



**NBP  
ISLAMIC ENERGY  
FUND**

**QUARTERLY REPORT  
SEPTEMBER 30, 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. Saad Amanullah Khan	Director
Mr. Ruhail Muhammad	Director

##### Company Secretary & COO

Mr. Muhammad Murtaza Ali

##### Chief Financial Officer

Mr. Khalid Mehmood

##### Audit & Risk Committee

Mr. Ruhail Muhammad	Chairman
Mr. Saad Amanullah Khan	Member
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member

##### Human Resource Committee

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

##### Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Mr. Tauqeer Mazhar	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Ruhail Muhammad	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 condensed Interim financial statements of **NBP Islamic Energy Fund (NIEF)** for the quarter ended September 30, 2022.

### Fund's Performance

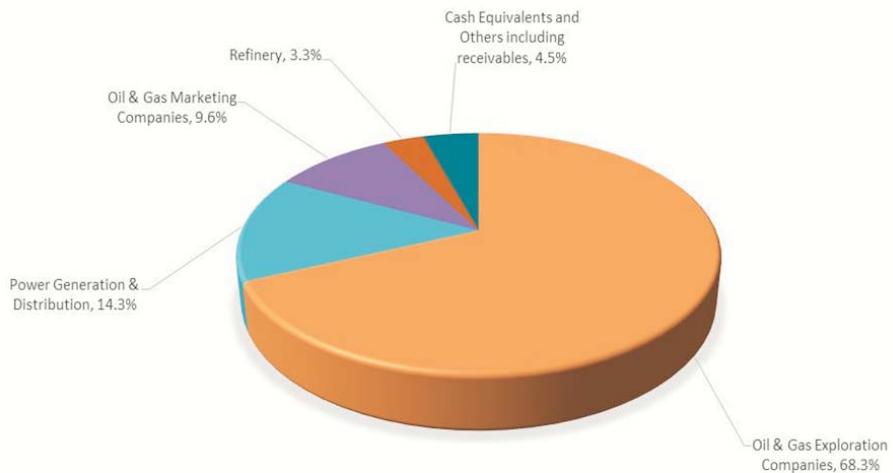
Equity market performance remained muted during 1QFY23, as the benchmark KMI-30 index fell by 1,303 points, translating into a modest decline of 1.9% for the period. Throughout the quarter, the market remained volatile and oscillated within a range driven by the news-flow.

The lackluster price performance of the market was despite robust corporate earnings announcement during the period, which showcased that FY22 corporate profitability rose by around 12% despite imposition of 10% super tax. However, it did not translate into a commensurate stock market performance as weak macro-economic indicator casted doubt on sustainability and outlook. Investors narrowly focused on elevated current account deficit, which stood at around USD 2.2 billion, record high inflation which averaged around 25.1% during the period, and depleting reserves held by SBP which fell sharply by USD 1.9 billion to stand around USD 7.9 billion at end of September. PKR continued to depreciate against USD, as it fell by another PKR 23.7 per USD (drop of 11.6%), which also dented the sentiment. During mid of quarter, we saw sharp rebound in the market, as IMF program was successfully resumed followed by receipt of loan tranche of USD 1.2 billion. However, the gains were short lived as unprecedented rains resulted into mass floods in the country resulting in massive devastation with an estimated economic loss of around USD 30 billion. It further worsened the economic outlook, as GDP estimates were trimmed down to 2% from 3% to 4% and inflation expectations were also revised upwards. The floods may also worsen the balance of trade as it will necessitate higher imports due to loss of cotton crop, potential wheat shortfall, and due to some decline in rice exports. On the external side, the participants were concerned about elevated contractual payments on financial account, due to impending external loan repayments. The international bond yields of certain instruments rose to record high level during the quarter.

In terms of sector wise performance, Cements, Engineering, Food & Personal Care, Oil & Gas Marketing Companies, Paper & Board, Power Generation & Distribution, Technology & Communication, Textile Composite and Transport sectors outperformed the market. On the other hand, Auto Assemblers, Fertilizers, Insurance, Oil & Gas Exploration, Pharmaceutical, and Refinery sectors lagged the market. On participants-wise market activity, Individuals and Foreigners emerged the largest net buyers with inflows of around USD 23 million and USD 17 million, respectively. On the contrary, Insurance & Mutual Funds lowered their net holdings by around USD 41 million and USD 35 million, respectively.

The size of NBP Islamic Energy Fund at the end of the period stood at Rs. 645million, 10% lower than at June 30, 2022. During the period the unit price of NBP Islamic Energy Fund has decreased from Rs. 8.8236 on June 30, 2022 to Rs. 8.4694 on September 30, 2022, thus showing a decrease of 4.0%. The Benchmark (KMI-30 Index) decreased by 1.9%. Thus, the Fund has underperformed its Benchmark by 2.1% during the period under review. Since inception the NAV of the Fund has increased from Rs. 8.8218 (Ex-Div) on April 21, 2016, to Rs. Rs. 8.4694 on September 30, 2022, thus showing an decrease of 4.0%. During the said period, the Benchmark increased by 14.4%, translating into under performance of 18.4%. This performance is net of management fee and all other expenses

NBP Islamic Energy Fund has incurred a loss of Rs. 19.50 million during the year. After deducting total expenses of Rs. 7.92 million, the total loss is Rs. 27.42 million. During the period, the unit price of Islamic Energy Fund has decreased from Rs. 8.8236 (Ex-Div) on June 30, 2022 to Rs. 8.4694 on September 30, 2022. The resultant per unit loss is Rs. 0.3542 (4.0%). The asset allocation of the Fund as on September 30, 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 Officer**

**Date: October 29, 2022**  
**Place: Karachi.**

**Director**

## ڈائریکٹر رپورٹ

NBP فنڈ میجنت لیمیٹڈ کے بورڈ آف ڈائریکٹر بصد مرست 30 ستمبر 2022ء کو ختم ہونے والی سماں کے لئے NBP اسلامک انرجی فنڈ (NIEF) کے غیر جائز شدہ کنڈنیڈ یوری مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

ماں سال 2023 کی پہلی سماں کے دوران ایکیٹ کی کارکردگی سست رہی، کیونکہ بینچ مارک 30-KMI انٹریکس میں 1,303 پاؤنٹس کی کمی واقع ہوئی، جس کے نتیجے میں اسی مدت میں 1.9% کی معمولی کمی واقع ہوئی۔ پوری سماں کے دوران، مارکیٹ اتارچ ہاؤ کا شکار ہی اور خریروں کی گردش کے تحت ایک حد کے اندر ہی گھومتی رہی۔

اس عرصے کے دوران مٹکام کا رپورٹ کے اعلان کے باوجود مارکیٹ کی قیمت کا کارکردگی نہ سست رہی، جس سے ظاہر ہوتا ہے کہ ماں سال 2022 میں 10% سپر گیکس کے نفاذ کے باوجود کارپوریٹ منافع تقریباً 12% رہا۔ تاہم، اس کا نتیجہ اسکا مارکیٹ کی کارکردگی کے مطابق حاصل نہیں ہوا کیونکہ کمزوریکرو اکنہ اک اشاروں نے استحکام اور مستقبل کے فقط نظر پر شکوک و شبہات کا انبھار کیا۔ سرمایہ کارروں نے بلند کرنٹ اکاؤنٹ خسارے، جو کہ تقریباً 2.2 بلین امریکی ڈالر تھا، پھر تو یہ مرکوز کی، ریکارڈ بلند افراط اور جو اس مدت کے دوران تقریباً 25 فیصد تھی، اور اسیٹ بینک کے ذخیرے میں 1.9 بلین امریکی ڈالر کے باعث تبر کے اختتام پر 7 بلین امریکی ڈالر کے فریب پہنچ گیا۔ امریکی ڈالر کے مقابلے میں پاکستانی روپیہ مسلسل گرتا رہا، اور اس میں مزید 23.7 پاکستانی روپیہ فی امریکی ڈالر (11.6%) کی گراوٹ ہوئی، جس نے جذبات کو بھی مجموع کیا۔ سماں کے وسط میں مارکیٹ میں تیزی سے ہبھتی دیکھی گئی، کیونکہ IMF پر گرام کامیابی کے ساتھ دوبارہ شروع ہوا جس کے تحت 1.2 بلین امریکی ڈالر کے قرض کی قحط موصول ہوئی۔ تاہم، یہ نوئی تھیز مرست ثابت ہوئے جیسا کہ غیر معمولی بارشوں کے نتیجے میں ملک میں بڑے بیانے پر سیالب آیا جس کے نتیجے میں تقریباً 30 بلین امریکی ڈالر کے اقتصادی نقصان کے ساتھ بڑے بیانے پر بجا ہی ہوئی۔ اس نے معاشر نظر انظر کو مزید خراب کر دیا، کیونکہ جی ڈی پی کے 3% تا 4% تجھیے کو کم کر کے 2% تک کر دیا گیا اور افراط از رکی تو یعنی ڈالر کے اقتصادی نقصان کے ساتھ بڑے بیانے پر بجا ہی ہوئی۔

ہر ہانے پر ظریفانی کی گئی۔ سیالب سے تجارت کا توازن بھی یگزٹکتا ہے کیونکہ اس سے کپاس کی فصل کے نقصان، گنم کی مکانکی اور چاول کی برآمدات میں کچھ کمی کی وجہ سے زیادہ درآمدات کی ضرورت ہوگی۔

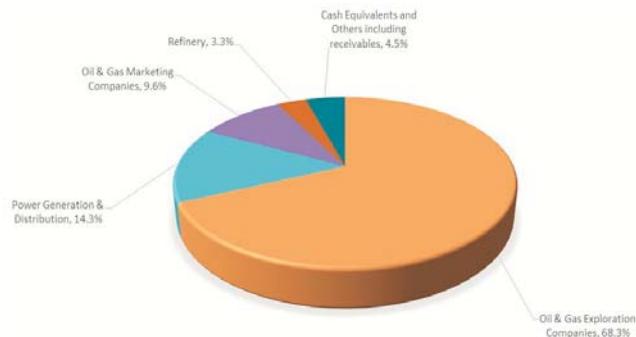
بڑوں فی لحاظ سے، شرکاء بیرونی قرضوں کی واپسی کی وجہ سے مالی اکاؤنٹ پر معابرے کی ادائیگیوں میں اضافے کے بارے میں فرمد تھے۔ سماں کے دوران میں الاؤوائی بانڈ کا منافع بعض آلات میں ریکارڈ بلند سطح تک پہنچ گیا۔

سیکیوریٹر کارکردگی کے لحاظ سے سیمٹ، انچیٹر گنگ، فوڈ اینڈ پرنسل کیس، آکل اینڈ گیس مارکیٹنگ کپنیاں، پیچہ اینڈ بورڈ، پاور ہنزیشن اور ڈسٹری یونٹ، ٹیکنالوچی اور کمپونیکیشن، ٹیکنال کپوزٹ اور ٹرانسپورٹ کے شعبوں نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ دوسری جانب آٹو اسپلائرز، فریشلائنز، انشورز، آکل اینڈ گیس ایکسپلوریشن، فارماسیوٹیکل اور ریفارمیزی کے شعبے مارکیٹ میں پیچھے رہے۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر، انفرادی اور غیر ملکی بالترتیب 23 بلین امریکی ڈالر اور 17 بلین امریکی ڈالر کے ساتھ بڑے خالص خریدار ہے۔ اس کے بعد، انشورز اور میچل فنڈز نے اپنی خالص ہولڈنگز باتری 41 بلین امریکی ڈالر اور 35 بلین امریکی ڈالر کم کیا۔

موجودہ مرست کے دوران NBP اسلامک انرجی فنڈ کے مقابلے میں 10% کم ہے۔ اس مرست کے دوران، NBP اسلامک انرجی فنڈ کے یونٹ کی قیمت 30 جون 2022 کو 8.8236 کروڑ سے کم ہو کر 30 ستمبر 2022 کو 8.4694 روپے ہو گئی، لہذا 4.0% کی کمی ظاہر ہے۔ بینچ مارک (30-KMI-30) کا کارکردگی زیر جائزہ مرست کے دوران اپنے بینچ مارک سے 2.1% ابتر رہی۔ اپنے قیام کے وقت (21 اپریل 2016) سے اب تک فنڈ کے یونٹ کی قیمت 8.8218 روپے سے بڑھ کر 30 ستمبر 2022 کو 8.4694 روپے ہو گئی، لہذا 4.0% کی کمی ظاہر ہے۔ اسی مرست کے دوران، فنڈ کے بینچ مارک میں 14.4% کا اضافہ ہوا، جس کے نتیجے میں 18.4% ابتر کا گردگی رہی۔ یہ کارکردگی میجنت فنڈ اور دیگر تمام اخراجات کے بعد خالص ہے۔

NBP اسلامک انرجی فنڈ کو موجودہ مرست کے دوران 19.50 ملین روپے کا نقصان ہوا۔ 92.7 ملین روپے کے اخراجات منہا کرنے کے بعد مجموعی نقصان 42.42 ملین روپے ہے۔ موجودہ مرست کے دوران، اسلامک انرجی فنڈ کے یونٹ کی قیمت 30 جون 2022 کو 8.8236 روپے (Ex-Div) سے کم ہو کر 30 ستمبر 2022 کو 8.4694 روپے ہو گئی، اس کے نتیجے میں فی یونٹ نقصان 0.3542 روپے (4.0%) ہے۔

30 ستمبر 2022 کو فنڈ کی ایسٹ ایلودیکشنس درج ذیل ہے:



کی کارکردگی بمقابلہ بینک مارک NIEF



امہار شکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مجہنٹ کمپنی پر اعتماد، امتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر پونٹ ہولڈرز کا شکر یہ ادا کرتا ہے۔ یہ یکور ٹیئر اینڈ ایچیچن آف پاکستان اور اسٹائٹ پینک آف پاکستان کی سر پرستی اور ہنمائی کے لئے ان کے مغلص روپیہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ٹریڈی کی طرف سے سخت محنت لگان اور عزم کے مظاہرے پر اپنا خراج تھیں بھی ریکارڈ پر لانا چاہتا ہے۔

مجانب بورڈ آف ڈائریکٹر  
نئی مجہنٹ لیمیٹڈ  
**NBP**

ڈائریکٹر

چیف ایگزیکیوٹیو آفیسر

تاریخ: 29 اکتوبر 2022

مقام: کراچی

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2022

		(Unaudited) September 30 2022	(Audited) June 30 2022
	Note	(Rupees in '000)	
<b>Assets</b>			
Balances with banks		39,153	25,981
Investments	4	615,851	702,917
Profit receivable		232	166
Deposits and other receivable		5,604	5,604
Receivable against issuance of units		-	875
<b>Total assets</b>		<b>660,840</b>	<b>735,542</b>
<b>Liabilities</b>			
Payable to NBP Fund Management Limited - Management Company		7,650	7,754
Remuneration payable to the Central Depository Company of Pakistan Limited - Trustee		124	131
Payable to Securities and Exchange Commission of Pakistan		35	153
Payable against redemption of units		2,433	2,008
Payable against purchase of investments		-	3,586
Accrued expenses and other liabilities		5,771	5,360
<b>Total liabilities</b>		<b>16,013</b>	<b>18,992</b>
<b>Net assets</b>		<b>644,827</b>	<b>716,550</b>
<b>Unit holders' fund (As per statement attached)</b>		<b>644,827</b>	<b>716,550</b>
<b>Contingencies and commitments</b>			
Number of units in issue	5	(Number of units)	
		<b>76,136,527</b>	<b>81,208,268</b>
Net assets value per unit		(Rupees)	
		<b>8.4694</b>	<b>8.8236</b>

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

		Quarter Ended September 30 2022	Quarter Ended September 30 2021
	<i>Note</i>	----- (Rupees in '000) -----	
<b>Income</b>			
Profit on bank deposits		843	655
Dividend income		24,272	18,466
Net gain/ (loss) on sale of investments		1,183	(7,311)
Net unrealised (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(45,794)	(70,644)
<b>Total loss</b>		<u>(19,496)</u>	<u>(58,834)</u>
<b>Expenses</b>			
Remuneration of Management Company		2,632	3,214
Sales tax and federal excise duty on remuneration of Management Company	6	342	418
Reimbursement of allocated expenses		351	398
Reimbursement selling and marketing expense		3,597	4,297
Remuneration of Central Depository Company of Pakistan Limited - Trustee		351	428
Sindh Sales tax on remuneration of trustee		46	56
Annual fee - Securities and Exchange Commission of Pakistan		35	43
Settlement and bank charges		105	27
Securities and transaction cost		156	317
Listing Fee		7	7
Legal fee		36	32
Auditors' remuneration		218	203
Printing charges		17	20
Shariah Advisor fee		29	9
<b>Total expenses</b>		<u>7,922</u>	<u>9,468</u>
		<u>(27,418)</u>	<u>(68,302)</u>
Reversal for Sindh Workers' Welfare Fund		-	15,034
<b>Net (loss) for the period before taxation</b>		<u>(27,418)</u>	<u>(53,268)</u>
Taxation	7	-	-
<b>Net (loss) for the period after taxation</b>		<u>(27,418)</u>	<u>(53,268)</u>
<b>Allocation of net income for the period:</b>			
Net income for the period after taxation		-	-
Income already paid on units redeemed		-	-
		<u>-</u>	<u>-</u>
<b>Accounting income available for distribution</b>			
-Relating to capital gains		-	-
-Excluding capital gains		-	-
		<u>-</u>	<u>-</u>

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Quarter Ended September 30 2022	Quarter Ended September 30 2021
<b>Net (loss) for the period after taxation</b>	(27,418)	(53,268)
Other comprehensive income / (loss) for the period	-	-
<b>Total comprehensive loss for the period</b>	<b><u>(27,418)</u></b>	<b><u>(53,268)</u></b>

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

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

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Quarter Ended			Quarter Ended		
	2022			2021		
	----- Rupees in '000 -----					
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	722,940	(6,390)	716,550	806,978	58,462	865,440
Issue of 4,797,359 units (2021: 30,676,959 units)						
- Capital value	42,330	-	42,330	291,026	-	291,026
- Element of income	237	-	237	(5,824)	-	(5,824)
Total proceeds on issuance of units	42,567	-	42,567	285,202	-	285,202
Redemption of 9,869,280 units (2021: 34,439,867 units)						
- Capital value	(87,083)	-	(87,083)	(326,724)	-	(326,724)
- Element of income	210	-	210	9,043	-	9,043
Total payments on redemption of units	(86,873)	-	(86,873)	(317,681)	-	(317,681)
Total comprehensive loss for the period	-	(27,418)	(27,418)	-	(53,268)	(53,268)
<b>Net assets at end of the period</b>	<b>678,634</b>	<b>(33,808)</b>	<b>644,827</b>	<b>774,500</b>	<b>5,194</b>	<b>779,693</b>
Undistributed income / (loss) brought forward						
- Realised income	68,917				59,366	
- Unrealised loss	(75,307)				(904)	
	(6,390)				58,462	
Net (loss) for the period after taxation		(27,418)			(53,268)	
Distribution for the period		-			-	
Undistributed income carried forward		<u>(33,808)</u>			<u>5,194</u>	
Undistributed income carried forward						
- Realised income	11,986				75,838	
- Unrealised (loss)/ gain	(45,794)				(70,644)	
	<u>(33,808)</u>				<u>5,194</u>	
				(Rupees)		(Rupees)
Net assets value per unit at beginning of the period		<u>8.8236</u>			<u>9.4868</u>	
Net assets value per unit at end of the period		<u>8.4694</u>			<u>8.9145</u>	

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Quarter Ended September 30 2022	Quarter Ended September 30 2021
	----- (Rupees in '000)-----	----- (Rupees in '000)-----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (loss) for the period before taxation	(27,418)	(53,268)
<b>Adjustments for non-cash charges and other items:</b>		
Net unrealised (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	45,794	70,644
Reversal for Sindh Workers' Welfare Fund	-	(15,034)
	<hr/> 18,376	<hr/> 2,342
<b>Decrease/ (increase) in assets</b>		
Investments	37,686	39,422
Profit receivable	(66)	26
Dividend receivable	-	(15,567)
	<hr/> 37,620	<hr/> 23,881
<b>Increase/ (decrease) in liabilities</b>		
Payable to NBP Fund Management Limited - Management Company	(104)	(197)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(7)	(18)
Payable to the Securities and Exchange Commission of Pakistan	(118)	(93)
Accrued expenses and other liabilities	411	(340)
	<hr/> 182	<hr/> (648)
<b>Net cash generated from operating activities</b>	<hr/> 56,178	<hr/> 25,575
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units	43,442	284,261
Payments on redemption of units	(86,448)	(318,891)
<b>Net cash (used in) from financing activities</b>	<hr/> (43,006)	<hr/> (34,629)
<b>Net increase/ (decrease) in cash and cash equivalents during the period</b>	<hr/> 13,173	<hr/> (9,055)
Cash and cash equivalents at beginning of the period	25,981	38,604
<b>Cash and cash equivalents at end of the period</b>	<hr/> 39,153	<hr/> 29,549

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 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 categorized as an open ended 'Sharia 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 Sharia 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 maintained an asset manager rating of AM1 as at June 22, 2022 (2021: 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 CDC 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 BASIS OF PREPARATION

#### 2.1 Statement of Compliance

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

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, 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, 2022.
- 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, 2022. 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, 2022.

4 INVESTMENTS	<i>Note</i>	Un-Audited As at September 30, 2022	Audited As at June 30, 2022
		(Rupees in '000)	
<b>Financial assets 'at fair value through profit or loss'</b>			
- Listed equity securities	4.1	<u>615,851</u>	<u>702,917</u>

## 4.1 Investments in shares of companies at fair value through profit or loss

Name of the investee company	As at July 1, 2022	Purchases during the period	Bonus / right shares	Sales during the period	As at September 30, 2022	Market Value as at September 30, 2022	Market value as a percentage of net assets	Market value as a percentage of total investment	Nominal value as a percentage of Paid up capital of the investee company					
Number of shares					(Rupees in '000)		%							
<b>OIL AND GAS EXPLORATION COMPANIES</b>														
Mari Petroleum Company Limited	77,013	-	-	1,400	75,613	118,319	18.35	19.21	0.01					
Oil & Gas Development Company Limited	1,569,300	6,500	-	37,500	1,538,300	116,480	18.06	18.91	0.00					
Pakistan Oilfields Limited	325,741	9,200	-	11,200	323,741	113,024	17.53	18.35	0.01					
Pakistan Petroleum Limited	1,483,096	55,000	-	26,000	1,512,096	92,918	14.41	15.09	0.01					
<b>OIL AND GAS MARKETING COMPANIES</b>														
Attock Petroleum Limited	98,300	-	18,125	43,460	72,965	20,349	3.16	3.30	0.01					
Hi-Tech Lubricants Limited	119,640	-	-	40,000	79,640	3,141	0.49	0.51	0.01					
Pakistan State Oil Company Limited	319,859	-	-	98,529	221,330	35,951	5.58	5.84	0.01					
Shell (Pakistan) Limited	13,000	-	-	13,000	-	-	-	-	-					
Sui Northern Gas Pipelines Limited	168,700	-	-	91,000	77,700	2,612	0.41	0.42	0.00					
<b>POWER GENERATION AND DISTRIBUTION</b>														
Hub Power Company Limited	1,227,229	42,000	-	26,000	1,243,229	86,914	13.48	14.11	0.01					
K-Electric Limited	-	1,050,000	-	-	1,050,000	3,129	0.49	0.51	0.00					
Lalpir Power Limited	153,500	-	-	-	153,500	1,916	0.30	0.31	0.00					
<b>REFINERY</b>														
Attock Refinery Limited	43,700	2,200	-	16,000	29,900	4,402	0.68	0.71	0.00					
Cenergyco PK Limited/ Byco	2,686,500	-	-	188,500	2,498,000	12,240	1.90	1.99	0.00					
National Refinery Limited	27,400	1,400	-	10,500	18,300	4,455	0.69	0.72	0.00					

## 6 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 2.05% per annum of the net assets of the Fund.

## 7 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, 2023 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.

## 8 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 4.52% (September 30, 2021: 4.42%) which includes 0.24% (September 30, 2021: 0.24%) representing Government Levy 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.

## 9 TRANSACTIONS WITH CONNECTED PERSONS

- 9.1** Connected persons include NBP Fund Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and its connected persons 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, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 9.2** The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 9.3** 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.
- 9.4** Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC regulation and the Trust Deed.

9.5 Details of the transactions with connected persons are as follows:

	Un audited For the Quarter ended September 30, 2022	2021 (Rupees in '000)
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration of the Management Company	2,632	3,214
Sindh sales tax on remuneration of the Management Company	342	418
Reimbursement of allocated expenses	351	398
Reimbursement of selling and marketing expense	3,597	4,297
Sales and transfer load	80	22
Sindh sales tax on sales load	10	3
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration for the period	351	428
Sindh sales tax on remuneration	46	56
<b>Key management personnel of the Management Company</b>		
Units Issued / Trasferred In: 2,459,553 units (2021: 2,021,810 units)	21,703	18,444
Units redeemed / transferred out: 2,411,595 units (2021: 782,106 units)	21,384	7,084
<b>Taurus Securities Limited - Common Directorship</b>		
Brokerage Expense	13	28
<b>Bank Islami Pakistan Limited - Common Directorship</b>		
Profit on bank deposits	624	254
<b>National Clearing Company of Pakistan Limited - Common Directorship</b>		
NCCPL charges	87	27
<b>Farida Ali Asghar (more than 10% holding)</b>		
Units Issued / Transferred In: Nil (2021: 20,228,241)	-	188,222
Units Redeemed/ Transferred Out: Nil (2021: 20,228,241)	-	188,222
<b>K-Electric Limited - Common Directorship **</b>		
Shares purchased - 1,050,000 (2021: Nil)	3,458	-
	Un-audited As at	Audited
	September 30, 2022	June 30, 2022
		(Rupees in '000)
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration payable to the Management Company	825	872
Sindh sales tax on remuneration of the Management Company	107	113
Federal Excise Duty on remuneration of the Management Company	583	583
Front-end load payable	572	492
Sindh sales tax on front end load	96	85
Federal Excise Duty on front end load	1,501	1,501
Reimbusement selling and marketing expense payable	3,597	3,724
Others	16	16
Reimbursement of allocated expenses payable	351	363
ADC Share - Payable To Management Company	2	5

	Un-audited As at September 30, 2022	Audited June 30, 2022
(Rupees in '000)		
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee	110	116
Sindh sales tax on the remuneration of trustee	14	15
Security deposit	100	100
<b>Key management personnel of the Management Company</b>	<b>8,996</b>	8,949
Units held 1,062,219 units (June 2022: 1,014,255 units)		
<b>Bank Islami Pakistan Limited (Common Directorship)</b>	<b>35,990</b>	20,973
Bank balances	172	105
<b>National Bank of Pakistan (Parent Company)</b>	<b>95</b>	103
Bank balances		
<b>Taurus Securities Limited - Common Directorship</b>	<b>8</b>	19
Brokerage payable		
<b>Portfolio managed by the Management Company</b>	<b>2,983</b>	3,108
Units held: 352,267 units (June 2022: 352,267 units)		
<b>Farida Ali Asghar - Holding more than 10%</b>	<b>171,321</b>	178,486
Units held 20,228,241 units (June 2022: 20,228,241 units)		
<b>K-Electric Limited - Common Directorship **</b>	<b>3,129</b>	-
Shares held 1,050,000 (June 2022: Nil units)		
<b>National Clearing Company of Pakistan Limited - Common directorship</b>	<b>2,500</b>	2,500
Security deposit	53	55
NCCPL charges payable		

\*\* Previous period transactions with this party are not disclosed as it was not related party in the previous period.

## 10 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 29, 2022.

## 11 GENERAL

- 11.1 Figures have been rounded off to the nearest thousand Rupee unless otherwise stated.
- 11.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation.

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

Chief Financial Officer

Chief Executive Officer

Director

## **Head Office**

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