	141
ADC charges payable including Sindh sales tax	5,173	1,831
Other payable to the Management Company	80	80
Employees of the Management Company		
Units held 8,013,831 (June 30, 2023: 5,729,561 units)	93,538	57,901
Muhammad Murtaza Ali - the Chief Operating Officer and the Company Secretary		
Units held - 583 (June 30, 2023: 583 units)	7	6
Imran Zaffar - Director		
Units held: 2,561 (June 30, 2023: 2,561 units)	30	26
Khalid Mehmood - Chief Financial Officer		
Units held - 32 (June 30, 2023: 32 units) *	-	-
Portfolio managed by the Management Company		
Units held: 1,363,313 (June 30, 2023: 730 units)	15,913	7
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration payable to the Trustee	870	567
Sindh sales tax on remuneration of the Trustee	113	74
Settlement charges payable	148	164
Security deposit	103	103
K-Electric Limited - - common directorship		
Sukuk certificates	296,652	360,515
Profit receivable on sukuk certificates	10,600	13,591
National Bank of Pakistan - Parent of the Mangement Company		
Bank balances	2,377	7,330
Profit receivable on bank balances	262	89

* Nil due to rounding off

11 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

11.1 Fair value hierarchy

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

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

12 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on April 25, 2024.

13 GENERAL

Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

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

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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