

NBP FUNDS

Managing Your Savings

Aitemaad اعتماد



اسلامک سیونرز

Islamic Savings

NBP Fund Management Limited



NBP ISLAMIC ENERGY FUND

ANNUAL REPORT
2024

AM1
Rated by PACRA

MISSION STATEMENT

"To become country's most
investor-focused company,
by assisting investors
in achieving their financial goals."

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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Faisal Ahmed*	Director
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Saad Amanullah Khan	Director
Mr. Ruhail Muhammad	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource & Remuneration Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Faisal Ahmed*	Member

Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Faisal Ahmed*	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Khalid Mansoor	Member
* Pending SECP approval	

Trustee

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

Bankers to the Fund

Allied Bank Limited
Al Baraka Bank (Pakistan) Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islami Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Silk 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

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

Board of Directors



Dr. Amjad Waheed, CFA
Chief Executive Officer



Shaikh Muhammad Abdul Wahid Sethi
Chairman



Mr. Khalid Mansoor
Director



Mr. Saad Amanullah Khan
Director



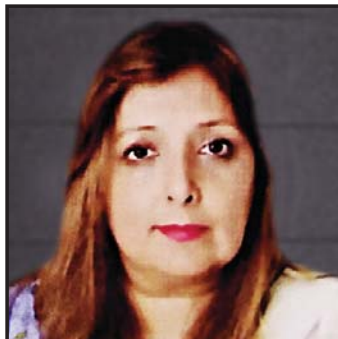
Mr. Faisal Ahmed*
Director



Mr. Ali Saigol
Director



Mr. Ruhail Muhammad
Director



Ms. Mehnaz Salar
Director



Mr. Imran Zaffar
Director

* Pending SECP approval

Senior Management



Dr. Amjad Waheed, CFA
Chief Executive Officer



Mr. Muhammad Murtaza Ali
Chief Operating Officer &
Company Secretary



Mr. Asim Wahab Khan, CFA
Chief Investment Officer



Mr. Ozair Khan
Chief Technology Officer



Mr. Salim S Mehdi
Chief Business
Development Officer



Mr. Muhammad Imran, CFA, ACCA
Head of Portfolio Management



Mr. Khalid Mehmood
Chief Financial Officer



Mr. Salman Ahmed, CFA
Head of Fixed Income



Mr. Shahzad Mithani
Head of Corporate &
HNWIs Sales - South



Mr. Muhammad Umer Khan
Head of Human Resources &
Administration



Syed Sharoz Mazhar, CFA
Head of Business &
Sales Strategy



Mr. Zaheer Iqbal, ACA FPFA
Head of Operations



Mr. Waheed Abidi
Head of Internal Audit



Mr. Hassan Raza, CFA
Head of Research



Mr. Mustafa Farooq
Head of Compliance

DIRECTORS' REPORT

The Board of Directors of NBP Fund Asset Management Limited is pleased to present the Ninth Annual Report for the period ended June 30, 2024, since launch of NBP Islamic Energy Fund on April 21, 2016.

Fund's Performance

FY24 was a stellar year for the stock market, as the benchmark KMI-30 index achieved new highs, settling slightly above 126,000 points at period end. During the year, the benchmark Index surged by around 56,000 points, translating into a phenomenal return of 79% in PKR terms and 84% in USD terms, making Pakistan the best performing stock market in the world.

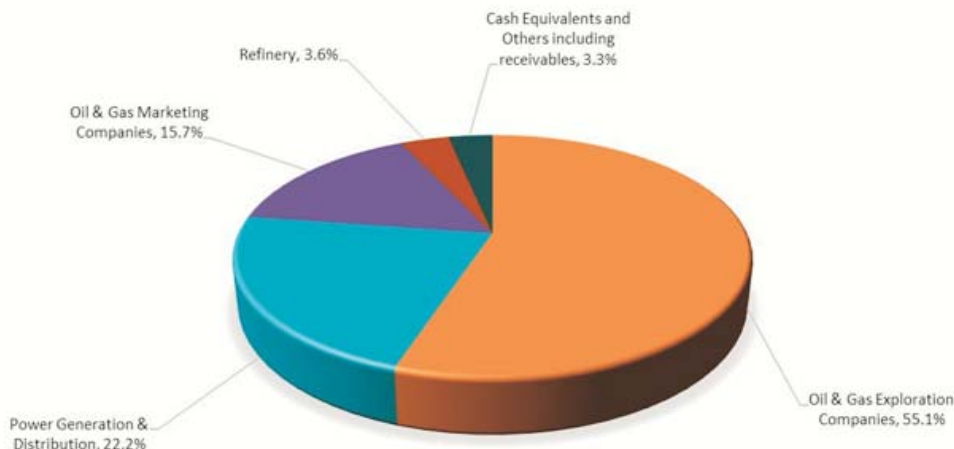
The equities started off on a firm footing and the strong momentum continued throughout the year. The signing of the Staff Level Agreement (SLA) with IMF on June 29th, 2023 was the turning point for stock market. The IMF executive board approved USD 3 billion Stand-By Agreement (SBA) that paved way for other multi-lateral loans and inflows from friendly countries. The multiple loan tranches from IMF and deposits from KSA & UAE augmented the FX reserves, averted a possible balance of payment (BoP) crisis, and helped restore investors' confidence. Fitch also upgraded Pakistan's Long-Term Foreign Currency Issuer Rating. In tandem with SLA, Pakistan's dollar bonds rallied in the international market as bond prices across various tenures surged in the range of 66-93% during the period, reflecting increasing investors' optimism of improving external position. Multilateral inflows, particularly from ADB and World Bank, also gained momentum. Consequently, the SBP's FX reserves improved from USD 4.4 billion to USD 9.4 billion at period end. The improving reserves, coupled with a crackdown against illicit currency trade in the open market, brought calm in currency market. Owing to prudent policies, the economy also showed signs of stabilization. The provisional GDP growth for FY24 improved to 2.38% from 0.21% contraction a year ago, driven by robust agricultural growth. Continuing the improving trend on the external side, the current account deficit (CAD) further dropped to USD 665 mn, compared to USD 3.3 bn in the previous year. Average inflation remained elevated during 1H, however, it precipitated considerably in the latter half, averaging 23.4% for FY24. The waning inflation prompted the Monetary Policy Committee (MPC) to gradually start with an easing cycle, with 150 bps cut taking place towards the end of FY24. Secondary market yields across various tenures fell sharply from their peak, reflecting investors' optimism of significant rate cuts in the next year. The listed corporate space continued to declare impressive results with equally robust dividend announcements. In a significant development, one of the largest auto players delisted its shares from the bourse with the delisting price at least 7x higher than the prevailing price, handing over significant liquidity to investors and igniting strong interest in the market.

In terms of sector-wise performance, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Commercial Banks, Engineering, Fertilizer, Leather & Tanneries, Pharmaceutical, Power Generation & Distribution, Refinery, and Transport sectors outperformed the market. On the other hand, Cement, Chemicals, Food & Personal Care, Glass & Ceramics, Insurance, Investment Banks/Companies, Miscellaneous, Oil & Gas Exploration, Oil & Gas Marketing Companies, Paper & Board, Sugar & Allied, Technology & Communication, and Textile Composite sectors lagged behind the market. Regarding participants' market activity, Foreigners, Insurance and Companies emerged as the largest net buyers with inflows of around USD 141 million, USD 126 million, and USD 36 million, respectively. Conversely, Banks/DFIs and Individuals reduced their net holdings by around USD 141 million and USD 60 million, respectively.

During the fiscal year, NBP Islamic Energy Fund increased by 87.6% against the KMI-30 index increased by 78.7%, outperforming the benchmark by 8.9% during the year. Since its inception on April 21, 2016, the return of NBP Islamic Energy Fund was 93.1%, while the Benchmark increased by 114.4%. Thus, the Fund underperformed by 21.3% during the period. The performance of the Fund is net of management fee and all other expenses. The Fund size is 1,200 mln as of June 30, 2024.

NBP Islamic Energy Fund has earned a total income of Rs. 460.27 million during the year. After deducting total expenses of Rs. 37.57 million, the net income is Rs. 422.70 million. During the year, the unit price of Islamic Energy Fund has increased from Rs. 8.8630 (Ex-Div) on June 30, 2023 to Rs. 14.2739 on June 30, 2024. The resultant per unit gain is Rs. 5.4109 (87.59%).

The asset allocation of NBP Islamic Energy Fund as on June 30, 2024 is as follows:



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 26.71% of the opening ex-NAV (23.67% of the par value) during the year ended June 30, 2024.

Taxation

As the above cash dividend is more than 90% of the income earned during the year, as reduced by accumulated losses and capital gains, whether realized or unrealized, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

Auditors

The present auditors, Grant Thornton Anjum Rahman Chartered Accountants, has resigned in the capacity of Auditor of the Fund. The Board has approved the appointment of Messrs A. F. Ferguson & Co. Chartered Accountants, offer for appointment for the year ending June 30, 2025.

Directors' Statement in Compliance with best practices contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

1. The financial statements, prepared by the management company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and statement of movement in unit holders' funds.
2. Proper books of account of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the Fund's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance.
8. A performance table/ key financial data is given in this annual report.
9. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements.

10. The Board of Directors of the Management Company held six meetings during the year. The attendance of all directors is disclosed in the note 29 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 26 to these financial statements.
12. All trades in the units of the Fund, carried out by directors, CEO, CFO, Company Secretary and their spouses and minor children are disclosed in note 20 to these financial statements.
13. The Management Company encourages representation of independent non-executive directors on its Board. The Company, being an un-listed company, does not have any minority interest. As at June 30, 2024, the Board included:

Category	Names
Independent Directors	<ol style="list-style-type: none"> 1. Mr. Khalid Mansoor 2. Mr. Saad Amanullah Khan 3. Mr. Ruhail Muhammad
Executive Director	Dr. Amjad Waheed - Chief Executive Officer
Non-Executive Directors	<ol style="list-style-type: none"> 1. Shaikh Muhammad Abdul Wahid Sethi (Chairman) 2. Mr. Tauqeer Mazhar 3. Ms. Mehnaz Salar 4. Mr. Ali Saigol 5. Mr. Imran Zaffar

Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: **October 30, 2024**

Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ ایسٹ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 21 اپریل 2016 کو قائم ہونے والے NBP اسلامک انرجی فنڈ کی نویں سالانہ رپورٹ برائے تختہ سال 30 جون 2024 پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

فنڈ کی کارکردگی

مالی سال 2024 اشاک مارکیٹ کے لیے شاندار سال رہا کیونکہ نیچ مارک KMI-30 انڈیکس نے نئی بلندیوں کو حاصل کیا اور مدت کے اختتام پر 126,000 پوائنٹس سے زائد پر بند ہوا۔ سال کے دوران نیچ مارک انڈیکس میں تقریباً 56,000 پوائنٹس کا اضافہ ہوا جس کے نتیجے میں پاکستانی روپیہ میں 79 فیصد اور امریکی ڈالر کے لحاظ سے 84 فیصد کا غیر معمولی منافع ہوا جس سے پاکستان دنیا میں بہترین کارکردگی کا مظاہرہ کرنے والی اشاک مارکیٹ بن گیا۔

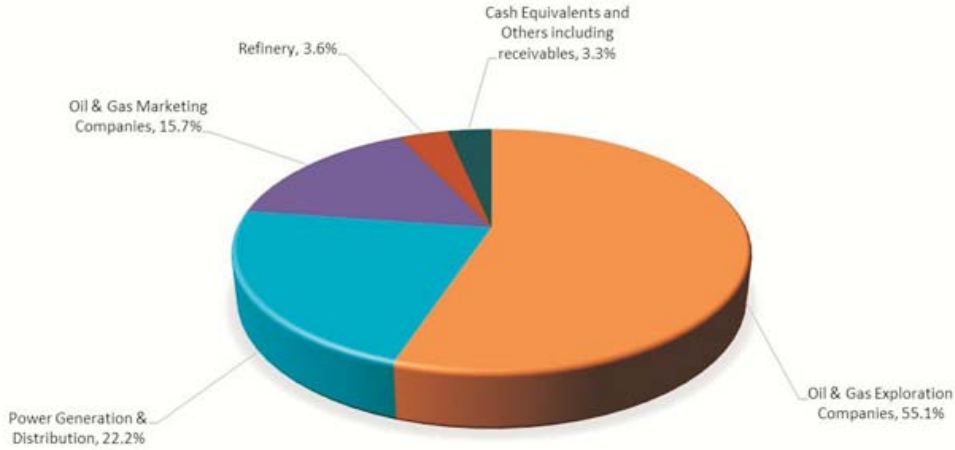
ایکویٹیز کا آغاز مضبوط بنیادوں پر ہوا اور پورا سال مستحکم رفتار جاری رہی۔ 29 جون 2023 کو آئی ایم ایف کے ساتھ اسٹاف لیول ایگریمنٹ (ایس ایل اے) پر دستخط اشاک مارکیٹ کے لیے ٹرننگ پوائنٹ تھا۔ آئی ایم ایف کے ایگزیکٹو بورڈ نے 3 بلین امریکی ڈالر کے اسٹینڈ بائی ایگریمنٹ (ایس بی اے) کی منظوری دی جس سے دوست ممالک سے دیگر کثیر الجہتی قرضوں اور سرمایہ کاری کی راہ ہموار ہوئی۔ آئی ایم ایف کی جانب سے قرضوں کی متعدد قسطوں اور سعودی عرب اور متحدہ عرب امارات کے ڈیپازٹس سے زرمبادلہ کے ذخائر میں اضافہ ہوا، ادائیگیوں کے توازن (بی او پی) کے کمزور بحران کو ٹال دیا گیا اور سرمایہ کاروں کا اعتماد بحال کرنے میں مدد ملی۔ فچ نے پاکستان کی طویل مدتی فارن کرنسی ایشرورینٹنگ کو بھی اپ گریڈ کیا ہے۔ ایس ایل اے کے ساتھ ساتھ بین الاقوامی مارکیٹ میں پاکستان کے ڈالر بانڈز میں اضافہ ہوا کیونکہ اس عرصے کے دوران مختلف ادوار میں بانڈز کی قیمتوں میں 66 سے 93 فیصد تک اضافہ ہوا جو سرمایہ کاروں کی بیرونی پوزیشن کو بہتر بنانے کی بڑھتی ہوئی امید کی عکاسی کرتا ہے۔ خاص طور پر ایشیائی ترقیاتی بینک اور عالمی بینک کی جانب سے کثیر الجہتی آمد میں بھی تیزی آئی ہے۔ نتیجتاً اسٹیٹ بینک پاکستان کے زرمبادلہ کے ذخائر سال کے اختتام پر 4.4 بلین ڈالر سے بڑھ کر 9.4 بلین ڈالر ہو گئے۔ زرمبادلہ کے ذخائر میں بہتری اور اوپن مارکیٹ میں کرنسی کی غیر قانونی تجارت کے خلاف کریک ڈاؤن نے کرنسی مارکیٹ میں سکون پیدا کیا۔ دانشمندانہ پالیسیوں کی وجہ سے معیشت میں استحکام کے آثار بھی نظر آئے۔ عام انتخابات پر اگرچہ بے ضابطگیوں کے الزامات ہیں لیکن فروری میں یہ انتخابات آسانی سے منعقد ہوئے اور سیاسی غیر یقینی صورتحال کو کم کرنے میں مدد ملی۔ زرعی نموکے فروغ کی بدولت، مالی سال 24 کے لئے پروڈیبل جی ڈی پی نمویک سال پہلے کی 0.21 فیصد کمی سے بہتر ہو کر 2.38 فیصد ہو گئی۔ بیرونی سطح پر بہتری کے رجحان کو جاری رکھتے ہوئے کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) گزشتہ سال کے 3.3 بلین ڈالر کے مقابلے میں مزید کم ہو کر 665 ملین ڈالر رہ گیا۔ پہلی ششماہی کے دوران اوسط افراط زر میں اضافہ ہوا، تاہم دوسری ششماہی میں اس میں نمایاں کمی واقع ہوئی، جو مالی سال 24ء میں اوسط 23.4 فیصد رہی۔ افراط زر میں کمی نے مانیٹری پالیسی کمیٹی (ایم پی سی) کو بتدریج نرمی کا سائیکل شروع کرنے پر مجبور کیا، جس میں مالی سال 24 کے اختتام تک 150bps کی کمی کی گئی۔ مختلف ادوار میں ثانوی مارکیٹ کے شرح منافع میں اپنے عروج سے تیزی سے کمی واقع ہوئی ہے، جو اگلے سال میں سرمایہ کاروں کی شرح سود میں نمایاں کمی کی امید کی عکاسی کرتی ہے۔ لہذا کارپوریٹ سیکس نے یکساں طور پر مستحکم منافع کے اعلانات کے ساتھ متاثر کن نتائج کا اعلان جاری رکھا۔ ایک اہم پیش رفت میں، سب سے بڑی آؤٹکمیون میں سے ایک نے اپنے حصص کو موجودہ قیمت سے کم از کم 7 گنا زیادہ قیمت کے ساتھ اشاک اسپیکس سے خارج کر دیا، جس سے سرمایہ کاروں کو نمایاں لیکویڈیٹی سوچی گئی اور مارکیٹ میں زبردست دلچسپی پیدا ہوئی۔

سیکٹورل کارکردگی کے لحاظ سے آٹو اسمبلرز، آٹو پارٹس اینڈ ایسیسریز، کیبل اینڈ الیکٹریکل اشیا، کمرشل بینکس، انجینئرنگ، فریٹ لائزر، لیڈر اینڈ ٹیکسٹائل، فارماسیوٹیکل، پاور جنریشن اینڈ ڈسٹری بیوشن، ریفرنسری اور ٹرانسپورٹ کے شعبوں نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ دوسری جانب سینٹ، کیمیکلز، فوڈ اینڈ پراسسنگ، گلاس اینڈ سٹریکس، انشورنس، انویسٹمنٹ بینک/کمپنیاں، متفرق، تیل و گیس ایکسپلوریشن، آئل اینڈ گیس مارکیٹنگ کمپنیاں، پیپر اینڈ بورڈ، شوگر اینڈ الائیڈ، ٹیکسٹائل، لوجسٹکس، اینڈ کیوٹیکیشن اور ٹیکسٹائل کیپوزٹ سیکٹرز نے مارکیٹ سے اتر کارکردگی کا مظاہرہ کیا۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر، غیر ملکی، انشورنس اور کمپنیاں بالترتیب 141 ملین امریکی ڈالر، 126 ملین امریکی ڈالر اور 36 ملین امریکی ڈالر کی آمد کے ساتھ سب سے بڑے خالص خریدار رہے۔ اس کے برعکس بینکوں/DFIs اور افراد نے اپنی خالص ہولڈنگز کو بالترتیب 141 ملین امریکی ڈالر اور 60 ملین امریکی ڈالر تک کم کر دیا۔

مالی سال کے دوران NBP اسلامک انرجی فنڈ میں KMI-30 انڈیکس 78.7 فیصد کے مقابلے میں 87.6 فیصد اضافہ ہوا، سال کے دوران نیچ مارک نے 8.9 فیصد بہتر کارکردگی کا مظاہرہ کیا۔ 21 اپریل 2016ء کو اپنے قیام کے بعد سے NBP اسلامک انرجی فنڈ کارپوریشن نے 93.1 فیصد پر جبکہ نیچ مارک میں 114.4 فیصد اضافہ ہوا۔ لہذا، اس مدت کے دوران فنڈ نے 21.3 فیصد اتر کارکردگی کا مظاہرہ کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔۔۔ 30 جون 2024 تک فنڈ کا حجم 1,200 ملین ٹن ہے۔

NBP اسلامک انرجی فنڈ کو اس مدت کے دوران 460.27 ملین روپے کی آمدنی ہوئی۔ 37.57 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 422.70 ملین روپے ہے۔ سال کے دوران، اسلامک انرجی فنڈ کے یونٹ کی قیمت 30 جون 2023 کو 8.8630 (Ex-Div) روپے سے بڑھ کر 30 جون 2024 کو 14.2739 روپے ہو چکی ہے۔ جس کے نتیجے فی یونٹ منافع 5.4109 روپے (87.59%) ہے۔

30 جون 2024 کو NBP اسلامک انرجی فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



آمدنی کی تقسیم

مینیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2024 کو ختم ہونے والے سال کے دوران اپوننگ ex-NAV کا 26.71% فیصد (بنیادی قیمت کا 23.67% فیصد) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

میکسیشن

چونکہ مذکورہ بالا نقد منافع منقسمہ سال کے دوران حاصل ہونے والی آمدنی میں سے سرمایہ کاری پر حاصل ہونے والے محصول شدہ اور غیر محصول شدہ کیپٹل گین منہا کرنے کے بعد 90 فیصد سے زائد ہے، اس لئے فنڈ پر ایکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔

آڈیٹرز

موجودہ آڈیٹرز، میسرز گرانٹ تھارنٹن انٹرمیڈیٹ کیپیٹل، چارٹرڈ اکاؤنٹنٹس کے عہدہ سے مستعفی ہو گئے ہیں اور بورڈ آف ڈائریکٹرز نے اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 30 جون 2025 کے لیے تقرر کیا گیا ہے۔

لسٹڈ کمپنیوں کے کوڈ آف کارپوریٹ گورننس ریگولیشنز 2019 ("CCG") کی بیرونی میں ڈائریکٹرز مینٹنڈ

1. مینیجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلوا اور یونٹ ہولڈرز فنڈز میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔
2. فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
3. مالی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل بیرونی کی گئی ہے۔ شہادتاتی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔
4. ان مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی معیاروں، جہاں تک وہ پاکستان میں قابل اطلاق ہیں، کی بیرونی کی گئی ہے۔
5. انٹرنل کنٹرول کا نظام مستحکم اور موثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
6. فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔
7. کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔
8. پرفارمنس ٹیمبل/اہم مالیاتی ڈیٹا اس سالانہ رپورٹ میں شامل ہیں۔

- 9 ٹیکسوں، ڈیویڈنڈ، محصولات اور چارجز کی مدد میں واجب الادا سرکاری ادائیگیاں مالیاتی گوشواروں میں پوری طرح ظاہر کر دی گئی ہیں۔
- 10 اس مدت کے دوران مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد ہوئے۔ تمام ڈائریکٹرز کی حاضری ان مالیاتی گوشواروں کے نوٹ 29 میں ظاہر کی گئی ہے۔
- 11 یونٹ ہولڈنگ کا تفصیلی بیٹرن مالیاتی گوشواروں کے نوٹ 26 میں ظاہر کیا گیا ہے۔
- 12 ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور کم عمر بچوں کی طرف سے کی جانے والی فنڈ کے یونٹس کی تمام خرید و فروخت ان مالیاتی گوشواروں کے نوٹ 20 میں ظاہر کی گئی ہے۔
- 13 کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدار نان ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطہ کوئی منارٹی انٹریسٹ نہیں رکھتی۔ 30 جون 2024 کو بورڈ آف ڈائریکٹرز دوجذیل ارکان پر مشتمل ہیں۔

نام	کیٹگری
•1 جناب خالد منصور •2 جناب سعدا مان اللہ خان •3 جناب روجیل محمد	غیر جانبدار ڈائریکٹرز
ڈاکٹر امجد وحید (چیف ایگزیکٹو آفیسر)	ایگزیکٹو ڈائریکٹر
•1 شیخ محمد عبدالواحد سیٹھی (چیئرمین) •2 جناب توقیر مظہر •3 محترمہ مہناز سالار •4 جناب علی سیگل •5 جناب عمران ظفر	نان ایگزیکٹو ڈائریکٹرز

اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مجلس رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ڈسٹری بیوٹرز کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 30 اکتوبر 2024ء

مقام: کراچی

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Islamic Energy Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

For the attention of unit holders, during an onsite inspection of the Management Company, the Securities and Exchange Commission of Pakistan (SECP) identified certain matters related to the charging and allocation of selling and marketing expenses to the Fund. Accordingly, the Management Company, following the guidance and interpretation provided by the SECP, will compensate to the entitled unit holders.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, October 30, 2024

FUND MANAGER REPORT

NBP Islamic Energy Fund

NBP Islamic Energy Fund is an Open-ended Shariah Compliant Equity Fund.

Investment Objective of the Fund

The objective of NBP Islamic Energy Fund is to provide investors with long term capital growth from an actively managed portfolio of Shari'ah Compliant listed equities belonging to the Energy Sector.

Benchmark

The Benchmark of the Fund is KMI-30 Index.

Fund performance review

This is the Ninth annual report of the Fund. During the fiscal year, NBP Islamic Energy Fund increased by 87.6% against the KMI-30 index increased by 78.7%, outperforming the benchmark by 8.9% during the year. Since its inception on April 21, 2016, the return of NBP Islamic Energy Fund was 93.1%, while the Benchmark increased by 114.4%. Thus, the Fund underperformed by 21.3% during the period. The performance of the Fund is net of management fee and all other expenses. The Fund size is 1,200 mln as of June 30, 2024.

The chart below shows the performance of NIEF against the Benchmark for the year.

NIEF Performance vs. Benchmark during FY24



FY24 was a stellar year for the stock market, as the benchmark KMI-30 index achieved new highs, settling slightly above 126,000 points at period end. During the year, the benchmark Index surged by around 56,000 points, translating into a phenomenal return of 79% in PKR terms and 84% in USD terms, making Pakistan the best performing stock market in the world.

The equities started off on a firm footing and the strong momentum continued throughout the year. The signing of the Staff Level Agreement (SLA) with IMF on June 29th, 2023 was the turning point for stock market. The IMF executive board approved USD 3 billion Stand-By Agreement (SBA) that paved way for other multi-lateral loans and inflows from friendly countries. The multiple loan tranches from IMF and deposits from KSA & UAE augmented the FX reserves, averted a possible balance of payment (BoP) crisis, and helped restore investors' confidence. Fitch also upgraded Pakistan's Long-Term Foreign Currency Issuer Rating. In tandem with SLA, Pakistan's dollar bonds rallied in the international market as bond prices across various tenures surged in the range of 66-93% during the period, reflecting increasing investors' optimism of improving external position. Multilateral inflows, particularly from ADB and World Bank, also gained momentum. Consequently, the SBP's FX reserves improved from USD 4.4 billion to USD 9.4 billion at period end. The improving reserves, coupled with a crackdown against illicit currency trade in the open market, brought calm in currency market. Owing to prudent policies, the economy also showed signs of stabilization. The provisional GDP growth for FY24 improved to 2.38% from 0.21% contraction a year ago, driven by robust agricultural growth. Continuing the improving trend on the external side, the current account deficit (CAD) further dropped to USD 665 mn, compared to USD 3.3 bn in the previous year. Average inflation remained elevated during 1H, however, it precipitated considerably in the latter half, averaging 23.4% for FY24. The waning inflation prompted the Monetary Policy Committee (MPC) to gradually start with an easing cycle, with 150 bps cut taking place towards the end of FY24. Secondary market yields across various tenures fell sharply from their peak, reflecting investors' optimism of significant rate cuts in the next year. The listed corporate space continued to declare impressive results with equally robust dividend announcements. In a significant development, one of the largest auto players delisted its shares from the bourse with the delisting price at least 7x higher than the prevailing price, handing over significant liquidity to investors and igniting strong interest in the market.

In terms of sector-wise performance, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Commercial Banks, Engineering, Fertilizer, Leather & Tanneries, Pharmaceutical, Power Generation & Distribution, Refinery, and Transport sectors outperformed the market. On the other hand, Cement, Chemicals, Food & Personal Care, Glass & Ceramics, Insurance, Investment Banks/Companies, Miscellaneous, Oil & Gas Exploration, Oil & Gas Marketing Companies, Paper & Board, Sugar & Allied, Technology & Communication, and Textile Composite sectors lagged behind the market. Regarding participants' market activity, Foreigners, Insurance and Companies emerged as the largest net buyers with inflows of around USD 141 million, USD 126 million, and USD 36 million, respectively. Conversely, Banks/DFIs and Individuals reduced their net holdings by around USD 141 million and USD 60 million, respectively.

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. The Fund does not have any soft commission arrangement with any broker in the industry.

Asset Allocation of the Fund (% of NAV)

Particulars	30-Jun-24	30-Jun-23
Equities / Stocks	96.7%	95.7%
Cash Equivalents	4.1%	5.8%
Other Net Liabilities	(0.8%)	(1.5%)
Total	100.0%	100.0%

Distribution for the Financial Year 2024

Interim Period/ Quarter	Dividend as % of Par Value (Rs.10)	Cumulative Div. Price/Unit	Ex-Div. Price
June - 24	23.67%	16.7303	14.3631

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
0-0.99	103
1-1000	439
1001-5000	126
5001-10000	67
10001-50000	128
50001-100000	31
100001-500000	43
500001-1000000	14
1000001-5000000	10
5000001-10000000	3
10000001-100000000	1
Total	965

During the period under question

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. NBP Islamic Energy Fund does not have any soft commission arrangement with any broker in the industry.

STATEMENT OF COMPLIANCE WITH THE SHARI'AH PRINCIPLES

NBP Islamic Energy Fund (the Fund) has fully complied with the Shari'ah principles specified in the Trust Deed and in the guidelines issued by the Shari'ah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shari'ah Supervisory Board of the Fund.

For and behalf of the board

Date: **October 30, 2024**
Karachi

Dr. Amjad Waheed, CFA
Chief Executive Officer

REPORT OF THE SHARI'AH SUPERVISORY BOARD

October 29, 2024/ Rabi Al-Akhar 25, 1446

Alhamdulillah, the period from July 1, 2023 to June 30, 2024 marks the Ninth year of operations of NBP Islamic Energy Fund (the "NIEF" or the "Fund") under management of NBP Fund Management Limited (the "NBP Funds" or the "Management Company").

In the capacity of Shariah Supervisory Board (the "SSB"), we have prescribed six criteria for Shariah-compliance of equity investments which relate to (i) Nature of business, (ii) Interest-bearing debt to total assets, (iii) Investment in Shariah non-compliant activities to total assets (iv) Shariah non-compliant income to gross revenue, (v) Illiquid assets to total assets, and (vi) Net liquid assets per share vs. market price per share.

It is the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah principles, policies and guidelines issued by the SSB and Shariah Governance Regulations issued by Securities and Exchange Commission of Pakistan. The prime responsibility for ensuring Shariah-compliance of the Fund's operations lies with the Board of Directors and Executive Management.

Based on our day to day reviews during the year and subsequent approvals for investments and related activities of the Fund, we hereby confirm that:

- i. The modes of equity investment, transactions, relevant documentation and procedures adopted have been in accordance with Shariah principles and rules
- ii. The affairs of the Fund have been carried out in accordance with Shariah principles and rules and relevant Shariah opinions and/or guidelines were issued accordingly from time to time
- iii. Any earnings that have realized from sources or by means prohibited by Shariah have been credited to the charity account where applicable.

We hereby certify that, During the year, Fund booked charity amounting PKR 4,048,843/- wherein amount available for disbursement is PKR 4,387,119 /-, which is inclusive of PKR 2,097,086/- provisional amount of previous year adjusted after availability of the respective financial statements.

Based on the above facts, SSB is of the opinion that during the year, nothing has come to our attention which causes to believe that the overall operations of the Fund for the year ended June 30, 2024 are not in compliance with the Shariah principles and rules.

May Allah bless us with the best Tawfeeq to accomplish our cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Technical Services & Support

For and on behalf of NBP Fund's Shariah Supervisory Board

Mufti Muhammad Naveed Alam
Member
Shariah Supervisory Board

Mufti Ehsan Waqar
Shariah Advisor & Member
Shariah Supervisory Board

Dr. Imran Ashraf Usmani
Chairman
Shariah Supervisory Board

INDEPENDENT ASSURANCE REPORT ON COMPLIANCE WITH THE SHARIAH GOVERNANCE REGULATIONS, 2023

To The Board of Directors of NBP Fund Management Limited

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of NBP Islamic Energy Fund (the Fund) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with the Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and an independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

- a) legal and regulatory framework administered by the SECP;
- b) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by the SECP;
- c) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan (ICAP), as notified by the SECP;
- d) guidance and recommendations of the Shariah advisory committee, as notified by the SECP; and
- e) approvals, rulings or pronouncements of Shariah Supervisory board or the Shariah Advisor of the Islamic financial institution, in line with (a) to (d) above.

Our engagement was carried out as required under Regulation 29 of Chapter VII of the Regulations.

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions, having Shariah implications, entered into by the Fund with its unit holders, other financial institutions and stakeholders and related policies and procedures are, in substance and legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan (the Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management (ISQM-1) "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications, with Shariah principles in all material respects for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

6. Conclusion

Based on our reasonable assurance engagement, we report that, in our opinion, the Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in paragraph 2 above), in all material respects.

The engagement partner on the assurance resulting in this independent assurance report is **Nadeem Yousuf Adil**.

Chartered Accountants

Date: October 30, 2024

Place: Karachi

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

TO THE UNIT HOLDERS OF NBP ISLAMIC ENERGY FUND

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NBP Islamic Energy Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movements in unit holder's fund, and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policies information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024 and of its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund and the Management Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted by the Institute of Chartered Accountants of Pakistan together with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matters:

S. No.	Key Audit Matter	How our audit addressed the key audit matter
	Investments (refer note 7 to the financial statements)	
	<p>Investments constitute the most significant component of the net asset value (NAV). Investments of the Fund as of June 30, 2024, amounted to Rs. 1,161.028 million (2023: Rs. 613.845 million).</p> <p>The existence and proper valuation of investments for the determination of the NAV of the Fund as of June 30, 2024, was considered a high-risk area and therefore we considered this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of relevant controls placed by the Management Company applicable to the account balance; • <input type="checkbox"/> Verified the existence of investments from Central Depository Company (CDC) account statements, bank statements, and other relevant documents; • performed test of details on sale, purchase, and maturity of investments on a sample basis; and • tested valuation of investments.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors (the Board) for the Financial Statements

The Management is responsible for the preparation and fair presentation of the financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we report that in our opinion the Fund's financial statements have been prepared in accordance with the relevant provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Other matter

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Shaukat Naseeb**.

Grant Thornton Anjum Rahman
Chartered Accountants

Karachi
Date: **October 30, 2024**
UDIN: AR202410126EiQ7cTFK5

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2024

		2024	2023
	Note	----- Rupees in '000 -----	
ASSETS			
Bank balances	6	49,181	36,954
Investments	7	1,161,028	613,845
Profit receivable	8	1,043	450
Deposits and other receivables	9	5,604	5,604
Receivable against sell of investment		20,502	3,086
Receivable against issuance of unit		651	500
Total assets		1,238,009	660,439
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company	10	13,948	7,465
Payable to Central Depository Company of Pakistan Limited - Trustee	11	203	117
Payable to the Securities and Exchange Commission of Pakistan	12	93	136
Payable against redemption of units		1,009	571
Accrued expenses and other liabilities	13	22,578	10,749
Total liabilities		37,831	19,038
NET ASSETS		1,200,178	641,401
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,200,178	641,401
Contingencies and commitments			
	14	-----Number of units-----	
Number of units in issue	15	84,082,304	72,368,083
		-----Rupees-----	
Net asset value per unit	16	14.2739	8.8630

The annexed notes from 1 to 32 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2024

	Note	Year ended	
		2024	2023
----- Rupees in '000 -----			
INCOME			
Profit on bank deposits		10,070	4,073
Dividend income		62,558	83,901
Realised Gain/(loss) on sale of investment- net		159,491	(8,823)
Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets 'at fair value through profit and loss'	7.3	228,150	(32,429)
		<u>387,641</u>	<u>(41,252)</u>
Total income		460,269	46,720
EXPENSES			
Remuneration of NBP Fund Management Company Limited - Management Company	10.1	11,931	10,178
Sindh Sales Tax on remuneration of the Management Company	10.2	1,551	1,323
Reimbursement of allocated expenses	10.4	1,568	1,357
Reimbursement of selling and marketing expenses	10.5	15,194	13,910
Remuneration of Central Depository Company of Pakistan Limited - The trustee		1,562	1,357
Sindh Sales Tax on remuneration of the Trustee		203	176
Annual fee to the Securities and Exchange Commission of Pakistan		756	136
Auditors' remuneration	17	837	804
Securities transaction cost		3,202	1,370
Legal fee		146	173
Listing fee		31	28
Shariah advisor fee		104	104
Printing charges		71	72
Settlement and bank charges		417	420
Total expenses		<u>37,573</u>	<u>31,408</u>
Net income from operating activities		422,696	15,312
Net income for the year before taxation		<u>422,696</u>	<u>15,312</u>
Taxation	18	-	-
Net income for the year after taxation		<u><u>422,696</u></u>	<u><u>15,312</u></u>
Allocation of net income for the year			
Net Income for the year after taxation		422,696	15,312
Income already paid on units redeemed		(209,053)	(3)
		<u>213,643</u>	<u>15,309</u>
Accounting income available for distribution:			
Relating to capital gain		159,491	-
Excluding capital gain		54,152	15,309
		<u>213,643</u>	<u>15,309</u>

The annexed notes from 1 to 32 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Year ended	
	2024	2023
	----- Rupees in '000 -----	
Net income for the year after taxation	422,696	15,312
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>422,696</u>	<u>15,312</u>

The annexed notes from 1 to 32 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE YEAR ENDED JUNE 30, 2024

	year ended					
	June 30,					
	2024			2023		
(Rupees in '000)						
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	
Net assets at beginning of the year	647,995	(6,594)	641,401	722,940	(6,390)	716,550
Issuance of 128,943,524 units (2023: 76,318,268 units)						
- Capital value	1,142,826	-	1,142,826	673,402	-	673,402
- Element of income	742,838	-	742,838	41,770	-	41,770
Total proceeds on issue of units	1,885,664	-	1,885,664	715,172	-	715,172
Redemption of 117,229,303 units (2023: 85,158,454 units)						
- Capital value	(1,039,003)	-	(1,039,003)	(751,405)	-	(751,405)
- Element of (loss)	(329,667)	(209,053)	(538,720)	(38,706)	(3)	(38,709)
Total payments on redemption of units	(1,386,670)	(209,053)	(1,577,723)	(790,111)	(3)	(790,114)
Total comprehensive income for the year	-	422,696	422,696	-	15,312	15,312
Interim cash distribution for the year ended June 30, 2024 @ Rs. 2.3672 per unit (Date of declaration June 28, 2024)	(105,426)	(66,434)	(171,860)	(6)	(15,513)	(15,519)
Net assets at end of the year	1,059,563	140,615	1,200,178	647,995	(6,594)	641,401
Undistributed income brought forward						
- Realised income		25,835			68,917	
- Unrealised loss		(32,429)			(75,307)	
		(6,594)			(6,390)	
Accounting income available for distribution:						
- Relating to capital gains		159,491			-	
- Excluding capital gains		54,152			15,309	
Net Income For The Year After Taxation		213,643			15,309	
Distribution during the year		(66,434)			(15,513)	
Undistributed income carried forward		140,615			(6,594)	
Undistributed income carried forward						
- Realised (loss) / income		(87,535)			25,835	
- Unrealised gain / (loss)		228,150			(32,429)	
		140,615			(6,594)	
		(Rupees) -			(Rupees) -	
Net assets value per unit at beginning of the year		8.8630			8.8236	
Net assets value per unit at end of the year		14.2739			8.8630	

The annexed notes from 1 to 32 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2024

	Year ended	
	2024	2023
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	422,696	15,312
Adjustments:		
Net unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets 'at fair value through profit and loss'	(228,150)	32,429
Profit on bank profit	(10,070)	(4,073)
Dividend income	(62,558)	(83,901)
	(300,778)	(55,545)
(Decrease) / Increase		
Investments - net	(319,033)	56,643
Receivable against issuance of unit	(151)	375
Receivable against sell of investment	(17,416)	(3,086)
	(336,600)	53,932
Increase / (decrease) in liabilities		
Payable to NBP Fund Management Limited - Management Company	6,483	(290)
Payable to Central Depository Company of Pakistan Limited - Trustee	86	(14)
Payable to the Securities and Exchange Commission of Pakistan	(43)	(17)
Payable against redemption of units	438	(1,437)
Payable against purchase of investment	-	(3,586)
Accrued expenses and other liabilities	11,829	5,389
	18,793	45
Mark-up on bank balances received	9,477	3,789
Dividend received	62,558	83,901
	(123,854)	101,434
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issuance of units - net	1,885,664	715,172
Amounts paid on redemption of units - net	(1,577,723)	(790,114)
Dividend distributed	(171,860)	(15,519)
Net cash generated / (used) in financing activities	136,081	(90,461)
Net increase in cash and cash equivalents during the year	12,227	10,973
Cash and cash equivalents at the beginning of the year	36,954	25,981
Cash and cash equivalents at the end of the year	49,181	36,954

The annexed notes from 1 to 32 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

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 21, 2024 (2023: 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.

In 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 PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the approved accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These 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 financial reporting comprise of:

- International Financial Reporting Standards (IFRS Standards), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part 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 with 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. These condensed financial statements are unaudited and are being distributed to the unit holders as required by section 227 of the Companies Act (The Act).

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these financial statements give a true and fair view of the state of the Fund's affairs as at June 30, 2024.

The Fund is required at all the times, meet the minimum equity requirement of Rs. 100 million as per NBFC Regulations, 2008.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for investments which are stated at fair value.

3.3 Functional and presentation currency

These financial information is presented in Pak Rupees, which is the fund's functional and presentational currency.

3.4 Accounting estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. In the process of applying the Fund's accounting policies, management has made the following accounting estimates and judgments which are significant to the financial statements and estimates with a significant risk of material adjustment in future years.

4 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS THAT ARE EFFECTIVE IN THE CURRENT YEAR

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2023. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

4.1 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2024 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements.

However, these are not expected to have any significant effects of fund's operations and are, therefore, not detailed in these financial statements.

The Fund expects that above standards, amendments and improvements to approved accounting standards will not have any material impact on the Company's financial statements in the period of initial application.

5 MATERIAL ACCOUNTING POLICIES INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented in the financial statements.

5.1 Cash and cash equivalents

These comprise balances with banks in savings and current accounts.

5.2 Financial instruments

The Fund applied IFRS 9 (refer note 2.1.2) except for impairment requirements for which the Fund has continued to follow the requirements of SECP circular No. 33 of 2012 dated October 24, 2012.

5.2.1 Recognition and initial measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

5.2.2 Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and 'interest on the principal amount outstanding.
- A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as 'at FVTPL:
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and 'interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objectives for managing the financial assets are achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

5.2.2.1 Equity

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognised in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective yield method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in income statement.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement.

The fair value of financial assets are determined as follows:

a) Equity securities

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs. The preference shares received as dividend in specie are carried at cost.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are initially classified as measured at amortised cost and also subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Fair value measurement principle and provisions

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 in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

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.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Amortised cost measurement

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

5.3 Impairment of financial asset

The fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets carried at amortised cost and FVOCI. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;

- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions."

The SECP through its letter SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of impairment requirements of IFRS 9 in relation to debt securities for mutual funds and has instructed to continue to follow the requirements of Circular No. 33 of 2012 dated October 24, 2012.

5.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

5.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss arising on derecognition of financial assets is taken to the Income Statement.

5.5.1 Financial Assets

The Fund derecognises regular-way sales of financial assets using trade date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or the Fund transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the Fund is recognised as a separate asset or liability.

The Fund enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all of the risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all of the risks and rewards include sale and repurchase transactions.

5.5.2 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the Income Statement.

5.6 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

5.7 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

5.8 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

5.9 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company / distributors receive redemption applications during business hours on that date. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

5.10 Distribution to unit holders

Distribution to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

5.11 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

5.12 Income recognition

- Capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Unrealised gains / (losses) arising on mark to market of investments classified as Financial assets at fair value through profit or loss are included in the income statement in the year in which they arise.
- Mark-up on deposits with banks and mark-up / return on investments in debt and government securities is recognised using effective yield method.
- Dividend income is recognised when the right to receive the dividend is established. For quoted equity securities, this is usually the ex-dividend date.

5.13 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

5.14 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net income / (loss) for the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings / (loss) per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

6	BANK BALANCES	Note	2024	2023
			-----Rupees in '000-----	
	Current accounts		3,680	8,680
	Savings accounts	6.1	45,501	28,274
			<u>49,181</u>	<u>36,954</u>

6.1 These include saving account that carry profit at the rates ranging from 18.5% to 21.75% (June 30, 2023: 13.8% to 20%) per annum.

7 INVESTMENTS

Financial assets at fair value through profit or loss

Listed equity securities	7.1	<u>1,161,028</u>	613,845
		<u>1,161,028</u>	<u>613,845</u>

7.1 Investment in equity securities - listed

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

Name of the investee company	As at July 01, 2023	Purchased during the year	Bonus /right issue	Sold during the year	as at June 30, 2024	Market value as at June 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investment	Investment as a percentage of paid up capital of the investee company
	----- Number of shares -----					Rupees in '000	----- % -----		
OIL AND GAS MARKETING COMPANIES									
Attock Petroleum Limited	9,104	40,800	-	10,200	39,704	15,335	1.28%	1.32%	0.03
Pakistan State Oil Company Limited	163,130	660,019	-	311,500	511,649	85,041	7.09%	7.32%	0.11
Hi-Tech Lubricants Limited	22,140	-	-	22,140	-	-	-	-	-
Shell Pakistan Limited	3,000	80,600	-	3,000	80,600	10,808	0.90%	0.93%	0.04
Sui Northern Gas Pipelines Limited	214,700	1,498,000	-	579,300	1,133,400	71,937	5.99%	6.20%	0.18
Sui Southern Gas Company	310,000	298,000	-	-	608,000	5,764	0.48%	0.50%	0.07
						188,886	15.74%	16.27%	
OIL AND GAS EXPLORATION COMPANIES									
Oil and Gas Development Company Limited	1,517,300	1,492,768	-	1,297,921	1,712,147	231,773	19.31%	19.96%	0.04
Pakistan Oilfields Limited	256,271	-	-	256,271	-	-	-	-	-
Pakistan Petroleum Limited 1,911,796		1,749,010	-	1,687,256	1,973,550	231,122	19.26%	19.91%	0.07
Mari Petroleum Company Limited	79,822	49,762	-	56,237	73,347	198,941	16.58%	17.13%	0.05
						661,836	55.14%	57.00%	

Name of the investee company	As at July 01, 2023	Purchased during the year	Bonus /right issue	Sold during the year	as at June 30, 2024	Market value as at June 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investment	Investment as a percentage of paid up capital of the investee company
	----- Number of shares -----					Rupees in '000	----- % -----		
REFINERY									
National Refinery Limited	-	36,700	-	-	36,700	9,743	0.81%	0.84%	0.05
Attock Refinery Limited	194,172	79,100	-	176,500	96,772	34,024	2.83%	2.93%	0.09
						43,767	3.65%	3.77%	
POWER GENERATION AND DISTRIBUTION									
The Hub Power Company Limited	1,235,875	1,271,400	-	1,102,000	1,405,275	229,172	19.09%	19.74%	0.11
K Electric	2,431,000	7,955,500	-	2,316,000	8,070,500	37,366	3.11%	3.22%	0.03
Lalpir Power Limited	153,500	-	-	153,500	-	-	-	-	-
						266,539	22.21%	22.96%	
						<u>1,161,028</u>	<u>96.7%</u>	<u>100%</u>	
Carrying value as at June 30, 2024						<u>932,878</u>			
Market value as at June 30, 2023						<u>613,845</u>			
Carrying value as at June 30, 2023						<u>646,274</u>			

7.2 Investments include shares with market value amounting to Rs 104.794 million (June 30, 2023: Rs 65.849 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:

Name of Investee Company	2024		2023	
	No of shares	Market value as at June 30, 2024	No of shares	Market value as at June 30, 2023
		Rs in '000		Rs in '000
The Hub Power Company Limited	100,000	16,308	100,000	6,958
Oil & Gas Development Company	100,000	13,537	100,000	7,800
Pakistan Oilfields Limited	-	-	20,000	8,035
Pakistan Petroleum Limited	250,000	29,278	250,000	14,785
Pakistan State Oil Company Limited	30,000	4,986	50,000	5,551
Mari Petroleum Company Limited	15,000	40,685	15,000	22,720
		<u>104,794</u>		<u>65,849</u>

7.3 Unrealised appreciation/(diminution) on re-measurement of investments classified as financial Assets at Fair value through Profit And Loss	2024	2023
	-----Rupees in '000-----	
Market value of securities	1,161,028	613,845
Less: carrying value of securities	(932,878)	(646,274)
	<u>228,150</u>	<u>(32,429)</u>

7.4 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance, 2001 as a result of which companies are liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including the bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the Honourable High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule to the Income Tax Ordinance, 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Honourable Supreme Court of Pakistan (HSC) passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities.

Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the prior year. During the prior period, the CISs have filed a fresh constitutional petition vide CP 4653 dated July 11, 2019.

In this regard, on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares, issued to the Funds in lieu of their investments, be created in the meantime. The matter is still pending adjudication and the Fund has included these shares in its portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the prior period were not withheld by the investee companies.

As at June 30, 2024, the following bonus shares of the Fund have been withheld by a company at the time of declaration of bonus shares. The Fund has included these shares in its portfolio, as the management believes that the decision of the constitutional petition will be in favour of the CISs.

NAME OF COMPANY	June 30, 2024		June 30, 2023	
	Bonus Shares			
	Number	Market Value	Number	Market Value
	--Rupees in '000--		--Rupees in '000--	
Pakistan State Oil Company Limited	4,805	798	4,805	533
	4,805	798	4,805	533

		2024	2023
	Note	-----Rupees in 000-----	
8 PROFIT RECEIVABLE			
Profit receivable on bank balances		1,043	450
		<u>1,043</u>	<u>450</u>
9 DEPOSIT AND OTHER RECEIVABLE			
Security deposit with Central Depository Company of Pakistan Limited		100	100
Security deposit with National Clearing Company of Pakistan Limited		2,500	2,500
Advance tax	9.1	3,004	3,004
		<u>5,604</u>	<u>5,604</u>

9.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 151 and 150. However, withholding tax on dividend and profit on bank deposit paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholder. The tax withheld on dividends and profit on bank deposits as at June 30, 2024 amounts to Rs 3.004 million (2023: Rs 3.004 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honorable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favor of FBR.

A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends and profit on bank deposits has been shown as other receivable as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		2024	2023
	Note	-----Rupees in 000-----	
10 PAYABLE TO NBP ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Remuneration of the Management Company	10.1	1,468	774
Sindh Sales Tax on remuneration of the Management Company	10.2	191	101
Federal Excise Duty payable on remuneration of the Management	10.3	583	583
Front end load payable		1,012	676
Federal Excise Duty payable on front end load payable		1,501	1,501
Sindh Sales Tax on front end load payable		132	109
Reimbursement of allocated expenses payable	10.4	483	329
Reimbursement of selling and marketing expenses payable	10.5	8,539	3,374
ADC Share - Payable to Management Company		23	2
Other payable		16	16
		<u>13,948</u>	<u>7,465</u>

10.1 The Management Company has charged its remuneration at the rate of 1.5% per annum of the average annual net assets. The remuneration is payable to the Management Company monthly in arrears.

10.2 During the year, an amount of Rs. 1.551 million (June 2023: Rs. 1.323 million) was charged on account of sales tax on management fee levied through Sindh Sales Tax of Services Act, 2011.

- 10.3** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16% on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration and sale load were already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Honourable High Court of Sindh (HCS) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, HCS passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Honourable Supreme Court of Pakistan (HSC) which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from April 19, 2016 till June 30, 2016 amounting to Rs 0.583 million (June 30, 2023: Rs 0.583 million) is being retained in these financial statements of the Fund as the matter is pending before the HSC. Had the provision for FED not been made, the net asset value per unit of the Fund as at June 30, 2024 would have been higher by Rs 0.0069 (June 30, 2023: Rs 0.0081) per unit.

- 10.4** In accordance with Regulation 60 of the NBFC Regulations, an asset management company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Accordingly, the Management Company based on its own discretion has currently fixed a maximum capping of 0.2% per annum of the average annual net assets of the scheme for allocation of such expenses to the Fund.

- 10.5** Management has charged selling and marketing expenses at the below mentioned rates, duly approved by the Board of Directors of the Management Company:

2023- 2024	2022-2023
July 01, 2023 to July 31, 2023 at the rate of 2.05% p.a and from August 01, 2023 to June 30, 2024 at the rate of 1.90% p.a.	July 1, 2022 to June 30, 2023 at the rate of 2.05% p.a.

	Note	2024 -----Rupees in '000-----	2023
11			
PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Remuneration of the Trustee	11.1	180	104
Sindh Sales Tax on remuneration of the Trustee		23	13
		203	117

- 11.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

On net assets:

Net assets	Tariff per annum
- up to Rs 1,000 million	-0.20% per annum of net asset value.
- on an amount exceeding Rs 1,000 million	-Rs. 2.0 million plus 0.10% per annum of net asset value exceeding Rs. 1,000 million.

		2024	2023
	Note	-----Rupees in '000-----	
12	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
	Annual fee payable	12.1 <u>93</u>	<u>136</u>

12.1 The Fund has charged SECP fee at the rate of 0.095% per annum of the average annual net assets during the current period, (June 2023: 0.02% per annum of the average annual net assets).

13 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration	794	728
Printing charges payable	70	41
Bank charges payable	34	74
Charity payable	6,593	6,847
Legal and professional charges payable	98	134
Brokerage payable	217	65
Shariah advisor fee payable	214	110
Withholding tax payable	9,266	2,436
Capital gain tax payable	3,888	15
Dividend Payable	1,360	245
Settlement charges	44	54
	<u>22,578</u>	<u>10,749</u>

14 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2024 & June 30, 2023.

	2024	2023
	-----Number of Units----	
15	NUMBER OF UNITS IN ISSUE	
Total units in issue at the beginning of the year	72,368,083	81,208,268
Units issued during the year	128,943,524	76,318,269
Units redeemed during the year	(117,229,303)	(85,158,454)
Total units in issue at the end of the year	<u>84,082,304</u>	<u>72,368,083</u>

16 NET ASSET VALUE PER UNIT

The net asset value (NAV) per unit, as disclosed in the financial statement statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

	2024	2023
	-----Rupees in '000-----	
17	AUDITOR'S REMUNERATION	
Annual audit fee	490	448
Half yearly review fee	186	192
Income certification fee	-	68
Out of pocket expenses	161	96
	<u>837</u>	<u>804</u>

18 TAXATION

The income of the Fund 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 ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations, requires the Fund to distribute 90% net accounting income other than capital gains to the unit holders. 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. Since the Management Company intends to distribute the income earned by the Fund during the year to the unit holders in the manner as explained above, accordingly no provision for taxation has been made in these financial statement financial statements.

19 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended June 30, 2024 is 4.72% (June 30, 2023: 4.63%) which includes 0.31% (June 30, 2023: 0.24%) representing government levies on the Fund such as provision against Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations.

20 TRANSACTIONS AND BALANCES WITH RELATED

PARTIES / CONNECTED PERSONS

Related parties / connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan, Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, Funds under management of the Management Company, directors and key management personnel of the Management Company and other associated companies. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

20.1 Transactions with related parties / connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to related parties / connected persons. The transactions with related parties / connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with the market rates.

20.2 Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the Trust Deed and Offering Document.

20.3 **Details of transactions with related parties / connected persons** 2024 2023
----- Rupees in '000' -----
during the year as follows:

NBP Fund Management Limited - Management Company

Remuneration of the Management Company	11,931	10,178
Sindh Sales Tax on remuneration of the Management Company	1,551	1,323
Sales and transfer load	336	206
Sindh Sales Tax on sales load	44	27
ADC Charges including SST	18	-
Reimbursement of allocated expenses	1,568	1,357
Reimbursement of selling & marketing expense	15,194	13,910

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	1,562	1,357
Sindh Sales Tax on remuneration of the Trustee	203	176

Key management personnel of management Company (Employees)

Dividend Re-invest Units Issued 87,158 units (2023: 7680 units)	1,244	68
Units Issued / Trasferred In 18,499,612 units (2023: 9,678,918 units)	239,345	88,766
Units Redeemed / Transferred Out 16,539,589 units (2023: 10,298,879 units)	221,967	94,484

	2024	2023
	----- Rupees in '000' -----	
Dr Amjad Waheed - Cheif Executive Officer - Ceo**		
Dividend Re-invest Units Issued 504 units (2023: Nil units)	7	-
Units Issued / Trasferred In 322,731 units (2023: Nil units)	5,000	-
Units Redeemed / Transferred Out 320,114 units (2023: Nil units)	5,173	-
National Fullerton Asset Management Ltd- Emp. Provident Fund**		
Dividend Re-invest Units Issued 420 units (2023: Nil units)	6	-
Units Issued / Trasferred In 606,981 units (2023: Nil units)	8,704	-
Farida Ali Asghar (more than 10% holding)		
Dividend Re-invest units issued - 1,394,118 units (2023: 424,328)	19,903	3,762
Units issued - Transferred in - 11,762 units (2023: Nil Units)	113	-
Units Redeemed - Transferred out - 1,0772,921 units (2023: Nil Units)	104,170	-
Taurus Securities Limited - common		
Brokerage Expense	259	95
Portfolio managed by Management Company		
Dividend Re-invest units issued - Nil units (2022: Nil Units)	-	-
Units issued - Transferred in - 9,218,701 units (2023: Nil Units)	120,258	-
Units Redeemed - Transferred out - 10,449,627 units (2023: Nil Units)	137,691	-
K-Electric Limited - Common directorship		
Shares purchased: 7,955,500 shares (2023: 2,431,000 Shares)	35,301	6,828
Shares sold: 2,316,000 shares (2023: Nil Shares)	9,592	-
20.4 Amounts outstanding as at year end are as follows:		
NBP Fund Management Limited - Management Company		
Remuneration payable of the Management Company	1,468	774
Sindh Sales Tax on remuneration of the Management Company	191	101
Federal excise duty payable on remuneration of the -Management Company	583	583
Reimbursement of allocated expenses payable	483	329
Reimbursement of Selling and marketing expenses	8,539	3,374
Sales load and transfer load payable	1,012	676
Federal excise duty payable on sales load	1,501	1501
Sindh sales tax payable on sales load	132	109
Other payable	16	16
ADC share- Payable to AMC	23	2
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	180	103
Sindh Sales Tax on remuneration of the Trustee	23	13
Security deposit	100	100
Key management personnel of management Company		
Units held 2,449,161 (June 2023 : 401,980 units)	34,959	3,563
National Bank of Pakistan (Parent Company)		
Bank Balances	144	16
Taurus Securities Limited- Subsidiary of Parent Company		
Brokerage Payable	-	28
Dr Amjad Waheed - Cheif Executive Officer - Ceo**		
Units held 3,121 (June 2023 : Nil units)	45	-

	2024	2023
	----- Rupees in '000' -----	
National Fullerton Asset Management Ltd- Emp. Provident Fund **		
Units held 607,401 (June 2023 : Nil units)	8,670	-
Farida Ali Asghar (More than 10% shareholding)		
Units Held: 11,285,828 (June 2023: 20,652,569 units)	161,089	183,044
Portfolio managed by the Management Company		
Units held 10,116,504 units (June 30, 2023: Nil units)	144,402	-
K-Electric Limited (Common Directorship)		
Shares held: 8,070,500 (June 2023: 2,431,000 shares.)	37,366	4,181

*Current period transactions with these parties have not been disclosed as they did they did not remain connected person and related parties during the year.

**Prior period balances with these parties have not been disclosed as they were not connected person and related parties during prior years.

21 FINANCIAL INSTRUMENTS BY CATEGORY

	At fair value through profit or loss	At amortized cost	Total
----- Rupees in '000' -----			
June 30, 2024			
Financial assets			
Bank balances	-	49,181	49,181
Investments	1,161,028	-	1,161,028
Profit receivable	-	1,043	1,043
Deposits and other receivable	-	5,604	5,604
Receivable against sell of investment	20,502	-	20,502
	1,181,530	55,828	1,237,358
Financial liabilities			
Payable to NBP Fund Management Limited - the Management Company	-	13,948	13,948
Payable to Central Depository Company of Pakistan - the Trustee	-	203	203
Payable against redemption of units	-	1,009	1,009
Accrued expenses and other liabilities	-	22,578	22,578
	-	37,738	37,738
June 30, 2023			
Financial assets			
Bank balances	-	36,954	36,954
Investments	613,845	-	613,845
Profit receivable	-	450	450
Deposits and other receivables	-	5,604	5,604
Receivable against sell of investment	-	3,086	3,086
	613,845	46,094	659,939
Financial liabilities			
Payable to NBP Fund Management Limited - the Management Company	-	7,465	7,465
Payable to Central Depository Company of Pakistan Limited - the Trustee	-	117	117
Payable against redemption of units	-	571	571
Payable against purchase of investments	-	-	-
Accrued expenses and other liabilities	-	10,749	10,749
	-	18,902	18,902

22 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

22.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: yield / profit rate risk, currency risk, and price risk.

22.2 Yield / profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As at June 30, 2024, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

22.3 Sensitivity analysis for variable rate instruments

Presently, the Fund holds bank balances which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income / loss for the year and net assets of the Fund would have been higher / lower by Rs. 0.455 million (2023: Rs. 0.283 million million).

22.4 Sensitivity analysis for fixed rate instruments

As at June 30, 2024, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk.

Yield / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

June 30, 2024			
Effective profit rate (%)	Exposed to yield / profit rate risk	Not exposed to yield / profit rate risk	Total
	Up to three months		

Rupees in '000

Financial assets

Bank balances	18.5% - 21.75%	49,181	-	49,181
Investments		-	1,161,028	1,161,028
Profit receivable		-	1,043	1,043
Receivable against sell of investment		-	20,502	20,502
		49,181	1,182,573	1,231,754

June 30, 2024			
Effective profit rate (%)	Exposed to yield / profit rate risk	Not exposed to yield / profit rate risk	Total
	Up to three months		
Rupees in '000			
Financial liabilities			
Payable to NBP Fund Management Limited - Management Company	18.5%-21.75%	-	13,948
Payable to Central Depository Company of Pakistan Limited - Trustee		-	203
Payable to the Securities and Exchange Commission of Pakistan		-	93
Accrued expenses and other liabilities		-	22,578
		-	36,822
		49,181	1,145,751
		49,181	1,194,932
On-balance sheet gap			
Total profit rate sensitivity gap			49,181
Cumulative profit rate sensitivity gap			49,181

June 30, 2023			
Effective profit rate (%)	Exposed to yield / profit rate risk	Not exposed to yield / profit rate risk	Total
	Up to three months		
Rupees in '000			
Financial assets			
Bank balances	13.8%-20%	28,274	8,680
Investments		-	613,845
Profit receivable		-	450
Receivable against sell of investment		-	3,086
		28,274	626,061
			654,335
Financial liabilities			
Payable to NBP Fund Management Limited - the Management Company		-	7,465
Payable to Central Depository Company of Pakistan - the Trustee		-	117
Payable to the Securities and Exchange Commission of Pakistan		-	136
Accrued expenses and other liabilities		-	10,749
		-	18,467
On-balance sheet gap		28,274	607,594
Total profit rate sensitivity gap		28,274	635,868
Cumulative profit rate sensitivity gap		28,274	635,868

23 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Financial assets which are tradeable in an open market are revalued at market prices prevailing on the reporting date. The estimated fair value of all other financial assets and financial liabilities is considered not to be significantly different from the respective book values as the items are either short-term in nature or repriced periodically.

23.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

23.2 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund and classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the trust deed. The NBFC Regulations also limit individual equity securities to no more than 20% of net assets. There is no sector exposure limit on sector specific fund under NBFC Regulations.

In case of 5% increase / decrease in KMI 30 index on June 30, 2024, with all other variables held constant, the net loss of the Fund for the year would decrease / increase by Rs. 58.051 million (2023: Rs. 30.692 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI 30 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI 30 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI 30 Index.

23.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

	Within 1 month	Financial instruments with no fixed maturity	Total
----- Rupees in '000 -----			
Financial assets			
Bank balances	49,181	-	49,181
Investments	-	1,161,028	1,161,028
Profit receivable	1,043	-	1,043
Deposits and other receivables	-	2,600	2,600
	50,224	1,163,628	1,213,852
Financial liabilities			
Payable to NBP Fund Management Limited - the Management Company	13,948	-	13,948
Payable to Central Depository Company of Pakistan - the Trustee	203	-	203
Payable against redemption of units	1,009	-	1,009
Payable against purchase of investments		-	-
Accrued expenses and other liabilities	8,233	-	8,233
	23,393	-	23,393
Net assets	26,831	1,163,628	1,190,459
----- Rupees in '000 -----			
Financial assets			
Bank balances	36,954	-	36,954
Investments	-	613,845	613,845
Profit receivable	450	-	450
Deposits and other receivables	-	2,600	2,600
	37,404	616,445	653,849
Financial liabilities			
Payable to NBP Fund Management Limited - the Management Company	7,465	-	7,465
Payable to Central Depository Company of Pakistan Limited - the Trustee	117	-	117
Payable against redemption of units	571	-	571
Accrued expenses and other liabilities	8,233	-	8,233
	16,386	-	16,386
Net assets	21,017	616,445	637,463

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	June 30, 2024		June 30, 2023	
	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities
Bank balances	49,181	49,181	36,954	36,954
Investments	1,161,028	-	613,845	-
Profit receivable	1,043	1,043	450	450
Deposits and other receivables	2,600	2,600	2,600	2,600
Receivable against sell of investment	20,502	20,502	3,086	3,086
Receivable against issuance of units	651	651	500	500
	1,235,005	73,977	657,435	43,590

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

24 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and profit accrued thereon. The credit rating profile of bank balances is as follows:

		June 30, 2024	June 30, 2023
	Credit Rating	% of financial asset exposed to risk	% of financial asset exposed to risk
Habib Bank Limited United Bank Limited Meezan Bank Limited Allied Bank Limited National Bank of Pakistan MCB Bank Limited	AAA	1.34%	4.25
Habib Metropolitan Bank Limited Bank Alfalah Limited	AA+	-	1.15
Dubai Islamic Bank Limited	AA	-	0.02
JS Bank Limited	AA-	-	0.01
Bank Islami Pakistan Limited			0.22
Albaraka Bank (Pakistan) Limited	A+	-	
Silk Bank Limited	A-	-	0.01

25 FAIR VALUE MEASUREMENT

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.

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

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

25.1 Fair value hierarchy

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly; and

Level 3: unobservable inputs for the asset or liability.

As at June 30, 2024 and June 30, 2023, the Fund held the following financial instruments measured at fair value:

25.2

		----- As at June 30, 2024 -----		
		LEVEL 1	LEVEL 2	LEVEL 3
		----- Rupees in 000 -----		
ASSETS				
Financial Assets				
- At Fair value through P&L		1,161,028	-	-
		----- Audited -----		
		----- As at June 30, 2023 -----		
		LEVEL 1	LEVEL 2	LEVEL 3
		----- Rupees in 000 -----		
ASSETS				
Financial Assets				
- At Fair value through P&L		613,845	-	-

26 UNIT HOLDING PATTERN OF THE FUND

Category	2024			2023		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	942	959,586	79.95	877	407,911	63.60
Insurance	1	24,160	2.01	1	37,233	5.80
Associated Company & Directors	2	8,714	0.73	-	-	-
Retirement Funds	13	132,207	11.02	2	15,384	2.40
Others	7	75,512	6.29	8	180,873	28.20
	965	1,200,178	100%	888	641,401	100%

27 LIST OF TOP TEN BROKERS BY PERCENTAGE

----- 2024 -----		----- 2023 -----	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Taurus Securities Ltd.	7.96%	Taurus Securities Ltd.	6.96%
Arif Habib Securities Limited	7.46%	J.S. Global Capital Ltd.	5.26%
Optimus Capital Management Limited	6.30%	Bma Capital Management Limited	4.96%
Topline Securities Limited	5.65%	Foundation Securities	4.80%
J.S. Global Capital Ltd.	5.38%	Insight Securities (Pvt.) Limited	4.71%
Insight Securities (Pvt.) Limited	4.30%	Arif Habib Securities Limited	4.53%
Foundation Securities	4.25%	Trust Securities & Brokerage Limited	4.21%
Alfalah Securities (Pvt) Limited	3.73%	Alfalah Securities (Pvt) Limited	4.18%
Alpha Capital (Pvt) Limited	3.27%	Optimus Capital Management Limited	4.17%
Ktrade Securities Limited	3.25%	Topline Securities Limited	4.09%

28 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Name	Qualification	Overall Experience in years
Dr. Amjad Waheed	MBA / Doctorate in Business Administration / CFA	36
Mr. Asim Wahab Khan	CFA	18
Mr. Hassan Raza	ACCA / BSC / CFA	13

29 MEETINGS OF BOARD OF THE MANAGEMENT COMPANY

The 92nd, 93rd, 94th, 95th, 96th, and 97th Board Meetings were held on July 12, 2023, September 15, 2023, September 23, 2023, October 30, 2023, February 29, 2024, and April 25, 2024, respectively. Information in respect of attendance by directors in the meetings is given below:

Name of Director	Number of meetings			not attended
	Held	Attended	Leave Granted	
Shaikh Muhammad Abdul Wahid Sethi	6	6	-	-
Tauqeer Mazhar	6	5	1	94th Meeting
Mehnaz Salar	6	6	-	-
Ali Saigol	6	6	-	-
Imran Zaffar	6	5	1	92nd Meeting
Khalid Mansoor	6	6	-	-
Saad Amanullah Khan	6	6	-	-
Ruhail Muhammad	6	6	-	-
Amjad Waheed	6	6	-	-

30 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications have been made in these financial statements during the current year.

31 GENERAL

Figures in these financial statements have been rounded off to the nearest thousand of rupees.

No significant rearrangements or reclassifications have been made in these financial statements during the current year.

32 DATE OF AUTHORISATION FOR ISSUE

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

PERFORMANCE TABLE

Particulars	For the year ended June 30, 2024	For the year ended June 30, 2023	For the year ended June 30, 2022	For the year ended June 30, 2021	For the year ended June 30, 2020
Net assets at the year / period ended (Rs '000)	1,200,178	641,401	716,550	865,440	598,559
Net income for the year / period ended (Rs '000)	422,696	15,312	(64,852)	48,197	(32,995)
Net Asset Value per unit at the year / period ended (Rs)	14.2739	8.8630	8.8236	9.4868	8.4866
Offer Price per unit	14.7578	9.1635	9.1227	9.8084	8.7743
Redemption Price per unit	14.2739	8.8630	8.8236	9.4868	8.4866
Ex - Highest offer price per unit (Rs.)	15.1103	10.4701	9.9206	10.7422	11.6523
Ex - Lowest offer price per unit (Rs.)	7.8651	8.3468	8.6301	8.5568	6.645
Ex - Highest redemption price per unit (Rs.)	14.6149	10.1268	9.5953	10.3900	11.2702
Ex - Lowest redemption price per unit (Rs.)	7.6072	8.0731	8.3471	8.2763	6.4271
Fiscal Year Opening Ex NAV	7.6090		9.4868	8.2754	9.1493
Total return of the fund	87.59%		-6.99%	14.64%	-7.24%
Capital growth	71.11%		-6.99%	12.09%	-7.24%
Income distribution as a % of ex nav	16.48%	2.46%	0.00%	2.55%	-
Income distribution as a % of par value	23.67%	2.19%	0.00%	0	-
Distribution					
Interim distribution per unit	2.3672	0.2188	0	0.2458	-
Final distribution per unit		0	0	-	-
Distribution Dates					
Interim	June 28, 2024	27-Jun-23	0	28-Jun-21	-
Final					
Total return of the fund (launch date April 21, 2016)					
(Since inception to June 30, 2024)	8.36%				
(Since inception to June 30, 2023)		0.40%			
(Since inception to June 30, 2022)			0.003%		
(Since inception to June 30, 2021)				1.41%	
(Since inception to June 30, 2020)					-1.51%
(Since inception to June 30, 2019)					
(Since inception to June 30, 2018)					
(Since inception to June 30, 2017)					
(Since inception to June 30, 2016)					
Portfolio Composition (Please see Fund Manager Report)					

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up

PROXY ISSUED BY THE FUND

The proxy voting policy of **NBP Islamic Energy Fund** duly approved by Board of Directors of the Management Company, is available on the website of NBP Fund Management Limited i.e. www.nbpfunds.com. A detailed information regarding actual proxies voted by the Management Company in respect of the fund is also available without charge, upon request, to all unit holders.

The details of summarized proxies voted are as follows:

NBP ISLAMIC ENERGY FUND			
Resolutions	For	Against	Abstain
2	2	Nil	N/A
100%	100%	-	-

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