



**Internship Report**  
**On**  
**An appraisal of ICB Unit Fund.**



**Investment Corporation of Bangladesh (ICB)**



00182  
BBP



**COURSE: BUS-499**

**PREPARED FOR**

**MOHAMMAD ABDUR RAZZAK**

**SENIOR LECTURER**

**Department of Business Administration**

**PREPARED BY**

**NAME: SHAMIM ARA NIPA**

**ID: 2004-2-10-165**

**Department of Business Administration**

**DATE: 15-04-2009**

15<sup>th</sup> April, 2009

Assistant General Manager  
Personnel Department  
Investment Corporation of Bangladesh

Subject: Submission of Internship Report.

Dear Madam,

It is a matter of immense pleasure for me to submit here with the Internship Report on “An appraisal of ICB Unit Fund” and for your kind evaluation. ICB is one of the leading investment bank performing in Bangladesh. I am grateful to you for allowing me to carry out program in ICB. I am certain that the knowledge and experience acquired while conducting the study will help me in many ways in future.

I have tried my best to represent my ideas and findings as clearly as I could within the time and resource available. I hope that the idea presented in the report will provide a clear picture about ICB Unit Fund.

I would like to mention that there might be some unintentional errors in the report. I hope that you will consider my shortcomings while you evaluate my paper.

Thank You,

Sincerely Yours



Shamim Ara Nipa.  
ID: 2004-2-10-165  
Department of Business Administration  
East West University.

## Acknowledgement

I express my sincere heartiest gratitude to all the Department of ICB Head Office, who helped directly and indirectly in different capacities to conduct and complete the study. I may be mentioned here that without their cooperation it would perhaps, have not been possible for me to complete the study.

In preparing a term paper, one needs a number of assistance and guidance from reliable sources. This report also stands on basis of such efforts. I am in pleasures to express my gratitude to the internship and placement committee for arranging such a program from which I have carried a lot of practical experience. At the very outset, I would like to express my deep respect to my honorable teacher, who is my supervisor, MohammadAbdur Razzak, Senior Lecturer, Department of Business Administration, East West University, for giving me his valuable time and all the necessary guidance. His continuous supervision has inspired me to make a more feasible report based on in depth analysis.

In preparing the report, I received active-co operations from the AGM, Senior Principal Officers, Senior Officers and Staffs of ICB. I sincerely express my heart- felt gratitude from their co-operation, which helped me to conduct and complete this report.

I am grateful to the Librarian of ICB who helped me by supplying many kinds of articles, journals, annual report and other things at different time.

This report suffers from many shortcomings; sever the less I have exerted my best effort in preparation of this report. I seek excuse for the errors that might have occurred inspire of the best of my efforts.

## Executive Summary

Investment Corporation of Bangladesh (ICB) is a statutory corporation. It is mainly an investment bank. An investment bank is a financial institution, which by selling securities and deployed funds to the detail economic unit's also buying underwriting securities.

The establishment of ICB along with re-opening of DSE in the same year were two of the far-reaching measures taken by the government to, on the one hand, accelerate the pace of industrialization and on other hand, develop and well organized and active capital market, primarily security market. ICB has hold now three subsidiary companies as on July 1, 2002. ICB has adopted this new line of business policy for providing better management, better and quick customer services, in sum from specialization.

The objective of the study is to gather knowledge that how ICB floats and manage the open ended mutual fund. The business of the open ended mutual fund is to mobilize savings from investors by way selling certificates and investing the funds in securities from the primary and secondary markets so as to ensure maximum return for certificate holders. It is invested in securities and money market securities as a single account.

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## **Chapter-One**

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### **Introduction**

**1.1 Origin of the Report**

**1.2 Objective of the Study**

**1.3 Methodology of the study**

**1.4 Limitations of the study**

## Chapter- One

### **Introduction**

#### **1.1 Origin of the Report:**

The internship program is an integral part of BACHELOR OF BUSINESS ADMINISTRATION (B.B.A) program OF THE EAST WEST UNIVERSITY. As a student of B.B.A program in East West University everyone has to submit a report after completion of internship program. It is a three months program. I was assigned to Investment Corporation of Bangladesh to complete the program.

Internship means receiving practical training THROUGH attending particular work physically. Practically training means a way THROUGH which a person or a trainee 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.

As a student of B.B.A, major in finance, internship is an academic requirement. For doing internship every student is required to work in a selected institution to enhance ones practical knowledge and experiences.

For my internship I was sent to the Investment Corporation of Bangladesh (ICB) under the supervision of Mohammad Abdur Razzak, Senior Lecturer, Department of Business ADMINISTRATION OF the East West University. My supervisor asked me to prepare a report on one specific department of ICB. That's why I have chosen the topic "An Appraisal of ICB Unit Fund". I have done the internship at ICB from 19.01.2009 to 17.03.2009.

#### **1.2 Objective of the Study:**

The Objectives of the report are:

- a.** To fulfill the requirement of B.B.A program as necessitated by Finance Department, Faculty of Business Studied, East West University.
- b.** To analyze the performance of ICB, it's Image and its role in the capital market of Bangladesh.

- c. To relate our theoretical learning with the practical situation.
- d. To review the practical aspect of the Investment Corporation of Bangladesh.
- e. To get aware about the working environment in advance that will help in adjusting a student with the future working life.
- f. To gather knowledge that how ICB floats and manage the Unit Fund.
- g. To focus on the overall performance of the ICB Unit Fund.

### 1.3 Methodology of the study:

Methodology can be termed as underlying principles and rules of origination that work at the 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 following ways:

#### 1.3.1 Sources and Methods of collecting Primary data:

- i. **Briefing Session:** In case of corporate organization, this method is very useful. During internship period we visited different departments of ICB and took part in a briefing session. The head of departments gave briefs to the Trainees which were very much useful for us and we gathered some valuable information from their briefing.
- ii. **By observation:** This process is very useful for gathering primary data. This process is very costly, time consuming. Through this process limited but accurate data can be collected.

#### 1.3.2 Sources and Methods of collecting Secondary data:

The Secondary data had been collected with several relevant articles of the ICB. These are given below:

- Annual Report of ICB
- Annual Report of ICB unit fund
- Journal and books
- ICB ordinance

- Daily newspapers
- The reports prepared by the previous students who completed their internship in ICB.
- So many which is enlisted in endnotes

## **1.4 Limitations of the study:**

Although the internal environment of ICB as very much better and the employees were much co-operative, like all other field, there were some limitations, which I had to fact at the time of my internship and at the time preparing the report.

They are as follows:

- 12-week duration is a very limited time to know ICB activities in details.
- Official's secrecy of ICB was also a problem to me.
- Relevant papers and documents were not available sufficiently.
- Employees of the ICB Head Office, Dhaka particularly those who deal with unit fund as a few numbers and as a result they could not spend much time as required.
- In adequate information.

## **Chapter -2**

### **ICB at a Glance**

- 2.1 Historical Background of ICB**
- 2.2 Objects of the ICB**
- 2.3 Business Policy of the ICB**
- 2.4 Functions of ICB**
- 2.5 Sources of Capital of ICB**
- 2.6 Share Price**
- 2.7 Transfer of Share**
- 2.8 ICB's role in the Securities Market**
- 2.9 Operational activities**
- 2.10 Financial Results**

## **ICB at a glance**

### **2.1 Historical Background of ICB:**

The Investment Corporation of Bangladesh is the Principle Development Financial Institution in our country. It was established on 1<sup>st</sup> October 1976, under “The Investment Corporation of Bangladesh Ordinance, 1976 “(NO. XL of 1976) with the aim to encourage and broaden the base of investment to develop the capital market, to mobilize saving and provide for matters ancillary thereto.

The establishment if ICB was major step in a series of measures undertaken the Government of accelerate the pace of industrialization and to develop a well organized and vibrant Capital market particularly securities market in Bangladesh ICB caters to the need of institutional support to the need of institutional support to meet the equity gap of the industrial enterprises . In view of the notional policy of accelerating the rate of savings and investment to foster self reliant economy.

Though the enactment of the Investment Corporation of Bangladesh (Amendment) Act, 2000 (No. XXXIV of 2000), reforms in operational strategies and business policies have been taken place by establishing and operating subsidiary companies under ICB.

### **2.2 Objectives of the ICB:**

The main objectives of ICB are as follows:

- a. To encourage and broaden the base of investment.
- b. To develop the capital market.
- c. To mobilize savings.
- d. To promote and establish subsidiaries for business development.





## 2.3 Business Policy of the ICB:

The Corporation has adopted a realistic business policy framework within which its operation is conducted. The corporation in its operating acts on commercial considerations with regard to the interest of industry and commerce, investment climate, capital market depositors, investors and to the public interest generally.

The operational policies of the Corporation are as follows:

- a. To provide financial assistance to projects subjects to their economic and commercial viability.
- b. To act on commercial consideration with due regard to the interest of industry.
- c. To arrange consumption of financial institution including merchant banks to provide.
- d. Equity Support to projects and there by spreads the risks of understanding ,
- e. To develop and encourage entrepreneurs.
- f. To diversify investments.
- g. To include small and medium sobers for investment in securities.
- h. To create employment opportunities.
- i. To encourage investment in Agro-based and its sectors.

## 2.4 Functions of ICB:

The functions of ICB are given below:

- a. Underwriting of initial public offering (IPO) shares and debentures.
- b. Underwriting of right and issue of shares.
- c. Direct purchase of shares and debentures including placement and equity participation.
- d. Providing lease financing to industrial machinery and other equipments by forming syndicate.
- e. Managing investors Accounts.
- f. Managing Mutual funds and Unit funds.
- g. Operating on the stock exchanges.

- h. Providing investment counsel to issuers and investors.
- i. Participating in Government divestment Program
- j. Participating in and financing of joint venture projects.
- k. Dealing in other matters related to capital market operation.
- l. Providing consumer Credit
- m. To act as trusty, Custodian and providing Bank Guarantee
- n. TO supervise the activities of the subsidiary companies.
- o. Dealing in other matters related to capital market.

## **2.5 Sources of Capital of ICB:**

Every organization has sources of capital. It may be own source or may be others. In case of Investment Corporation of Bangladesh it is a public limited company issuing share to the public, loans and debentures are the main sources of ICB.

In the FY 2007-2008, total capital was 330.99 crore where Authorized capital of ICB was 100crore, Paid up capital 50 crore, Reserve for stock dividend50 crore, Reserves 164.61 crore, Retained profit 16.33 crore, Long term Govt. Loan 4.20 crore Debentures31.80 crore and Others14.05 crore. While total capital was249.07 crore, Reserves 122.61crore, Retained profit13.82 crore, Long term Govt. Loan 4.55 crore Debentures41.80crore and Others 16.29crore in the FY2006-2007. So, we can see that Reserves increased by34.25%, Retained Profit increased by18.16%, Long term Govt. Loan decreased by7.69%, Debentures decreased by 23.92% and Others decreased by 13.75. So total capital increased by 32.89%. [Appendix: 1(Table-1)]

## **2.7 Share Price:**

Market price of a share of ICB of Tk. 100.00 each varied from lowest Tk. 400.00 to highest Tk5098.00 on the stock exchanges during the year. As on 30 June 2008, the market price of an ICB Share was Tk. 3751.75on DSE and Tk.4323.00 on CSE.



## **2.8 Transfer of Shares:**

A total of 46103 shares of ICB were transferred during 2007-2008 as against 626564 shares in 2006-2007.

## **2.9 ICB's role in the Securities Market:**

ICB and its three subsidiary companies play impressive roles in maintaining a buoyant and sustainable capital market in the country. In this regard ICB participates both in primary and secondary market.

As on 30 June 2008, the number of ICB assisted securities was 131 out of 294 listed securities (excluding 84 Govt. treasury bonds) of Dhaka Stock Exchange Ltd. (DSE) out of 231 listed securities of Chittagong Stock Exchange Ltd.(CSE) . ICB assisted securities were 91.

In the reporting year, though the purchase and sale of securities for ICB's investment portfolio, unit fund and mutual funds portfolios and on behalf of investment account holders ICB made significant contribution in maintaining depth, stability, reliability and liquidity of the stock market. During 2007-2008, the total trading of ICB and its subsidiary companies in both bourses was Tk. 4311.59 crore which was 230.14 percent higher than the total transaction of Tk. 1305.99 crore in the previous year. In the reporting year, ICB and its subsidiary companies contribution to turnover of Tk. 62344.76 crore of both bourses was 6.92 percent which was 6.25 percent in the preceding year. As the rate of contribution of ICB and its subsidiary companies to total turnover of both bourses has increased, significantly during the year.

## **2.10 Operational activities:**

### **A) Continued operation:**

#### **a. Private placements :**

ICB is authorized to act as an agent of the issuers and investors for private placements of securities. Under this arrangement, ICB places securities to individuals/institutions on behalf of the issuer for which it charges fees. ICB also acquires shares/securities for its own portfolio both in pre-IPO placement and equity investment.

**b. P Custodian and Banker to the Issues:**

To act as the custodian to the public issue of Open-end & Closed-end Mutual Funds. ICB provides professional services. It also acts as the Banker to the issues and provides similar services through the network of its branches. Fees in this regard are negotiable.

**c. Mergers and Acquisitions:**

Companies willing to expand their business through mergers or acquisitions or to Divestment projects that no longer viable into present capacity of operation can contact the Corporation. ICB provides professional services & advices in respect of shaping up the cost and financial structures to ensure best possible operational results. Besides, in case of divestment, the corporation, through network and established business relationship, bring buyers and sellers together, help them to negotiate final agreement and advice on the emerging corporate structure.

**d. Corporate Financial Advice:**

Government enterprises and Companies intending to go public issue often seek professional & financial advice on corporate restructuring & reengineering. ICB through its expertise provide such services through its expertise.

**e. Lease Financing:**

ICB Provides lease finance mainly for procurement of industrial machinery, equipment and transport. ICB provides professional advice and financial assistance to the intending clients. The period of lease, rental, charges, and other terms and conditions are determined on the basis of type of assets and the extent of assistance required by the applicants..

**f. Investment Portfolio of ICB:**

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. During 2007-08 a total investment of Tk. 182.00 crore has been made in the investment portfolio of ICB including Tk.3.02 crore in shares of two companies through Pre-IPO placement, Tk. 1.25 crore in right shares of two companies, Tk. 0.50 crore in debentures of one company and 13.01 crore in preference shares of three companies. As on June 30, 2008, The market value of securities of ICB's investment portfolio was Tk.891.51 crore against the net investment value of Tk. 478.36 showing an appreciation of k. 413.15 crore .

**g. Advance against Unit Certificates Scheme:**

Advance against ICB Unit Certificates Scheme was designed for the ICB unit-holders to meet their emergency fund requirements. One can borrow maximum Tk. 85 per unit by depositing his/her unit certificates under lien arrangement from any of the ICB offices where from such unit certificates were issued.

**Advance against Mutual Fund certificates Scheme:**

Advance against ICB Mutual Fund certificates Scheme was designed for the ICB Mutual Fund Certificate-holders to meet their emergency fund requirement. One can borrow maximum of 50% value of last one year's weighted average market price of certificates at the time of borrowing by depositing his/her certificates under lien arrangement from any of the ICB offices.

**h. Consumer Credit Scheme:**

As part of business diversification programmer, ICB has introduced "Consumers Credit Scheme" in 2003-04 considering at the need of various household commodities of different employees of govt., semi-govt., autonomous bodies and some established private sector organizations. Under this scheme one can enjoy minimum Tk 1.0 lac but maximum 5 lac credit facilities.

### **i. Bank Guarantee scheme:**

-3

ICB introduced Bank Guarantee scheme in 2002-03. ICB provides (i) Bid Bond for enabling the business people to participate in any tender or bidding; (ii) Performance Bond for helping the business community to continue their business smoothly by fulfilling their obligations promised by them to their clients; and (iii) Customs Guarantee for solving different disagreements between the customs authority and the business classes at the initial stage.

### **j. Trustee to the debenture and Securities assets:**

ICB is acting as trustee to the debenture issues and asset-backed securitized bonds. ICB acted as trustee to the issues of 17 companies of which 7 companies has been redeemed successfully

## **B) Operations entrusted to subsidiaries:**

### **1. Stock Exchange Operations:**

ICB Securities Trading Company Ltd. actively participates in the trading activities of securities on both the bourses as member. Over the years, ICB has been the largest trader on the exchange. ICB's investors' scheme and the Mutual Fund/Unit Fund not only mobilize individuals' savings but are also the source of demand for and supply of securities in the stock market.

### **2. Investors Scheme:**

The Investors' Scheme was introduced in 1977 with the objective of broadening the base of equity investment through mobilizing savings of small and medium size savers for investment in the securities market. However in view of strategic changes in policy reform, from 01 July 2002 'ICB Capital Management Ltd.' started opening and managing investment accounts. ICB will continue to provide services to its existing accounts only.

Further steps were undertaken to enhance the quality and speedy service under the scheme like computerization of all activities and installation of merchandizing operation management software.

### **3. ICB Mutual Fund:**

It is a recognized principle that diversification of investment reduces risk. An individual may not have the time, expertise and resources to undertake such diversification. Here arises the advantage of a Mutual Fund. Mutual Funds pool the savings of a great number of investors and make investments in a wide array of securities. In Bangladesh ICB has pioneered Mutual Funds for the sake of investors and of the capital market Mutual Funds are also known as close ended Mutual Funds. A Mutual Fund being listed is traded on the Stock Exchanges. Price of Mutual Fund certificates after IPO is determined on the Stock Exchanges through interaction of supply and demand.

### **4. ICB Unit Fund:**

Sponsored by the Government of Bangladesh, ICB Unit Fund was established on April 10, 1981. Its main objective is to mobilize savings through sale of its units to small investors and invest these funds in marketable securities. Unit fund is an open ended Mutual Fund. It provides an opportunity to the unit holders to invest their funds in a well managed and diversified portfolio with a high degree of security of capital and reasonable yearly returns.

## **2.11 Financial Results:**

- **Total Income:**

In 2007-2008, ICB earned a total income of Tk. 437.1 crore as compared to Tk. 245.87 crore earned in 2006-2007, showing an increase by 77.74 percent. The major heads of income of ICB were interest income, capital gains, dividend income and income from fees and commissions. During 2007-2008 income from all heads went up substantially



compared to those in the previous year. The total income of Tk.437.01crore included capital gains of Tk. 228.07 crore(52.19 percent) followed by Tk.170.8 crore (39.08 percent) as interest income, Tk.23.41 crore (5.36 percent) as dividend and interest income on securities, Tk.13.46 crore (3.08 percent) as fees and commissions and Tk. 1.27 crore (0.29 percent) as income from other sources. Income from capital gains increased sharply to Tk.228.07 crore in 2007-2008 from Tk. 56.86 crore in 2006-2007 because of prudent portfolio management. Judicious fund management resulted in interest income of Tk. 170.80 crore in 2007-2008 which was 10.05 percent higher than the interest income of Tk. 155.2crore of the previous year. Dividend income increased due to satisfactory dividend performance of maximum companies.

- **Total expenditure:**

During FY 2007-2008, the total expenditure amounted to Tk 335.82 crore as compared to Tk. 215.64 crore in 2006-2007 showing an increase of Tk. 55.73 %.Main item of expenditure in 2007-2008 was interest expense of Tk. 159.45 crore which was Tk. 145crore in the previous year, showing an increase of 14.44%. Other operating expenses, except interest expense was Tk. 16.5582 crore compared to Tk.14.28crore in 2006-2007, showing an increase of Tk 15.9%.Though the total expense was Tk 15.9% higher than that in previous year, but it was 25.05% lower than the budgeted amount of Tk 22.08 crore as consequence of various measures undertaken by the management to contain cost. During the year, ICB provision of Tk. 5.83 crore against dividend and interest receivables and Tk. 1.49crore against loans and advances. In addition, a provision of Tk. 143.0 crore has been made against future diminution in the value of marketable securities held in the proprietary portfolio of ICB. Cumulative provision against investment in marketable securities stood at Tk.264.32 crore as on 30 June 2008.

- **Net income:**

During 2007-2008, ICB's net profit after tax increased remarkably to Tk 101.19 crore from Tk.30.23 crore in 2006-2007, showing an increase of 234.73%.

- **Dividend:**

The Board of directors of ICB recommended cash dividend at the rate of Tk10.00 per share and 1:1 stock dividend for 2007-2008. Cash dividend of Tk. 14.00 per share was paid in the previous year.

## **Chapter-3**

### **Organizational Structure of ICB**

**3.1 Division & Department of ICB**

**3.2 Direct Supervision under Managing Director**

**3.3 Wings under Supervision of General Manager  
(operation)**

**3.4 Wings under Supervision of General Manager**

**3.5 Management of ICB**



## Chapter-3

# **Organizational Structure of ICB**

### **3.1 Division & Department of ICB:**

The entire organization of ICB is functionally divided into two broad groups namely Operations Wing and Administration Wing. The functions of Operation wing are involve with the activities relating to Project Financing Research , computer , Launching of Unit Fund and Mutual Fund . Maintenance of investors Accounts, Shares, Transaction etc. the functions of administration Wing are involved with the activities relating to Administration, Accounts. Implementation and monitoring of projects, recovery, public issue and Legal matters the function of the two wings are looking after by two General Managers who are remaining responsible to the Managing Director. All branches are looking after by General Manager Administration Division.

Each Wing is functionally sub-divided into divisions which are headed by Deputy General Manager besides the above two major wings there are also two divisions which are direct under supervision of Managing Director i.e. Audit and Methods Division and Secretary's Division .The description of the Divisions and Department are given below.

### **3.2 Direct Supervision under Managing Director:**

#### **1) Secretary's Division**

- a) Secretary's Department
- b) Public Relations Department

#### **2) Audit and Methods Division**

- a) Head Office Control Department

### **3.3 Wings under Supervision of General Manager (operation):**

- 1) **Loan Appraisal Division:**
  - a) Loan Appraisal Department
  - b) EBR Department
  
- 2) **Fund Division:**
  - a) Unit Sales Department
  - b) Unit Registration and Procurement Department
  - c) Mutual Fund Department
  
- 3) **Merchandising Division**
  - a) Investors Department
  - b) Shares Department
  - c) Transaction Department
  
- 4) **Computer Division**
  - a) System Analysis Department
  - b) Programming Department
  - c) Data Management Department

### **3.4 Wings under Supervision of General Manager (Administration):**

- 1) **Administration Division**
  - a) Personal Department
  - b) Establishment Department
  
- 2) **Accounts and Finance Division**
  - a) General Accounts Department
  - b) Project Loan Accounts Department

**2) Legal Affairs Division**

- a) Law Department
- b) Public Issue Department

**3) Implementation and Recovery Division**

- a) Implementation Department
- b) Recovery and Follow up Department

**4) Branches:**

- a) Chittagong Branch
- b) Rajshahi Branch
- c) Khulna Branch
- d) Barisal Branch
- e) Sylhet Branch
- f) Bogura Branch
- g) Local office Dhaka

### **3.5 Management of ICB**

The Head office of the corporation as per the requirement of the ordinance of ICB is located at Dhaka. The general direction and superintendence of the corporation created in a board of directors, which consists of persons including the chairman and managing director of ICB

**The board of directors consists of the following directors:**

- a) The Chairman to be appointed by the government.
- b) The directors to be appointed by the government from among persons serving under the government.
- c) One director to be nominated by the Bangladesh Bank
- d) The managing directors, Bangladesh Shilpa Bank, Ex-office.
- e) The managing directors, Bangladesh Shilpa Rin Sangstha, Ex-office.
- f) Four other directors to be elected by the shareholders other than the government, BB, BSB and BSRS.
- g) The managing director of ICB to be appointed by the government.



## **Chapter-4**

### **Functions of the various departments of ICB**

- 4.1 Personnel Department**
- 4.2 Establishment Department**
- 4.3 Secretary's Department**
- 4.4 Investor's Department**
- 4.5 Shares Department**
- 4.6 Transaction Department (TD)**
- 4.7 Mutual Fund Department**
- 4.8 Unit Sales Department**
- 4.9 Unit Registration and Procurement Department**
- 4.10 Central Accounts Department**
- 4.11 Projects Loan Accounts Department**
- 4.12 Computer Department**
- 4.13 Economics & Business Research Department**
- 4.14 Recovery and Follow up department**
- 4.15 Public Issue Department:**
- 4.16 Public Relations Department**
- 4.17 Law Department**

## Chapter-4

### **Functions of the various departments of ICB:**

#### **4.1 Personnel Department:**

This department deals with the human resources of the organization. The main function of this department can be described as follows:

- i. To make necessary rules, regulations and policies for efficient administration of the Corporation.
- ii. To handle personnel matters including confirmation, posting, transfer, fixation, leaves, training etc.
- iii. Process all promotion, time-scale encashment, etc.
- iv. Process registration, retirement cases.
- v. Deal with retirement benefits including gratuity, pension, provident Fund etc.
- vi. Control attendance
- vii. Handle national pay scale, fixation, increment, etc.
- viii. Prepare long-term and short-term plans for executive development in the corporation.
- ix. Arrange seminars/symposium/workshops where experts in the line may be invited to deliver lecture.
- x. Deal with all matters relating to ICB employees Union and officers Association.
- xi. Develop appropriate machinery for handling and arrive at a solution.
- xii. Any other assignment given by the management.

#### **4.2 Establishment Department:**

This department deals with purchase and sales of the office supplies, office equipment etc. They also maintain the utility service like telephone bill, electricity bill etc.

This department divides cost into two categories: revenue cost and fixed cost. For fixed cost, depreciation is charged according to straight-line basis.

There are two-purchase committees to accomplish the purchase. Also there is a quality control department committee to examine the quality of the purchased product. For purchasing of the products this department gives tender offer to the listed suppliers. In case of selling of the scraps and wastage products, the tender procedure is also allowed.

### **4.3 Secretary's Department:**

The main function of this department is as follows:

- Arranges meeting of Board of Directors, Annual General Meeting, Executive Committee and other committees,
- Places working papers to the board of Directors.
- Maintains attendance registrar of Directors.
- Obtains signature of the Chairman on the minute's book.
- Collects and sends any action need to approve or implement.
- Maintains register of the shareholders.
- Sends minute of the meeting to the Board and government of Bangladesh.
- Makes payments of dividend to the shareholders.
- Arranges transfer splitting of shares and issuance of the duplicate certificate.

### **4.4 Investor's Department:**

Investor's scheme got started on 13<sup>th</sup> June, 1997 to help small savers to invest and increase income. Investors department performs all related functions with investors account and at present maintaining more than 45000 accounts. The functions of this department are as follows:

- Open investors' accounts for individual investor,
- Receive buy and sale order from customers and get executed them on brokerage commission @ .05%.
- Provide account holder loan margin at 1:2 ratio subject to ceiling of Tk. 0.02 million at a rate of interest 15.5 %( variable).

- Communicate with the companies about matters related to allotment letter, refund warrant, share certificate, right share, divided interest, bonus share and converted shares.
- Perform securities/ fund withdrawal formalities.
- Perform accounts closure formalities.
- Communicate with account holder to collect used up excess of margin/interest.
- Provide customer statement like sale /purchase confirmation sale or purchase cancellation.
- Adjust accounts monthly.

#### **4.5 Shares Department:**

We know the Ministerial Committee has approved the Central Depository System (CDS)'s policy. Basically CDS performs functions of recording registration and preservation as well as record keeping of physical holding. To avoid complexity the functions of this department are distributed among five sections/cells. They are as follows:

- Investor's portfolio section.
- Funds portfolio section.
- Collection section sale and withdrawal section
- Reconciliation cell.

#### **4.6 Transaction Department (TD):**

Transaction Department executes the sale and purchase order of the following different portfolios; ICB Unit Fund, Mutual Fund and Government portfolio and the order from investors of investment department and the order from ICB branches. For the portfolios' order the securities purchase and sale committee take decision every morning what share be bought and what should be sold for that day.



## 4.7 Mutual Fund Department:

ICB has played a pioneering role in the field of closed-ended Mutual Funds in Bangladesh. The first ICB Mutual Fund was floated on 25 April 1983. Since then ICB has, over the years, floated a series of closed-ended Mutual Funds.

Mutual Fund department has to perform the following activities mainly:

- Renunciation and issue of certificate.
- Maintain the register of the certificate holders.
- Transfer certificate if applied for after verifying transferee signature.
- Register the name of the transferee after getting approval from competent authority.
- Prepare dividend list and issue and mail dividend warrant as decided by the board.
- Reissue certificate after confirming loss and mark transfer restriction of the lost certificate, if applied for and also inform DSE & CSE on revision of the following document submitted by the loser.
- Reissue of lost warrant / reevaluate warrant (if required)

## 4.8 Unit Sales Department:

Unit is an open end Mutual Fund. Issue is not time limit. It is not listed with DSE, so no sale in secondary market.

- ICB is the management authority of the fund. As an agent of ICB listed bank branches can sale and repurchase Unit. Normally sold unit is surrendered (if required) to the same sellers.
- Available denomination 1, 5, 10, 100, 500, 250, 1000, 5000 units.
- Direct dividend or cumulative investment plan (CIP) facility.
- Investment limit under individual registration is 10,000 units.
- Approved security.



## **4.9 Unit Registration and Procurement Department:**

This department maintains the ledger of accounts under registration number of the unit holder. Particularly it is unit's account maintain and dividend paying sector. It performs the following activities:

- Register the fresh buyer with requisite information available form unit a –form.
- Record the transfer and transmitted units related information form –B & ICB Unit –C filled by the applicant.
- Do posting of sales, surrender (ICB Unit –D) dividend warrant issue, certificate issue under ICP, balance ledger wise, check and reconcile.
- In case of undelivered /lost /mutilated dividends warrant after completing necessary formalities.
- Manage undelivered / returned dividend warrant.
- Collect certificate of different denomination and other stationery.
- Supply the Unit certificates (blank), stationery to issuing offices and reconcile the blank unit certificate.

## **4.10 Central Accounts Department:**

All kinds of receipts and payments of the ICB are done by the central accounts departments. It is the ICB's banking wing and works as the clearinghouse of the portfolios. The functions of this department are as follows:

- To prepare the annual accounts of the ICB as a whole or different parts or product.
- To get those annual accounts audited and approved.
- To manage the liquids fund of the Corporation.
- To keep interest bearing accounts of funds.
- To keep accounts of the staff advance and recovery of them.
- To open and manage bank account of the corporation.
- To make payments according to the desire of the other departments as per as the competent authority.

#### **4.11 Projects Loan Accounts Department:**

The function of this department is to maintain projects loan accounts and supply the management up-to-date relevant information of the projects. In addition to this the department is to

- Issue check to the project after getting disbursement order from the project implement department and any recoverable amount in the disbursement period.
- Calculate interest on the disburse amount ( half yearly compounded cyclic interest rate using days average)
- Maintain loan ledger, interest suspense ledger etc.
- Maintain accounts of funds already disbursed by the ICB in favor of co- under write or other consortium member.

#### **4.12 Computer Department:**

ICB approximately in the range of total computerization. It has automated trading through Wide Area Network with DSE from 10 August 98 and using two workstations and using TESA software for the purposes. It has installed Local Area Network with a heavy-duty server in the back.

Under computerization ICB is going for developing and install following programs:

- Merchandising operational management.
- Unit Sale and repurchase information management.
- Mutual funds scripts and ownership management.
- Project information management.
- Software for personal management and corporate accounting..
- Software for IPO management.
- Software for financial feasibility analysis of project.
- Software for meeting minute, storage and retrieval.
- Software for low suit tracking.

#### **4.13 Economics & Business Research Department:**

This department is the centre of nerve system of ICB. In simple term EBR is the gentle – man brain s ICB and basically a decision making department. The function of the EBR is to gather and summaries information to find out opportunity for the organization and to help the EBR committee to take the decision in the necessary way.

This committee holds daily meeting & special meeting to take decision about:

- Sale and purchase of holding of ten (portfolio)
- Consider market trend and related company's position to take necessary steps to diversify portfolio risk.
- On the basis of approved overall dept (supplied by Account Dept.) fix budget for branches and departments, analyze their [performance and finalize consolidated EBR report to the management.
- Finalize Annul Reports of ICB and Fund Subject to the approval of the Board

#### **4.14 Recovery and Follow up department:**

This is the collection department of the ICB. RFD is the key operation department as it ensures the recycling of funds provided as credit.

Functions performed by this department are as follows:

- (I) recover the participial and interest due on the sanctioned project.
- (ii) Provide management counseling; follow up project help in import processing and product marketing.
- (iii) Visits projects, examine the problem and provide solution.
- (iv) Analyze balance sheet, sectoral review and individual project review.
- (v) Help to approval / enlistment with DSE, CSE.
- (vi) Provide counseling to get for public issues.
- (vii) Communicate with first charge (BSB, BSRS) for implementation and recovery.
- (viii) Communicate with consortium member for reimbursement, by back, information exchange.
- (ix) Make arrangement of loan (especially for debenture loan)

#### **4.15 Public Issue Department:**

Indirectly it is the market-making department, which vitalizes the supply of securities to the market.. This department includes the following services.

- Advise; pursue sponsors for going for public issue.
- Visit the projects and collect the financial statements from the sponsors.
- Analyze the financial statements of on going projects and help in IPO pricing.
- Assist sponsors to prepare prospectus and to get approval from SEC for issuing allotment letters and refund warrants.
- Make necessary adjustments of bridge loan of the concerned company.
- Take decision to become underwriter of the public issue.
- Maintain liaison with the recovery and follow up department regarding realization dues/over dues.

#### **4.16 Public Relations Department:**

This department maintains close relations with various newspapers, periodicals and mass communication organizations or departments like radio, television etc. This department also acts as the mouthpiece of the ICB. Issuing press releases, advertisements and other related this department accomplishes activities concerning publicity and mass communication. The activities of this department also help in creating favorable impression of the organization in the mind of general public.

#### **4.17 Law Department:**

This is a special department which duty is to deal in the legal affairs of ICB. This department is empowered to

- Advise the all-legal matters of the ICB.
- Prepare the legal documents, advances agreement, shares agreement, Memorandum and Deposit of the Title Deed, Demand Promissory note etc
- Execute underwriting cum-advance agreement, underwriting agreement and supplementary documents.

- Process litigation case, prepares legal notices, and refers cases to legal adviser in the court
- Prepare proposed Memos for placement in the Board meeting, relating to litigation and legal affairs.

## **Chapter-5**

### **ICB Unit fund**

**5.1 Introduction of unit fund:**

**5.2 Definition of unit fund:**

**5.3 Objectives of the unit fund**

**5.4 Management of ICB Unit Fund**

**5.5 Issue, Transfer and Surrender of Unit Certificates**

**5.6 Cumulative Investment Plan**

**5.7 Price Fixation**

**5.8 Where Units are Available**

**5.9 Classification of Unit holders**

**5.10 No. of Unit Holders**

**5.11 Portfolio position**

**5.12 Registration of Certificate Holders**

**5.13 Closure of Register**

**5.14 Certificates of units**

**5.15 Repurchase of Units**

**5.16 Place and conditions of payment**

**5.17 Management charge**

**5.18 Activities of Open-end Mutual Fund on the Capital Market**



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**Chapter-5**  
**ICB Unit fund**

**5.1 Introduction of unit fund:**

With the approval and co-operation of the Government of Bangladesh, ICB Unit Fund (an open-ended and Mutual Fund Scheme) lunched in April, 1981 by the Investment Corporation of Bangladesh under section 21 (2) of the Investment Corporation of Bangladesh Ordinance, 1976 and ICB Unit Regulations, 1981. ICB Unit is an open-ended and Mutual Fund and it's share capital is not fixed like other companies or closed-end funds like ICB Mutual Fund. The fund issue Unit Certificates freely on the basis of demand and fix the unit prices as and when deemed necessary considering the underlying value of its own assets. The factors responsible for fluctuations in the equated Price of shares in the stock market are not applicable to the Unit Certificates. The scheme induces the small and medium savers to participate in the activities of industrial development of the country.

ICB units are securities within the meaning of Trust Act. 1882.

**5.2 Definition of unit fund:**

“Unit Fund” means the fund constituted of all the assets for the time being held or deemed to be held on account of the ICB Unit Certificate excluding any amount standing to the credit of dividend distribution account, any sum payable to the Corporation as its management charge and other charges in establishment and administration of the fund and any amount for purposes of meeting any requirement of the fund. The corporation issue Unit Certificate against Unit Fund. Unit Certificate means a Certificate issued by corporation for the share in the Unit Fund.

### **5.3 Objectives of the unit fund:**

The main Objective of Unit Fund is to mobilize savings through sale of its units to small investors and invest these funds in marketable securities. Thus, the Scheme induces the small and medium savers to participate in the activities of industrial development of the country.

### **5.4 Management of ICB Unit Fund:**

1. Fund share holdings shall be registered in the name of the corporation on behalf of the Unit Fund with respective companies whose shares are so acquired.
2. The Fund share holdings shall be retained and held by the Corporation for the benefit of Unit Fund Certificate holders subject to the Provisions of the Articles of Associations of the respective companies.
3. The Corporation will collect all dividends and other income in respect of the Fund shareholdings and deal with and act in respect of, The Fund Share holdings as shareholders Associations of the companies without reference to the Certificate holders.
4. The Corporation will provide necessary staff for management and administration of Unit Fund and realize the expenditure incurs therefore provided, however such expenditure should not be added to the price of the Unit Certificate exceeding five percent of the total sale price while determining the price of the Unit Certificate.
5. The Corporation shall keep separate books of account relating to the income and expenditure of and connected with the Unit Fund account. The said books of account shall be opened to inspection only by the Directors of the Corporation and the Corporation shall not be accountable to any one except to its Board in respect of the income and expenditure relating to any Unit Fund.
6. The accounting records of the Unit Fund will be kept on the basis of accounting period ending of the last day of June in each calendar.
7. At least one in every year the accounting records of the Unit Fund will be audited by the Auditors. The fees of the Auditors will be charged against and payable out of the income of the said Fund. The statement relating to each period with the





auditor's report annexed shall be conclusive and binding and copies thereof shall be opened for inspection during usual business hours by any Certificate holder at the head officer of the corporation or with agents.

8. The profits with any, available in respect of the Unit Fund at the end of accounting period will be distributed to the registered Certificate holders in proportion to the number of Certificate held by them on the accounting date.
9. The amount available for distributed in respect of accounting period shall be assessed by deducting the management and administration charges from the total income received by the co-operation in the accounting period by way of interest, dividend and other receipts.
10. Bonus shares and right shares acquired in respect of Fund shareholding may be added to the portfolio of the Unit Fund or in direction of the Corporation may be sold and its proceeds added to income of the said Fund.
11. The Corporation shall be competent to do all other acts that, in the opinion of the Board may be necessary to promote the interest of the Certificate holders and that be necessary in view of the capital market and the investment climate in Bangladesh and warranted by commercial consideration.

## **5.5 Issue, Transfer and Surrender of Unit Certificates**

**(I)** Units are available in 1, 5, 10, 50, 100, 500, 1000, & 5000 denominations. The names with addresses of the holders are recorded and dividends are dispatched to them accorded and dividends are dispatched to them accordingly.

**(II)** Units may be transferred through prescribed transfer form duly filled in and signed by the transferor and transferee. No stamp duty is required for such transfers.

**(III)** Units may be encased by way of surrendering the certificates along with the prescribed surrender forms duly filled in and signed by the registered holders and no prior notice is required. The certificates are required to be surrendered at the prevailing Repurchase.

## **5.6 Cumulative Investment Plan:**

Under this scheme a holder instead of receiving dividend may reinvest such dividend income accrued for purchasing Unit at a concessional rate. In such case, Units are issued at Tk.1000 less than the opening price of the financial year.

ICB Unit is an open-end Mutual Fund. Investment in Units is safe these ensures a continuous and regular flow of income the holders and are easily en-cashable. As a consequence, investment in units is comparatively more attractive. By investing under this scheme an investors may get personal benefit on the hand and may contribute towards the economic development of the country on the other.

## **5.7 Price Fixation:**

Changes in repurchase prices of units are notified through the newspapers and price of a Unit is fixed periodically by ICB as its fund manager. Among others, valuation of the assets of the Fund is taken into consideration while fixing price of a unit.

## **5.8 Where Units are Available:**

Units are purchased at ICB Head Office and at its Branches at Dhaka, Chittagong , Rajshahi, Khulna , Sylhet, Barisal and Bogra. Fifty seven branches of Sonali Bank, Agrani Bank, Janata Bank, Rupali Bank Ltd., Uttara Bank Ltd., Pubali Bank Ltd., IFIC Bank Ltd., Bangladesh Krishi Bank, Prime Bank Ltd., Dhaka Bank Ltd., Bangladesh Shipla Rin Shangstha, United Commercial Bank Ltd., The City Bank Ltd., and Eastern Bank Ltd. locate at important cities all over the country, are also engaged in selling and repurchasing of unit certificates.

## **5.10 No. of Unit Holders:**

In the FY 2007- 2008 The Unit Holders were 31584 while 25022 were in the year 2006-2007. [Appendix: 2(Table-6)]

## **5.11 Portfolio position:**

As on 30 June 2008 the net investment of the Fund stood at Tk.563.39 crore in 302 securities, the market value of which was Tk. 1053.96 crore . The ex-dividend Net Asset Value was Tk. 277.90 per Unit as on 30 June 2008. [Appendix: 2(Table-7)]

## **5.12 Registration of Certificate Holders:**

The following provisions shall have affect with regret to the Registration of the Holders of the Certificates:

- a) A register of the Certificate Holder shall be kept by and the control of the Corporation at such issuing offices or agents there shall be entered in the register:
  - i. The name and address of the Certificate Holder.
  - ii. The Certificate and the unit they represent.
  - iii. The date at which the name of every such person was entered in respect of the units standing in this name.
  - iv. Incase of, Joint-holders of any certificates the names and other particulars required to be entered in the registered shall be grouped under the name of the first of such Joint-holders as contained in the application of subscription or transfer.
- b) Any change of name or address on the part of any Certificate holder shall be notified to the respective office of issue which on being satisfied thereof and compliance of such formalities as it may require shall register according.
- c) The register of the Certificate Holders shall be opened to inspection by authorized agents.
- d) No notice of any trust express implied or constructive shall be entered on the register in respect of any certificate.
- e) Every issuing office of the corporation and its agent shall maintain a register of Certificate holders in the form as prescribed in schedule-1 annex herewith.
- f) A body corporate may be registered as a Certificate as one of the joint-holders.

### **5.13 Closure of Register:**

The register of the certificate holders may closed as such times and for such periods as the Corporation may form time to time determine provided that it shall not be closed for not more than 45 days any one year and if the corporation shall decide to close the register the Corporation shall give notice thereof by advertisement daily newspaper.

### **5.14 Certificates of units:**

Certificate of the ICB unit shall be such form as may be prescribed approved by the board from time to time. It shall be issued under the common seal and signature of the Managing Director of the Corporation, both being lithographic.

A Certificate of the ICB unit under(I)above and bearing the autograph signatures of authorized officer(s) of the Corporation or of the issuing offices so the Corporation, or agents shall be prima-facie evidence of the title of Certificate Holder to the unites specified therein.

- i. A fee not exceeding two taka may be charged for the registration of each transfer and fee must be paid before the registration of the transfer.
- ii. The receipt of the Certificate Holder for any moneys payable in respect of the Corporation and if several persons are registered as Joint –holders or in consequence of the death or bankruptcy of a holders are entitled so to registered, any one of them may give effectual receipt for any such moneys.
- iii. Incase of the death of any one of the Joint holders of a certificate, the survivors shall be the only persons recognized by the Corporation as having any title to or interest in the units represented thereby.
- iv. The executers or administrators or succession Certificate holder of a deceased holder of a certificate (not being one of federal joint holders) shall be only persons recognized by the Corporation as having any title to or interest in the units represented thereby.
- v. Any person becoming entitled to a unit consequence of the death or bankruptcy of an sole Certificate holder or of the supervisor of joint Certificate holders may

subjects as here in-after provided upon producing such evidence as to his title as the Corporation shall deem sufficient either be registered himself as holder of such unit upon giving Corporation or its agent such notice in writing of his desire to transfer such unit to some other person. All the limitations, restrictions and Provisions of these Regulation relations to transfer shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer was a transfer executed by holder.

### **5.15 Repurchase of Units:**

The Corporation shall at any time during the life of the Unit Fund on receipt by its duly Authorized agent(s) of a request in writing with a duly executed transfer in favor of the Corporation purchase from such Certificate holder out of the Unit Fund compressed in this certificate at the price per Unit Fund, and the number of units then deemed to be in issue, by deducting there from, such a sum as the corporation may adjusting the resulting total downwards to the nearest one taka.

Provided that:-

- i. No person shall be entitled to surrender part of the Unit.
- ii. The Corporation may be at its option dispense with the production of any certificate which shall have become lost, stolen or destroyed upon compliance by.
- iii. Payment will be made on the basis of the price prescribed for day of surrender of the Units. Provided that notwithstanding anything contained herein, the ICB Unit Certificates, may be redeemed by the Government at any time considered appropriate by it discount of 5% of the face value of units.

### **5.16 Place and conditions of payment:**

After fixation of the rate of distribution per unit, the holder of a certificate under the provisions of these regulations shall be paid by cheque or warrant shall be made payable to the order of the person. To whom it is delivered or sent and payment of the cheque or warrant shall be considered sufficient it may be at its discretion arrange for payment of the

amount distributable to the holder of any Certificate to his banker and the receipt of such bankers shall be a good discharge thereof.

### **5.17 Management charge:**

- a) Corporation shall be entitled to receive for their own account as on the thirteen day of June in each year the amount of management charge on account of furnishing office space, custodial, electrical and other services to the Unit Fund by the Corporation accruing on each such date shall be a sum not exceeding, one percent of the value of the Unit Fund on such date. Such sum shall on such date or so soon thereafter as possible be paid to Corporation. Provided that Expenditure registration and other preliminary charges as also the cost of printing, publishing and distribution of necessary documents and papers will be re-imbued to the Corporation out of the income at the fund over a period of time following its establishment as may be decided by the board.
- b) For the purpose of this regulation the value of the Unit Fund shall be arrived at by multiplying the number of Units in issue or deemed to be in issue by the price at which Units would be issued for without taking into account the preliminary charge.

### **5.18 Activities of Open-end Mutual Fund on the Capital Market:**

Unit Fund is open-end Mutual Fund, which the small and medium savers get opportunity to invest their savings in a balanced portfolio in a profitable way with a relatively lower risk. Investment in Unit Fund does not only contribute to the economic and industrial development of the country but also broadens the base of the ownership in the securities. So, its main objective is to accelerate the pace of economic development particularly for meeting the demand growing industrial development by way of mobilizing savings of small and medium savers and channeling those in the productive industrial sector. The flotation of open-end Mutual Fund demand of securities in the capital market

Initially to develop a healthy and well-organized capital, open-end Mutual Fund played a significant role in the securities segment of the capital market; the Investment Corporation of Bangladesh (ICB) started Open-end Mutual Fund. The Investment Corporation of Bangladesh (ICB) has been successful in secondary market merchandising through Open-end Mutual Fund. The Open-end Mutual Fund has also played a significant role in activating the Stock Market. The Investment Corporation of Bangladesh (ICB) regularly participates in the trading on the floor of Dhaka Stock Exchange (DSE) as its member to buy/sell listed securities on behalf of ICB itself, Unit/Mutual Fund and of the investment account holders. Infact, ICB has been the single larger trader in the last few years. Hence, the activities of Open-end Mutual Fund have provided the basis for the demand of securities, which is integral part of the development of Capital Market.

## **Chapter-6**

### **Performance evaluation of ICB's Unit Fund**

- 6.1 Sale and Repurchase of Units**
- 6.2 Unit price**
- 6.3 Investment**
- 6.4 Repurchase**
- 6.5 Net Sale**
- 6.6 Comparative Position**
- 6.7 Dividend and Interest Income**
- 6.8 Capital Gains on Sale of Investment**
- 6.9 Interest on Bank Deposits**
- 6.10 Premium on gross Sale of Unit**
- 6.11 Net Income**
- 6.12 Dividend**
- 6.13 Portfolio**
- 6.14 Gross Sales**



## **Performance evaluation of ICB's Unit Fund**

### **6.1 Sale and Repurchase of Units:**

During FY 2007-08, 1910998 Units were sold for of Tk.20.45 crore while 2526117 Units for Tk. 29.56 crore were repurchased. So net sale were (615119) units. And in the year 2006-2007, 1786559 units were sold for Tk.18.22 crore while 2415837 Units for Tk.25.61 crore were repurchased [Appendix: 3(Table-10)]

### **6.2 Unit price:**

On 1 August 2007, when the transactions of Units resumed the opening issue/ Cumulative Investment Plan (CIP) and repurchase prices each Unit were fixed at Tk.107.00 and Tk.103.00 respectively. The closing repurchase price was Tk.130.00 as on 30 June 2008.

### **6.3 Investment:**

During the FY 2007-08, the Fund invested Tk. 91.91 in 97 securities compared to investment of Tk.64.65 crore made in 114 securities in 2006-2007. During the year under review, maximum investment was made in securities of Banking sector, which was 47.97 percent, followed by 26.76 percent in Fuel & power and 10.95 percent in cement /miscellaneous sector. Also it invested 5.19% in Corporate Bond, 2.82% in Chemical and Pharmaceuticals, 2.52% in Insurance, 1.73% in Investment, 1.64% in Engineering, 0.24% in Services & Real Estate, 0.16% in Textile Industries and 0.02 in Food and Allied Products.

The fund investment at cost was less than the market price of investment in the year 2007-2008, 2006-2007, 2004-2005, 2003-2004 which investment at cost was Tk.

563.39crore, Tk. 631.73 crore, Tk. 637.09 crore, Tk. 604.59 crore and market price was Tk. 1053.96 crore, Tk. 707.52 crore, Tk.700.89 crore, and Tk. 626.63 crore respectively. But in the year 2005-2006, 2002-2003, 2001-2002, 2000-2001 investment at cost was more than the market price, which investment at cost was Tk. 653.22 crore, Tk. 431.33 crore, Tk. 397.32 crore, Tk. 423.55 crore and investment of market price was Tk. 520.48 crore, Tk.314.75 crore, Tk. 270.28crore and Tk. 376.76 crore respectively. [Appendix: 3(Table-11)]

#### **6.4 Repurchase:**

During the FY 2007-2008 the Corporation repurchase of 2526117units for Tk. 29.56 crore.

In the year 2001 to 2002, the Corporation's highest position of repurchase was 4063013 units for Tk. 41.98 crore in the year 2001. Then 2002 2008, 2007 and 2005 respectively which was 3337975 units for Tk34.54 crore, 252611 units for Tk 29.56 crore, 2415837 units for Tk 25.61 crore and 2138938 units for Tk 23.46 crore respectively. The better position of growth rate was in 2007, 2005, and 2004 which growth rate were 34.94%, 8.82%, and 8.23% respectively. [Appendix: 3(Table-12)]

#### **6.5 Net Sale:**

During FY 2007-2008 Net sale was 615119 units for Tk. 9.11crore.

The net sales of all the financial year (2000-2001 to 2007-2008) were negative. This occurs, as the position of the share market was dull. That is why; they can not provide a handsome dividend. . [Appendix: 3(Table-13)]

#### **6.6 Dividend and Interest Income:**

In 2007-2008 the fund earned an amount of Tk,30.13 crore as dividend from 120 companies and interest on debenture securities of Tk.2.89crore from 7 companies resulting in total dividend and interest income of Tk. 33.02 crore of which 61.99 percent i.e Tk.20.47 crore was received in cash. The total dividend and interest income during2007-2008 was Tk.24.05 crore.

From the year 2002-2003 to 2007-2008, Fund earned the highest dividend and interest income in the year 2007-2008, which was of Tk. 33.02 crore. Then the position of dividend and interest income was Tk. 24.05 in the year 2006-2007, Tk. 22.12 in the year 2005-2006, Tk. 22.69 in the year 2004-2005, Tk. 25.60 in the year 2003-2004, and Tk. 28.79 in the year 2002-2003.

From the year 2007-2008 to 2005-2006, dividend and interest was an increasing trend. The highest growth rate was 48.48% in the year 2003. . [Appendix: 3(Table-15)]

### **6.7 Capital Gains on Sale of Investment:**

During FY 2007-2008 the Fund earned an amount of Tk. 301.52 crore as capital gains by selling securities of 164 companies compared to Tk. 61.14 crore earned in 2006-07 selling securities of 92 companies.

Fund earned the highest capital gains was Tk.301.52 crore in the year 2008. Then Tk. 61.14 crore in 2007, Tk.53.15 crore in 2006, Tk. 77.15crore in 2005, Tk.33.95 crore in 2004, and Tk.24.96 crore in 2003. The highest growth rate was 393.16% in the year 2008. Then 2005, 2004, 2007, and 2002 respectively which was 127.25%, 36.02%, 15.05% and 5.43%.[Appendix: 3(Table-16)]

In the year 2002-2003 and 2005-2006, the growth rate was in a decreasing trend because of stock market crash.

### **6.8 Interest on Bank Deposits:**

In FY2007-2008, the Fund earned Tk.6.55 crore as interest on Bank Deposits which was Tk.0.27 crore in FY 2006-2007.

### **6.9 Premium on gross Sale of Unit:**

In FY2007-2008, the Fund earned Tk.0.76 crore as Premium on gross sale of Units as against Tk.71 crore in FY 2006-2007.

## 6.10 Net Income:

During the year, the Fund earned a total income of Tk.342.18 crore by way of cash dividend, interest on debenture securities, capital gains, interest on Bank deposits, premium on sale of units and others. After deducting the total expenses of Tk.231.01 crore on account of management fee, interest on current account with ICB, commission and brokerage, printing and stationery, postage, Bank charges, provision against investments securities and others the fund had a net income of Tk.111.17 crore. With the addition of previous years' undistributed income of Tk.36.32 crore, the Fund had a net distributable income of Tk. 147.50 crore. The distributable income per certificate stood at Tk.37.81 crore. As on 30 June, 2008 the Fund had 39008365 outstanding Units against 39623484 Units at the same day of the last year.

Also the Fund earned the highest net income of Tk.111.17 crore in the year 2007-2008. Then the position of net income was Tk. 61.11 crore in 2005, Tk.56.61 crore in 2007, Tk.52.79 crore in 2006, Tk.51.43 crore in 2001 and Tk. 50.96 crore in 2002. [Appendix: 3(Table-17)]

In the year 2003&2004 the Fund's net income were not at satisfactory level.

## 6.11 Dividend:

The Board of Directors of ICB declared dividend at the rate of 20.00 per unit involving Tk.78.02 crore for 2007-2008 in the meeting held on 30 July 2008. The unit holders whose names appeared in the register on 30 June 2008 were entitled to this dividend. The rest amount of Tk.69.48 crore would be retained in the fund's account.

Fund earned the highest Dividend per unit was Tk.20 in 2008. Before 2008, Dividend per unit has been increasing trend but less than the amount of Tk.20 in 2008. Those were around Tk.12 to Tk.13 but in 2004 it was 11.50. Dividend per certificate was Tk.13 in 2007, Tk. 12 in 2006 and also 2005, 12.30 in the both year 2003&2002.

The highest dividend yield was 18.69% in the year 2008. Then the position of dividend yield was 12.26%, 11.60%, 11.39%, 11.11%, 11.01%, 10.90% and 10.65% in the year 2007, 2003, 2002, 2001, 2005 and 2006 respectively. [Appendix: 3(Table-18)]

At the year 2008, the performance of the dividend per unit and dividend yield was more attractive.

## **6.12 Portfolio:**

As on 30 June 2008 the net investment of the Fund stood at Tk.563.39 crore in 302 securities, the market value of which was Tk. 1053.96 crore. The ex-dividend Net Asset Value was Tk. 277.90 per Unit as on 30 June 2008.

## **6.13 Gross sale:**

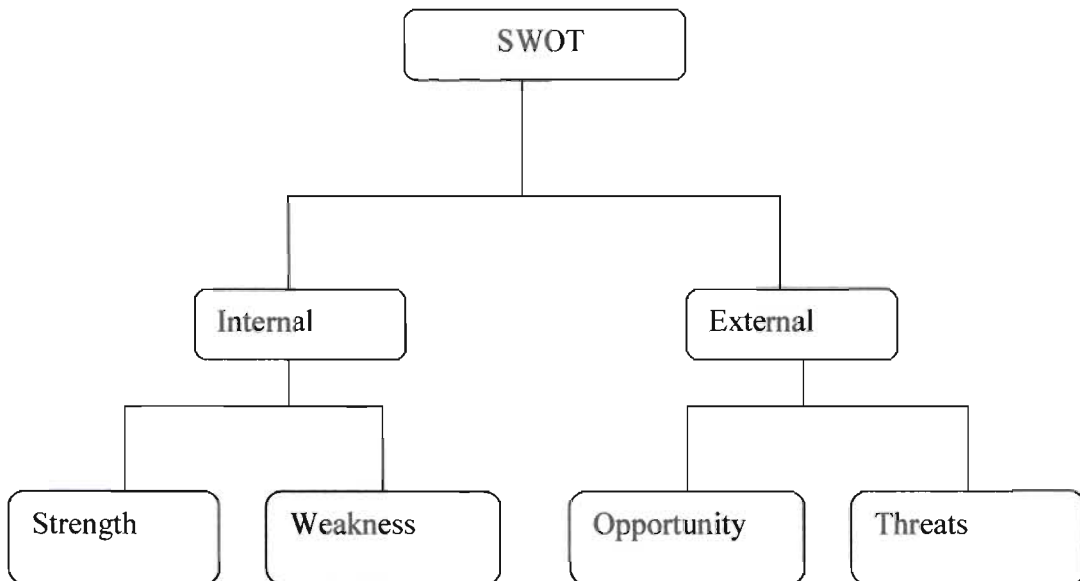
During FY 2007-2008, 1910998 units were sold for Tk.20.45 crore.

From the year 2001 to 2008 the highest position of gross sale was 2842578 units for Tk. 29.26 crore in the year 2002. Then the position of gross sale of Tk.28.75 crore, Tk.20.45 Crore, Tk. 18.22Crore, Tk. 17.97Crore, Tk. 17.89Crore, Tk. 17.44Crore, and Tk. 17.09Crore respectively in the year 2001, 2008, 2007, 2004, 2006, 2003 and 2005. [Appendix: 3(Table-19)]

## Chapter-Seven

### SWOT Analysis

#### 7.1 Factors of SWOT Analysis:



#### 7.2 Strength:

ICB Unit Fund Department, which includes ICB Subsidiary's mane, is Asset Management Companies. ICB Unit Fund Department is a functional part of the Asset Management Company. This Unit Fund Department has some strength, which are must more attractive for every investor. As a result investors are investing their money in the ICB Unit Fund. The ICB Unit Fund strength is given below:



- ICB Unit Fund more popular for investors, because every year authority declared handsome dividend for unit holders.
- Higher job satisfaction exists among the employer and employee.
- Not engaged in unfair business practice. As a result investors are investing money in the ICB Unit more safely
- Good co-operation among the officers and executives in the ICB Unit Fund Department.
- Risk less investment because ICB Unit Fund authority every year declared handsome dividend.
- ICB Unit Fund investment processes comparatively easy another institution Chittagong Stock Exchange.
- Loan facilities are available.
- Good consumer relationship.
- Cumulative Investment Plan (CIP) attractive for every category investors.

### **7.3 Weakness:**

In the world every thing is not good enough. So, something has weakness. In that's reasons ICB Unit Fund have some weakness which weakness are not favorable for investors. Weaknesses are as follows:

- Loan facilities are not sufficient for investors.
- Most of officers are not business graduate and not highly qualified.
- There is information gap between head office Unit Fund Department and Chitagong Branch office.
- Absence of sufficient computer facilities.
- Reluctant to Advertisement campaign.

### **7.4 Opportunity:**

- Can increase loan facilities.
- ICB Unit Fund more reliable to local public (investors)
- Govt. has taken steps to develop capital market.



## **7.5 Threats:**

- There are many competitors in the market.
- Different classic service of competitors.
- Young energetic, dynamic, talent and smart work force of competitors.
- To morons business word is for knowledge organization.
- Fund constant in financing for modern technologies.
- Shortage of updated expertise in the

## **Chapter-8**

### **Problem and Recommendation**

**8.1 Problems of ICB**

**8.2 Recommendation**

**8.3 Conclusion**

## Chapter-Eight

# Problem and Recommendation

### 8.1 Problems of ICB:

As a developing country, the economy of Bangladesh mostly depends on agriculture. So its industrialization is in infant stage. So for the better growth of industrialization, capital market is so important. ICB has established to develop capital market, to mobilize savings and to broaden the base of investment.

Institutional investors are in much advantageous position than others. This statement is true from the view point of allocation efficiency, operational efficiency and management efficiency. Institutional investors can achieve economics of scales through bulk investment. ICB as an Institutional investor should pay best effort for share holders and deposit holders who came from medium and small income group.

Problems relate to different department of ICB are given below:

1. Reserve is an important part of any business, is kept for the future uncertainty, funds liquidation and used for buying securities without borrowing costly capital. Reserve is kept from income as un-distributable income. ICB has kept more than 70% as reserve for 1<sup>st</sup> to 3<sup>rd</sup> mutual fund. But in the regulation it is mentioned that a fund may not keep reserve more than 50% of its income.
2. Now the position of capital market is not good enough this is the reasonable problem of different fund.
3. Cost of capital or fund of ICB is determined based on bank rate, administrative cost, risk factor and also profit.
4. In order to ensure a buoyant and robust stock market, ICB Units in some shares, which are fundamentally and technically, are very weak. For the reason, investors are deprived from capital gain and lucrative dividend.
5. Withdraw of any funds or securities, are also very lengthy and complicated process.

6. In case of buying and selling shares, which are ordered by investors, it takes much time to execute by ICB. So investors' are not getting their calculated profit.
7. Office layout and interior decoration of ICB are not in good position.
8. Because of less employees and lack of proper training facilities, investors' get poor customer service.
9. It is seen that employees are not in proper position according to their educational background and skill.
10. Most of the people of Bangladesh are not very familiar with ICB's activity.

## **8.2 Recommendation:**

1. ICB should process a team of technical personnel to carry out the appraisal task. At least the Corporation should appoint some expertise that has the ability to evaluate the supplied appraisal report which are now lacking.
2. The Corporation should have a training institution..
3. The Central Depository System (CDS) is essential in ICB. It also needs Internal Transfer of Share (ITS).
4. Arrangement should be made to deliver the Unit Certificate (CIP) to the investors within the reasonable time limit. The staff strength of the Unit Sales department may be increased if necessary.
5. In case of portfolio selection, the fund management should include those companies' share which performance is better.
6. Unit Fund management should diversify its cash in that sector from which high return is possible.
7. For the project appraisal purpose ICB depends mainly on the appraisal report of financier i.e. BSB/BSRS etc. They should scrutinize research and investigate the real feature of the company.

### **8.3 Conclusion:**

To conclude this report it can be said that it was a great opportunity for me to study the operational activities of the investment bank as well as merchant and the capital market of the country. The Investment Corporation of Bangladesh (ICB) is virtually the only investment bank in Bangladesh. In a broader sense ICB is both Investment Bank and Development Finance Institution (DFI). ICB plays a vital role to encourage and broaden the base of investments and thereby to help develop the capital market in Bangladesh.

My main focus on this report is performance appraisal on ICB Unit Fund. From the analysis it found that the Unit Funds position is good. There is low risk involvement. The main reason behind this, there was no binding in size. Now the net sale of Unit Fund is not satisfactory level. It is near about Tk. 9.11 crore in this circumstance Unit Fund also declared a handsome dividend.

The study is the first time for me to get the opportunity for conducting such and elaborate study in different field. Hence, I do not know how far I am successful in writing this report. But it is true I have tried sincerely to discharge my duties with Zeal and enthusiasm and to the best of satisfaction. However, I remain apologize for any error or omission which may happen unwillingly.

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10. [http://www icb.gov.bd/is-08.php](http://www.icb.gov.bd/is-08.php)



# Appendix



## Appendix: 1

**Table: 1 Capital Structure as on 30 June, 2008&2007**

Particulars	As on 13 June		Increase/Decrease (Percentage)
	2008	2007	
Authorized Capital	100.00	100.00	
Paid up Capital	50.00	50.00	
Reserve for stock dividend	50.00		
Reserves	164.61	122.61	34.25
Retained Profit	16.33	13.82	18.16
Long term Govt. Loan	4.20	4.55	-7.69
Debentures	31.80	41.80	-23.92
Others	14.05	16.29	-13.75
<b>Total</b>	<b>330.99</b>	<b>249.07</b>	<b>32.89</b>

**Table-2: Share capital ownership pattern:  
Share Capital Ownership Pattern  
Classification of Shareholders as on 30, June2008**

Shareholder	No. of Shareholders	No. of Shares	Percentage
Government of Bangladesh	1	1350000	27.00
State Owned Commercial Banks	4	1136900	22.74
Development Financial Institutions	2	1281550	25.63
Insurance Corporations	2	617781	12.35
Denationalised Private Commercial Banks	2	454263	9.08
Private Commercial Banks	3	28286	0.57
Foreign Commercial Banks	2	110	0.01
First BSRS Mutual Fund	1	5750	0.12
Other Institutions	12	17454	0.34
General Public	1109	107906	2.16
Total	1138	5000000	100.00

**Table-3: Appropriation of Profit**

(Tk. In crore)

Particulars	2007-08	2006-07	Increase/decrease (%)
Dividend:10%,1B:1(proposed)			
(2006-07:14%)	55.00	7.00	685.71
General reserve	5.00	2.00	150.00
Reserve for building	30.33	20.00	50.00
Dividend equalization reserve	7.00		
Benevolent fund	1.50	0.50	200.00
Retained profit	2.69	0.73	268.49
Total	101.19	30.23	234.73

**Table-4: Statement of Financial Results and some key financial ratios:**

Particulars	ICB			Consolidated(ICB & its subsidiaries)		
	2007-08	2006-07	Increase/decrease (%)	2007-08	2006-07	Increase/decrease (%)
<b>Financial Results:</b>						
Total income(Tk in crore)	437.01	245.87	77.74	523.26	271.93	92.42
Total expenses(Tk in crore)	175.99	159.29	10.48	188.73	166.55	13.32
Profit before	261.02	159.29	201.48	334.53	105.38	217.45

provision(Tk in crore)						
Provision made(Tk in crore)	159.83	56.35	183.64	177.38	59.31	199.07
Net profit(Tk in crore)	101.19	30.23	234.73	157.15	46.07	
<b>Financial Ratios:</b>						
Net profit to total income (%)	23.16	18.17	27.46	30.10	27.68	8.74
Return on total investment (%)	31.93	12.99	145.80	39.28	17.53	123.44
Return on equity (%)	36.02	16.22	122.07	43.16	21.28	102.82
Earnings per share(Tk.)	202.39	60.47	234.69	314.30	92.13	241.15
Book value per share (Tk)	569.12	378.64	50.31	739.53	440.31	67.96
Dividend yield (%)	2.93	3.47	(15.56)	2.93	3.47	(15.56)
Dividend payout ratio (%)	54.35	23.15	134.77	35.00	15.20	130.26
Price earning ratio	18.54	6.66	178.38	11.94	4.37	173.23

(times)						
Current ratio	1.08	1.04		1.21	1.08	
Debt equity ratio	11:89	20:80		9:91	18:82	
Capital adequacy ratio (%)	28.26	17.35	62.88	25.14	19.38	29.72

## Appendix: 2

**Table-5:** The Position of units sold through ICB and other institutions during 2007-2008:

SL.NO	Name of the institutions	No. of Units sold	Percentage
1.	Investment Corporation of Bangladesh	1552654	81.25
2.	IFIC Bank Limited	141891	7.42
3.	Sonali Bank Limited	78383	4.10
4.	United Commercial Bank Limited	45151	2.36
5.	Agrani Bank Limited	42904	2.24
6.	Uttara Bank Limited	13172	.69
7.	Eastern Bank Limited	12530	.66
8.	City Bank Limited	7722	.40
9.	Janata Bank Limited	4604	.24
10.	Dhaka Bank Limited	4157	.22
11.	Bangladesh Krishi Bank	4008	.21
12.	Rupali Bank Limited	3771	.20
13.	Prime Bank Limited	51	.01
		1910998	100.00

**Table -6: Classification of Unit holders:**

SL. No.	Occupation/Institution	No of Unit	Percentage
---------	------------------------	------------	------------

		holders	
1	Public and private sectors employees	17623	55.80
2	Businessman and agriculturists	2362	7.48
3	Engineers, doctors, lawyers etc.	2017	6.39
4	Retired persons	2274	7.20
5	Defense personnel	1696	5.37
6	House- wives	2042	6.46
7	Others	2872	9.09
8	Bangladeshis residing abroad	442	1.40
9	Workers and students	220	0.70
10	Institutional provident fund	36	0.11
		31584	100.00

**Table-7:No. of Unit Holder**

year	wise No. of Unit Holder
2007-2008	31584
2006-2007	<b>25022</b>
2005-2006	<b>27098</b>
2004-2005	<b>28925</b>
2003-2004	<b>34720</b>
2002-2003	<b>34720</b>
2001-2002	<b>38711</b>

**Table-8: Portfolio position:**

A summarized position of investment as on 30 June 2008

SL. No.	Particulars	No of securities	Total cost	Total market value
(A) Shares	1. Listed companies	276	533.48	1019.46
	2.Non Listed companies(Under Guaranteed Return)	19	9.50	11.60
	3. Investment in SARFI Foreign Currency	1	0.005	60.00
(B) Debenture	1. Listed companies	3	13.31	13.73
	2.Non Listed companies	3	7.09	9.16

<b>Total Investment</b>		302	563.39	1053.96

### Appendix: 3

**Table-9: Performance evaluation of ICB's Unit Fund**

ICB Unit Fund at Glance  
FY 2003-04- FY 2007-08

(Tk. In crore)

SL. No.	Particulars	2003-04	2004-05	2005-06	2006-07	2007-08
1	Gross Issue Unit amount	1728270 17.97	1627339 17.09	1688190 17.89	1786559 18.22	1910998 20.45
2	Repurchase Unit amount	1976294 20.79	2138938 23.46	1790340 19.34	2415837 25.61	2526117 29.56
3	Net Issue Unit amount	(248024) (2.82)	(511599) (6.37)	(102150) (1.45)	(629278) (7.39)	(615119) (9.11)
4	Cumulative Net Issue Unit amount	40866511 469.46	40354912 463.09	40252762 462.64	39623484 454.25	39008365 445.14
5	Investment (as on June 30) At cost At market price	604.59 626.63	637.09 700.89	653.22 520.48	631.73 707.52	563.39 1053.96
6	No. of Securities (held in the portfolio as on June 30)	266	271	281	289	302
7	Net Income	49.71	61.11	52.80	56.61	111.17
8	Distributable Income	61.04	75.15	79.52	87.83	147.50
9	Dividend per unit(Tk.)	11.50	12.00	12.00	13.00	20.00
10	Dividend amount	47.00	48.42	48.30	51.51	78.02
11	Undistributed Income	14.04	26.73	31.22	36.32	69.48

12	Selling price of unit Opening(Tk.) Closing(Tk.)	108 105	109 118	110 112	106 122	107 130
13	Yield on opening price(percentage)	10.65	11.01	10.90	12.26	18.69

**Table-10: The comparative position of gross sale, repurchase and net sale of Units during 2007-2008 and 2006-2007:**

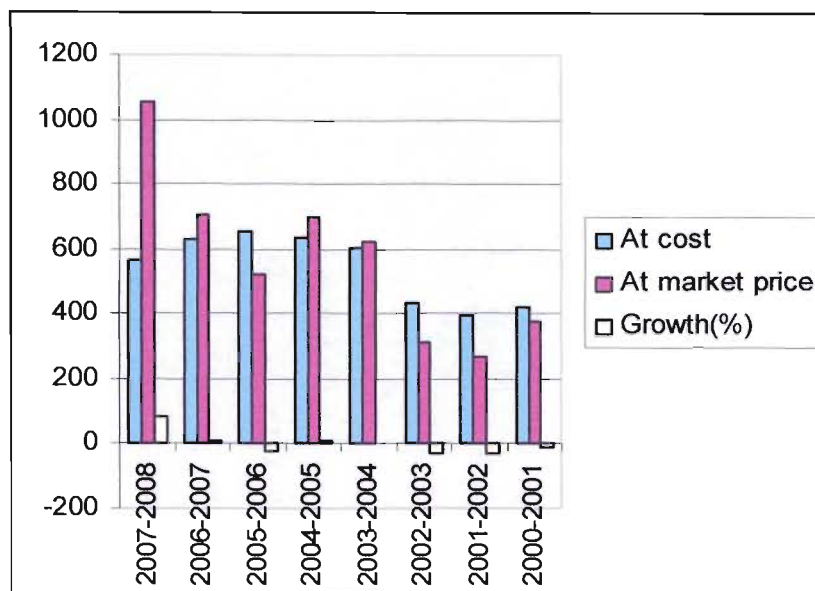
particulars	2007-08		2006-2007		Cumulative up to 30 June 2008	
	Unit	Amount	Unit	Amount	Unit	Amount
Gross sale	1910998	20.45	1786559	18.22	89129738	996.84
Repurchase	2526117	29.56	2415837	25.61	50121373	551.70
Net sale	(615119)	(9.11)	(629278)	(7.39)	39008365	445.14

**Table-11: the year wise position of Investment**

Year	At cost	At market price	Growth (%)
2007-2008	563.39	1053.96	87.07
2006-2007	631.73	707.52	12.00
2005-2006	653.22	520.48	(20.32)
2004-2005	637.09	700.89	10.01
2003-2004	604.59	626.63	3.65
2002-2003	431.33	314.75	(27.03)
2001-2002	397.32	270.28	(31.97)
2000-2001	423.55	376.76	(11.05)



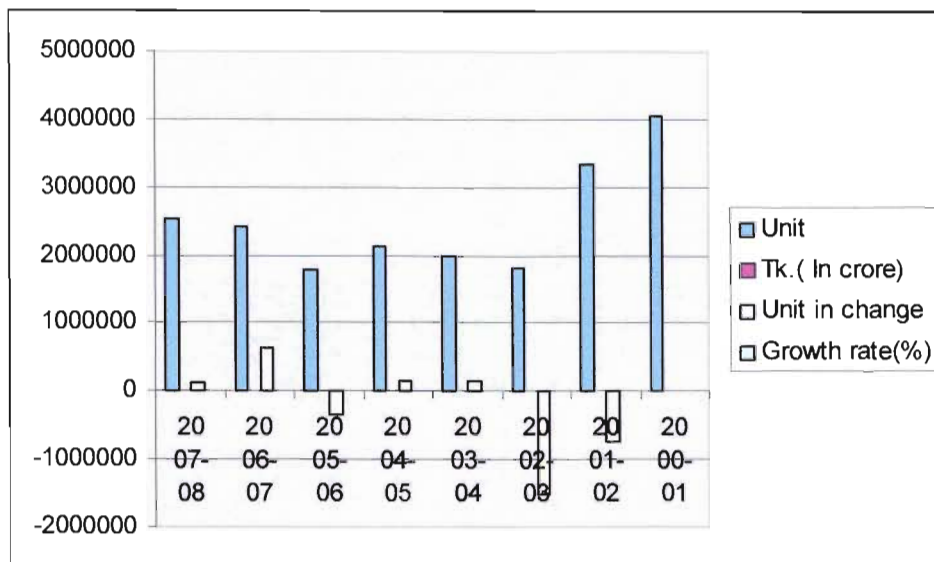
**Chart-1: Portfolio Position (Crore)**



**Table-12: The year wise position of repurchase**

Year	Unit	Tk.(in crore)	Change in unit	Growth Rate
2007-2008	2526117	29.56	110280	4.56%
2006-2007	2415837	25.61	625497	34.94%
2005-2006	1790340	19.34	(348598)	(16.29)%
2004-2005	2138938	23.46	162644	8.23%
2003-2004	1976294	20.79	160162	8.82%
2002-2003	1816132	18.60	(1521843)	(45.59) %
2001-2002	3337975	34.54	(725038)	(17.84) %
2000-2001	4063013	41.98		

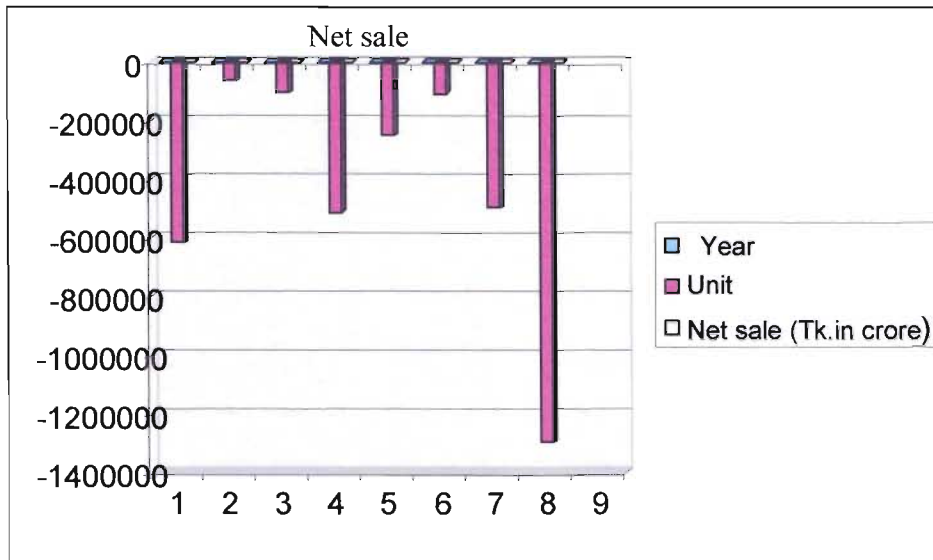
**Chart-2: Repurchase**



**Table-13: Net Sale**

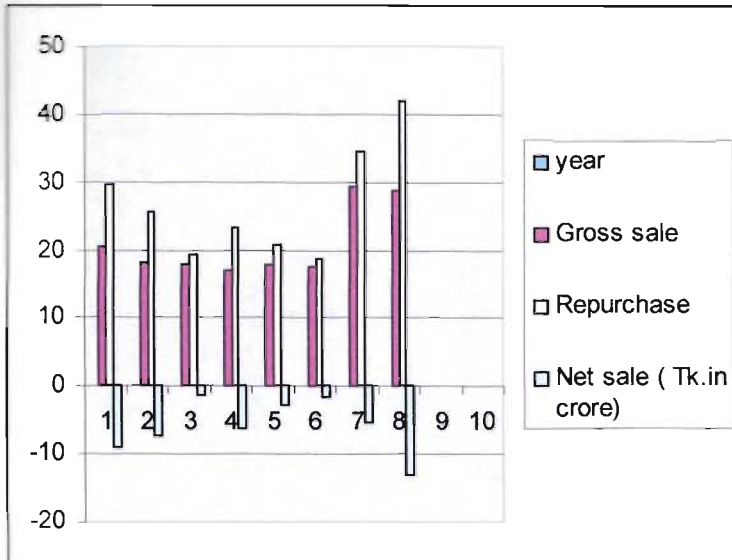
Year	Unit	Amout(Tk.in crore)
2007-2008	(615119)	(9.11)
2006-2007	(629278)	(7.39)
2005-2006	(102150)	(1.45)
2004-2005	(511599)	(6.3)
2003-2004	(248024)	(2.82)
2002-2003	(105977)	(1.6)
2001-2002	(495397)	(5.28)
2000-2001	(1296781)	(13.24)

**Chart-3: Net Sale**



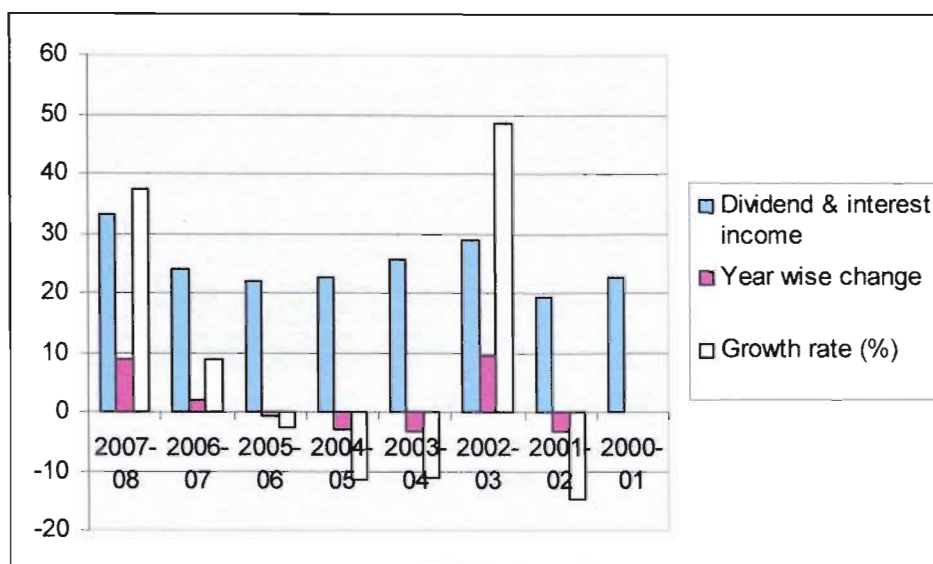
**Table-14: The comparative position of gross sale, repurchase and net sale of the units from 2003 to 2008:** (Tk. In crore)

Year	Gross Sale	Repurchase	Net Sale
2007-2008	20.45	29.56	(9.11)
2006-2007	18.22	25.61	(7.39)
2005-2006	17.89	19.34	(1.45)
2004-2005	17.09	23.46	(6.3)
2003-2004	17.97	20.79	(2.82)
2002-2003	17.44	18.60	(1.6)
2001-2002	29.26	34.54	(5.28)
2000-2001	28.75	41.98	(13.24)

**Chart-4: Comparative position****Table-15: The year wise performance of dividend and interest income:**

year	Dividend and Interest Income	Year wise Change	Growth Rate (%)
2007-2008	33.02	8.97	37.29
2006-2007	24.05	8.72	39.44
2005-2006	22.12	(.57)	(2.51)
2004-2005	22.69	(2.91)	(11.37)
2003-2004	25.60	(3.19)	(11.08)
2002-2003	28.79	9.4	48.48
2001-2002	19.39	-3.38	(14.84)
2000-2001	22.77		

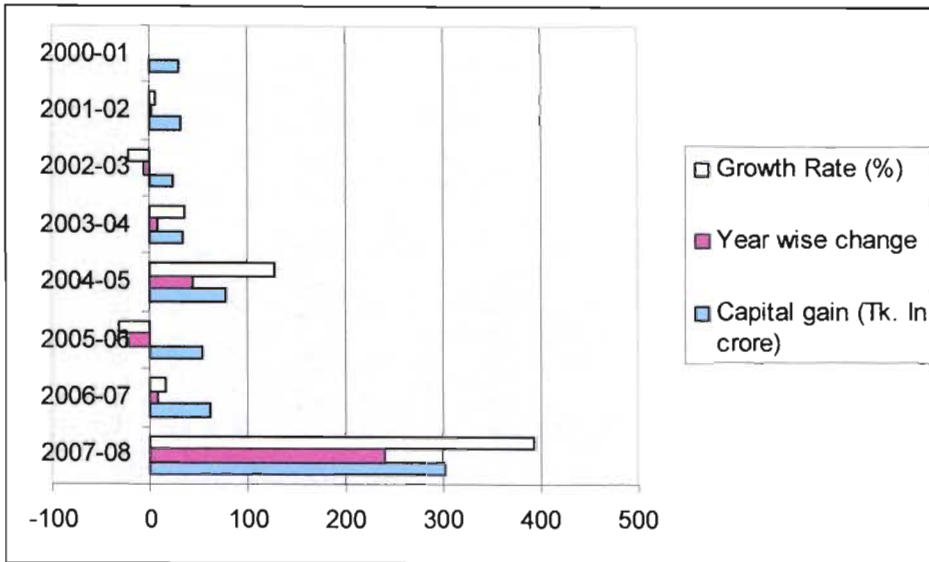
**Chart-5: Dividend and interest income**



**Table-16: The year wise performance of dividend and interest income:**

year	Capital Gain (Tk. In crore)	Year wise Change	Growth Rate (%)
2007-2008	301.52	240.38	393.16
2006-2007	61.14	7.99	15.05
2005-2006	53.15	(24)	(31.11)
2004-2005	77.15	43.20	127.25
2003-2004	33.95	8.99	36.02
2002-2003	24.96	(6.91)	(21.68)
2001-2002	31.87	1.64	5.43
2000-2001	30.23		

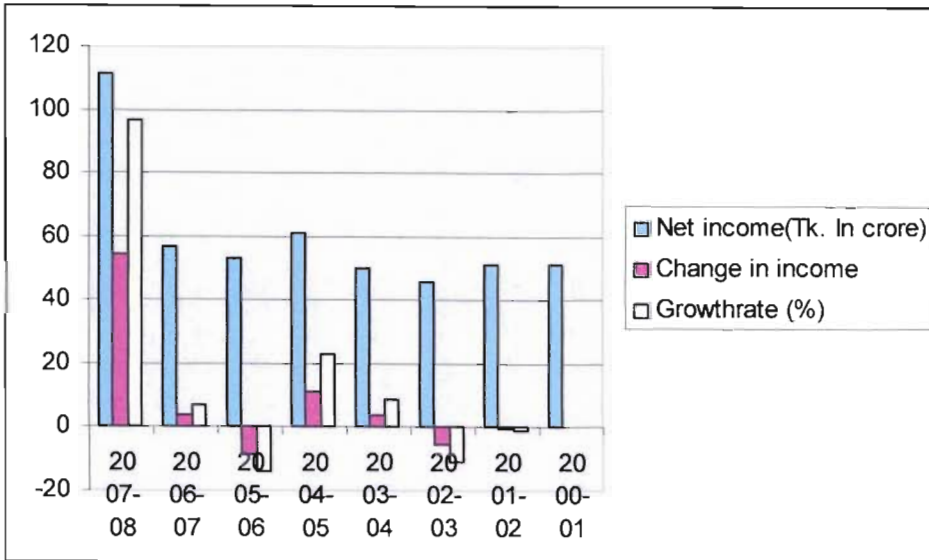
**Chart-6: Capital gain on sate of investment**



**Table-17: The year wise performance of net income:**

year	Net income (Tk. In crore)	Year wise Change	Growth Rate (%)
2007-2008	111.17	54.56	96.37
2006-2007	56.61	3.82	7.24
2005-2006	52.79	(8.32)	(13.61)
2004-2005	61.11	11.40	22.93
2003-2004	49.71	4.17	9.16
2002-2003	45.54	(5.42)	(10.64)
2001-2002	50.96	(0.47)	(.91)
2000-2001	51.43		

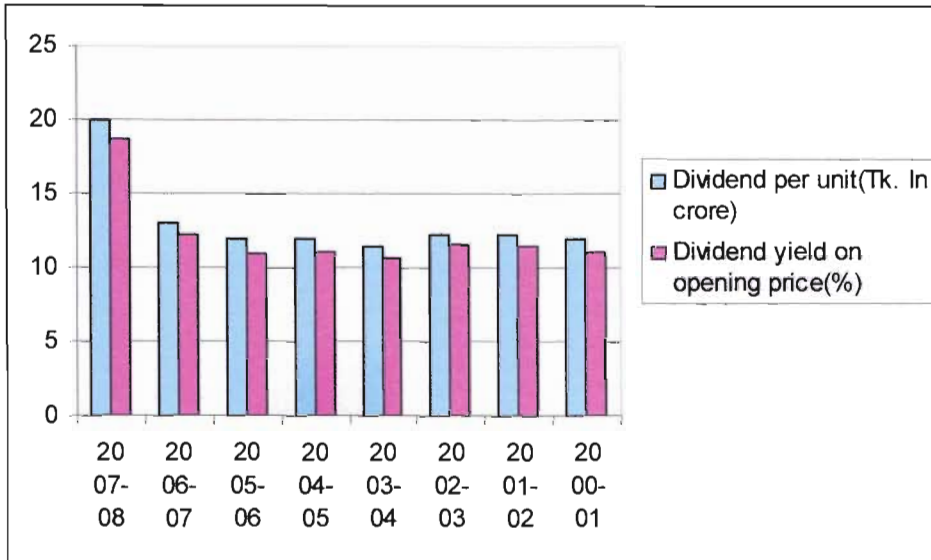
**Chart-7: Net income of unit fund**



**Table-18:** The year wise Dividend per certificate and yield of the fund:

Financial year	Dividend per unit(Tk.)	Dividend yield(Percentage)
2007-08	20	18.69
2006-07	13	12.26
2005-06	12	10.90
2004-05	12	11.01
2003-04	11.50	10.65
2002-03	12.30	11.60
2001-02	12.30	11.39
2000-01	12	11.11
1999-00	12	11.01

**Chart-8: Dividend per certificate and yield**



**Table-19: The year wise position of gross sale-**

year	Gross sale		Change in Unit	Growth rate
	Unit	Taka(in crore)		
2007-08	1910998	20.45	124439.00	6.97
2006-07	1786559	18.22	98369.00	5.83
2005-06	1688190	17.89	60851.00	3.74
2004-05	1627339	17.09	(100931.00)	(5.84)
2003-04	1728270	17.97	18115.00	1.06
2002-03	1710155	17.44	(1132423.00)	(39.84)
2001-02	2842578	29.26	49346.00	1.77
2000-01	2793232	28.75		