

Internship report  
On  
Mutual Fund of Investment Corporation of Bangladesh



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Submission date: 7<sup>th</sup> September, 2016

## Letter of Transmittal

30<sup>th</sup> August, 2016

Ms. Humaira Naznin

Senior Lecturer

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BRAC University

**Subject: Submission of Internship Report on “Mutual Fund of ICB”**

Dear Madam,

It is my massive pleasure to submit internship report on the topic of “Mutual Fund of ICB” in the development of capital market in Bangladesh, as a part of my BBA programmed requirement. It was a tremendous opportunity as well as highly enlightening experience for me during my tenure at ICB. I have taken at most care to present this report and this report has been excellent outlet for combining theoretical and practical aspect in real business environment.

I firmly believe that this report has attained its purpose to considerable extend as well as meet your desire expectation despite of my limitation of merger knowledge. But I am also very much aware of the fact that there can be always be a weaker sot of an unexplored mistake. Now the fruits of my endeavor remain for you to judge. However, I will always be ready to provide any further clarification that might be required.

Your co-operation in this regard will be highly appreciated.

Sincerely yours,

S.M. Shajidur Rahaman

ID: 12304017

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BRAC University

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## Acknowledgement

At the very beginning, I would like to thank grateful almighty Allah who has given me strength and opportunity to complete this study.

I sincerely want to give thanks to my supervisor and senior lecturer Ms. Humaira Naznin, Department of HRM whose enthusiastic guidance untiring cooperation, valuable advice, endless inspiration and consideration during the entire phase of the study made it possible for me to prepare this report. My overriding debt continues to some of my close friends is very warmly acknowledged tremendous support. I would like to express my heart left gratitude towards all the employees and staffs of ICB for their sincere cooperation during our internship as well as helping my all throughout in making report.

I left no stone under to gain experience through this report. But nothing could be impossible if the opportunity was not given to my beloved Sir Mofiz, Touhidul Haque of Investment Corporation of Bangladesh.

Finally I would like to express my deep and sincere appreciation to my teacher, the managers for their cordial help and advice through the work.

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## Executive Summary

Investment Corporation of Bangladesh is a unique institution in Bangladesh. It always focuses on the capital market of Bangladesh and its efficiency. It's a profit making company by small and medium investment in the capital market. So, it's important to evaluate about their performance and I made a research of their performance.

The performance of mutual fund is very much convincible. The current ratio, return on investment, return on equity is good but earning per share, price earnings ratio and dividend payout ratio is not good. The performance of all mutual funds is good but the first mutual fund's position is better than others. The performance of Investment Corporation of Bangladesh and its subsidiaries are also in excellent position.

In some area ICB should focus to sustain in this competitive market. They should adopt better strategies and implement it through fundamental analysis. They should focus more on long term view and try harder to achieve strong position in the market.

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***Chapter-01***  
***Introductory Part***



## 1.1 Origin of the Report

Internship means receiving practical experience through attending particular work physically. Practically internship means a way through which an internee, can gather experience about the related subjects and be able to apply his theoretical experience in the field of real life action. Practical training is necessary to achieve complete knowledge about something. Internship program is actually a form of practical training.

As a student of Bachelor of Business Administration (BBA), major in Finance and minor in Marketing, internship is an academic requirement. For fulfilling this requirement, each and every student is required to work in a selected institution to gather knowledge and experience. For my internship I have selected Investment Corporation of Bangladesh (ICB).

## 1.2 Objective of the Study

The objectives of the report are

There are two types of objective

### 1. Broad objective

Research on ICB Mutual Fund

### 2. Specific objectives

Specific objectives are:

- Investigate the mutual funds of Investment Corporation of Bangladesh (ICB), which is one of the leading financial organizations in Bangladesh.
- Examine on the mutual funds of ICB, their role in the capital market of Bangladesh and also their activity.
- To know the realistic aspects of Investment Corporation of Bangladesh (ICB).





### 1.3 Methodology of the study

Methodology can be termed as underlying principles and rules of organization that work as a background of the study. It clarifies the problem involving the research in an ordered and systematic way. For this study data and other information can be collected by the following ways:

#### 1.3.1 Sources and Methods of Collecting Primary Data

- Personal Interview: This is the most effective way to collect primary data for the research. This is nothing but a process of gather information from the officers and shareholders. In my study I have used quantitative data for the findings. That actually makes the findings clearer. I asked the managers of Mutual Fund for collecting the data.
- Briefing Session: During my internship session, I have visited more than 20 departments which was really very useful for me to gather the information related my report. The head of the departments described me how they actually manage all the things of their organization.
- Observation: It is also a positive process to collect data. This process is nothing but the monitoring whole thing very closely. This process is a little bit limited but useful for the data collection.

#### 1.3.2 Sources and Methods of Collecting Secondary data

The secondary data is collected from with the relevant articles of Investment Corporation of Bangladesh.

These are given below:

- ICB Annual Report (2014-2015).
- Annual Report of Mutual Fund (2014-2015).
- Annual report of Unit Fund (2014-2015).
- ICB Website.



## 1.4 Scope of the Study

The scope of the study was basically the operations and practices of Investment Corporation of Bangladesh, in which I had undertaken the internship program. The scope of the study was in the organization, Investment Corporation of Bangladesh (ICB). The study was confined only on the head office and gave more concentration on it. The data comparison was based on published information and an additional research was performed to get in-depth information, as it was the part of the report. The empirical part included only public information and current practices of Investment Corporation of Bangladesh (ICB).

## 1.5 Limitations of the study

For preparing this report I have faced some limitations. During my internship period I worked all the departments of ICB one after another for twelve weeks. ICB is a large organization and three months is not enough to learn or capture all the things of ICB. This was the main limitation.

Other limitations I faced are bellow.

- Official secrecy.
- Availability of relevant papers and documents.
- Inadequate information.
- Lack of primary data.



***Chapter-2***  
***Background & Overview of ICB***



## 2.1 Background

For changing the economic condition of Bangladesh, Investment Corporation of Bangladesh in short form ICB started their journey on 1<sup>st</sup> October 1976, under “The Investment Corporation of Bangladesh Ordinance, 1976 “(NO. XL of 1976)”. The foundation of ICB was one of the vital steps to pull up the industrialization and also build a well capital market so that gap could be minimized. Their main concern was to make a balance in the economy by injecting the capital needed by the big organizations. Through the enactment of the Investment Corporation of Bangladesh (Amendment) Act, 2000 (No. 24 of 2000), reforms in operational strategies and business policies have been implemented by establishing and operating subsidiary companies under ICB. At present the Corporation is being operated under the "Investment Corporation of Bangladesh Act, 2014. ICB always try to provide the support to the financial market to maintain the stability. When they trade in a particular market, they always maintain a certain level by giving the chance of other investors. They maintain a huge number of departments to control the total things in a well mannered way. Further discussion will make the thing clearer.

## 2.2 Objectives

Objective is nothing but a specific result that an organization wants to achieve within a time frame. It's actually more specific and very easy to measure. The objectives of Investment Corporation of Bangladesh are described below.

- To encourage and broaden the base of investments
- To develop the capital market
- To mobilize savings and
- To provide for matters ancillary thereto



## 2.3 Business Policy

The main target of any kind of organization is expanding their business and Investment Corporation of Bangladesh is not different. They also follow some business policies and the policies are described below.

- To act on commercial consideration with due regard to the interest of industry, commerce, depositors, investors and to the public in general
- To provide financial assistance to projects considering their technical, economic and commercial viability
- To arrange equity support and loans for projects singly or through consortium of financial institutions including banks
- To encourage and develop entrepreneurship in the country
- To diversify investments
- To inspire small and medium savers for investment in securities
- To create employment opportunities
- To encourage and broaden the base of investment in agro and information & communication technology (ICT) sectors.

## 2.4 Functions

The functions of Investment Corporation of Bangladesh are described below.

- Direct purchase and sale of shares and debentures including placement and equity participation
- Providing lease finance singly and through syndication
- Managing existing investment accounts
- Managing existing mutual funds and unit fund
- Managing proprietary investment portfolios and take part in buying & selling of securities
- Providing advance against ICB unit, Bangladesh Fund, Mutual fund certificates and ICB AMCL Unit Fund certificates
- Providing bank guarantee
- Acting as trustee and custodian



- Participating in financing of joint-venture companies
- Providing investment counseling to investors
- Participating in government divestment program
- Introducing new business suited to market demand
- Dealing in other matters related to capital market
- Venture Capital Financing
- Take part in merger, acquisition & asset reconstruction activities
- Managing Equity and Entrepreneurship Fund (EEF) & other special schemes assigned by the Government of Bangladesh
- Supervising the activities of the subsidiary companies as holding company
- Take part in offloading

## 2.5 Our Vision

We will continue to be the leading, responsible and environment friendly financial institution operating in such a way that our fellow competitors and the stakeholders acknowledge, admire and emulate us as a successful and model organization in this sector.

## 2.6 Our Mission

Our mission is to transform our Corporation into a responsible institution, a financial architect, and an innovative solution provider and performance leader.

Being a responsible institution created by law, we will act in accordance with the mandates of our Act for fostering rapid growth of Bangladesh economy.

Being a financial architect, we will strive to establish a benchmark of values, attitudes, behavior and commitments with earnest endeavors in generating optimum profits and growth for our shareholders by efficient use of resources.

Being an innovative solution provider, we put emphasis on formulating total solutions to foster mobilization of domestic and NRB savings into potential investments.



Being a performance leader, we must lead by example. We operate in the interest of our customers, so that they can depend and have the trust on us. As employees of a leading institution, we are committed to do everything in our power for lasting success as we move forward.

## 2.7 Core Values of Investment Corporation of Bangladesh

The values that ICB follows for their business are shown below.



## 2.8 Code of Conduct and Ethical Values

The Board of Directors of ICB upholds the principle of integrity and follows the rules of governance and business activities.

Managements of ICB place the integrity of the investment policy and the interest of the shareholders above their own personal interest.

Employees of ICB act in an ethical manner with integrity, competence, diligence & respect to the public, prospective clients, colleagues and other participants in the business arena.

The Corporation takes reasonable care and exercises independent judgment with trust in conducting investment analysis, making investment recommendations and taking investment actions.

Being a reputed institution in the capital market, ICB plays an honest and ethical role in the market to protect the interest of investors.

- Maintains knowledge of all applicable laws, rules and regulations and complies with them;
- manages all conflicts of interest in an ethical way with transparency;
- Does not engage in any professional conduct involving dishonesty, fraud, deceit or misrepresentation or commit any act that reflects adversely on their honesty, trustworthiness or professional competence;
- Strives to improve the professional competence and high moral and ethical standard of its employees by providing with relevant training by professionals of reputed institutions; and
- Develops and maintains integrity plan as per national integrity policy.





## 2.9 Strategic Objectives

### 2.9.1 Priority Strategy

- Focus on the fulfillment of the country's priorities and objectives and delivery of a beneficial outcome in the public interest.
- Contribute within the area of professional competence to the economic growth of the country, develop the capital market, mobilize savings, encourage and broaden the base of investments and provide for matters ancillary thereto.

### 2.9.2 Financial Strategy

- Maximize the present value of the stakeholders' wealth in an innovative and improved manner in terms of accountability, propriety, regularity and value for money.
- Retain a trade-off between opportunities and responsibilities so as to stay ahead of competition and provide superior returns on equity by virtue of sustained growth.
- Incorporate, analyze and apply knowledge continuously to provide superior financial decisions.
- Focus on core competence in financial services.

### 2.9.3 Business Strategy

- Diverse revenue streams through introducing multiple products.
- Strive for new business model commensurate with the Government's economic policy relating to capital market development.
- Recover outstanding loans, margin loans & other loans and advances and thus increase existing liquidity position. Also mobilize untapped savings for productive investment.
- Promote and establish subsidiary companies for business expansion.
- Encourage and motivate the EEF Project owners to make EEF Project a successful venture by generating profit and dividend and buy-back the shares on time.
- Customer Strategy



- Provide real-time data and ledger balances of the stocks and funds position enabling customers to know their latest positions.
- Allow customers to sophisticated information systems.
- Provide available system at their finger-tips to take appropriate investment decisions.
- Enhance customer retention through quality research and service and educate them of the 'Do's and Don'ts for the sake of their safety.

#### 2.9.4 ICT Strategy

- Efficiently deploy advanced technology and create a wide, multi-modal network to serve customers at one stop.
- Deploy all resources and energies to tackle potential risks regarding IT System breakdown, or any other debacles.

#### 2.9.5 HR Strategy

- Conducive working environment for employees.
- Attract exceptionally talented, well-educated, highly adaptive and efficient people.

#### 2.9.6 Risk Strategy

- Insulate the Corporation as far as possible from the risks associated with the business by creating an environment that help mitigating the risk.

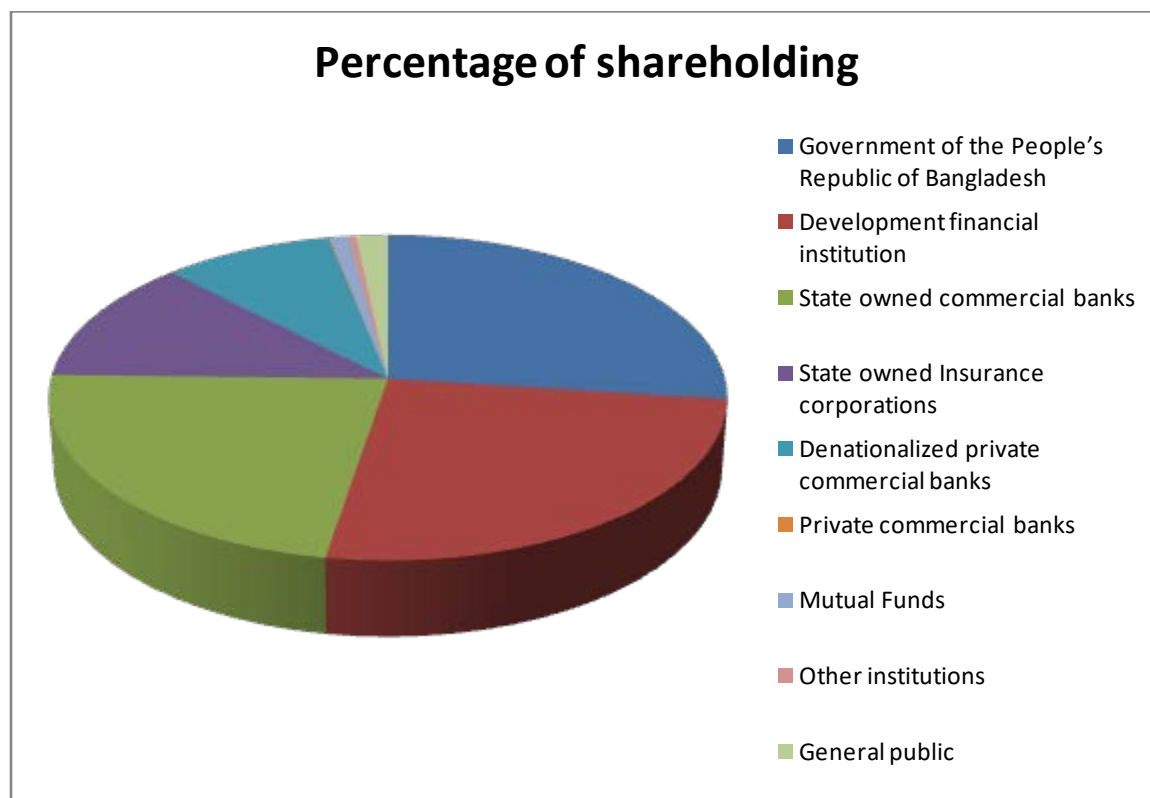
#### 2.9.7 Governance Strategy

- Promote, maintain and uphold internationally accepted Corporate Governance and sustainable business practices.
- Sufficient disclosures to investors, shareholders and other stakeholders.



2.10 Table-01: Shareholding position as on 30 June 2015

SL. No	Shareholders	No. of shareholders	No. of shares	Percentage of shareholding
1	Government of the People's Republic of Bangladesh	1	170859380	27.00
2	Development financial institution	1	162196110	25.63
3	State owned commercial banks	4	143819220	22.73
4	State owned Insurance corporations	2	78187860	12.36
5	Denationalized private commercial banks	2	57586290	9.10
6	Private commercial banks	6	462303	0.07
7	Mutual Funds	11	6226843	0.98
8	Other institutions	243	2700686	0.43
9	General public	4359	10773808	1.70
	Total	4629	632812500	100.00



## 2.11 Board of Directors of ICB as on 30<sup>th</sup> June 2015

Board of directors who decides the composition of each committee determines the responsibilities of each committee. They are involved with all kind of decisions planning's and the strategies that are followed by the organization.

Chairman	Professor Mojib Uddin Ahmed, Ph.D.
Managing Director	Md. Fayekuzzaman
Directors	Kazi Shofiqul Azam
	Gokul Chand Das
	S.M. Moniruzzaman
	Dr. Md. Zillur Rahman
	Pradip Kumar Datta
	Syed Abdul Hamid
	Md. Abdus Salam
	Md. Rezaul Karim
Company Secretary	Dipika Bhattacharjee

## 2.12 Departments and Division of Investment Corporation of Bangladesh

### Direct supervision under Managing Directors

Internal Control and Compliance Division	➤ Audit Department
	➤ Organization and Method Department
	➤ Inspection and Compliance Department
Secretaries Division	➤ Secretaries Department
	➤ Public Relations Department



### Wings Supervision Under of General Manager (Operations)

Credit Division	➤ Appraisal Department
	➤ Leasing Department
	➤ Lien and General Control Department
Planning and Research Division	➤ Planning, Research & Business Development Department
	➤ Portfolio Management Department
Merchandising Division	➤ Investors Department
	➤ Banker to the issue Department
Implementation and Recovery Department	➤ Implementation Department
	➤ Recovery Department

### Wings Supervision under of General Manager (EEE)

EEE administration Department	➤ EEE Administration Department
	➤ EEE Audit and Accounts Department
EEE recovery and Legal Affairs Department	➤ EEE Implementation an Recovery Dept.
	➤ EEE Legal Affairs Department
EEE Appraisal Division	➤ EEE Agro Department
	➤ EEE Non Agro Department

### Wings Supervision Under of General Manager (Admin)

Administration Division	➤ Human Resource Management Department
	➤ Discipline Grievance & Appeal Department
	➤ Pension and Welfare Department
Establishment Division	➤ Procurement & Common Service Department
	➤ Real Estate Department
Legal Affairs Division	➤ Law Department
	➤ Documentation Department
Trust Division	➤ Trust Department
	➤ Custodian Department



### Wings Supervision Under of General Manager (ICT & Depository)

Hardware and Communication Division	➤ Hardware & Communication Department
	➤ Data Admin & MIS Department
Software Division	➤ Programming Department
	➤ System Analysis Department
Depository Division	➤ Shares Division
	➤ Securities Reconciliation Department
Mutual Funds Division	➤ Unit Fund Department
	➤ Mutual Fund Department

### Wings Supervision Under of General Manager (Accounts & Finance)

Accounts Division	➤ Central Accounts Department
	➤ Loan Accounts Department
Finance Division	➤ Fund Management Department
	➤ Budget and Risk Management Department

### Wings Supervision Under of General Manager (Branch and Subsidiaries)

Branch Affairs Division	➤ Branch Affairs Department-1
	➤ Branch Affairs Department-2
Subsidiaries Affairs Division	➤ Subsidiaries Affairs Department-1
	➤ Subsidiaries Affairs Department-2
Local Branch	
Chittagong Branch	
Rajshahi Branch	
Khulna Branch	
Sylhet Branch	
Barishal Branch	
Bogra Branch	



ICB Asset Management Company Limited	
ICB Capital Management Limited	
ICB Securities Trading Company Limited	
ICB Asset Reconstruction Limited	

## 2.13 Products & Services of ICB and its Subsidiaries

### 2.13.1 Advance against Equity, Private Equity and Placement of Share:

As part of business diversification and encouraging rapid industrialization of the country, the scheme for advance against equity, private equity participation & placement of shares etc. have been introduced since inception of the corporation. ICB invest in different companies through equity participation of different banks and financial institution.

### 2.13.2 Managing margin loan accounts, unit and mutual fund:

Investment account holders can avail margin loan facilities to purchase securities from both primary and secondary markets as per SEC margin rules. Margin loan is provided for purchasing securities.

### 2.13.3 ICB Unit Fund:

It is an open-end mutual fund scheme launched in April 1981, through which the small and medium savers get opportunity to invest their savings in a balanced and relatively low risk portfolio. ICB has so far declared attractive dividends on unit fund.



#### 2.13.4 ICB Mutual Funds:

ICB has floated eight closed-end mutual funds. The first ICB mutual fund was floated on 23 July 1996. The aggregate size of these funds is TK. 17.75 crore. ICB mutual funds have declared lucrative dividend ranging from 120% to 1000% for the year ended 30 June 2015.

#### 2.13.5 Mergers & Acquisition:

Companies willing to expand their business through mergers or acquisitions or to divest projects that no longer fit into present scale of operation contact the corporation. ICB provides professional advisory services in respect of shaping up the cost and financial structures to ensure best possible operational results.

#### 2.13.6 Portfolio Management:

Being the largest institutional investor, ICB contributes significantly to the development of the country's capital market through active portfolio management which is one of the important functions of ICB. There are eleven portfolios which are managed by ICB- eight of them are mutual funds, two are ICBs own portfolio and the rest one is unit fund portfolio.

#### 2.13.7 Investment in Secondary Market:

To strength the role of ICB for stabilizing the capital market, the increased investment has been made in the secondary market in line with the market demand.

#### 2.13.8 Stock Market Operations:

ICB is playing unparallel role with both the primary and the secondary market which ultimately makes the capital market vibrant. Merchant banking operations such as issue management, fund management, brokerage services are provided.

#### 2.13.9 Lease Financing:

ICB provides lease finance mainly for procurement of capital machinery, equipment and transport to the prospective companies.





#### 2.13.10 Dealing in Money Market Instruments:

ICB also participates in money market activities by investing in subordinated bond, zero coupon bonds and by accepting TDR with a comparatively attractive rate.

#### 2.13.11 Fixed Deposit Receipt (FDR):

ICB recognizes that a customized solution like FDR is vital role for the success of the business.

#### 2.13.12 Corporate Financial Advice:

ICB and its subsidiary company ICB Capital Management Limited provide professional & financial advices on corporate restructuring & reengineering to companies of Govt. enterprise those who are intently to offload shares in the capital market.





## 2.15 ICB Milestones:

Particular	Date of Establishment
Establishment of ICB	1 October 1976
Investors scheme	13 June 1977
ICB Chittagong Branch	1 April 1980
First ICB Mutual Fund	25 April 1980
ICB Unit Fund	10 April 1981
ICB Rajshahi Branch	9 February 1984
Second ICB Mutual Fund	17 June 1984
Third ICB Mutual Fund	19 May 1985
ICB Khulna Branch	10 September 1985
ICB Sylhet Branch	15 December 1985
Fourth ICB Mutual Fund	6 June 1986
Fifth ICB Mutual Fund	8 June 1987
Sixth ICB Mutual Fund	16 May 1988
ICB Barisal Branch	31 May 1988
Nomination of the country's Nodal DFI in SADF	7 may 1992
Purchase of Land (Mirpur)	15 June 1994
Seventh ICB Mutual Fund	30 June 1995
Eighth ICB Mutual Fund	23 July 1996
ICB Bogra Branch	6 October 1996
ICB Local Office, Dhaka	15 April 1997
"The Investment Corporation of Bangladesh Act, 2000"	6 July 2000
ICB capital management Ltd.	1 July 2002
Bank Guarantee Scheme	21 June 2003
Consumers credit scheme	15 February 2004
Venture capital Financial Scheme	26 April 2007
Purchase of Land (Agargaon)	3 March 2008
Commencement of the operation of (EEF)	1 June 2009



Launching of TK. 50 Billion Bangladesh Fund	5 May 2011
Training Centre	28 June 2013
Approval of 40 storied ICB building by RAJUK	30 December 2014
Achievement of AAA rating of ICB	30 June 2015



***Chapter-3***  
***Brief Discussion of ICB Mutual Fund***



## Introduction

It is recognized principle that diversification of investment reduce risk. An individual may not have the time, expertise and resource to undertake such diversification. Here arises the advantage of mutual fund. Mutual fund pools the saving of a great number of investor and makes investment in a wide array of securities. In Bangladesh ICB has pioneered Mutual Funds for the sake of investors and of the capital market. Country's first mutual fund "First ICB Mutual Fund" was floated on 25<sup>th</sup> April 1980. Since then, ICB has, over the year, floated 8 Mutual Fund. ICB Mutual Fund continued to command the confidence and attention of investors as lucrative and rewarding investment in terms of steady dividend performance.

### 3.1 What is Mutual Fund?

Mutual fund is nothing but a process of collecting money from different kinds of investors and reinvests the money in bonds, stocks, short term money market, capital market, other securities or combination of all these things. The combination of all this markets is known as a portfolio. The shareholders who are actually known as investors get their portion of total profit. The managers actually manage the whole things properly for a certain amount of fee which is called management fee. Next discussion will make the thing clearer.

### 3.2 Characteristics of Mutual Fund

There has some characteristics of mutual fund which are very different from other types of investment and they are described below.

- Investors purchase their mutual fund from the market with personally involvement not from the secondary market.
- Investors actually pay the price of his share according to net asset value of the share which is called NAV of shares.
- Investor can also sell their share to the other share holders of the mutual fund. For open ended mutual fund it's different.
- These funds actually sell their share to accommodate new investors. In simple they sales their share regular basis. Some funds stop to sell their shares when it becomes too large.



- Mutual funds also maintain a portfolio to minimize their risk and also for a good return. These things are actually managed by the managers who actually get fees from the profit.
- Mutual fund is very helpful for the small investors because they do not have that much amount to go for the secondary market.
- Because of professional management investors do not need to think about the fund or portion they invested. As a result they can concentrate to the other work.
- The most important thing is that, it's strictly regulated investment vehicle. That's why it's very much helpful for the general people.

### 3.3 Types of Mutual Fund

Two types of mutual fund is mainly seen in the capital market and they are

- Open-end Mutual Fund
- Close-end Mutual Fund

#### 3.3.1 Open-end Mutual Fund

It is open for any kind of investor in the market. Anyone can join in this fund when they want. It is nothing but open for the public. Repurchase option is also available in open-end mutual fund. The shareholder can sell their share and can also buy their share. People who want to buy share need to pay the equal amount of money according to market price. The investor can sell and repurchase their share after their initial public offering.

#### 3.3.2 Close-end Mutual Fund

On the other hand the scenario of close-end mutual fund is totally different. Here the number of shareholder is fixed and nobody can enter here. In this type of fund share is issued in the regular market and the price is determined according to the market demand and supply. People who will buy the share will get the dividend but not ownership.



### 3.4 Advantages of Mutual Fund

There has several advantages of mutual fund and they are described below.

- Mutual fund minimize the investment risk of lower investors through diversification in which funds are spread out into various sectors, companies, securities as well as entirely different market.
- Mutual fund mobilizes the savings of small investor and channels them into lucrative investment opportunities. As a result, Mutual fund adds liquidity to the market.
- Mutual fund provides the small investor's access to the whole market that at an individual level.
- The investors save a great deal in transaction costs given that he/she has access to a large number of securities by purchasing a single share of a Mutual Fund.
- The investors can pick and chase a Mutual Fund to match his/her particular needs.

### 3.5 Mutual Fund of ICB

ICB is the pioneer organization of initiating mutual fund industry in Bangladesh. The country's first closed-end mutual fund, the "First ICB Mutual Fund" was launched on 25 April 1980 since then ICB had floated 8 closed-end mutual funds of total capital of Tk. 17.50 crore (which is now Tk. 17.75 crore) up to 1996. Securities and Exchange Commission (Mutual Fund) Rules, 2001 was circulated by Bangladesh Securities and Exchange Commission (BSEC) through gazette notification. At that time the aforementioned eight mutual funds managed by ICB was listed in the stock exchanges.

### 3.6 Launching of ICB Mutual Fund

ICB took the first initiative to launch Mutual Fund in Bangladesh and offered First ICB Mutual Fund in 1980, since then ICB had floated 8 closed-end mutual funds of total capital of Tk.17.50





Crore (at present 17.75 crore). Though there are 17 asset management companies in Bangladesh, ICB and only six other companies are managing 41 close-end mutual funds. Besides these, ICB and 4 other companies are managing 11 open-end mutual funds. The launching date and paid up capital of each mutual fund of Investment Corporation of Bangladesh is shown below.

Lunch Mutual Fund in different date with a different paid up capital		
Mutual Fund	Date of Flotation	Paid up capital
First ICB Mutual Fund	25 <sup>th</sup> April, 1980	75.00
Second ICB Mutual Fund	17 <sup>th</sup> June, 1984	50.00
Third ICB Mutual Fund	19 <sup>th</sup> May, 1985	100.00
Forth ICB Mutual Fund	6 <sup>th</sup> June, 1986	100.00
Fifth ICB Mutual Fund	8 <sup>th</sup> June, 1987	150.00
Sixth ICB Mutual Fund	16 <sup>th</sup> May, 1988	500.00
Seventh ICB Mutual Fund	30 <sup>th</sup> June, 1995	300.00
Eighth ICB Mutual Fund	23 <sup>th</sup> July , 1996	500.00
Total		1775.00

### 3.7 Description of ICB Mutual Fund

The better way to each and every investment is to maintain a portfolio. ICB is following the same thing for the fund to minimize the risk. That's why they are emphasizing on portfolio investment. In the table the detailed information of total cost of the portfolio, market value of each portfolio, market price per certificate and the number of certificate holders are shown.



Name of the Fund	Total Cost Price of the Portfolio (Tk. In lac)	Market Value Of the Portfolio (Tk. In lac)	Market Price Per Certificate (Tk. In lac)	Number of Certificate- Holders
First ICB Mutual Fund	2535.32	11943.10	1128.90	800
Second ICB Mutual Fund	1248.71	2104.41	282.30	878
Third ICB Mutual Fund	1530.99	4313.98	265.50	1215
Forth ICB Mutual Fund	1670.92	3584.54	220.40	999
Fifth ICB Mutual Fund	2177.78	4702.98	197.70	2088
Sixth ICB Mutual Fund	2629.30	3859.43	63.70	4988
Seventh ICB Mutual Fund	2962.29	4686.29	93.70	1807
Eighth ICB Mutual Fund	3439.08	4839.05	69.00	5742
	18194.39	40024.78	2321.20	18517

### 3.8 Market price of ICB mutual funds

The certificate of eight mutual funds was successfully traded in the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) during the year 2014 and 2015. The opening price, highest price, lowest price and the closing price of each Mutual Fund is shown below.

Name of the fund	Opening price (Taka) As on 2 <sup>nd</sup> July 2014	Highest price (Taka)	Lowest price (Taka)	Closing price(taka) As on 30 <sup>th</sup> June 2015
1 <sup>st</sup> Mutual Fund	914.00	1171.70	855.00	1128.90
2 <sup>nd</sup> Mutual Fund	266.00	325.70	241.70	282.30
3 <sup>rd</sup> Mutual Fund	234.00	265.50	188.00	265.50
4 <sup>th</sup> Mutual Fund	211.00	220.40	173.80	220.40
5 <sup>th</sup> Mutual Fund	180.00	198.50	142.50	197.70



6 <sup>th</sup> Mutual Fund	65.00	68.70	50.00	63.70
7 <sup>th</sup> Mutual Fund	100.00	100.00	75.00	93.70
8 <sup>th</sup> Mutual Fund	69.90	72.00	66.00	69.00

### 3.9 Dividend of ICB Mutual Fund

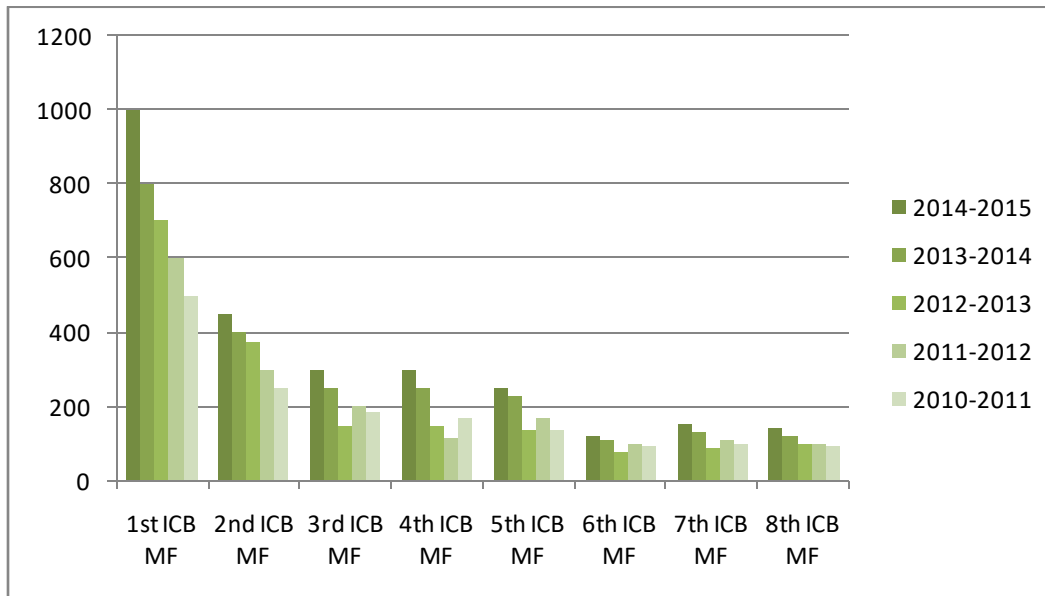
The dividend that was paid to the fund holders is shown below.

FY	Funds	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>	6 <sup>th</sup>	7 <sup>th</sup>	8 <sup>th</sup>
1980-1981		20							
1981-1982		20							
1982-1983		20							
1983-1984		25							
1984-1985		35	21						
1985-1986		38	23	21					
1986-1987		41	25.5	22.5	21.5				
1987-1988		48	28	25.5	13,25				
1988-1989		49	29	26	23.5	20.5	15.5		
1989-1990		49	29	26	23.5	20.5	13.25		
1990-1991		35	22	19	17	10	6		
1991-1992		31	22	19	18	11	6		
1992-1993		31.5	21	18	17	12			
1992-1994		45	27	22	40	25	16		
1994-1995		50	40	27	41	28	18		
1995-1996		60	42	38	41	30	20	18	
1996-1997		70	45	38	45	35	24	21	18
1997-1998		70	30	35	32	22	18	14	12
1998-1999		100	32	38	35	20	15	13	12
1999-2000		125	35	40	36	21	16	13.5	12.5
2000-2001		170	40	45	38	23	17	14	13



2001-2002	175	42	50	40	24	17.50	14.50	13.50
2002-2003	180	45	50	40	24	17.50	14.50	13.50
2003-2004	200	50	50	45	24	17.50	15	147
2004-2005	210	55	52	48	27	18.50	16	15
2005-2006	210	55	52	48	27	18.50	16	15
2006-2007	190	62	56	52	33	23	22.50	18
2007-2008	265	75	65	60	45	30	30	25
2008-2009	310	95	85	80	56	37	35	32
2009-2010	400	200	140	125	100	75	70	65
2010-2011	500	250	185	165	135	90	95	90
2011-2012	600	300	200	114	170	100	110	100
2012-2013	700	375	146	147	133	78	88	95
2013-2014	800	400	250	250	225	110	130	120
2014-2015	1000	450	300	300	250	120	150	140

For understanding easily I am just taking five years dividend that is paid among the certificate holders. The comparison is shown in the chart below.

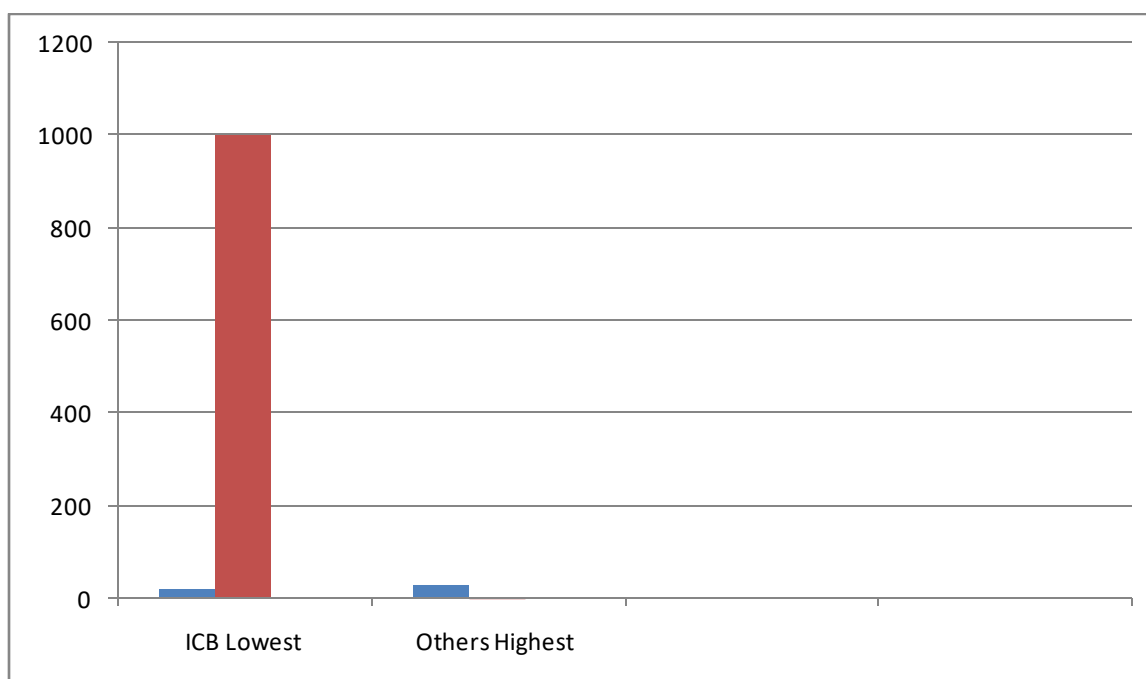


We can see that the dividend paid for the first mutual fund is always good. The main reason is maturity. Eighth mutual funds scenario is totally opposite than the first one.

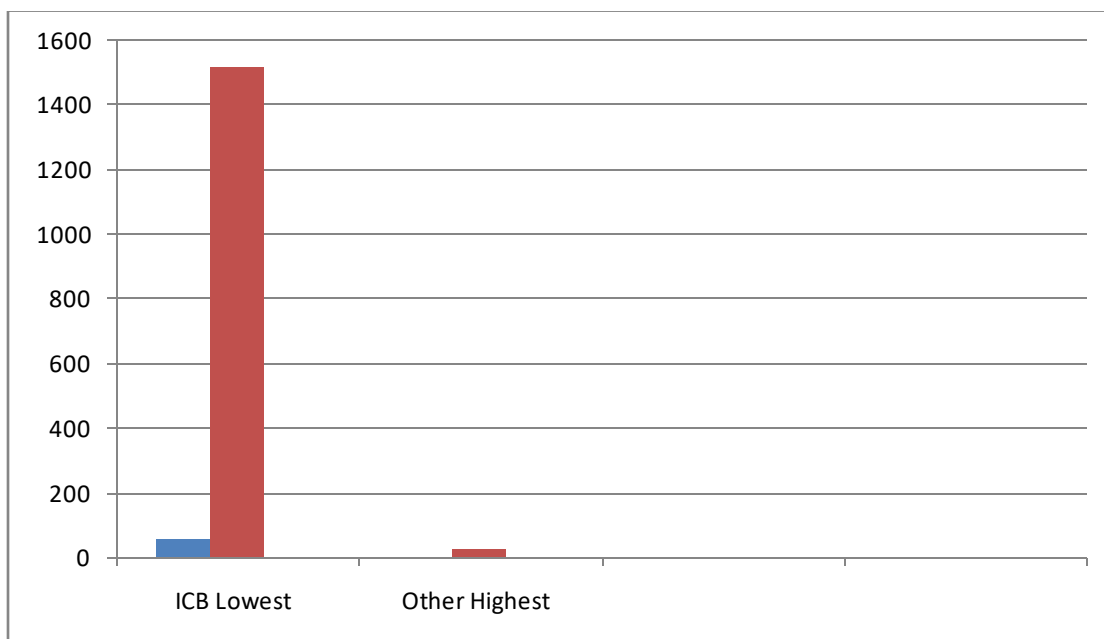
### 3.10 Comparison of Dividend, Net Asset value and Earning per Share

Particulars	Mutual funds managed by ICB		Mutual funds managed by others	
	Highest	Lowest	Highest	Lowest
Dividend (%) (2014/2014-15)	1000.00	20.00	30.00	0.60
Net Asset Value per Unit (Tk.) as on 30 June 2015	1521.50	59.48	33.96	7.49
Earnings per share (Tk.) (2014/2014-15)	142.73	13.93	3.70	(0.35)

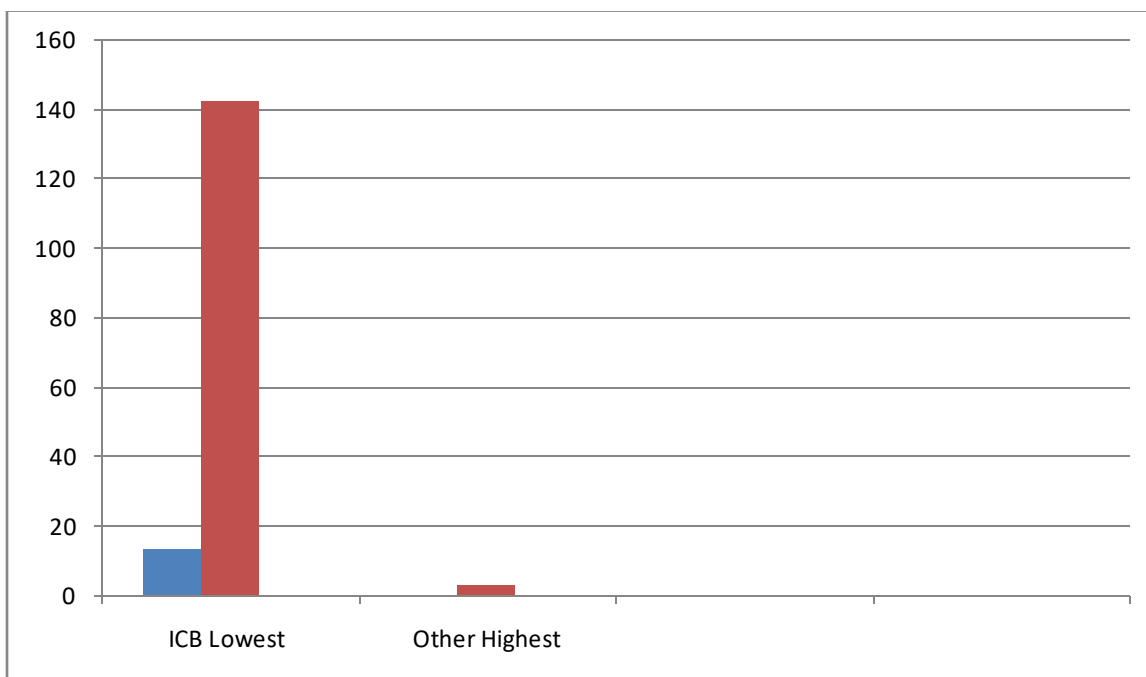
The highest dividend paid by other companies is not that much higher than the lowest dividend ICB paid their fund holders.



The lowest net asset value of Investment Corporation of Bangladesh is higher than the highest NAV of others.



Again ICB's lower Earnings per Share (EPS) are higher than others.



### 3.11 Ratio Analysis

For better understanding and comparison, I am taking only two year.

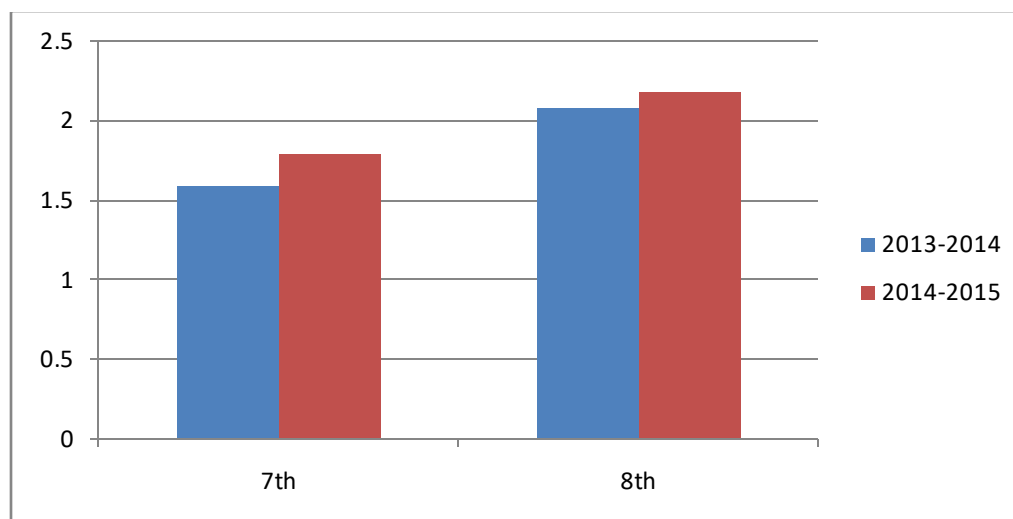
#### 3.11.1 Current Ratio

Current ratio is a liquidity and efficiency ratio that measures a firm's ability to pay off its short-term liabilities with its current assets. The current ratio is an important measure of liquidity because short-term liabilities are due within the next year.

**Current Ratio= Current Asset / Current Liabilities**

Following table shows the currencies of ICB Mutual Fund for two years:

Year	7 <sup>th</sup> mutual fund	8 <sup>th</sup> mutual fund
2013-2014	1.6	2.08
2014-2015	1.8	2.19



**Figure: Current Ratio**

Current Ratio below 1 shows critical liquidity problems because it means that total current liabilities exceed total current assets. The chart on the above shows that the current ratio is really good.



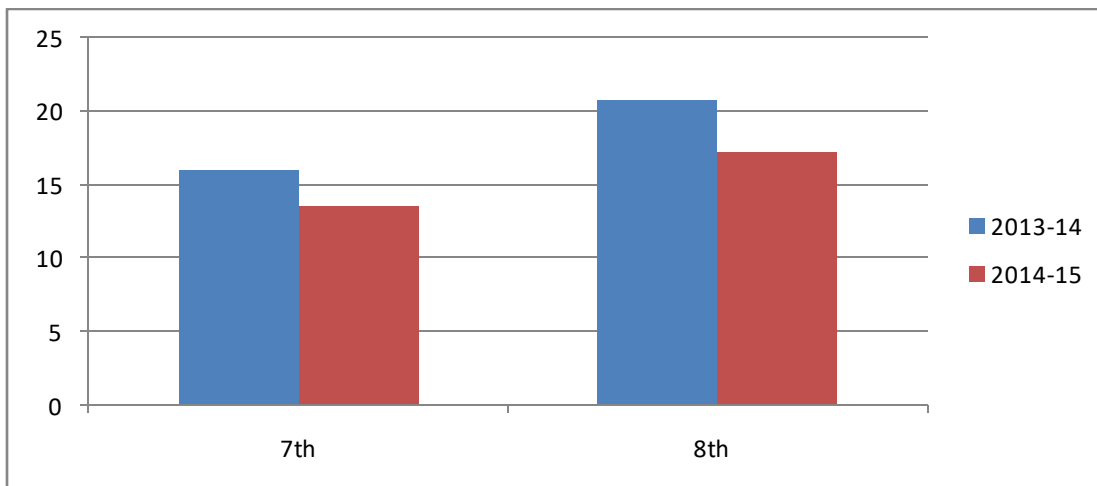
### 3.11.2 Earnings per Share:

EPS means Earnings per share. So, maximum earn from per share shows the maximum profit and company's growth is well. The equation is:

$$\text{EPS} = \text{Net Income} / \text{No. of shares held}$$

Following table shows the EPS of ICB Mutual Fund for two years:

Year	7 <sup>th</sup> mutual fund	8 <sup>th</sup> mutual fund
2013-2014	16.08	13.64
2014-2015	20.76	17.26



**Figure: Earnings per share**

Here I see that, EPS is decreases in 2014-15 from previous year of 2013-14. It is not a good sign for the company.



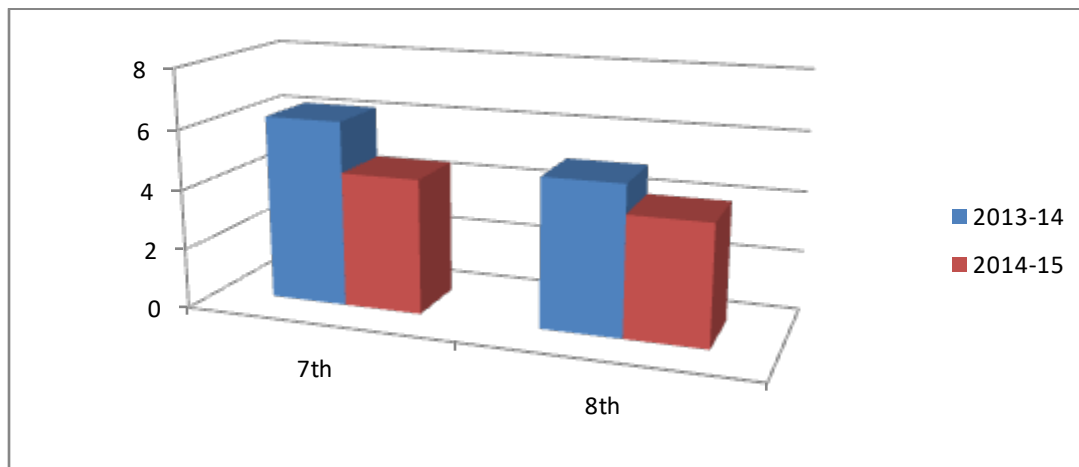
### 3.11.3 Price earnings ratio:

Price earnings ratio is the ratio for valuing a company that measures its current share price relative to its per-share earnings. The equation is:

$$\text{Price-Earnings Ratio} = \text{Market Price} / \text{EPS}$$

Following table shows the P/E Ratio of ICB Mutual Fund for two years:

Year	7 <sup>th</sup> mutual fund	8 <sup>th</sup> mutual fund
2013-14	6.21	4.96
2014-15	4.51	4.00



**Figure: Price Earnings Ratio**

Price earnings ratio gives an idea of what the market is willing to pay for the company's earnings. Lower PE Ratio indicates the lower risk for investors and higher ratio not better for investors. Most of the ICB mutual funds PE ratio goes down.

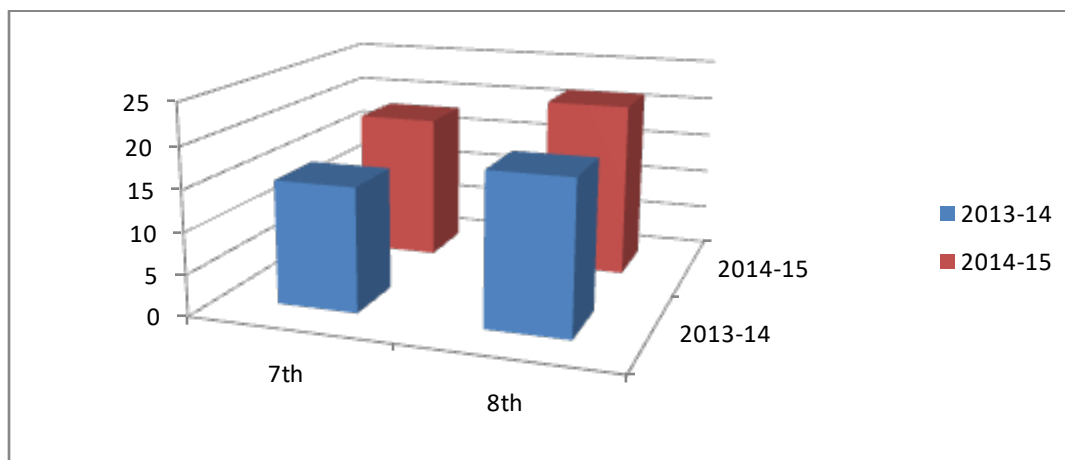
### 3.11.4 Return on Investment:

Return on investment (ROI) is the most common profitability ratio. The most frequently used method is

$$\text{ROI} = \text{Net Income} / \text{Total Asset} * 100$$

Following table shows the ROI ratio of ICB Mutual fund for two years:

Year	7 <sup>th</sup> mutual fund	8 <sup>th</sup> mutual fund
2013-14	15.04	18.34
2014-15	17.96	21.41



**Figure: Return on Investment**

In every mutual fund's return on investment are decreases. It is very bad for a company and every company wants to maximize the return on investment. But 2014-15 fiscal years we can see it increases.



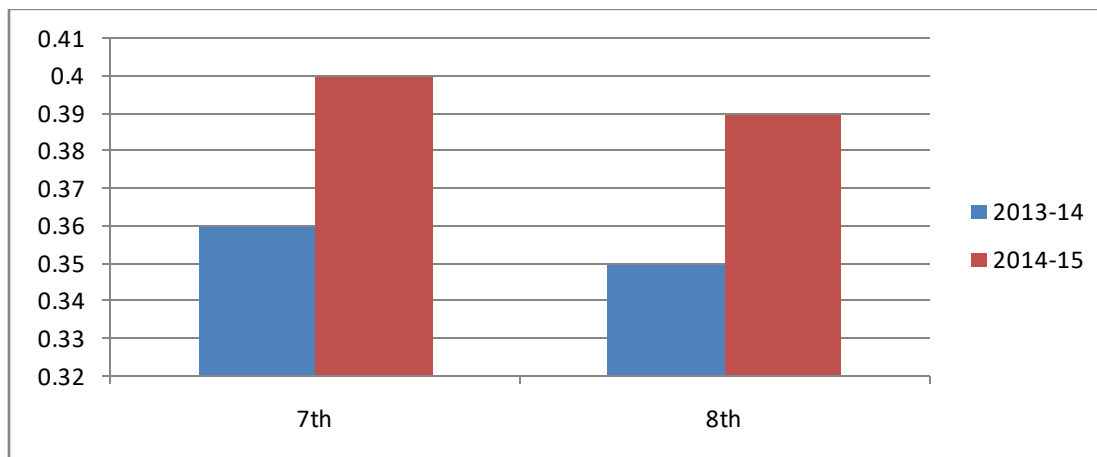
### 3.11.5 Return on Equity:

Return on equity measures of profitability that calculates how many dollars of profit a company generates with each dollar of shareholders' equity.

$$\text{Return on Equity} = \text{Net Profit} / \text{Total Equity}$$

Following table shows the ROE ratio of ICB Mutual fund for two years:

Year	7 <sup>th</sup> mutual fund	8 <sup>th</sup> mutual fund
2013-14	0.36	0.35
2014-15	0.40	0.39



**Figure: Return on Equity**

Here we can see, 2014-15 fiscal years the return on equity is maximize and we can say it is good for the company.



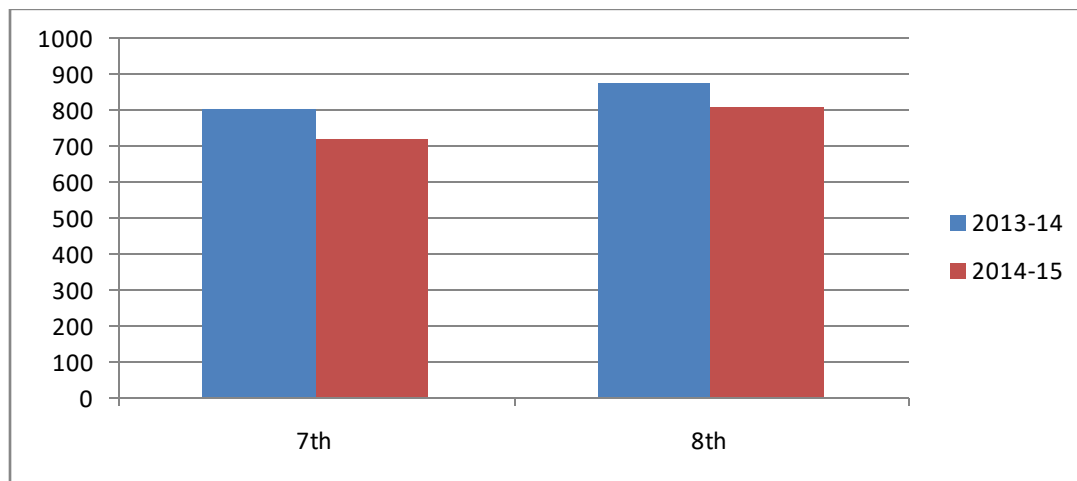
### 3.11.6 Dividend payout Ratio:

Dividend is a part of the earnings not paid to investors is left for investment to provide for future earnings growth. The equation is:

$$\text{Dividend payout ratio} = \text{Dividend per share} / \text{EPS} * 100$$

Following table shows the Dividend payout ratio of ICB mutual fund for two years:

Year	7 <sup>th</sup> mutual fund	8 <sup>th</sup> mutual fund
2013-14	808%	880%
2014-15	723%	811%



**Figure: dividend payout ratio**

We can see that ICB mutual funds D/P ratio is increases in the previous year but recent year decreases its means decreases capability for investment.



### 3.12 SOWT Analysis:

SWOT analysis is the detailed study of an organization. As through this tool, an organization can also study its current position. It can also be consideration as an important tool for making changes in the strategic management of the organization.

<p style="text-align: center;"><b>Strength</b></p> <ul style="list-style-type: none"> <li>➤ Broad market coverage</li> <li>➤ Potential internal strength</li> <li>➤ Strong management</li> <li>➤ Strong financial backup</li> <li>➤ Expert management team</li> <li>➤ Skill portfolio management.</li> </ul>	<p style="text-align: center;"><b>Weakness</b></p> <ul style="list-style-type: none"> <li>➤ Inadequate information system</li> <li>➤ High employee turnover</li> <li>➤ High conflict and politics</li> <li>➤ Lack of discipline</li> <li>➤ Most of the employees are inactive.</li> </ul>
<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>➤ Diversify into new growth business</li> <li>➤ Reduce rivalry among competitors</li> <li>➤ Government tries boost up capital market</li> <li>➤ Investors are getting confidence to invest in market.</li> </ul>	<p style="text-align: center;"><b>Threats</b></p> <ul style="list-style-type: none"> <li>➤ Increases in private substitute competitor</li> <li>➤ Increase in foreign competition</li> <li>➤ Low rate of dividend declaration</li> <li>➤ Lack of sufficient legal step.</li> </ul>

#### 3.12.1 Strength:

- **Broad market coverage:** As a investment corporation ICB has a huge market coverage. A huge number of organizations are taking loan from ICB for their business.
- **Potential internal strength:** Internally ICB is more strong and in better position than any other government and private organization.
- **Strong management:** ICB has strong management for their organization. They manage their all king of activity by following rules and regulations.



- Strong financial backup: At first part of this report I mentioned about the shareholders of ICB and all shareholders are financially well-off.
- Expert management team: For each and every decision ICB has expert management team who actually suggest them how to do the things.
- Skill portfolio management: ICB maintain a portfolio for their mutual fund. That's why their dividend and other things are in better position than others.

#### Weakness:

- Inadequate information system: ICB is maintaining the old traditional things for their information system.
- High employee turnover: During my internship more than 40 employees left their job. It's a bad sign for the corporation.
- High conflict and politics: In every two years an election takes place among the employees. The winning team gets the advantages.
- Lack of discipline: In mutual fund department I have seen mismanagement when it was the time to pay dividend to shareholders.
- Most of the employees are inactive: The employees of mutual fund department are not that much active.

#### Opportunities

- Diversify into new growth business: ICB is a giant company. So, they can diversify their business into foreign market or new sectors in Bangladesh.
- Reduce rivalry among competitors: Very few companies ting the mutual fund options for the little investors. ICB can take this as their opportunity.
- Government tries boost up capital market: Now a day's government is focusing on capital market. They are injecting more money is this sectors.
- Investors are getting confidence to invest in market: The mutual fund of ICB is going well with a satisfactory amount of dividend. So, investors are more confident with ICB.



## Threat

- Increases in private substitute competitor: A few numbers of companies are offering mutual fund and ICB is one of them. New entrance can be a threat for ICB.
- Increase in foreign competition: Foreign competitor can enter any time with new features and opportunities. ICB need to aware about it.
- Low rate of dividend declaration: Except the first mutual fund, ICB's other mutual funds are offering low dividend. This point should be noted.
- Lack of sufficient legal step: There have some problems with the legal setup of ICB like politics. They should improve these things.

## 3.13 Findings

Mutual funds of ICB are managed by the professional management team. It's actually a long term process. These funds are for ten or fifteen years. The final result depends on the maturity, profitability and the confidence level of the investors. The findings of my research are given below.

- There is no maturity date of mutual funds. For close ended fund there should be a specific time period. I have shown the launching date of mutual funds and according to that the age of first mutual fund is more than 31 years.
- The dividend of Investment Corporation of Bangladesh is greater than any other companies those have mutual fund. ICB is giving dividend to the shareholders 1000 which is the highest on the other hand other institutions highest dividend is 30. They are in best position in dividend payment.
- Net asset value is also satisfactory of ICB. The highest NAV of ICB is 1521.50 and the other companies those have mutual funds is 33.96 which is their highest.
- Earnings per share is also seems good.
- Current ratio, ROI, ROE is good because their current ratio is more than 1, ROI and ROE has increased in the fiscal year 2015 but EPS, price earnings ratio and dividend payout ratio is not satisfactory because it decreased compared to the following years. .
- Except fund mutual fund, other mutual funds dividend is comparatively low.



- Service provided by the mutual fund department is very slow. It's taking more than required time for providing the service. Withdrawal of any funds is also very lengthy process.
- They don't have that many facilities outside the Dhaka. When I asked one of their employees, he said that ICB should concentrate outside the Dhaka, is fact in the remote area because for pulling up the economy equal contribution is very necessary.
- The closing price of mutual funds in DSE and CSE is very excellent comparing to the issuing price except the fifth, sixth, seventh and eight mutual fund.

### 3.14 Recommendation

I want to recommend something to ICB for their mutual fund holder which could be beneficiary for them. It's only my personal opinion after this research. The points are given below.

- EPS of ICB in 2015 is not satisfactory and is low than previous year. They should concentrate on it because mutual fund holder's investment is not very high.
- Dividend is the main concern of the fund holders. They should spend more time on their investment and should use more trained managers.
- ICB should concentrate on their second, third, fourth, fifth, sixth, seventh and eighth mutual fund because relatively they are low than first mutual fund.
- They should focus on open ended mutual fund so that other people can come with their little investment. All the mutual funds of ICB are close ended that need to be change.
- They should take initiatives for providing the service to the fund holders very quickly.
- They should focus on the people who live outside the Dhaka for making our economy stronger.





### 3.15 Conclusion

ICB is a unique name in our country as an investment company. They have well skilled and trained labor force which is a big opportunity for them. They are contributing to pulling up our economy. They are controlling our share market to save it from any king of occurrence. ICB is helping for the industrial; growth of our country. They are providing loan to the big organization so that they can serve the people of our country. They need to be more conscious to achieve the investors' confidence.

There are a huge gap between the institutional investors and little investors. Institutional investors are getting more loan as a result they are going ahead and ahead. The little investors are not getting that many opportunities to go forward. ICB should focus on the little investors. ICB is maintaining a better portfolio and they have their own portfolio department. So, it will not be that much harder for them.

I want to conclude by saying that the organizations like ICB play an important role for changing the scenario of our country.



***Chapter-4***  
***Supplementary part***




## 4.1 Appendix

**Seventh ICB Mutual Fund**  
Statement of Financial Position  
As at June 30, 2015


Particulars	Notes	Amount in Taka	
		30.06.15	30.06.14
<b>Assets</b>			
Investments at Cost	4.00	296,229,009	260,905,314
Cash at Bank	5.00	40,807,449	48,792,361
Installments receivable on investment	6.00	6,855,310	6,855,310
Dividend and Interest on Debenture Receivable	7.00	2,998,178	2,740,976
Share Application Money		-	1,496,800
<b>Total Assets (A)</b>		<b>346,889,946</b>	<b>320,790,760</b>
<b>Liabilities</b>			
Accrued Expenses	8.00	40,107	42,207
Unclaimed Dividend	9.00	10,361,138	8,086,211
Provision for dividend & interest on debenture receivable	10.00	3,238,013	3,238,013
Provision for loss on value of investments	11.00	55,216,708	55,216,708
Provision for possible fluctuation of price of investments	12.00	106,344,000	106,344,000
Other Liabilities	13.00	16,537,149	16,003,112
<b>Total Liabilities (B)</b>		<b>191,737,115</b>	<b>188,930,251</b>
<b>Net Assets (A-B)</b>		<b>155,152,831</b>	<b>131,860,509</b>
Net assets consists of:			
Capital Fund	14.00	30,000,000	30,000,000
General Reserve	15.00	16,039	16,039
Distributable Income	16.00	125,136,792	101,844,470
		<b>155,152,831</b>	<b>131,860,509</b>
<b>Net Asset Value (NAV) per share</b>			
Net assets-at cost		155,152,831.00	131,850,000
Net assets-at market value		327,552,568.20	347,790,000
Share of capital stock outstanding		3,000,000	3,000,000
Net asset value-at cost		51.72	43.95
Net asset value-at market value		109.18	115.93

The annexed notes 1 to 26 and annexure A to D form an integral part of these financial statements.

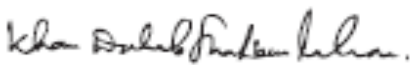
  
Mojib Uddin Ahmed Ph.D  
Chairman

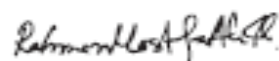
  
Md. Fayekuzzaman  
Managing Director

  
S. M. Moniruzzaman  
Director

  
Dr. Md. Zillur Rahman  
Director

Signed in terms of our separate report of even date.

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants

  
Rahman Mostafa Alam & Co.  
Chartered Accountants

Dated : Dhaka  
July 30, 2015



**Seventh ICB Mutual Fund**  
**Statement of Comprehensive Income**  
For the year ended June 30, 2015


Particulars	Notes	Amount in Taka	
		30.06.15	30.06.14
<b>Income</b>			
Dividend and Interest	17.00	13,978,522	11,654,883
Interest on Bank Deposits	18.00	1,996,089	3,920,387
Net realized gain on Investment (See Annexure-D)		53,895,783	36,838,982
Others Income	19.00	5,518	410,906
<b>Total Income (A)</b>		<b>69,875,912</b>	<b>52,825,358</b>
<b>Expenses</b>			
Management Fee	20.00	6,474,893	3,091,369
Custodian Fee	21.00	473,201	229,519
Listing Fee	22.00	40,000	40,000
Audit Fee		14,000	14,000
Postage & Stamps		-	3,358
Printing & Stationery		-	36,625
Interest on Current Account with ICB		-	15,605
Bank Charges		19,557	18,825
Other Expenses	23.00	559,939	1,131,991
<b>Total Expenses (B)</b>		<b>7,583,590</b>	<b>4,583,491</b>
<b>Net Income (A-B)</b>		<b>62,292,322</b>	<b>48,241,867</b>
Add: Undistributed Income from previous year		62,844,470	33,602,603
Distributable income carried to balance sheet		<b>125,136,792</b>	<b>101,844,470</b>
<b>Earnings per certificate during the year</b>		<b>20.76</b>	<b>16.08</b>

The annexed notes 1 to 26 and annexure A to D form an integral part of these financial statements.


  
Mojib Uddin Ahmed Ph.D  
**Chairman**

  
Md. Fayekuzzaman  
**Managing Director**

  
S. M. Moniruzzaman  
**Director**

  
Dr. Md. Zillur Rahman  
**Director**

Signed in terms of our separate report of even date.

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants

  
Rahman Mostafa Alam & Co.  
Chartered Accountants


Dated : Dhaka  
July 30, 2015



**Seventh ICB Mutual Fund**  
**Statement of Changes in Equity for the year ended June 30, 2015**

Particulars	Capital Fund	General Reserve	Distributable Income	Total
Balance as at July 01, 2013	30,000,000	16,039	89,602,603	119,618,642
Net income for the year	-	-	48,241,867	48,241,867
Dividend	-	-	(36,000,000)	(36,000,000)
Balance as at June 30, 2014	30,000,000	16,039	101,844,470	131,860,509
Net income for the year	-	-	62,292,322	62,292,322
Dividend	-	-	(39,000,000)	(39,000,000)
Balance as at June 30, 2015	30,000,000	16,039	125,136,792	155,152,831

  
Mojib Uddin Ahmed Ph.D  
Chairman

  
Md. Fayekuzzaman  
Managing Director

  
S. M. Moniruzzaman  
Director

  
Dr. Md. Zillur Rahman  
Director

Dated : Dhaka  
July 30, 2015




**Eighth ICB Mutual Fund**  
**Statement of Financial Position as at June 30, 2015**


Particulars	Notes	Amount (In Taka)	
		30.06.2015	30.06.2014
<b>Assets</b>			
Investments at Cost	4	343,907,667	300,472,042
Cash at Bank	5	51,729,167	62,273,369
Dividend and Interest Receivable	6	2,505,239	2,591,305
Receivable Instalments of Investments	7	4,956,376	4,956,376
Share Application Money		-	1,496,800
<b>Total Assets</b>		<b>403,098,449</b>	<b>371,789,892</b>
<b>Liabilities</b>			
Accrued Expenses	8	46,925	49,025
Unclaimed Dividend	9	43,056,776	38,038,672
Provision for dividend & interest receivable	10	2,113,758	2,113,758
Provision for Loss on value of investments	11	64,323,283	64,323,283
Provision for possible fluctuation of investment	12	64,585,000	64,585,000
Other Liabilities	13	9,518,579	9,533,104
<b>Total Liabilities</b>		<b>183,644,321</b>	<b>178,642,843</b>
<b>Net Assets</b>		<b>219,454,128</b>	<b>193,147,050</b>
<b>Net assets consists of</b>			
Capital Fund	14	50,000,000	50,000,000
Distributable Income	15	169,454,128	143,147,050
		<b>219,454,128</b>	<b>193,147,050</b>
<b>Net Asset Value (NAV) per share:</b>			
Net assets-at cost		219,454,128	193,150,000
Net assets-at market value		359,451,019	401,450,000
Share of capital stock outstanding		5,000,000	5,000,000
Net asset value-at cost		43.89	38.63
Net asset value-at market value		71.89	80.29

The annexed notes 1 to 25 and annexure A to D form an integral part of these financial statements.


  
Mojib Uddin Ahmed Ph.D  
Chairman

  
Md. Fayekuzzaman  
Managing Director

  
S. M. Moniruzzaman  
Director

  
Dr. Md. Zillur Rahman  
Director

Signed in terms of our separate report of even date.

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants

  
Rahman Mostafa Alam & Co.  
Chartered Accountants

Dated : Dhaka  
July 30, 2015



**Eighth ICB Mutual Fund**  
**Statement of Comprehensive Income for the year ended 30 June 2015**


Particulars	Notes	Amount (In Taka)	
		2014-2015	2013-2014
<b>Income</b>			
Dividend and Interest	16	14,665,233	11,431,930
Interest on Bank Deposits	17	2,817,896	3,852,734
Net realized gain on Investment (Details are shown in Annexure-D)		77,083,094	57,584,675
Others Income	18	5,518	401,628
		<b>94,571,742</b>	<b>73,270,968</b>
<b>Expenses</b>			
Management Fee	19	7,058,058	3,391,336
Custodian Fee	20	491,852	239,301
Listing Fee	21	60,000	60,000
Audit Fee		14,000	14,000
Postage & Stamps		-	5,558
Printing & Stationery		-	36,625
Interest on Current Account with ICB		-	22,248
Bank Charges		19,908	20,550
Others Expenses	22	620,846	1,287,053
		<b>8,264,664</b>	<b>5,076,671</b>
<b>Net Income before Provision</b>		<b>86,307,078</b>	<b>68,194,297</b>
<b>Provision:</b>			
Provision for Loss on value of investments		-	-
Provision for possible fluctuation of investment		-	-
		<b>-</b>	<b>-</b>
<b>Net Income for the year</b>		<b>86,307,078</b>	<b>68,194,297</b>
Undistributed Income from previous year		83,147,050	74,952,753
Distributable income carried to Statement of Financial Position		169,454,128	143,147,050
<b>Earning per certificate during the year</b>		<b>17.26</b>	<b>13.64</b>

The annexed notes 1 to 25 and annexure A to D form an integral part of these financial statements.

  
Mojib Uddin Ahmed Ph.D  
**Chairman**

  
Md. Fayekuzzaman  
**Managing Director**

  
S. M. Moniruzzaman  
**Director**

  
Dr. Md. Zillur Rahman  
**Director**

Signed in terms of our separate report of even date.

  
**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants

  
**Rahman Mostafa Alam & Co.**  
Chartered Accountants


Dated : Dhaka  
July 30, 2015




**Eighth ICB Mutual Fund**  
**Statement of Changes in Equity for the year ended 30 June 2015**

Particulars	Capital Fund	General Reserve	Distributable Income	Total
Balance as at 01 July 2013	50,000,000	-	129,952,752	179,952,752
Net income for the period	-	-	68,194,297	68,194,297
Dividends	-	-	(55,000,000)	(55,000,000)
Balance as at 30 June 2014	50,000,000	-	143,147,049	193,147,049
Net profit for the period	-	-	86,307,078	86,307,078
Dividends	-	-	(60,000,000)	(60,000,000)
Balance as at 30 June 2015	50,000,000	-	169,454,127	219,454,128

  
**Md. Fayekuzzaman**  
**Chairman**

  
**S. M. Moniruzzaman**  
**Managing Director**

  
**Dr. Md. Zillur Rahman**  
**Director**

  
**Md. Mojib Uddin Ahmed**  
**Director**

Dated : Dhaka  
July 30, 2015





## 4.2 Reference

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2. Investment Corporation of Bangladesh (ICB) 2013-2014. *Annual Report*. Dhaka ICB.
3. Investment Corporation of Bangladesh (ICB) 2014-2015. *Annual Report of Unit Fund*. Dhaka ICB.
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5. [www.icb.gov.bd](http://www.icb.gov.bd)

