



# NBP ISLAMIC ENERGY FUND

**QUARTERLY REPORT**  
**MARCH 31, 2022**

# 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. 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
Mr. Tauqeer Mazhar	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 Shahra-e-Faisal, Karachi.

##### Bankers to the Fund

Allied Bank 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  
National Bank of Pakistan  
Silk 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.nbpfunds.com](http://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 Energy Fund (NIEF)** for the period ended March 31, 2022.

### Fund's Performance

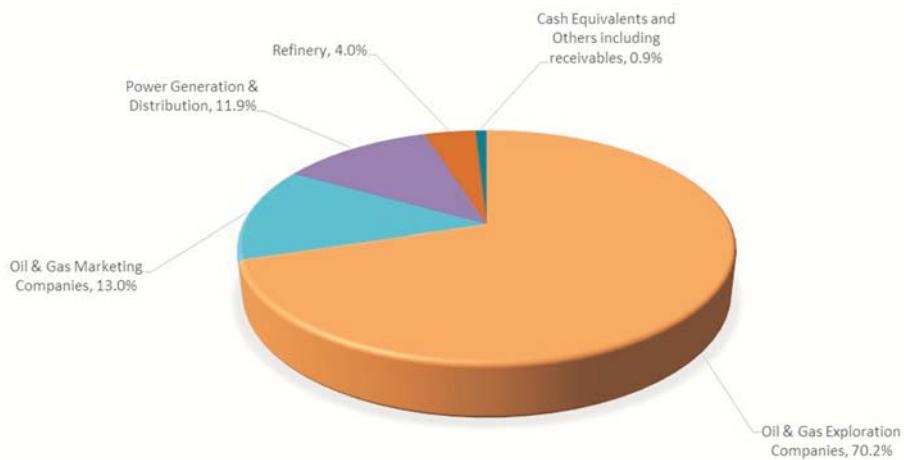
During 9MFY22, the benchmark KMI-30 index dropped by 3,707 points, translating into a decline of 4.8% during the period. The market remained quite jittery throughout the period, and amid thin volumes, traded within a range showing lack of investors' interest.

During the period under review, although the profitability of listed corporates rose sharply (cumulative profit during trailing four quarters increased by around 48% on a yearly basis), it did not translate into a commensurate market performance. Investors focused narrowly on the burgeoning current account deficit (CAD) which deteriorated significantly to USD 12.1 billion in 8MFY22, compared to a surplus of USD 1 billion during the comparative period last year. The external vulnerabilities re-emerged as aggregate domestic demand surged and the ongoing commodity super-cycle further exacerbated the external imbalances. The escalation in Russia Ukraine conflict and ensuing sanctions on the former further fueled global commodity prices that alarmed the investors which remained wary of its impact on domestic inflation. Monthly inflation reading also kept creeping up and average inflation stood at around 10.8% during the period under review. To compress both the external imbalances and the rampant inflation, the central bank resorted to monetary tightening during the period as Policy Rate was raised by a cumulative 2.75% in 9MFY22. For the same reason, PKR continued to depreciate and lost value by a significant 16% during the period. Though IMF program was resumed in 3Q, the inordinate delay in its resumption remained another reason for nervousness in the market. The downgrade of Pakistan from the MSCI Emerging Market to MSCI Frontier Market also took place during the period, necessitating rebalancing on part of foreign investors that resulted in sizeable foreign outflows during the period, which also dented the stock market performance. Lastly, the rising political noise further stoked uncertainty.

Looking at the sector wise performance of the market, Automobile Assemblers, Chemicals, Commercial Banks, Fertilizers, Food & Personal Care, Glass & Ceramics, Oil & Gas Exploration, Power Generation & Distribution, and Textile Composite sectors outperformed the market, while Auto Parts & Accessories, Cable & Elec. Goods, Cements, Engineering, Insurance, Oil & Gas Marketing, Paper & Board, Pharmaceuticals, Refinery, Technology & Communication, and Vanaspati sectors lagged the market. In terms of participant-wise activity, Individuals, Companies and Banks/DFIs remained the largest buyers during the period with net inflows of USD 82 million, USD 81 million and USD 72 million, respectively. On the other hand, Foreigners were the largest sellers in the market with net outflows amounting to USD 271 million.

The size of NBP Islamic Energy Fund at the end of the period stood at Rs. 722 million, 17% lower than at June 30, 2021. During the period the unit price of NBP Islamic Energy Fund has decreased from Rs. 9.4868 on June 30, 2021 to Rs. 8.9269 on March 31, 2022, thus showing a decrease of 5.9%. The Benchmark (KMI-30 Index) decreased by 4.8%. Thus, During the period under review the Fund has underperformed its Benchmark by 1.1%. Since inception (April 21, 2016), the unit price of the Fund has shown an increase of 1.2% as compared to 23.7% increase in its Benchmark. Thus, the Fund has underperformed its Benchmark by 22.5%. This performance is net of management fee and all other expenses. During August 2021, provisioning against Sindh Workers' Welfare Fund has been reversed. The reversal of provision has contributed towards an unusual increase in NAV of the Fund. This is a one-off event and shall not be repeated in the future.

NBP Islamic Energy Fund incurred a loss of Rs. 29.36 million during the period. After deducting total expenses of Rs. 26.62 million, the total loss is Rs. 55.98 million. The asset allocation of the Fund as on March 31, 2022 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**

Date: April 27, 2022

Place: Karachi.

**Director**

## ڈائریکٹر رپورٹ

NBP نیشنل فنڈ لیمیٹڈ کے بورڈ آف ڈائریکٹر بصد مدت 31 مارچ 2022 کو قائم ہونے والی نومای کے لئے NBP اسلامک انرجی فنڈ (NIEF) کے غیر جائز شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کا رکرداری

KMI-30 اٹھیکس میں 3,707 پاؤنس کی کمی واقع ہوئی، جس کے نتیجے میں اس مدت کے دوران 4.8% کی کمی ہوئی۔ پوری مدت کے دوران مارکیٹ کافی دباؤ کا خکار رہی، اور کم جم کے درمیان، سرمایہ کاروں کی عدم دلچسپی کی وجہ سے ایک حد کے اندر تجارت ہوئی۔

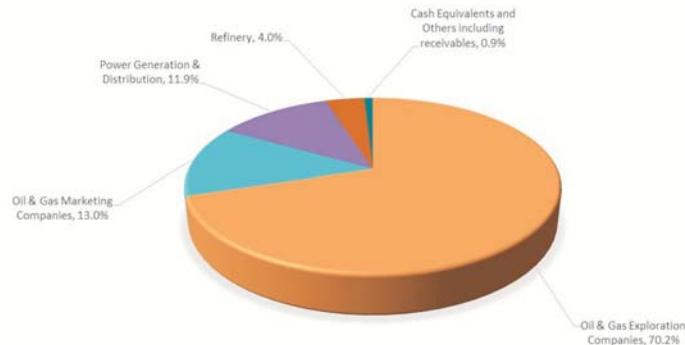
زیر جائزہ مدت کے دوران، اگرچہ لندن کا رپورٹ میں منافع میں تیزی سے اضافہ ہوا (بچھلی چار سماں یوں کے دوران جمیع منافع میں سالانہ بنیادوں پر تقریباً 48 فیصد اضافہ ہوا)، حالانکہ مارکیٹ کی کارکردگی اس سے بہم آہنگ نہ ہوئی۔ سرمایہ کاروں نے بڑھتے ہوئے کرنٹ اکاؤنٹ خسارے (CAD) پر توجہ مرکوزی جو 8MFY22 12.1 ملین امریکی ڈالر ہو گیا، جو کہ گزر شتم سال کی مقابلی مدت کے دوران 1 ملین امریکی ڈالر کا سرپلٹس تھا۔ یہ ورنی کمزوریاں دوبارہ ابھریں کیونکہ جمیع مقامی طلب میں اضافہ ہو گیا اور اجتناس کے جاری سپرسائکل نے یہ ورنی عدم توازن کو مزید بڑھادیا۔ روس یوکرین میں بڑھتے ہوئے تباہ اور اس کے نتیجے میں پابندیوں نے عالمی اجتناس کی قیتوں میں مزید اضافہ کیا۔ جس نے سرمایہ کاروں کو پریشان کر دیا جو مقامی افزاط از رپراس کے اثرات سے مختاثرا ہے۔ افزاط زرکی مہانہ شرح میں بھی اضافہ ہوتا رہا اور زیر جائزہ مدت کے دوران اوسط افزاط از رپری 10.8% فیصد رہا۔ یہ ورنی عدم توازن اور بڑھتے ہوئے افزاط از رپرونوں کو مکمل کرنے کے لیے، مرکزی بینک نے اس عرصے کے دوران خفتہ مالیاتی اقدامات کا سہارا لیا جیسا کہ 9MFY22 میں پالیسی ریٹ ہے۔ میں جموں طور پر 2.75% 2.75% اضافہ کیا گیا۔ اسی وجہ سے، اس مدت کے دوران پاکستانی روپیہ کی قدر میں کمی جاری رہی اور قدر 16% کی نمایاں کی واقع ہوئی۔ اگرچہ IMF 3Q 2022 میں پروگرام دوبارہ شروع کیا گیا، لیکن اس کے دوبارہ شروع ہونے میں غیر معمولی تاخیر مارکیٹ میں پریشانی کی ایک اور جدید MSCI ایئر جنگ مارکیٹ سے MSCI فرنگیز مارکیٹ میں پاکستان کی تنزلی بھی اس عرصے کے دوران ہوئی، جس سے غیر ملکی سرمایہ کاروں کی جانب سے توازن قائم کرنے کی ضرورت پڑی۔ جس کے نتیجے میں اس عرصے کے دوران غیر ملکی اخراج میں نمایاں اضافہ ہوا، جس نے اشک مارکیٹ کی کارکردگی کو بھی نقصان پہنچایا۔ آخر میں بڑھتے ہوئے سیاں شور نے مزید غیر لقینی سورجخال کو جنم دیا۔

مارکیٹ کی شعبہ جاتی کا رکرداری کو دیکھتے ہوئے، آٹو موبائل اسیبلری، کیمیکلز، کرشل پلکس، فریلانزرز، فوڈ اینڈ پرنسل کیئر، گلاس اینڈ سیرامیکس، آئکل اینڈ گیس ایکسلپوریشن، پادر جیزیشن اینڈ ڈسٹری یوشن اور ٹیکنالوگی کمپووزٹ شعبوں نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا، جبکہ آٹو پارٹس اور اسیسز، کیبل اور الیکٹریک سامان، سیمنٹ، انٹورنس، آئکل اینڈ گیس مارکیٹنگ، پیپر اینڈ ڈبڑو، فارماسیوٹیکل، ریفارمیٹری، ٹیکنالوچی اور کمپیوٹیشن، اور ونا پستی کے شعبے مارکیٹ میں پیچھے رہے۔ شرکاء کی سرگرمی کے لحاظ سے، افراد، کمپنیاں اور بینک DFIs اس عرصے کے دوران بالاتر تیب 82 ملین امریکی ڈالر اور 72 ملین امریکی ڈالر کے خالص اضافے کے ساتھ سب سے بڑے خریدار رہے۔ دوسری طرف، مارکیٹ میں غیر ملکی 271 ملین امریکی ڈالر کے خالص اخراج کے ساتھ سب سے بڑے فروخت کنندگان رہے۔

موجودہ مدت کے دوران NBP اسلامک انرجی فنڈ کا سائز 722 ملین روپے رہا۔ جو 30 جون 2021 کے مقابلے میں 17% کم ہے۔ اس مدت کے دوران، NBP اسلامک انرجی فنڈ کے یونٹ کی قیمت 30 جون 2021 کو 9.4868 روپے سے کم ہو کر 31 مارچ 2022 کو 8.9269 روپے ہو گئی، لہذا 5.9% کی کمی ظاہر ہے۔ نیز مارک KMI-30 اٹھیکس میں 4.8% سے کم ہوا۔ لہذا فنڈ کی کارکردگی زیر جائزہ مدت کے دوران اپنے نیٹ مارک سے 11.1% ابتر رہی۔ اپنے آغاز کے وقت (21 اپریل 2016) سے اب تک فنڈ کے یونٹ کی قیمت نے اپنے نیٹ مارک میں 11.2% اضافہ کے مقابلے میں 23.7% کا اضافہ ظاہر کیا۔ اس طرح فنڈ کی کارکردگی اپنے نیٹ مارک سے 22.5% ابتر رہی۔ فنڈ کی یہ کارکردگی میتھ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ اگست 2021 کے دوران، سندھ و رکزو ٹکسٹریز فنڈ کی پروپرٹی گپتی اس پروپرٹی کے ریولوں کے باعث فنڈ کی NAV میں غیر معمولی اضافہ ہوا۔ یہ ایک ایسا موقع ہے جس کا مستقبل میں دوبارہ آنے کا امکان نہیں ہے۔

NBP اسلامک انرجی فنڈ کو اسی مدت کے دوران 29.36 ملین روپے کا نقصان ہوا۔ 26.62 ملین روپے کے اخراجات مٹھا کرنے کے بعد جمیع نقصان 55.98 ملین روپے ہے۔

31 اگری 2022 کو فنڈ کی ایسٹ ایکٹیشن درج ذیل ہے:



کی کارکردگی مقابلہ مارک NIEF



### انہصار تفہیر

یورڈ اس موقع سے فائدہ اٹھاتے ہوئے منجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پا چکے قابل قدر پہنچ ہولڈرز کا شکر یہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایچیمیشن آف پاکستان اور اسٹائش بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص روایہ کا بھی اعتراف کرتا ہے۔

یورڈ اس پہنچ اور ٹریڈ کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجمنٹ یورڈ آف ڈائریکٹر  
فنڈ منجمنٹ لیڈر NBP

ڈائریکٹر

چیف ایگزیکیوٹو

تاریخ: 27 اپریل 2022ء

مقام: کراچی

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2022

	(Un-audited) March 31, 2022	(Audited) June 30, 2021
<b>ASSETS</b>		<b>Note ----- Rupees in '000 -----</b>
Balances with banks	13,641	38,604
Investments	715,321	849,498
Profit receivable	189	217
Dividend receivable	-	1,269
Deposits and other receivable	5,611	5,604
<b>Total assets</b>	<b>734,762</b>	<b>895,192</b>
<b>LIABILITIES</b>		
Payable to NBP Fund Management Limited - the Management Company	7,428	8,234
Payable to Central Depository Company of Pakistan Limited - the Trustee	142	171
Payable to the Securities and Exchange Commission of Pakistan	117	136
Payable against redemption of Units	368	1,210
Payable against purchase of investments	-	310
Accrued expenses and other liabilities	5,080	19,691
<b>Total liabilities</b>	<b>13,135</b>	<b>29,752</b>
<b>NET ASSETS</b>	<b>721,627</b>	<b>865,440</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<b>721,627</b>	<b>865,440</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	6	
		<b>----- Number of units -----</b>
<b>NUMBER OF UNITS IN ISSUE</b>	<b>80,837,314</b>	<b>91,226,104</b>
		<b>----- Rupees -----</b>
<b>NET ASSET VALUE PER UNIT</b>	<b>8.9269</b>	<b>9.4868</b>

The annexed notes 1 to 13 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 MONTH AND QUARTER ENDED MARCH 31, 2022

	Note	Nine month ended March 31, 2022	Quarter ended March 31, 2022	Rupees in '000	Quarter ended March 31, 2021
<b>INCOME</b>					
(Loss) / gain on sale of investments - net		(21,652)	37,926	(3,868)	15,606
Dividend income		60,742	19,005	23,497	6,503
Profit on balances with banks		1,498	1,520	571	640
Unrealised (diminution) / appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss - net		(84,984)	7,514	(14,141)	(30,845)
<b>Total (loss) / income</b>		(44,396)	65,965	6,059	(8,096)
<b>EXPENSES</b>					
Remuneration of the Management Company		8,782	6,854	2,710	2,890
Sindh Sales Tax on remuneration of the Management Company		1,142	891	353	375
Reimbursement of allocated expenses		1,140	595	361	289
Reimbursement of Selling and marketing expenses	7	11,906	8,118	3,703	3,815
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		1,171	914	361	385
Sindh Sales Tax on remuneration of the Trustee		152	119	47	50
Annual fee of the Securities and Exchange Commission of Pakistan		117	91	36	38
Amortisation of preliminary expenses and floatation costs		-	342	-	112
Auditors' remuneration		583	604	177	244
Security transaction cost		784	1,906	160	1,275
Legal and professional charges		409	119	122	61
Printing Expense		51	28	18	28
Listing fee		21	21	7	7
Shariah Advisor Fee		84	57	28	25
Settlement and bank charges		279	323	105	88
<b>Total operating expenses</b>		26,620	20,982	8,187	9,682
<b>Net (loss) / income from operating activities</b>		(71,016)	44,983	(2,128)	(17,778)
Reversal/ (Provision) against Sindh Workers' Welfare Fund	5	15,034	(900)	-	355
<b>Net (loss) / income for the period before taxation</b>		(55,982)	44,083	(2,128)	(17,423)
Taxation	8	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>		(55,982)	44,083	(2,128)	(17,423)
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		-	44,083	-	-
Income already paid on units redeemed		-	(39,395)	-	-
<b>Accounting income available for distribution:</b>		-	4,688	-	-
-Relating to capital gains		-	4,688	-	-
-Excluding capital gains		-	4,688	-	-
			4,688		

The annexed notes 1 to 13 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 MONTH AND QUARTER ENDED MARCH 31, 2022

	Nine month ended March 31, 2022	2021	Quarter ended March 31, 2022	2021
	----- Rupees in '000 -----			
Net (loss) / income for the period after taxation	<b>(55,982)</b>	44,083	<b>(2,128)</b>	(17,423)
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b><u>(55,982)</u></b>	<b><u>44,083</u></b>	<b><u>(2,128)</u></b>	<b><u>(17,423)</u></b>

The annexed notes 1 to 13 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 MONTH ENDED MARCH 31, 2022

	Nine month ended March 31, 2022 (Rupees in '000)			Nine month ended March 31, 2021 (Rupees in '000)		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period (audited)	806,978	58,462	865,440	573,989	24,570	598,559
Issuance of 51,924,259 units (2021: 115,460,183 units)						
- Capital value (at net asset value per unit at the beginning of the period)	492,595	-	492,595	979,864	-	979,864
- Element of loss	(11,086)	-	(11,086)	166,691	-	166,691
Total proceeds on issuance of units	481,509	-	481,509	1,146,555	-	1,146,555
Redemption of 62,313,049 units (2021: 93,054,561 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(591,151)	-	(591,151)	(789,717)	-	(789,717)
- Element of income	21,811	-	21,811	(58,504)	(39,395)	(97,899)
Total payments on redemption of units	(569,340)	-	(569,340)	(848,221)	(39,395)	(887,616)
Total comprehensive (loss)/ income for the period	-	(55,982)	(55,982)	-	44,083	44,083
<b>Net assets at end of the period (un-audited)</b>	<b>719,147</b>	<b>2,480</b>	<b>721,627</b>	<b>872,323</b>	<b>29,258</b>	<b>901,581</b>
Undistributed income brought forward						
- Realised income	59,366				43,207	
- Unrealised (loss) / income	(904)				(18,637)	
	58,462				24,570	
Accounting income available for distribution						
- Relating to capital gains	(55,982)				4,688	
- Excluding capital gains	-				-	
	(55,982)				4,688	
Undistributed income carried forward	<b>2,480</b>				<b>29,258</b>	
Undistributed income carried forward						
- Realised income	87,464				21,744	
- Unrealised loss	(84,984)				7,514	
	2,480				29,258	
				(Rupees)		(Rupees)
Net assets value per unit at beginning of the period	<b>9.4868</b>				<b>8.4866</b>	
Net assets value per unit at end of the period	<b>8.9269</b>				<b>9.7011</b>	

The annexed notes 1 to 13 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 MONTH ENDED MARCH 31, 2022

	Nine month ended	
	March 31, 2022	March 31, 2021
	-----Rupees in '000-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (loss) / Income for the period before taxation	(55,982)	44,083
<b>Adjustments for:</b>		
Unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss - net	84,984	(7,514)
Profit on balances with banks	(1,498)	(1,520)
Dividend income	(60,742)	(19,005)
Amortisation of preliminary expenses and floatation costs	-	342
Reversal/ (Provision) against Sindh Workers' Welfare Fund	<u>15,034</u>	<u>(900)</u>
	<u>(18,204)</u>	<u>15,486</u>
<b>Decrease/ (Increase) in assets</b>		
Investments - net	49,193	(306,129)
Deposits and other receivable	(7)	(7)
	<u>49,186</u>	<u>(306,136)</u>
<b>(Decrease)/ increase in liabilities</b>		
Payable to NBP Fund Management Limited - the Management Company	(806)	1,285
Payable to the Trustee	(29)	67
Payable to the Securities and Exchange Commission of Pakistan	(19)	(19)
Payable against purchase of investments	(310)	(175)
Accrued expenses and other liabilities	<u>(29,645)</u>	<u>2,460</u>
	<u>(30,809)</u>	<u>3,618</u>
Profit and Dividend received	63,537	17,951
<b>Net cash generated/ (used) from operating activities</b>	<u>63,710</u>	<u>(269,081)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipts from issue of units	481,509	1,149,831
Payments on redemption of units	(570,182)	(888,015)
<b>Net cash (used in)/ generated from financing activities</b>	<u>(88,673)</u>	<u>261,816</u>
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	<u>(24,963)</u>	<u>(7,265)</u>
Cash and cash equivalents at the beginning of the period	38,604	30,237
<b>Cash and cash equivalents at the end of the period</b>	<u><u>13,641</u></u>	<u><u>22,973</u></u>

The annexed notes 1 to 13 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 INFORMATION (UN-AUDITED) FOR THE NINE MONTH ENDED MARCH 31, 2022

### 1    **LEGAL STATUS AND NATURE OF BUSINESS**

NBP Islamic Energy Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited, as the Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 25, 2016 in accordance with the requirements of 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 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 (the Board) 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 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 Limited (PACRA) has assigned an asset manager rating of AM1 to the Management Company. The Fund has not yet 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.

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

### 2    **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, 2021.

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, 2022.

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, 2021.

**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, 2021. 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, 2021.

**(Un-Audited)**           **(Audited)**  
March 31,           June 30,  
2022                 2021

Note ----- Rupees in '000 -----

## 4 INVESTMENTS

<b>Investments at fair value through profit or loss</b>			
- Listed equity securities	4.1	<b>715,321</b>	849,498

## 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	As at July 01, 2021	Acquired during the year	Bonus / right shares received during the year	Sold during the year	As at March 31, 2022	Market value as at March 31, 2022	Market value as a percentage of total investments	Market value as a percentage of net assets	Holding as a percentage of Paid up capital of the investee company									
	Number of shares				Rupees in '000		Percentage											
<b>OIL AND GAS EXPLORATION COMPANIES</b>																		
Mari Petroleum Company Limited	91,595	4,600	-	15,462	80,733	142,858	19.97	19.80	0.06									
Oil & Gas Development Company Limited	1,492,300	359,500	-	260,300	1,591,500	132,301	18.50	18.33	0.03									
Pakistan Oil Fields Limited	291,641	110,100	-	65,200	336,541	125,422	17.53	17.38	0.10									
Pakistan Petroleum Limited	1,602,496	251,500	-	395,900	1,458,096	106,149	14.84	14.71	0.05									
						506,731	70.84	70.22										
<b>OIL AND GAS MARKETING COMPANIES</b>																		
Attock Petroleum Limited	73,400	11,000	-	9,500	74,900	22,594	3.16	3.13	0.06									
Hi-Tech Lubricants Limited	61,200	60,000	9,940	11,500	119,640	5,068	0.71	0.70	0.10									
Pakistan State Oil Company Limited	337,089	10,000	-	47,600	299,489	49,916	6.98	6.92	0.06									
Shell Pakistan Limited	89,800	-	-	10,900	78,900	9,152	1.28	1.27	0.04									
Sui Northern Gas Pipelines Limited	652,700	-	-	429,000	223,700	7,109	0.99	0.99	0.05									
						93,840	13.12	13.00										
<b>POWER GENERATION AND DISTRIBUTION</b>																		
Hub Power Company Limited	1,300,529	132,600	-	261,400	1,171,729	83,872	11.73	11.62	0.08									
K-Electric Limited	5,982,500	-	-	5,982,500	-	-	-	-	-									
Lalpir Power Limited	626,500	-	-	473,000	153,500	2,055	0.29	0.28	0.04									
						85,928	12.01	11.91										
<b>REFINERY</b>																		
Attock Refinery Limited	29,800	42,000	-	10,000	61,800	7,952	1.11	1.10	0.05									
Cnergyco PK Limited / Byco	700,000	2,036,500	-	-	2,736,500	14,257	1.99	1.98	0.04									
National Refinery Limited	14,400	25,000	-	7,500	31,900	6,614	1	1	0.04									
						28,823	4.03	3.99										
<b>Total as at March 31, 2022</b>						<b>715,321</b>	<b>100.00</b>	<b>99.13</b>										
<b>Carrying value as at March 31, 2022</b>						<b>800,305</b>												
<b>Market value as at June 30, 2021</b>						<b>849,498</b>												
<b>Carrying value as at June 30, 2021</b>						<b>850,402</b>												

- 4.2** Investments include shares with market value amounting to Rs 76.001 million (June 30, 2021: Rs 81.133 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 and Exchange Commission of Pakistan, the breakup of which is as follows:

## 5 SINDH WORKERS' WELFARE FUND (SWWF)

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds

do not qualify as financial institutions / industrial establishments and are therefore, not liable to pay SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision of SWWF amounting to Rs. 15.03 million recognised in these condensed interim financial statements of the Fund, for the period from April 21, 2016 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

## 6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2022 and June 30, 2021.

## 7 REIMBURSMENT 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 2.05% 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 as cash dividend. 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, 2022 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 annualised total expense ratio (TER) of the Fund based on the current period is 4.55% (March 31, 2021: 4.78%) which includes 0.24% (March 31, 2021: 0.44%) representing Government Levy, Sindh Worker's Welfare Fund and the SECP Fee. The prescribed limit for the ratio is 4.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "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.

	----- <b>(Un-Audited)</b> -----	Nine moth ended March 31, 2022	Nine month ended March 31, 2021	----- <b>Rs. In '000</b> -----
10.5 Details of transactions with connected persons are as follows:				
<b>NBP Fund Management Limited - Management Company</b>				
Remuneration of the Management Company	8,782	6,854		
Sindh sales tax on remuneration of the Management Company	1,142	891		
Reimbursement of allocated expenses	1,140	595		
Sales Load and transfer load charged	97	1,077		
Sindh Sales Tax on sales load	13	-		
Reimbursement of Selling and marketing expenses	11,906	8,118		
ADC Share charges including SST	3	5		
<b>Central Depository Company of Pakistan Limited - Trustee</b>				
Remuneration	1,171	914		
Sindh sales tax on remuneration of Trustee	152	119		
CDS charges	-	30		
<b>Employees of the Management Company</b>				
Units Issued / transferred in 7,446,769 units (2021: 14,751,392 units)	68,115	139		
Units redeemed / transferred out 6,907,656 units (2021: 13,238,287 units)	63,197	125		
<b>Humayun Bashir - Director</b>				
Units Issued / transferred in Nil units (2021: 1,414,187 units)	-	14,960		
Units redeemed / transferred out 1,088,937 units (2021: Nil units)	9,481	-		
<b>Farida Ali Asghar ( More than 10% Shareholding )**</b>				
Units Redeemed : 20,228,242 Units (2021: Nil units)	188,222	-		
Units Issued : 20,228,242 Units (2021: Nil units)	188,222	-		
<b>Portfolios Managed by Management Company**</b>				
Units Issued: 4,192,213 Units (2021: Nil units)	40,000	-		
Units redeemed: 4,192,213 Units (2021: Nil units)	38,915	-		
<b>BankIslami Pakistan Limited (Common Directorship)</b>				
Profit on bank deposits	899	691		
<b>Hub Power Company Limited (Common Directorship)*</b>				
Shares purchased: Nil shares (2021: 803,986 shares)	-	71,747		
Shares sell: Nil shares (2021: 483,400 shares)	-	39,938		
<b>Taurus Securities Limited (Common Directorship)</b>				
Brokerage expense	41	88		
<b>National Clearing Company of Pakistan Limited (Common Directorship)</b>				
NCCPL charges	249	277		

	(Un-Audited) March 31, 2022	(Audited) June 30, 2021
10.6 Amounts / balances outstanding as at period end:	-----Rs. In '000-----	
<b>NBP Fund Management Limited - Management Company</b>		
Management remuneration payable	945	1,135
Sindh sales tax on remuneration	123	148
Federal excise duty on remuneration	583	583
Reimbursement of allocated expenses payable	361	333
Sales load and transfer load payable	149	46
Sindh sales tax on front end load	41	27
Federal excise duty on front end load	1,501	1,501
Reimbursement of Selling and marketing expenses	3,703	4,443
ADC Share charges payable to AMC	5	2
Other payable	16	16
<b>Employees of the Management Company</b>		
Units held 2,011,009 units (June 30, 2021: 3,943,419 units)	17,952	37,410
<b>Humayun Bashir - Director</b>		
Units redeemed: Nil Units (June 30, 2021: 1,088,937 Units)	-	10,331
<b>Farida Ali Asghar - more than 10%</b>		
Units held: 20,228,242 Units (June 30, 2021: 20,228,241 Units)	180,575	191,901
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee	126	151
Sindh Sales Tax on the remuneration of trustee	16	20
Security deposit	100	100
<b>BankIslami Pakistan Limited (Common Directorship)</b>		
Bank Balances	9,943	25,176
Profit receivable	135	101
<b>National Bank of Pakistan (Parent Company)</b>		
Bank Balances	103	-
<b>Hub Power Company Limited (Common Directorship)*</b>		
Shares held: Nil shares (June 30, 2021 : 1,300,529 Shares )	-	103,613
<b>National Clearing Company of Pakistan Limited (Common Directorship)</b>		
NCCPL charges payable	88	71
Security deposit	2,500	2,500
<b>Portfolios Managed by Management Company</b>		
Units held 352,267 units (June 30, 2021: 352,267 units)	3,145	3,342
<b>Tauras Securities Limited - Subsidiary of Parent Company</b>		
Brokerage payable	11	20

\* Current year figure has not been presented as the person is not classified as a related party / connected person of the fund as at March 31, 2022.

\*\* Prior year comparative has not been presented as the person was not related party / connected person of the fund as at June 30, 2021.

## 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.

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 as the items are either short-term in nature or repriced periodically.

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.

### 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

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 27, 2022.

## 13 GENERAL

- 13.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise is specified.
- 13.2 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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