

## **DIRECTORS' REPORT**

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited Condensed Interim financial statements of NBP Islamic Government Securities Plan- III (NIGSP-III) for the quarter ended September 30, 2024.

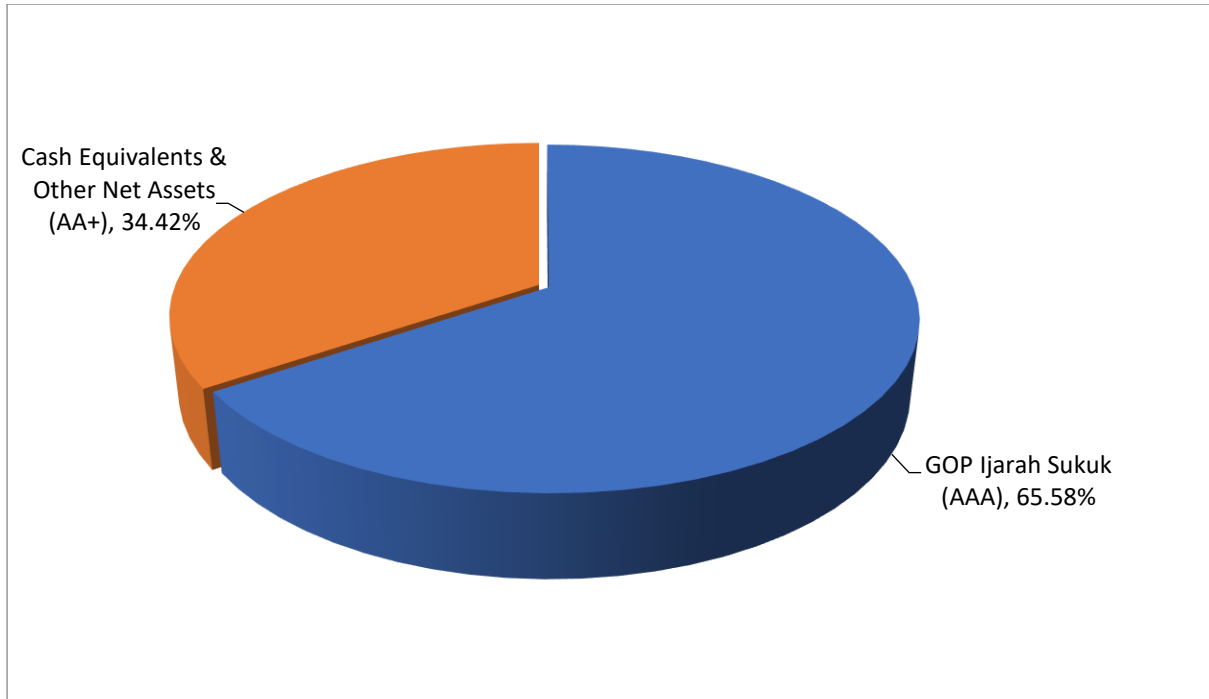
### **Fund's Performance**

Two Monetary Policy Committee (MPC) meetings were held during the quarter, where MPC reduced the policy rate by 300 basis point to 17.5%. The decision was taken amidst sharp fall in inflation & global oil prices, increase in FX reserves, decline in sovereign yields, and improved business confidence. Inflation as measured by CPI drastically decelerated and averaged 9.2% for the quarter compared to 23.8% in FY24. The MPC assessed that the ease in inflation was attributed to contained demand reinforced by improved supplies of major food items, favorable global commodity prices, and delay in upward adjustments in administered energy prices. However, MPC also noted that near-term inflation outlook remained susceptible to risks, owing to the uncertainty stemming from the timing and magnitude of adjustments in administered energy prices, future course of global commodity prices, and any additional taxation measures to meet the shortfall in revenue collection. The SBP's FX reserves increased for the period and were recorded at USD 10.7 billion as of 27-Sep-24 against USD 9.4 billion at June-24 end. The fresh issuance of long term Corporate Sukuks remained occasional whereas the secondary market witnesses thin trading activity. On the other hand, sizable issuance of short term sukuks from the corporates was witnessed to meet their increasing working capital requirements.

NIGSP-III is categorized as a Shariah Compliant Income Fund and has been awarded stability rating of 'AA (f)' by PACRA. The fund aims to provide investors with attractive returns, by investing primarily in Shariah Compliant Government Securities.

The fund NBP Islamic Government Securities Plan- III (NIGSP-III) has increased from Rs. 611 million to Rs. 5,305 million during the period (i.e. a manifold growth of 768%). The unit price of the Fund has increased from Rs. 10.0271 on June 30, 2024 to Rs. 10.6176 on September 30, 2024, thus showing return of 23.4% p.a. as compared to its benchmark return of 18.6% 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. 137.23 million during the year. After deducting total expenses of Rs. 6.08 million, the net income is Rs. 13.15 million. The asset allocation of NIGSP-III as on September 30, 2024 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**

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**Chief Executive Officer**

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**Director**

Date: October 30, 2024  
Place: Karachi.

## ڈائریکٹرز کی رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بھد مسرت 30 ستمبر 2024 کو ختم ہونے والی سرمایہ کے لئے NBP اسلامک گورنمنٹ سیکورٹیز پلان III (NIGSP-III) کے غیر جانچ شدہ کنڈینسڈ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

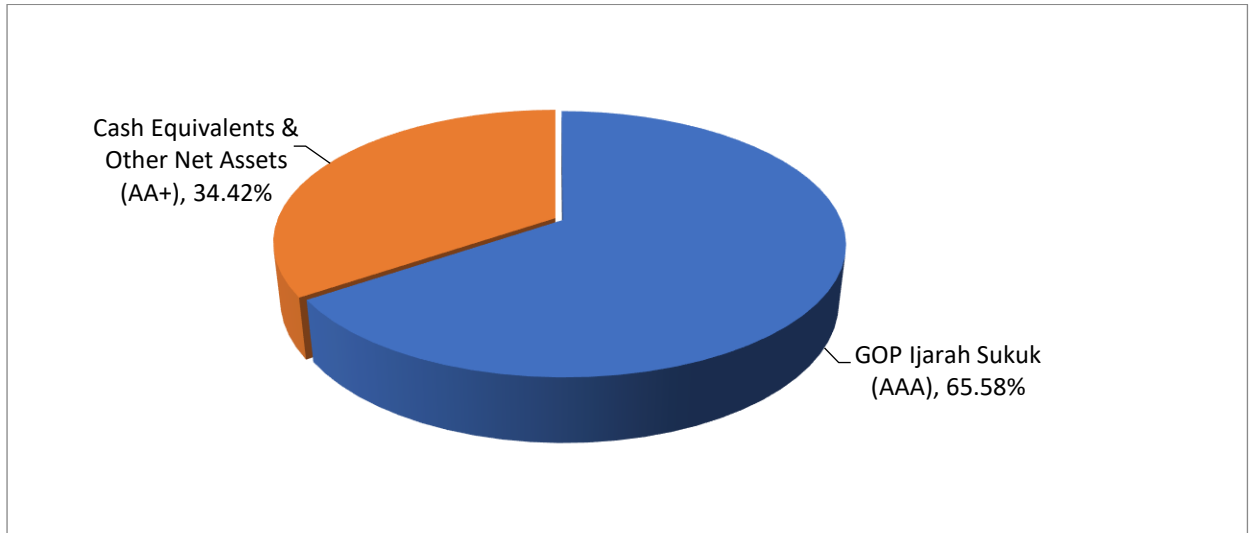
## فنڈ کی کارکردگی

سرمایہ کے دوران مائٹری پالیسی کمیٹی (ایم پی سی) کے دو اجلاس ہوئے، جہاں ایم پی سی نے پالیسی ریٹ کو 300 بیسس پوائنٹ کم کر کے 17.5 فیصد کر دیا۔ یہ فیصلہ افراط زر اور تیل کی عالمی قیمتوں میں تیزی سے کمی، زرمبادلہ کے ذخائر میں اضافے، سوریہ جھگڑا میں کمی اور کاروباری اعتماد میں بہتری کے باعث کیا گیا۔ سی پی آئی کی پیکس کے مطابق افراط زر میں تیزی سے کمی آئی اور مالی سال 24 میں 23.8 فیصد کے مقابلے میں رواں سرمایہ کے دوران اوسطاً 9.2 فیصد رہی۔ ایم پی سی کا اندازہ کہ افراط زر میں کمی اہم ایشیائی خورد و نوش کی بہتر فراہمی، عالمی اجناس کی موزوں قیمتوں اور توانائی کی قیمتوں میں اضافے میں تاخیر کی بدولت طلب میں اضافہ کی وجہ سے ہوئی ہے۔ تاہم، ایم پی سی نے یہ بھی درج کیا کہ توانائی کی انتظامی قیمتوں میں ایڈجسٹمنٹ اور شدت کے وقت، عالمی اجناس کی قیمتوں کے مستقبل کے لانچ عمل اور محصولات کی وصولی میں کمی کو پورا کرنے کے لئے کسی بھی اضافی ٹیکس اقدامات کی وجہ سے پیدا ہونے والی غیر یقینی صورتحال کی وجہ سے قریب المیحا اور افراط زر کا نقطہ نظر خطرات کا شکار ہے۔ اسٹیٹ بینک پاکستان کے زرمبادلہ کے ذخائر میں 27 ستمبر 24 تک بڑھ کر 10.7 بلین ڈالر ہو گئے جو جون 24 کے اختتام پر 9.4 بلین ڈالر تھے۔ کبھی کبھار طویل مدتی نئے کارپوریٹ سکوکس کا اجراء جاری رہا جبکہ ثانوی مارکیٹ میں تجارتی سرگرمی کم دیکھی گئی۔ دوسری جانب کارپوریٹ اداروں کی جانب سے ورکنگ کپینل کی بڑھتی ہوئی ضروریات کو پورا کرنے کے لئے قلیل مدتی سکوکس کا بڑے پیمانے پر اجراء دیکھا گیا۔

NIGSP-III کی شریعہ کمپلیٹ انکم فنڈ کے طور پر درجہ بندی کی گئی ہے اور PACRA کی طرف سے اسے 'AA(f)' کی اسٹیبلٹی ریٹنگ تفویض کی گئی ہے۔ اس فنڈ کا مقصد بنیادی طور پر شریعہ کمپلیٹ گورنمنٹ سیکورٹیز میں سرمایہ کاری کر کے سرمایہ کاروں کو پیکس منافع فراہم کرنا ہے۔

مدت کے دوران فنڈ NBP اسلامک گورنمنٹ سیکورٹیز پلان III (NIGSP-III) کا سائز 611 ملین روپے سے بڑھ کر 5,305 ملین روپے (یعنی 768% کا دوگنا منافع) ہو گیا۔ فنڈ کے یونٹ کی قیمت 30 جون 2024 کو 10.0271 روپے سے بڑھ کر 30 ستمبر 2024 کو 10.6176 روپے ہو گئی، لہذا اس مدت کے دوران فنڈ نے اپنے بیٹا مارک منافع 18.6% سالانہ کے مقابلے میں 23.4% سالانہ منافع درج کیا ہے۔ فنڈ کی کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے اس مدت کے دوران 137.23 ملین روپے کی مجموعی آمدنی کمائی۔ 6.08 ملین روپے کے اخراجات منہما کرنے کے بعد خالص آمدنی 13.15 ملین روپے ہے۔ NIGSP-III کی ایسٹ ایلیویشن برطانیہ 30 ستمبر 2024ء درج ذیل 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 آرٹھی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منیجنگ بورڈ آف ڈائریکٹر

NBP فنڈ منجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 30 اکتوبر 2024ء

مقام: کراچی

**NBP ISLAMIC GOVERNMENT SECURITIES FUND - I**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT SEPTEMBER 30, 2024**

<b>NBP Islamic Government Securities Plan - III</b>		
Note	<b>September 30,2024</b>	<b>June 30,2024</b>
	<b>(Rupees in '000)</b>	<b>(Rupees in '000)</b>
<b>ASSETS</b>		
Bank balances	4 1,504,003	19,194
Investments	5 3,515,177	575,460
Profit receivable	141,577	18,363
Prepayments, deposits and other receivables	210	254
Preliminary expenses and floatation costs	511	557
Receivables against transfer of units	196,812	-
<b>Total assets</b>	<b>5,358,290</b>	<b>613,828</b>
<b>LIABILITIES</b>		
Payable to NBP Fund Management Limited - the Management Company	13,957	1,249
Payable to Central Depository Company of Pakistan Limited - the Trustee	197	37
Payable to the Securities and Exchange Commission of Pakistan	233	45
Accrued expenses and other liabilities	1,149	1,204
Payable against redemption of units	37,879	-
<b>Total liabilities</b>	<b>53,415</b>	<b>2,535</b>
<b>NET ASSETS</b>	<b>5,304,874</b>	<b>611,293</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<b>5,304,874</b>	<b>611,293</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	6	
	<b>Number of units</b>	
<b>NUMBER OF UNITS IN ISSUE</b>	499,630,713	60,964,377
	<b>(Rupees)</b>	
<b>NET ASSET VALUE PER UNIT</b>	10.6176	10.0271

The annexed notes 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**

**NBP ISLAMIC GOVERNMENT SECURITIES FUND - I**  
**INCOME STATEMENT**  
**FOR THE PERIOD FROM JULY 01, 2024 TO SEPTEMBER 30, 2024**

		<b>NBP Islamic Government Securities Plan - III</b>
		<b>September 30, 2024</b>
		<b>(Rupees in '000)</b>
	<b>Note</b>	
<b>INCOME</b>		
Income on GoP ijarah sukuks certificates		73,330
Profit on bank balances		27,280
Loss on sale of investments - net		(60)
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net		36,689
<b>Total income</b>		<b>137,239</b>
<b>EXPENSES</b>		
Remuneration of NBP Fund Management Limited - the Management Company		4,209
Sindh sales tax on remuneration of the Management Company		631
Remuneration of Central Depository Company of Pakistan Limited - the Trustee		309
Sindh sales tax on remuneration of the Trustee		46
Fee to the Securities and Exchange Commission of Pakistan	8	421
Amortisation of preliminary expenses and floatation costs		46
Auditors' remuneration		76
Legal and professional charges		19
Listing fee		8
Shariah advisory fee		63
Settlement and bank charges		113
Printing charges		13
Securities transaction costs		90
Rating fee		44
<b>Total expenses</b>		<b>6,087</b>
<b>Net income for the period before taxation</b>		<b>131,152</b>
Taxation	9	-
<b>Net income for the period after taxation</b>		<b>131,152</b>
<b>Earnings per unit</b>		
<b>Allocation of net profit for the period</b>		
Net income for the period after taxation		131,152
Income already paid on units redeemed		(5,749)
		<b>125,403</b>
<b>Accounting income available for distribution</b>		
- Relating to capital gains		36,629
- Excluding capital gains		88,774
		<b>125,403</b>

The annexed notes 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**

**NBP ISLAMIC GOVERNMENT SECURITIES FUND - I  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD FROM JULY 01, 2024 TO SEPTEMBER 30, 2024**

<b>NBP Islamic Government Securities Plan - III</b>
<b>September 30,2024</b>
<b>(Rupees in '000)</b>

<b>Net income for the period after taxation</b>	131,152
Other comprehensive income for the period	-
<b>Total comprehensive income for the period</b>	<u>131,152</u>

The annexed notes 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**

**NBP ISLAMIC GOVERNMENT SECURITIES FUND - I**  
**STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND**  
**FOR THE PERIOD FROM JULY 01, 2024 TO SEPTEMBER 30, 2024**

<b>NBP Islamic Government Securities Plan - III</b>		
<b>September 30, 2024</b>		
<b>Capital value</b>	<b>Undistributed income</b>	<b>Total</b>

(Rupees in '000)

Net assets at the beginning of the period	609,648	1,645	611,293
Issuance of 485,219,088 units			
- Capital value (at ex - net asset value per unit)	4,865,340	-	4,865,340
- Element of income	184,096	-	184,096
Total proceeds on issuance of units	5,049,436	-	5,049,436
Redemption of 46,552,752 units			
- Capital value (at ex - net asset value per unit)	(466,790)	-	(466,790)
- Element of loss	(14,468)	(5,749)	(20,217)
Total payments on redemption of units	(481,258)	(5,749)	(487,007)
Total comprehensive income for the period	-	131,152	131,152
<b>Net assets at the end of the period</b>	<b>5,177,826</b>	<b>127,048</b>	<b>5,304,874</b>
Undistributed income brought forward			
- Realised Loss		(149)	
- Unrealised income		1,794	
		1,645	
Accounting income available for distribution:			
- Relating to capital gains		36,629	
- Excluding capital gains		88,774	
		125,403	
Distributions during the period		-	
<b>Undistributed income carried forward</b>		<b>127,048</b>	
<b>Undistributed income carried forward:</b>			
- Realised Income		90,359	
- Unrealised income		36,689	
		127,048	
			<b>(Rupees)</b>
Net asset value per unit at the beginning of the period			10.0271
Net asset value per unit at the end of the period			10.6176

The annexed notes 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

**NBP ISLAMIC GOVERNMENT SECURITIES FUND - I**  
**CASH FLOW STATEMENT**  
**FOR THE PERIOD FROM JULY 01, 2024 TO SEPTEMBER 30, 2024**

<b>NBP Islamic Government Securities Plan - III</b>
<b>September 30, 2024</b>
<b>(Rupees in '000)</b>

Note

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net income for the period before taxation 131,152

**Adjustments:**

Income on GoP ijara sukuks certificates	(73,330)
Profit on bank balances	(27,280)
Loss on sale of investments - net	60
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	(36,689)
Amortisation of preliminary expenses and floatation costs	46
	(137,193)

**Increase in assets**

Investments	(2,903,087)
Prepayments, deposits and other receivables	44
	(2,903,043)

**Increase in liabilities**

Payable to NBP Fund Management Limited - the Management Company	12,708
Payable to Central Depository Company of Pakistan Limited - the Trustee	160
Payable to the Securities and Exchange Commission of Pakistan	188
Accrued expenses and other liabilities	(55)
	13,001

Profit received on bank balances and GoP Ijara sukuks certificates (22,604)

**Net cash used in operating activities** (2,918,687)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Amount received against issuance of units - net of refund of capital	4,852,624
Amount paid against redemption of units	(449,128)

**Net cash generated from financing activities** 4,403,496

**Net increase in cash and cash equivalents during the period** 1,484,809

Cash and cash equivalents at the beginning of the period 19,194

**Cash and cash equivalents at the end of the period** 1,504,003

The annexed notes 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

**NBP ISLAMIC GOVERNMENT SECURITIES FUND - I**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM JULY 01, 2024 TO SEPTEMBER 30, 2024**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

NBP Islamic Government Securities Fund - I (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 June 26, 2023, 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 Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended Shariah compliant income fund 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 were being offered for public subscription on a continuous basis from January 19, 2024 and are transferable and redeemable by surrendering them to the Fund.

The objective of NBP Islamic Government Securities Plan - III is to earn attractive returns with capital preservation by investing primarily in Government Securities. The investment objectives and policies are explained in the Fund's offering document.

The Pakistan Credit Rating Agency (PACRA) has reaffirmed an asset manager rating of the Management Company of AM1 on June 21, 2024. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, the Pakistan Credit Rating Agency Limited (PACRA) has given the stability rating of the Fund to AA(f) on March 13, 2024.

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

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRS Accounting Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A 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, 2024.

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 September 30, 2024.

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



GoP Ijarah sukuk GIS - VRR - AL (Face value of Rs. 100,000 per certificate)	Semi-annually	December 04, 2024	weighted average 6 months T-Bills	500	2,750	-	3,250	326,381	327,535	1,154	9.32%	6.17%
GoP Ijarah sukuk GIS - FRR - XXXIX (Face value of Rs. 100,000 per certificate)	Semi-annually	October 09, 2024	22.49%	680	-	-	680	68,449	68,121	(328)	1.94%	1.28%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	Semi-annually	March 14, 2025	21.39%	50	-	-	50	4,625	4,671	46	0.13%	0.09%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	Semi-annually	April 25, 2025	22.75%	1,800	-	-	1,800	163,650	165,762	2,112	4.71%	3.12%
GoP Ijarah sukuk GIS - VRR - XXXIX (Face value of Rs. 100,000 per certificate)	Semi-annually	15-Aug-25	Weighted average 6 months T-Bills	-	5,000	-	5,000	443,552	443,550	(2)	12.62%	8.36%
GoP Ijarah sukuk GIS - VRR - XXI (Face value of Rs. 100,000 per certificate)	Semi-annually	17-Sep-25	Weighted average 6 months T-Bills	-	7,500	-	7,500	655,892	659,400	3,508	18.76%	12.43%
GoP Ijarah sukuk GIS - VRR - XL (Face value of Rs. 100,000 per certificate)	Semi-annually	25-Jul-25	Weighted average 6 months T-Bills	-	550	-	550	48,421	49,187	766	1.40%	0.93%
GoP Ijarah sukuk GIS - VRR - XL (Face value of Rs. 100,000 per certificate)	Semi-annually	04-Dec-26	Weighted average 6 months T-Bills	-	2,050	-	2,050	205,544	215,189	9,645	6.12%	4.06%
GoP Ijarah sukuk GIS - FRR - XXXIX (Face value of Rs. 100,000 per certificate)	Semi-annually	18-Sep-27	Weighted average 6 months T-Bills	-	625	-	625	62,500	63,838	1,338	1.82%	1.20%
GoP Ijarah sukuk GIS - FRR - XXXIX (Face value of Rs. 100,000 per certificate)	Semi-annually	18-Sep-27	Weighted average 6 months T-Bills	-	4,125	-	4,125	412,500	416,625	4,125	11.85%	7.85%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 100,000 per certificate)	Semi-annually	18-Sep-27	Weighted average 6 months T-Bills	-	250	-	250	25,449	25,687	238	0.73%	0.48%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 100,000 per certificate)	Semi-annually	18-Sep-29	Weighted average 6 months T-Bills	-	625	-	625	62,500	63,750	1,250	1.81%	1.20%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	Semi-annually	28-Jun-29	Weighted average 6 months T-Bills	-	250	-	250	25,565	25,750	185	0.73%	0.49%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 100,000 per certificate)	Semi-annually	06-Oct-26	Weighted average 6 months T-Bills	-	1,500	-	1,500	152,490	152,700	210	4.34%	2.88%
<b>Total as at September 30, 2024</b>				<b>5,989</b>	<b>31,425</b>	<b>1,000</b>	<b>34,214</b>	<b>3,478,487</b>	<b>3,515,177</b>	<b>36,689</b>	<b>99.99%</b>	<b>66.26%</b>

## 6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2024 and June 30, 2024

## 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 0.80% per annum of the net assets of the Fund.

## 8 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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.

## 9 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether 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, 2025 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.

## 10 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.06% which includes 0.19% representing government levies such as sales taxes and SECP fee. The TER excluding government levies is 0.87% which is within the prescribed limit for the ratio is 2.50% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

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

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 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 managed by the Management Company, directors and key management personnel of the Management Company and other associated companies. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

- 11.1 The transactions with connected persons and related parties are carried out at agreed terms
- 11.2 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 11.3 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

11.4 Details of transactions with related parties / connected persons during the period are as follows:	September 30,2024 (Rupees in '000)
<b>NBP Fund Management Limited - the Management Company</b>	
Remuneration of NBP Fund Management Limited - the Management Company	4,209
Sindh sales tax on remuneration of the Management Company	631
Sales load and Sindh sales tax on sales load	10,623
ADC Share payable to Management Comapany	2
<b>Central Depository Company of Pakistan Limited - the Trustee</b>	
Remuneration of the Central Depository Company of Pakistan Limited - the Trustee	309
Sindh sales tax on remuneration of the Trustee	46
Settlement charges	91
<b>Employees of NBP Fund Management Limited</b>	
Units issued in: 9,300,196 units (2023: Nil)	96,794
Units redeemed: 2,108,787 units (2023: Nil)	22,299
<b>Portfolio managed by Management Company</b>	
Units issued in: 30,232,857 units (2023: Nil)	305,951
Units redeemed: 3,722,158 units (2023: Nil)	38,900
Purchase of sukuk certificates	20,000
<b>CDC Trustee NBP Financial Sector Income Fund</b>	
Purchase of sukuk certificates	100,000
<b>CDC Trustee NBP INCOME OPPORTUNITY FUND</b>	
Purchase of sukuk certificates	100,000

**CDC Trustee NBP ISLAMIC MAHANA AMDANI FUND**

Purchase of sukuk certificates

250,000

<b>11.5 Amounts / balances outstanding as at period end are as follows</b>	<b>September 30,2024</b>	<b>June 30,2024</b>
	<b>(Rupees in '000)</b>	<b>(Rupees in '000)</b>
<b>NBP Fund Management Limited - the Management Company</b>		
Remuneration payable to the Management Company	2,332	447
Sindh sales tax on remuneration payable to the Management Company	350	58
Sales and Transfer load Payable	9,271	82
Sindh sales tax payable on sales load	1,351	11
Other payable to the Management Company	651	651
ADC Share payable to Management Comapany	2	2
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Remuneration payable to the Trustee	171	33
Sindh sales tax payable on the Trustee remuneration	26	4
Settlement charges payable	91	8
Security deposit with Central Depository Company of Pakistan Limited - the Trustee	100	100
<b>Employees of NBP Fund Management Limited</b>		
Units held: 7,220,902 units (June 30, 2024: 29,493 units)	76,669	296
<b>Portfolio managed by Management Company</b>		
Units held: 47,734,981 units (June 30,2024: 21,224,281 units)	506,830	212,818

**12 GENERAL**

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

**13 DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 30, 2024.

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

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

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

\_\_\_\_\_  
Director