

NBP ISLAMIC ENERGY FUND



QUARTERLY REPORT
MARCH 31, 2021



MISSION STATEMENT

**To rank in the top quartile
in performance of
NBP FUNDS
relative to the competition,
and to consistently offer
Superior risk-adjusted returns to investors.**



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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
Ms. Mehnaz Salar	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Saad Amanullah Khan	Chairman
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member
Mr. Humayun Bashir	Member

Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Humayun Bashir	Member
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Syed Hasan Irtiza Kazmi	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	Member

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block "B" S.M.C.H.S.,
Main Shakra-e-Faisal, Karachi.

Bankers to the Fund

Allied Bank Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Dubai Islami Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
Summit Bank Limited
United Bank Limited

**Auditors**

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

Legal Advisor

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

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 021 (111-111-632),
(Toll Free): 0800-20002,
Fax: (021) 35825329
Website: www.nbp funds.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 Energy Fund (NIEF)** for the period ended March 31, 2021.

Fund's Performance

The size of NBP Islamic Energy Fund at the end of the period stood at Rs. 902 million, 51% higher than at June 30, 2020. During the period the unit price of NIEF has increased from Rs. 8.4866 on June 30, 2020 to Rs. 9.7011 on March 31, 2021, thus showing an increase of 14.3%. The Benchmark (KMI-30 Index) increased by 32.8%. Thus, the Fund has underperformed its Benchmark by 18.5% during the period under review. Since inception (April 21, 2016), the unit price of the Fund has shown an increased of 7.2% as compared to 23.9% increase in its Benchmark. Thus, the Fund has underperformed its Benchmark by 16.7%. This performance is net of management fee and all other expenses.

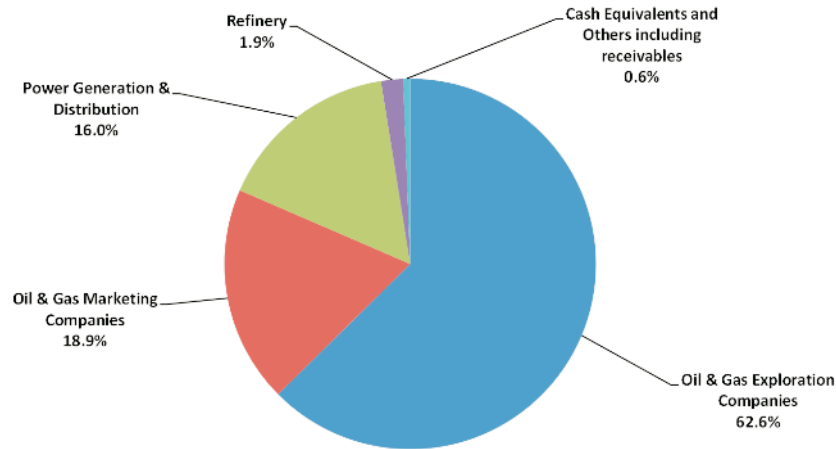
During 9MFY21, the stock market (KMI-30 Index) delivered robust return of 32.8%. This sharp market recovery was driven by attractive stock market valuations; earlier than expected lifting of business restrictions and the resultant sharp economic recovery; development of effective vaccines; and well-coordinated and decisive policy response by the monetary and fiscal authorities.

Active cases of Covid-19 declined significantly after peaking in July; the fatality rate fell sharply; and infection ratios also dropped to a low single-digit that allowed re-opening of the economy. The economic recovery picked-up steam as reflected by the frequently released economic data such as cement dispatches, retail fuels sales and automobile sales volume. On the policy response fronts, SBP slashed the Policy Rate by a cumulative 6.25% in a short span of time and government announced a Rs. 1.2 trillion stimulus package, equivalent to 2.8% of the GDP, which included relief for all sectors of the society including the under privileged, businesses, and the industries. External account also remained beneficiary of the Coronavirus pandemic thanks to a robust 24% growth in remittances during 8MFY21. The country posted a current account surplus of USD 881 million during 8MFY21 versus a Current Account Deficit (CAD) of USD 2.7 billion in the comparative period last year. The Extended Fund Facility (EFF) with the International Monetary Fund (IMF) that was put on hold in April last year, finally resumed, and as a result the central bank secured the IMF tranche of around USD 500 million. The resumption of IMF program allowed the country to borrow USD 2.5 billion by issuing Eurobonds in the international debt market.

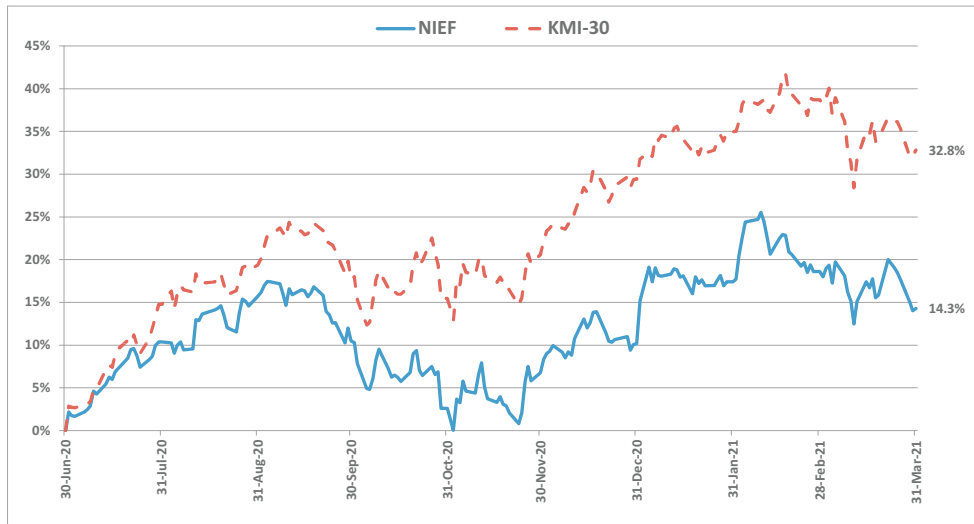
The rally at the local bourse picked up steam during 1QFY21 as value money entered the stock market. Robust economic recovery and strong earnings growth also lifted market sentiment. However, rising noise in the domestic politics surrounding the senate elections led to elevated market volatility and subdued market performance during 3QFY21. Overall, the market (KMI-30 Index) delivered a robust 32.8% return during 9MFY21. In terms of sectoral performance, Auto Assemblers, Cements, Chemicals, Engineering, Glass & Ceramics, Oil & Gas Marketing Companies, Paper & Board, Power Generation & Distribution, Refinery, Technology, and Textile Composite sectors performed better than the market. On the contrary, Auto Parts & Accessories, Commercial Banks, Fertilizers, Food & Personal Care, Insurance, Oil & Gas Exploration, and Pharmaceuticals sectors lagged behind. On participants-wise market activity, Individuals, Companies, and Insurance Companies stood as main buyers in the market, with net inflows amounting to USD 248 million, USD 118 million and USD 53 million, respectively. On the other hand, Foreign Investors and Banks/DFIs were large sellers with net outflows of around USD 295 million and USD 91 million, respectively.

NBP Islamic Energy Fund has earned a total income of Rs. 65.96 million during the period. After incurring total expenses of Rs. 21.88 million, the net income is Rs. 44.08 million. The asset allocation of the Fund as on March 31, 2021 is as follows:

The asset allocation of the Fund as on March 31, 2021 is as follows:



NIEF Performance versus Benchmark



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

Director

Date: **February 26, 2021**
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بھد مسرت 31 مارچ 2021ء کو ختم ہونے والی نو ماہی کے لئے NBP اسلامک انرجی فنڈ (NIEF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

موجودہ مدت کے دوران NBP اسلامک انرجی فنڈ کا سائز 902 ملین روپے رہا۔ جو 30 جون 2020 کے مقابلے میں 51% کم ہے۔ اس مدت کے دوران، NBP اسلامک انرجی فنڈ کے یونٹ کی قیمت 30 جون 2020 کو 8.4866 روپے سے بڑھ کر 31 مارچ 2021ء کو 9.7011 روپے ہو گئی، لہذا 14.3% کا اضافہ ظاہر کیا۔ منج ماک (KMI-30 انڈیکس) 32.8% سے زیادہ ہوا۔ لہذا فنڈ کی کارکردگی زیر جائزہ مدت کے دوران اپنے منج ماک سے 18.5% اتر رہی۔ اپنے قیام کے وقت (21 اپریل 2016) سے اب تک فنڈ کے یونٹ کی قیمت نے اپنے منج ماک میں 23.9% اضافہ کے مقابلے میں 7.2% کا اضافہ ظاہر کیا۔ اس طرح فنڈ کی کارکردگی اپنے منج ماک سے 16.7% اتر رہی۔ فنڈ کی یہ کارکردگی منیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

مالی سال 21 کی نو ماہی کے دوران، اسٹاک مارکیٹ (KMI-30 انڈیکس) نے 32.8% فیصد کی مضبوط ریٹرن ظاہر کی۔ مارکیٹ میں تیز ترین بحالی اسٹاک مارکیٹ کی پرکشش قیمتوں، توقع سے قبل کاروباری پابندیوں کے خاتمے اور اس کے نتیجے میں تیز معاشی بحالی، موثر ویکسینوں کی تیاری، اور مانیٹری اور مالیاتی حکام کی طرف سے اچھی طرح مربوط اور فیصلہ کن پالیسی ردعمل کی وجہ سے حاصل ہوئی۔

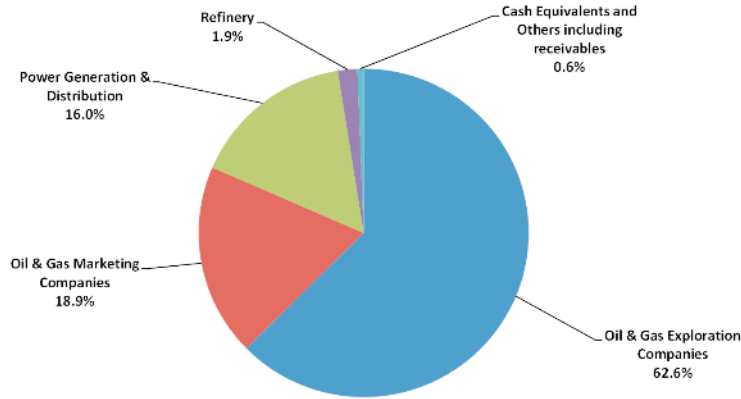
جولائی میں بلندی پر پہنچنے کے بعد کوویڈ 19 کے فعال کیسز میں نمایاں کمی؛ اموات کی شرح میں تیزی سے کمی اور انفیکشن تناسب بھی کم ہو کر واحد ہندسے پر آ گیا جس نے معیشت کو دوبارہ کھولنے کی اجازت دی۔ معاشی بحالی کی رفتار سینٹ کی ترسیل، خوردہ ایندھن کی فروخت اور آٹوموبائل کے فروخت حجم کے اکثر جاری کردہ معاشی اعداد و شمار سے ظاہر ہوتی ہے۔ پالیسی سازی کے تناظر میں، اسٹیٹ بینک آف پاکستان نے قلیل مدت میں پالیسی شرح کو مجموعی طور پر 6.25 فیصد تک کم کر دیا اور حکومت نے ایک 1.2 بلین روپے کے تحریک ٹیکہ کا اعلان کیا، جو بی ڈی پی کے 2.8 فیصد کے مساوی ہے، جس میں معاشرے کے تمام شعبوں کو ریلیف دیا گیا ہے جن میں بے مساندہ افراد، کاروبار اور صنعتیں شامل ہیں۔ 8MFY21 کے دوران وبائی مرض کو نائنس کے بدولت بیرونی اکاؤنٹ پر مثبت اثر ہوا اور ترسیلات زر میں 24 فیصد اضافہ ہوا۔ ملک نے گزشتہ سال کے تقابلی دورانیہ میں 2.7 بلین امریکی ڈالر کے کرنٹ اکاؤنٹ خسارہ (CAD) کے مقابلے میں 8MFY21 کے دوران 881 ملین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس درج کیا ہے۔ بین الاقوامی مالیاتی فنڈ (IMF) کے ساتھ توسیعی فنڈ کی سہولت (EFF) جسے پچھلے سال اپریل میں روک دیا گیا تھا، آخر کار دوبارہ شروع ہو گئی، اور اس کے نتیجے میں مرکزی بینک نے آئی ایم ایف سے قریباً 500 ملین ڈالر کی رقم حاصل کی۔ آئی ایم ایف پروگرام کے دوبارہ آغاز سے بین الاقوامی ڈیٹ مارکیٹ میں یورو بانڈز جاری کر کے ملک کو 2.5 ارب ڈالر قرض لینے کا موقع ملا۔

مالی سال 21 کے دوران مقامی اسٹاک مارکیٹ کی بحالی میں تیزی آئی کیونکہ اسٹاک مارکیٹ میں قابل قدر رقم کا اندرج ہوا۔ مضبوط معاشی بحالی اور مضبوط آمدنی میں اضافے نے بھی مارکیٹ کو سراہا۔ تاہم، سینٹ انتخابات کے گرد مقامی سیاست میں بڑھتی ہوئی آوازوں کے باعث مارکیٹ میں اتار چڑھاؤ زیادہ ہوا اور 3QFY21 کے دوران مارکیٹ کی کارکردگی میں کمی واقع ہوئی۔ مجموعی طور پر، 9MFY21 کے دوران مارکیٹ (KSE-100) نے 29.5 فیصد کا مضبوط منافع ظاہر کیا۔ شعبہ دار کارکردگی کے لحاظ سے، آٹو اسمبلرز، سینٹ، کیمیکل، انجینئرنگ، گلاس اور سرامکس، آئل اینڈ گیس مارکیٹنگ کمپنیاں، پیپر اینڈ بورڈ، پاور جنریشن اینڈ ڈسٹری بیوٹن، ریفرنسری اور نیکیٹل کمپوزٹ سکلٹرز نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ اس کے برعکس، آٹو پارٹس اور لوازمات، کمرشل بینک، کھاد، خوراک اور ذاتی نگہداشت، انشورنس، ٹیل اور گیس کی تلاش اور دواسازی کے شعبے پیچھے رہے۔ شرکاء کے لحاظ سے مارکیٹ سرگرمی پر، افراد، کمپنیاں اور انشورنس کمپنیاں مارکیٹ میں بالترتیب 248 ملین امریکی ڈالر، 118 ملین امریکی ڈالر اور 53 ملین امریکی ڈالر کے ساتھ خالص خریدار رہے۔ دوسری طرف، غیر ملکی سرمایہ کار اور بینک/DFIs بالترتیب 295 ملین امریکی ڈالر اور 91 ملین امریکی ڈالر خالص اخراج کے ساتھ بڑے فروخت کنندگان رہے۔

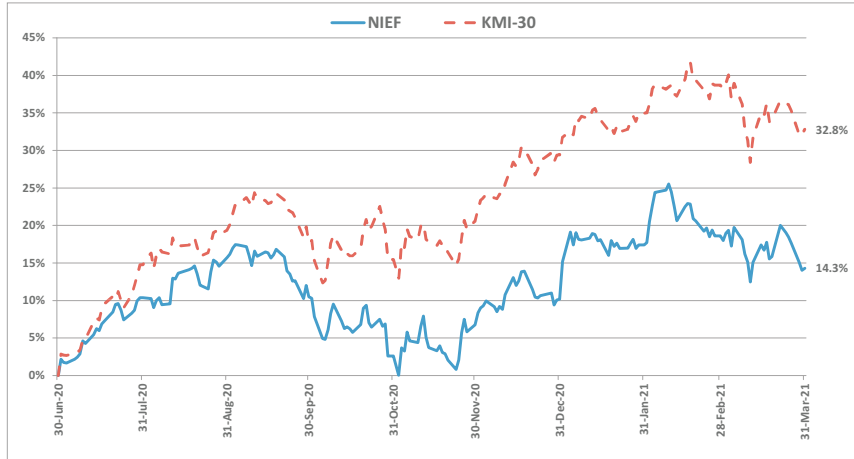
NBP اسلامک انرجی فنڈ کو اس مدت کے دوران 65.96 ملین روپے کی مجموعی آمدنی ہوئی۔ 21.88 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 44.08 ملین روپے ہے۔



31 مارچ 2021 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



NIEF کی کارکردگی بمقابلہ بینچ مارک



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے منجسٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر پونٹ 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 رٹسٹی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لا نا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ منجسٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 30 اپریل 2021ء

مقام: کراچی



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

	(Un-audited) March 31, 2021	(Audited) June 30, 2020
ASSETS	Note	Rupees in '000
Balances with banks		22,973
Investments	4	896,281
Dividend and profit receivable		2,746
Preliminary expenses and floatation costs		32
Receivable against sale of units		69
Deposits and other receivable		5,611
Total assets		927,712
LIABILITIES		
Payable to the Management Company		7,606
Payable to the Trustee		180
Payable to the Securities and Exchange Commission of Pakistan		91
Payable against redemption of Units		-
Payable against purchase of investments		-
Accrued expenses and other liabilities		18,254
Total liabilities		26,131
NET ASSETS		901,581
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		901,581
CONTINGENCIES AND COMMITMENTS	6	
NUMBER OF UNITS IN ISSUE		92,935,765
NET ASSET VALUE PER UNIT		9.7011

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

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, 2021

		Nine month ended March 31,		Quarter ended March 31,	
	Note	2021	2020	2021	2020
		----- Rupees in '000 -----			
INCOME					
(Loss) / gain on sale of investments - net		37,926	(2,931)	15,606	4,107
Dividend income		19,005	12,480	6,503	2,591
Profit on balances with banks		1,520	3,666	640	1,397
Unrealised appreciation / (diminution) on remeasurement of investments classified as financial assets at fair value through profit or loss - net		7,514	(124,562)	(30,845)	(204,029)
Total income		65,965	(111,347)	(8,096)	(195,934)
EXPENSES					
Remuneration of the Management Company		6,854	6,311	2,890	2,023
Sindh Sales Tax on remuneration of the Management Company		891	820	375	263
Accounting and operational charges		595	414	289	135
Selling and marketing expenses	7	8,118	4,934	3,815	1,820
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		914	828	385	270
Sindh Sales Tax on remuneration of the Trustee		119	108	50	35
Annual fee of the Securities and Exchange Commission of Pakistan		91	83	38	27
Amortisation of preliminary expenses and floatation costs		342	342	112	112
Auditors' remuneration		604	409	244	95
Security transaction cost		1,906	1,717	1,275	696
Legal fee		119	28	61	9
Printing Expene		28	-	28	-
Listing fee		21	21	7	7
Shariah Advisor Fee		57	72	25	24
Settlement and bank charges		323	217	88	41
Total operating expenses		20,982	16,304	9,682	5,557
Net (loss) / income from operating activities		44,983	(127,651)	(17,778)	(201,491)
Provision / reversal for Sindh Workers' Welfare Fund	5	(900)	-	355	-
Net income / (loss) for the period before taxation		44,083	(127,651)	(17,423)	(201,491)
Taxation	8	-	-	-	-
Net income / (loss) for the period after taxation		44,083	(127,651)	(17,423)	(201,491)
Allocation of net income for the period					
Net income for the period after taxation		44,083	-	-	-
Income already paid on units redeemed		(39,395)	-	-	-
		<u>4,688</u>	<u>-</u>	<u>-</u>	<u>-</u>
Accounting income available for distribution:					
-Relating to capital gains		4,688			
-Excluding capital gains		-			
		<u>4,688</u>			

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

**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, 2021

	Nine month ended March 31,		Quarter ended March 31,	
	2021	2020	2021	2020
	----- Rupees in '000 -----			
Net income / (loss) for the period after taxation	44,083	(127,651)	(17,423)	(201,491)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	<u>44,083</u>	<u>(127,651)</u>	<u>(17,423)</u>	<u>(201,491)</u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

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 AND QUARTER ENDED MARCH 31, 2021

	Nine month ended March 31, 2021			Nine month ended March 31, 2020		
	(Rupees in '000)			(Rupees in '000)		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period (audited)	573,989	24,570	598,559	608,471	57,565	666,036
Issuance of 115,460,183 units (2020: 40,138,744 units)						
- Capital value (at net asset value per unit at the beginning of the period)	979,864	-	979,864	367,241	-	367,241
- Element of loss	166,691	-	166,691	15,425	-	15,425
Total proceeds on issuance of units	1,146,555	-	1,146,555	382,666	-	382,666
Redemption of 93,054,561 units (2020: 60,078,621 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(789,717)	-	(789,717)	(549,677)	-	(549,677)
- Element of income	(58,504)	(39,395)	(97,899)	(13,839)	-	(13,839)
Total payments on redemption of units	(848,221)	(39,395)	(887,616)	(563,516)	-	(563,516)
Total comprehensive loss for the period	-	44,083	44,083	-	(127,651)	(127,651)
Distribution during the period	-	-	-	-	-	-
Net loss for the period less distribution	-	44,083	44,083	-	(127,651)	(127,651)
Net assets at end of the period (un-audited)	872,323	29,258	901,581	427,621	(70,086)	357,535
Undistributed income brought forward						
- Realised income		43,207			209,700	
- Unrealised (loss) / income		(18,637)			(152,135)	
		24,570			57,565	
Accounting income available for distribution						
- Relating to capital gains		4,688			-	
- Excluding capital gains		-			-	
		4,688			-	
Net loss for the period after taxation		-			(127,651)	
Distribution during the period		-			-	
Undistributed income carried forward		29,258			(70,086)	
Undistributed income carried forward						
- Realised income		21,744			54,476	
- Unrealised loss		7,514			(124,562)	
		29,258			(70,086)	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		8.4866			9.1493	
Net assets value per unit at end of the period		9.7011			6.7643	

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

**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 AND QUARTER ENDED MARCH 31, 2021

	Nine month ended March 31, 2021	March 31, 2020
	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period before taxation	44,083	(127,651)
Adjustments for:		
Unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss - net	(7,514)	124,562
Profit on balances with banks	(1,520)	(3,666)
Dividend income	(19,005)	(12,480)
Amortisation of preliminary expenses and floatation costs	342	342
	<u>16,386</u>	<u>(18,893)</u>
(Increase) / decrease in assets		
Investments - net	(306,129)	174,006
Receivable against sale of investments	-	26,783
Deposits and other receivable	(7)	(7)
	<u>(306,136)</u>	<u>200,782</u>
Increase / (Decrease) in liabilities		
Payable to the Management Company	1,285	(540)
Payable to the Trustee	67	(53)
Payable to the Securities and Exchange Commission of Pakistan	(19)	(1,049)
Payable against purchase of investments	(175)	-
Accrued expenses and other liabilities	1,560	(685)
	<u>2,718</u>	<u>(2,327)</u>
Profit and Dividend received	17,951	13,449
Net cash generated from operating activities	<u>(269,081)</u>	<u>193,011</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issue of units	1,149,831	382,117
Payments on redemption of units	(888,015)	(563,314)
Net cash (used in) form financing activities	<u>261,816</u>	<u>(181,197)</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(7,265)</u>	<u>11,814</u>
Cash and cash equivalents at the beginning of the period	30,237	33,788
Cash and cash equivalents at the end of the period	<u><u>22,973</u></u>	<u><u>45,602</u></u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Energy Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on March 28, 2016 between NBP Fund Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee.

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 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 Equity Scheme" by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from April 19, 2016 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to provide higher risk adjusted returns to investors by investing in diversified portfolio of Shari'ah compliant energy sector equity instruments. The investment objectives and policies are explained in the Fund's offering document.

The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of AM1 to the Management Company. The Fund has not been rated.

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

2 STATEMENT OF COMPLIANCE

2.1 Statement of compliance

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

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

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

The disclosures made in this condensed interim financial information have been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does 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 financial statements of the Fund for the year ended June 30, 2020.



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, 2021.

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

3 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, 2020.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2020 that have a material effect on the financial statements of the Fund.

4 INVESTMENTS

Investments at fair value through profit or loss

- Listed equity securities

	(Un-Audited) March 31, 2021	(Audited) June 30, 2020
Note	----- Rupees in '000 -----	
4.1	<u>896,281</u>	<u>582,638</u>

4.1 Investment in equity securities - Listed

All shares have a nominal face value of Rs.10 each except for the shares of K-Electric Limited which have a face value of Rs 3.5 each.

Name of the investee company	Number of shares				Market value	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2020	Purchased during the period	Sold during the period	As at March 31, 2021		Total market value of investments	Net assets of the Fund	
Rupees in 000 ----- % -----								
REFINERY								
Attock Refinery Limited	-	25,000	-	25,000	6,385	0.71	1.29	2%
National Refinery Limited	-	22,500	4,000	18,500	10,899	1.22	2.20	2%
					17,284	1.93	3.49	
OIL & GAS EXPLORATION COMPANIES								
Mari Petroleum Company Limited	89,475	59,020	48,500	99,995	153,122	17.08	30.96	7%
Oil & Gas Development Company Limited	878,700	1,074,500	559,800	1,393,400	141,583	15.80	28.63	3%
Pakistan Oilfields Limited	202,341	251,200	124,500	329,041	124,999	13.95	25.27	12%
Pakistan Petroleum Limited	1,074,496	1,207,200	624,700	1,656,996	144,705	16.15	29.26	6%
					564,409	62.98	114.12	
OIL & GAS MARKETING COMPANIES								
Attock Petroleum Limited	44,100	33,400	-	77,500	25,344	2.83	5.12	8%
Hascol Petroleum Limited	540,000	167,500	707,500	-	-	-	-	0%
Hi-Tech Lubricants Limited	439,700	70,000	335,500	174,200	12,279	1.37	2.48	15%
Pakistan State Oil Company Limited	261,789	328,400	180,000	410,189	94,602	10.55	19.13	9%
Shell Pakistan Limited	27,900	22,900	5,000	45,800	7,050	0.79	1.43	2%
Sui Northern Gas Pipelines Limited	754,700	641,500	597,000	799,200	31,345	3.50	6.34	13%
					170,620	19.04	34.50	



Name of the investee company	Number of shares				Market value	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2020	Purchased during the period	Sold during the period	As at March 31, 2021		Total market value of investments	Net assets of the Fund	

Rupees in 000 ----- % -----

POWER GENERATION & DISTRIBUTION

K-Electric Limited	1,915,500	4,526,000	459,000	5,982,500	23,810	2.66	4.81	2%
Nishat Power Limited	71,000	-	71,000	-	-	-	-	-
Lalpir Power Limited	711,000	-	84,500	626,500	10,738	1.20	2.17	16%
Hub Power Company Limited	1,027,943	803,986	483,400	1,348,529	109,420	12.23	22.12	10%
					143,968	16.09	29.10	
Total as at March 31, 2021					896,281	100	181.21	
Carrying value as at March 31, 2021					888,767			
Market value as at June 30, 2020					582,638			
Carrying value as at June 30, 2020					601,276			

- 4.2** The above investments include shares having a market value (in aggregate) amounting to Rs. 82.2063 million (June 30, 2020: Rs 73.315 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the Securities & Exchange Commission of Pakistan.

5 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

The Fund being prudent, has recognised provision for SWWF for the period ended March 31, 2021 in this condensed interim financial information. Had the provision not been made in the financial statements of the fund for the period from April 19, 2016 to March 31, 2021, net assets value per unit as at March 31, 2021 would have been higher by Rs. 0.161 per unit (June 30, 2020: Rs. 0.199 per unit)

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

7 SELLING AND MARKETING

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 0.20% per annum of the net assets of the Fund.

8 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders.



Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains 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, 2020 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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, 2021 is 4.78% (2020: 3.94%) which includes 0.44% (2020: 0.24%) 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 4.5% (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 equity scheme'.

10 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 10.1** Connected persons and related parties include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan being the Parent of the Management Company and Baltoro Growth Fund being the sponsor of the Management Company. It also includes associated companies of Management Company due to common directorship, post-employment benefit funds of the Management Company, its parent and sponsor. It also includes subsidiaries and associated companies of the Parent of the Management Company and other collective investment schemes (CIS) managed by the Management Company, directors and key management personnel of the Management Company and any person or company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.
- 10.2** The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 10.3** Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 10.4** Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC regulations and the Trust Deed.
- 10.5** Details of transactions with connected persons are as follows:

	------(Un-Audited)-----	
	Nine moth ended March 31, 2021	Nine moth ended March 31, 2020
	-----Rs. In '000-----	
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	6,854	6,311
Sindh sales tax on remuneration of the Management Company	891	820
Accounting and operational charges to the Management Company	595	414
Sales Load and transfer load charged	1,077	1,099
Selling and marketing expense	8,118	4,934
ADC Share charges	5	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	914	828
Sindh sales tax on remuneration of Trustee	119	108
CDS Charges	30	-



		----- (Un-Audited) -----	
		Nine moth ended March 31, 2021	Nine moth ended March 31, 2020
		-----Rs. In '000-----	
Employees of the Management Company			
Units Issued / transferred in 14,751,392 units (2020: Nil units)		139	-
Units redeemed / transferred out 13,238,287 units (2020: Nil units)		125	-
Humayun Bashir - Director			
Units Issued / transferred in 1,414,187 units (2020: Nil units)		14,960	-
BankIslami Pakistan Limited (Common Directorship)			
Profit income		691	2,414
Hub Power Company Limited			
Shares purchased 803,986 (2020: Nil shares)		71,747	-
Shares sell 483,400 (2020: Nil shares)		39,938	-
Taurus Securities Limited (Common Directorship)			
Brokerage expense		88	84
National Clearing Company of Pakistan			
NCCPL Charges		277	-
10.6 Amounts / balances outstanding as at period end:			
		(Un-Audited) March 31, 2021	(Audited) June 30, 2020
		-----Rs. In '000-----	
NBP Fund Management Limited - Management Company			
Management remuneration payable		1,194	753
Sindh sales tax on remuneration		155	98
Federal excise duty on remuneration		583	583
Allocated expenses payable		289	135
Sales load and transfer load payable		42	1,275
Sindh sales tax on front end load		5	10
Federal excise duty on front end load		1,501	1,501
Selling and marketing expense		3,816	1,950
ADC Share charges payable		5	-
Other payable		16	16
Employees of the Management Company			
Units held 2,444,560 units (June 30, 2020: 930,726 units)		23,715	7,899
Humayun Bashir - Director			
Units held 1,414,187 units (June 30, 2020: Nil units)		13,719	-
Farida Ali Asghar - more than 10%			
Units held 19,746,871 units (June 30, 2020: Nil units)		191,567	-
Central Depository Company of Pakistan Limited - Trustee			
Trustee fee		159	100
Sindh Sales Tax on the remuneration of trustee		21	13
Security deposit		100	100
CDS charges		10	3



	(Un-Audited) March 31, 2021	(Audited) June 30, 2020
	-----Rs. In '000-----	
BankIslami Pakistan Limited (Common Directorship)		
Bank Balances	14,222	23,274
Profit receivable	60	152
Hub Power Company Limited		
Shares held 1,348,529 (June 30, 2020: Nil shares)	109,420	-
Portfolios Managed by Management Company		
Units held 344,688 (June 30, 2020: 344,688 units)	3,344	2,925
National Clearing Company of Pakistan Limited (Common Directorship)		
NCCPL charges payable	25	53
Security deposit	2500	2,500

11 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 30, 2021.

12 GENERAL

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

12.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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