



এম এম রহমান এড কোং  
**M M Rahman & Co.**  
Chartered Accountants

*Auditors' Report and  
Audited Financial Statements  
Of*

*IDLC Asset Management Shariah Fund*  
For the year ended June 30, 2022



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## INDEPENDENT AUDITOR'S REPORT

### To the unitholders of IDLC Asset Management Shariah Fund

#### Report on the Audit of the Financial Statements

##### *Opinion*

We have audited the financial statements of **IDLC Asset Management Shariah Fund** (the Fund), which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) give a true and fair view of the state of the fund's affairs as at June 30, 2022 and of the results of its operations and cash flows for the year then ended and comply with the Securities and Exchanges Rules 1987 and other applicable laws and regulations.

##### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### *Responsibilities of management and those charged with governance for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and other applicable laws and regulation and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

##### *Auditor's responsibility for the audit of the financial statements*

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as



fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### **Report on other legal and regulatory requirements**

In accordance with the Securities and Exchange Rules 1987, the Securities and Exchange Commission (Mutual Fund) Act, 2001 we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by law have been kept by the fund so far as it appeared from our examination of these books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and

Name of Firm: **M M Rahman & Co.**  
Chartered Accountants

Signature of the Auditor

Name of the Auditor: **Mohammed Forkan Uddin FCA**  
Managing Partner

Enrolment No. 886

DVC : 2207250886AS613459

Date : July 25, 2022



**IDLC Asset Management Shariah Fund**

**Statement of Financial Position**

As at June 30, 2022

	Notes	Amount in Taka	
		June 30, 2022	June 30, 2021
<b>ASSETS</b>			
<b>Non-Current Asset</b>			
Preliminary and Issue Expenses	5.00	4,149,843	5,091,578
DSE Shariah Index	6.00	365,761	386,888
		<b>4,515,605</b>	<b>5,478,467</b>
<b>Current Asset</b>			
Investment in Securities at Market Price	7.00	187,185,999	134,378,780
Account Receivables	8.00	320,028	19,445,976
Advances, Deposits and Prepayments	9.00	279,461	195,424
Cash and Cash Equivalents	10.00	116,056,292	57,171,063
		<b>303,841,779</b>	<b>211,191,243</b>
<b>Total Assets</b>		<b>308,357,384</b>	<b>216,669,710</b>
<b>OWNERS' EQUITY</b>			
Capital Fund	11.00	267,190,960	174,242,460
Unit Premium / (Discount)	12.00	13,498,830	(929,988)
Investor's Balance		4,093	471
Fair Value Reserve	13.00	-	13,620,218
Retained Earnings	14.00	25,687,635	28,425,145
<b>Total Equity</b>		<b>306,381,518</b>	<b>215,358,306</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
		-	-
<b>Current Liabilities</b>			
Account Payables	15.00	1,975,866	1,311,404
		<b>1,975,866</b>	<b>1,311,404</b>
<b>Total Liabilities</b>		<b>1,975,866</b>	<b>1,311,404</b>
<b>Total Equity and Liabilities</b>		<b>308,357,384</b>	<b>216,669,709</b>
<b>Net Asset Value (NAV) Per Unit</b>			
At Cost Price	16.00	11.54	11.58
At Market Price	17.00	11.47	12.36

The annexed notes from 1 to 28 an integral part of these financial statements.

Chairman, Trustee

Investment Corporation of Bangladesh

Member, Trustee

Investment Corporation of Bangladesh

As per our annexed report of same date.

Asset Manager

IDLC Asset Management Ltd.

Name of Firm:

M M Rahman & Co.  
Chartered Accountants

Signature of the Auditor

Name of the Auditor

Enrolment No.

Mohammed Forkan Uddin FCA  
Managing Partner  
886

DVC : 2207250886AS613459

Date : July 25, 2022



**IDLC Asset Management Shariah Fund**

**Statement of Profit or Loss and Other Comprehensive Income**

For the year ended June 30, 2022

	Notes	Amount in Taka	
		June 30, 2022	June 30, 2021
<b>INCOME</b>			
Capital Gain	18.00	26,539,276	32,210,650
Dividend Income	19.00	5,333,898	3,913,750
Profit Earned on Deposits	20.00	1,367,110	1,887,479
<b>Total Income</b>		<b>33,240,283</b>	<b>38,011,879</b>
<b>EXPENDITURE</b>			
Management Fee		5,090,635	4,322,483
Brokerage Commission		1,114,280	1,559,467
Amortization of Preliminary and Issue Expenses	5.00	941,735	944,322
Amortization of DSE Shariah Index Fee	6.00	261,127	121,401
Trustee Fee		419,480	351,252
BSEC Annual Fee		237,855	202,510
Tax Deducted at Source		9,813	16,272
CDBL - Settlement and Demat Charges		133,479	152,027
Publication and Other Expenses	21.00	508,219	465,858
Audit Fee		34,500	34,500
Custodian Fee		121,931	139,599
Purification of Income	26.00	107,556	55,289
Sales Agent Commission		447,473	44,783
Bank Charges and Excise Duty		68,287	200,952
<b>Total Expenditure</b>		<b>9,496,370</b>	<b>8,610,716</b>
<b>Income Before Provision for the Year</b>		<b>23,743,913</b>	<b>29,401,163</b>
(Provision)/ Write Back of Provision for Diminution in Value of Investments	22.00	(2,087,479)	3,207,575
<b>Net Income for the Year</b>		<b>21,656,434</b>	<b>32,608,738</b>
<b>Other Comprehensive Income</b>			
Fair Value Reserve	13.00	-	13,620,218
<b>Total Comprehensive Income</b>		<b>21,656,434</b>	<b>46,228,957</b>
<b>Earnings Per Unit</b>	23.00	<b>0.81</b>	<b>1.87</b>

The annexed notes from 1 to 28 an integral part of these financial statements.

  
Chairman, Trustee  
Investment Corporation of Bangladesh

  
Member, Trustee  
Investment Corporation of

  
Asset Manager  
IDLC Asset Management Ltd.

As per our annexed report of same date.

Name of Firm: M M Rahman & Co.  
Chartered Accountants

Signature of the Auditor  
Name of the Auditor:   
Mohammed Forkan Uddin FCA  
Managing Partner  
Enrolment No. 886

DVC : 2207250886AS613459  
Date : July 25, 2022



IDLC Asset Management Shariah Fund

Statement of Changes in Equity

For the year ended June 30, 2022

Amount in BDT

Particulars	Capital Fund	Unit Premium/ (Discount)	Investors' Balance	Fair Value Reserve	Retained Earnings	Total Equity
Opening Balance	174,242,460	(929,988)	471	13,620,218	28,425,145	215,358,306
Fund Subscribed / (Redeemed) During the Year, Net	92,948,500	14,428,818	-	-	-	107,377,318
Investor's Balances	-	-	3,622	-	-	3,622
Net Income During the Year	-	-	-	-	21,656,435	21,656,435
Fair Value Reserve	-	-	-	(13,620,218)	-	(13,620,218)
Dividend Paid During the Year	-	-	-	-	(24,393,944)	(24,393,944)
As at June 30, 2022	267,190,960	13,498,830	4,093	-	25,687,635	306,381,518

For the year ended June 30, 2021

Amount in BDT

Particulars	Capital Fund	Unit Premium/ (Discount)	Investors' Balance	Fair Value Reserve	Retained Earnings	Total Equity
Opening Balance	201,782,710	(37,786)	21	-	(4,183,593)	197,561,352
Fund Subscribed / (Redeemed) During the Year, Net	(27,540,250)	(892,202)	-	-	-	(28,432,452)
Investor's Balances	-	-	450	-	-	450
Net Income During the Year	-	-	-	-	32,608,739	32,608,739
Fair Value Reserve	-	-	-	13,620,218	-	13,620,218
As at June 30, 2021	174,242,460	(929,988)	471	13,620,218	28,425,145	215,358,306

The annexed notes from 1 to 28 an integral part of these financial statements.

Chairman, Trustee

Investment Corporation of Bangladesh

Member, Trustee

Investment Corporation of Bangladesh

Asset Manager

IDLC Asset Management Ltd.

As per our annexed report of same date.

Name of Firm:

M M Rahman & Co.  
Chartered Accountants

Signature of the Auditor  
Name of the Auditor

Mohammed Forkan Uddin FCA  
Managing Partner  
886

Enrolment No.

DVC : 2207250886AS613459  
Date : July 25, 2022



IDLC Asset Management Shariah Fund

Statement of Cash Flows

For the year ended June 30, 2022

Notes	Amount in Taka	
	June 30, 2022	June 30, 2021
<b>A. Cash Flows From / (Used in) Operating Activities</b>		
Investment in Marketable Securities	(331,596,205)	(425,357,014)
Investment in IPO Shares	(3,062,400)	(699,790)
Proceeds from Sell of Marketable Securities	311,632,829	348,721,403
Interest Income Realized in Cash	1,123,582	3,264,947
Dividend Income Received in Cash	5,788,398	3,689,726
Advances, Deposits and Prepayments	(25,068)	(1,504,871)
Payment Made for Expenses	(7,907,792)	(5,848,494)
<b>Net Cash Used in Operating Activities</b>	<b>(24,046,657)</b>	<b>(77,734,093)</b>
<b>B. Cash Flows From / (Used in) Investing Activities</b>	-	-
<b>C. Cash Flows From / (Used in) Financing Activities</b>		
Subscribed / (Redemption) of Unit Capital, Net	92,948,500	(27,535,335)
Unit Premium / (Discount), Net	14,428,818	(897,117)
Investor's Balance	3,622	450
Payable to Investors	54,584	-
Purification of Income	(109,695)	(51,322)
Dividend Paid for the Year	(24,393,944)	-
<b>Net Cash Flows / (Used in) Financing Activities</b>	<b>82,931,885</b>	<b>(28,483,324)</b>
<b>D. Net Cash Flows (A+B+C)</b>	<b>58,885,229</b>	<b>(106,217,418)</b>
<b>E. Cash and Cash Equivalents at the Beginning of the Year</b>	<b>57,171,063</b>	<b>163,388,481</b>
<b>F. Cash and Cash Equivalents at the End of the Year (D+E)</b>	<b>116,056,292</b>	<b>57,171,063</b>
<b>Net Operating Cash flow Per Unit</b>	<b>24 (0.90)</b>	<b>(4.46)</b>

The annexed notes from 1 to 28 an integral part of these financial statements.

Chairman, Trustee  
Investment Corporation of Bangladesh

Member, Trustee  
Investment Corporation of Bangladesh  
As per our annexed report of same date.

Asset Manager  
IDLC Asset Management Ltd.

Name of Firm:

M M Rahman & Co.  
Chartered Accountants

Signature of the Auditor

Name of the Auditor

Enrolment No.

Mohammed Forkan Uddin FCA  
Managing Partner  
886

DVC : 2207250886AS613459

Date : July 25, 2022



## IDLC Asset Management Shariah Fund

### Notes to the Financial Statements

As at and For the Year ended June 30, 2022

#### 1.00 Introduction of The Fund and its Activities

##### 1.01 Legal Status and Key Partners of the Fund

IDLC Asset Management Shariah Fund (here-in-after referred to as "the Fund"), a Trust property, was established on April 13, 2019 under the Trust Act, 1882 and registered under the Registration Act, 1908 and subsequently on May 23, 2019 registered as a Mutual Fund from the Bangladesh Securities and Exchange Commission with an initial target of Paid up capital of BDT 500 Million divided into 50 Million units of BDT 10 each under the Securities and Exchange Commission (Mutual Fund) Rules, 2001 as an Open End Mutual Fund vide registration no. BSEC/MUTUAL FUND/2019/101.

After Initial Public Subscription of the fund, the Paid up capital of the fund was BDT 20.10 crore.

##### Key Partners of the Fund are as Follows:

<b>Sponsor and Asset Manager</b>	: IDLC Asset Management Ltd.
Registered Address	: Symphony (Level – 04), Plot - SE (F): 9, Road - 142, Gulshan Avenue, Bir Uttam Mir Shawkat Sarak, Dhaka 1212.
<b>Trustee</b>	: Investment Corporation of Bangladesh
Registered Address	: BDBL Bhaban, 8, RAJUK Avenue, Dhaka 1000, Bangladesh.
<b>Custodian</b>	: BRAC Bank Ltd.
Registered Address	: Anik Tower, 220/B, Tejgaon Gulshan Link Road, Tejgaon, Dhaka 1208.

##### 1.02 Principal Activities and Nature of Operation

IDLC Asset Management Shariah Fund is an Open End Mutual Fund which is a professionally managed portfolio of shariah complied equity stocks and other shariah compliant securities. Investors buy units of the Fund by paying an amount equivalent to the purchase price and the Asset Manager makes investments on their behalf. An unit represents a portion of the fund's holdings.

The target group of investors comprises both Institutions and Individuals. Units of the Fund can be subscribed / redeemed through IDLC Asset Management Ltd. and authorized selling agents appointed by the Asset Manager from time to time and any other procedure as prescribed by the Asset Manager. Surrender of units is allowed only through IDLC Asset Management Ltd. or the selling agents from which the units are originally subscribed.

#### 2.00 Objectives

The objective of the Fund is to generate profit by investing in a portfolio of Shariah compliant securities as per Shariah Supervisory Guidelines. The fund delivers the profit among the investors in the form of dividend as well as capital appreciation. The Fund exercises a rigorous compliance factor called "Purification" to remove any impure part from the final profit of the portfolio and dispose this through donation to charitable organizations. This is a key differentiator of the Fund from other Shariah investment vehicles currently available in Bangladesh.

#### 3.00 Basis of preparation

##### 3.01 Statement of compliance

These financial statements have been prepared in conformity with International Accounting Standards (IASs), International Financial reporting Standards (IFRSs), Securities and Exchange Rules, 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable laws and regulations.

##### 3.02 Basis of measurement

These financial statements have been prepared on a going concern basis under historical cost convention in accordance with generally accepted accounting principles.





### 3.03 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka which is also the Fund's functional currency.

### 3.04 Reporting period of the Fund

The financial period of the Fund cover 1 year from July 01, 2021 to June 30, 2022.

### 3.05 Comparative information

The financial statements exhibits the comparative information as required by IAS 1. The comparative financial information was for the year from July 01, 2020 to June 30, 2021.

### 3.06 Components of the financial statements

- (i) Statement of Financial Position
- (ii) Statement of Profit or Loss and Other Comprehensive Income
- (iii) Statement of Changes in Equity
- (iv) Statement of Cash Flows
- (v) Notes to the Financial Statements

### 4.00 Significant accounting policies

#### 4.01 Investment policy

To generate profit by investing in a portfolio of Shariah compliant securities as per Shariah Investment Guidelines. The fund intends to deliver the profit among the investors in the form of dividend as well as capital appreciation, strictly adhering to the Shariah principles.

#### 4.02 Investment policy

The Fund shall invest subject to Securities and Exchange Commission (Mutual Fund), Rules, 2001 and only in those securities, deposits and investments approved by the Bangladesh Securities and Exchange Commission and / or the Bangladesh Bank and / or the Insurance Development and Regulatory Authority (IDRA) of Bangladesh or any other competent authority in this regards.

The Fund shall not invest:

- (i) less than 60% (sixty percent) of the total assets in capital market instruments out of which at least 50% (fifty percent) shall be invested in listed securities;
- (ii) more than 25% (twenty five percent) of the total assets in shares, debentures or other securities in any one industry;
- (iii) more than 20% (twenty percent) of the total assets in shares, debentures or other securities of a single company or group;
- (iv) more than 15% (fifteen percent) of the total asset in Pre-IPOs at one time;
- (v) more than 15% (fifteen percent) of any company's total paid up capital;
- (vi) more than 10% (ten percent) of the total asset in any one particular company.

The Fund has taken special approval from Bangladesh Securities and Exchange Commission for the mentioned exception of investment exposure till June 30, 2023 -

- (i) more than 15% (fifteen percent) of the total asset in any one particular company; and
- (ii) more than 30% (thirty percent) of the total assets in shares, debentures or other securities in any one industry.

### 4.03 Shariah Screening Policies and Guidelines

Apart from following the regulatory guideline for investment, the Fund will strictly follow the Shariah based screening policies and guidelines as described below:

#### (a) Business Activities Based Screening

The basic business of the investee company should be in consistence with the Shariah Law. Although no universal consensus exists among contemporary Shariah scholars on the prohibition of companies, most Shariah Boards have advised against investment in companies involved in the activities of:



- Advertising and Media (newspapers are allowed, sub-industries are analyzed individually)
- Alcohol
- Embryonic or stem cell research and cloning
- Financials (Conventional Banks, Insurance and Leasing / Finance Companies)
- Gambling
- Pork
- Pornography
- Tobacco
- Trading of gold and silver as cash on deferred basis

**(b) Accounting-Based Screens**

After removing companies with non-compliant business activities, the rest of the companies are examined for compliance in financial ratios, as certain ratios may violate compliance measurements. Three areas of focus are leverage, cash, and the share of revenues derived from non-compliant activities. All of these are subject to evaluation on an ongoing basis.

**(c) Other Shariah Compliant Instruments**

The Fund may also invest in other Shariah Compliant instruments as and when they are available for investment, specifically:

- (i) In particular Term Certificates, Mudaraba Certificates, Musharika, Murabaha, Term Finance Certificates and all other asset backed securities;
- (ii) In contracts, securities or instruments of companies, organizations and establishments issued on the principles of Bai' Mu'ajjal, Bai' Salam, Istisna'a, Mudaraba, Murabaha and Musharika;
- (iii) In the form of Riba-free cash deposits with Islamic Banks or financial institutions with the object of maintaining sufficient liquidity to meet the day-to-day requirement and to take advantage of suitable investment opportunities as and when they arise;
- (iv) In other instruments that may be allowed and confirmed as Shariah Compliant by the Fund's Shariah Supervisory Board from time to time.

**4.04 Valuation policy**

As per Rule 58 of Securities and Exchange Commission (Mutual Fund) Rules, 2001, the fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission. The investment valuation policy of the Fund will be as follows:

**Listed Securities**

- (i) Listed securities (other than mutual Fund) has valued at 'Fair Value Through Profit or Loss' as per Securities and Exchange Commission (Mutual Fund) Rules, 2001 and related unrealized loss and right back of unrealized loss has been charged in the Statement of Profit or Loss and unrealized gain has been recognized in other comprehensive income through in the Statement of changes in equity. Mutual Fund securities are valued as per SRO No. SEC/CMRRCD/2009-193/172 dated June 30, 2015.
- (ii) The listed securities are valued at the closing quoted market price only on the Dhaka Stock Exchange on the date of valuation i.e. on June 30, 2022.

**Non-Listed Securities**

The Fund shall follow the method approved by the Commission for valuation of the non-listed investment, if any, and the Asset Management Company and the Trustee shall periodically review the non-listed investment, if any. The auditors shall comment on such investment in the annual report of the Scheme of the Fund.

The Asset Management Company and the Trustee will value the non-listed securities at least once in every three months.

Once non-listed securities are valued, the valued amount will be considered for purpose of valuing the Fund's assets in any interval of time until the securities are further revalued by the Asset Management Company.



#### Others

For securitized debts, debentures, margin or fixed deposits, the accrued interest on such instruments on the date of valuation shall be taken into account in any calculation of Net Asset Value of such securities in the portfolio of the Fund.

In case of deferred expenses, accrued expenses for the period will be taken into account for determining total liabilities.

#### 4.05 Net asset value (NAV) calculation

The Fund intends to determine its NAV per unit on the last business day of each week by dividing the value of the net asset of the Fund (the value of total assets less total liabilities as per Rule 60 of the Securities and Exchange Commission (Mutual Fund) Rules, 2001 by the total number of outstanding units. The Fund will use the following formula to derive the NAV per unit:

Total NAV = VA - LT

NAV per unit = Total NAV / No. of units outstanding.

VA: Value of all securities in vault + Value of all securities placed in lien + Cash in hand and at bank + Value of all securities receivables + Receivables of proceeds of sale of investments + Dividend receivables net of tax + Interest receivables net of tax + Issue expenses amortized as on date + Printing, publication and stationery expenses amortized as on date.

LT: Value of all securities payable + Payable against purchase of investments + Payable as brokerage and custodial charges + Payable as Trustee fees + All other payable related to printing, publication and stationery + Accrued deferred expenses with regard to management fee, annual fee, audit fee and safe keeping fee.

#### 4.06 Revenue recognition

##### Capital Gain / Losses

Capital gains / losses are recognized on being realized based on Average Costing method.

##### Dividend Income

Dividend income is recognized on being declared by the investee-company based on the record date as the cut off date.

##### Profit Earned on Mudaraba Deposits

As per agreement between the Fund and the Shariah Bank in line with Mudaraba Principle, the profit is accrued on the Mudaraba Deposit accounts at provisional rate on yearly basis considering overall projected growth, performance and profitability of the Bank during the year. Final Rates of profit of any accounting year are declared by the Bank after finalization of Shari'ah Inspection report and certifying the Investment Income of the Bank by the statutory auditors.

#### 4.07 Preliminary and issue expenses

Preliminary and issue expenses represent expenditures incurred prior to the commencement of operations and establishment of the Fund. As per Rule 65 (3) of Securities & Exchange Commission (Mutual Fund) Rules, 2001, the expenses are being written off over a Year of 7 (seven) years straight line basis.

#### 4.08 Management fee

As per Securities and Exchange Commission (Mutual Fund) Rules, 2001, the Asset Management Company shall be entitled to charge the Fund a management fee for Investment Management at the following rate:

- (i) @ 2.5% per annum of weekly average Net Asset Value (NAV) of the Fund up-to BDT 50,000,000 (five crore);
- (ii) @ 2.0% per annum for additional amount of the weekly average NAV of the Fund over BDT 50,000,000 (five crore) but up to BDT 250,000,000 (twenty five crore);
- (iii) @ 1.5% per annum for additional amount of the weekly average NAV of the Fund over BDT 250,000,000 (twenty five crore) but up to BDT 500,000,000 (fifty crore);



- (iv) @ 1.0% per annum for additional amount of the weekly average NAV of the Fund over BDT 500,000,000 (fifty crore).

The management fee is calculated on every closing day of the week based on the NAV of the Fund and paid at the end of each quarter.

#### 4.09 Trustee fee

The Trustee is paid a Trusteeship fee @ 0.15% of the Net Asset Value (NAV) of the Fund on semi-annual in advance basis during the life of the Fund.

#### 4.10 Custodian Fee

The Fee for Custodian Services is 0.08% p.a. of balance securities held by the fund, calculated on average market value per month. Besides this, the fund will bear all other expenses viz.

- (i) transaction fee of BDT 200 per transaction;
- (ii) local duties and fees like stamp duty on transactions, stamp duty on transfer deed;
- (iii) levies, brokerage, registrar's fees' local counsel / representation, external auditors at the client's request, depository fees, etc.

However, a fee cap of 0.09% p.a. on balance securities held by the fund, calculated on the average market value per month will be applicable if the total expenses (including custodian fees, transaction fees and other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for Custodian Services is realized semi-annually at the end of the period.

#### 4.11 Commission Payable to Selling Agent(s)

The Fund pays commission to the authorized selling agent(s) appointed by the Asset Manager at the rate of 0.45% - 1.00% on the total sale amount of unit sales, accruable on collection basis and payable at the end of the quarter. The Selling Agent Commission is applicable for sales of unit; not on surrender of units. If individuals are appointed as selling agents by the Asset Manager, the commission payable to them will vary and fixed as per Securities and Exchange Commission (Mutual Fund) Rules, 2001. The selling agent commission may change in future with prior approval from the Board of Trustee.

#### 4.12 Taxation

The income of the Fund is exempted from Income Tax as per SRO No. 333-Ain/Aikor/2011 dated November 10, 2011, under Section 44(4) clause (b) of Income Tax Ordinance, 1984; hence no provision for tax is required. In Finance Act, 2016, 5% Income tax at source was applied to any Mutual Fund from the interest accrued on savings deposits or fixed deposits or any term deposit maintained with any Schedule Bank including a co-operative Bank or any bank run on Islamic principles or non-banking financial institutions or any leasing company or any housing finance company.

#### 4.13 BSEC Registration Fees and Annual Fees

The Fund has paid BDT 10,00,000 (ten lac) only to the Bangladesh Securities and Exchange Commission (BSEC) as Registration Fee as per Rule 10 of Securities & Exchange Commission (Mutual Fund) Rules, 2001. In addition to that, the Fund will have to pay 0.10% of the NAV of the Fund or BDT 50,000 (fifty thousand), whichever is higher, as annual fee as per Rule 11 of Securities & Exchange Commission (Mutual Fund) Rules, 2001.

#### 4.14 DSE Shariah Index

The fund has recognized the DSEX Shariah Index initial Subscription Fee as an asset and amortize over the 7 (seven) years straight line basis.

#### 4.15 Purification Policy

Purification is the cleansing process which removes any impure returns that is not permissible under Shariah Law and dispose of the non-permissible portion through donation to charitable organizations.

The Fund shall separate the impure earnings from the Capital Gains and / or dividends and / or income and distribute the rest to the investors. Impure earnings from Investments are to be purified through donation to charitable organizations and will be adjusted with the next published NAV immediately after the approval of the Shariah Supervisory Board.



#### 4.16 Dividend policy

- (i) The Fund shall distribute minimum 70%, or as may be determined by the Securities & Exchange Commission (Mutual Fund) Rules, 2001 from time to time, of the annual net profit of the Fund as dividend at the end of each accounting year after making provision for bad and doubtful investments;
- (ii) The Fund may create a dividend equalization reserve by suitable appropriation from the income of the Scheme to ensure consistency in dividend disbursement for each year;
- (iii) Before declaration of dividend, the Asset Management Company shall make a provision in consultation with the Auditor if market value of investments goes below the acquisition cost and the method of calculation of this provision will be incorporated in the notes of accounts;
- (iv) Surpluses arising simply from the valuation of investments shall not be available for dividend.
- (v) The Asset Management Company will dispatch the Dividend warrants, at the expense of the Fund, within 45 days from the declaration of such dividend and submit a statement within next 7 (seven) days to the Commission, Trustee and the Custodian;
- (vi) Before registration for transfer of ownership, a transferee shall not possess the right to any dividend declared;
- (vii) There will be a Cumulative Investment Plan (CIP) scheme in this Unit Fund. Under this scheme a unit holder instead of receiving dividend can reinvest such dividend income accrued for purchasing Unit at a rate determined by IDLC Asset Management Ltd. The unit holders can change their dividend preference in future as per their need.

#### 4.17 Provisions

A provision is recognized if, as a result of a past event, the Fund has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting Year according to IAS 37.

#### 4.18 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits when it has a short maturity of three months or less from the date of acquisition.

#### 4.19 Unit Premium / Discount

The general investors buy or sale units of the Fund at the purchase price or surrender price, NAV / unit, published weekly at daily newspaper and Asset Manager's website. If the purchase price is greater than the face value, i.e. BDT 10 / unit, the investors are buying the units at premium and the Fund creates unit premium from selling the units more than the face value. Similarly when investors redeem or sale their units at surrender rate which is more than the face value, they realize a portion of unit premium and Fund's performance as well.

#### 4.20 Departure from IFRS and IAS

- (i) The Fund has written off Preliminary and issue expenses over a Year of 7 (seven) years on a straight-line method according to Rule 65(3) Ka of Securities & Exchange Commission (Mutual Fund) Rules, 2001 which contradicts with Paragraph 69(a) of IAS 38 "Intangible Assets", as it states that "no intangible or other asset is recognized when expenditure on start-up activities (i.e. Start-up costs) is incurred to provide future economic benefits".
- (ii) The fund is required to maintain provision for the erosion on value of marketable securities according Rule 67(1) of Securities & Exchange Commission (Mutual Fund) Rules, 2001 which contradicts with IFRS 9.
- (iii) The Fund has subscribed to Dhaka Stock Exchange's Shariah Index (DSES) for collecting the investment universe of DSES as part of its Shariah Supervisory Guidelines. In this regards, it paid one-time subscription fees which the Fund will amortize over 7 (seven) years and annual subscription fees (renewable) will be amortized over 12 (twelve) months.

#### 4.21 Statement of cash flows

Cash flows from operating activities have been presented under direct method according to IAS 7.

#### 4.22 Earnings per unit

Earnings per unit has been calculated in accordance with IAS 33 "Earnings per Share" and shown on the face of the Statement of Profit or Loss and Other Comprehensive Income.

#### 4.23 Per unit key financial ratio

Key financial ratios on per unit basis are disclosed in Annexure - B under Rule 69 of Securities & Exchange Commission (Mutual Fund) Rules, 2001.

#### 4.24 General

Figures appearing in these financial statements have been rounded off to nearest Taka.

#### 4.25 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IASs and IFRSs as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. IDLC Asset Management Shariah Fund applied following IASs and IFRSs:

Name of the IAS / IFRS	IAS / IFRS No.	Status
Presentation of Financial Statements	IAS 1	Applied
Statement of Cash Flows	IAS 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	N/A
Events after the Reporting Period	IAS 10	Applied
Income Taxes	IAS 12	Applied
Property, Plant and Equipment	IAS 16	N/A
Employee Benefits	IAS 19	N/A
Borrowing Costs	IAS 23	N/A
Related Party Disclosures	IAS 24	Applied
Financial Instruments: Presentation	IAS 32	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Applied
Intangible Assets	IAS 38	N/A
Investment Property	IAS 40	N/A
Agriculture	IAS 41	N/A
Financial Instruments	IFRS 9	Applied

#### 4.26 Application of Compliance Standards by Bangladesh Securities & Exchange Commission

IDLC Asset Management Shariah Fund has maintained the following compliance standards mentioned in Securities & Exchange Commission (Mutual Fund) Rules, 2001.

Compliance Standards	Reference	Status
Minimum of 60% of total fund assets invested in capital market instruments, of which at least 50% shall be invested in listed securities	Rule 55	Complied
The Fund hasn't allowed any advances or loans for any purpose	5 <sup>th</sup> Schedule (1) and Rule 56	Complied
No more than *15% of total fund assets shall be invested in any one particular company	5 <sup>th</sup> Schedule (2) and Rule 56	Complied
No more than 15% of any company's total paid up capital is held by the fund	5 <sup>th</sup> Schedule (3) and Rule 56	Complied
No more than 20% of total fund assets are invested in shares, debentures or other securities of a single company or group	5 <sup>th</sup> Schedule (4) and Rule 56	Complied



No more than *30% of total fund assets are invested in shares, debentures or other securities in any one industry	5 <sup>th</sup> Schedule (5) and Rule 56	Complied
Any transfers made by the Fund from one scheme to another if – → Are made at current market price of the listed securities through spot market; and → The investment objective of the scheme (which receives the securities) matches with the transferred securities	5 <sup>th</sup> Schedule (6) and Rule 56	Complied
The Fund has not invested in or lent to another Scheme under management of IDLC Asset Management Ltd.	5 <sup>th</sup> Schedule (7) and Rule 56	Complied
The Fund has not taken any loan for investment purpose	5 <sup>th</sup> Schedule (8) and Rule 56	Complied
Total Expenditure except preliminary expense shall not greater than 4% of weekly average net asset value at market price	5 <sup>th</sup> Schedule (10) and Rule 56	Complied

*\*The IDLC Assset Management Shariah Fund has taken special approval from Bangladesh Securities and Exchange Commission for the mentioned investment exposure till June 30, 2023*





		Amount in Taka	
		June 30. 2022	June 30. 2021
<b>5.00 Preliminary and Issue Expenses</b>			
Opening Balance	5.01	5,091,578	6,035,901
Less: Amortized during the Year		(941,735)	(944,322)
		<u>4,149,843</u>	<u>5,091,578</u>
<b>5.01 Opening Balance</b>			
Formation Fees		2,010,600	2,010,600
Pre-formation Management Fees		2,171,193	2,171,193
Application and Registration Fees Paid to BSEC		1,010,000	1,010,000
CDBL Fees		37,558	37,558
Trust Deed Registration Fees		127,779	127,779
Printing and Publication		764,538	764,538
Other Expenses		488,587	488,587
		<u>6,610,256</u>	<u>6,610,256</u>
Less: Amortized Balance		(1,518,677)	(574,355)
		<u>5,091,578</u>	<u>6,035,901</u>
<b>6.00 DSE Shariah Index</b>			
Opening Balance		386,888	508,290
Add: Annual Subscription for 2020-21, 2021-22		240,000	-
Less: Amortized during the Year		(261,127)	(121,401)
		<u>365,761</u>	<u>386,888</u>
<b>7.00 Investment in Securities at Market price</b>			
Investment in Listed Securities at Cost Price	7.01	189,273,478	120,758,562
		<u>189,273,478</u>	<u>120,758,562</u>
Add / (Less): Unrealized Gain / (Loss)		(2,087,479)	13,620,218
		<u>187,185,999</u>	<u>134,378,780</u>
<b>7.01 Investment in Listed Securities at Cost Price</b>			
Bank		14,010,587	9,146,500
Corporate Bond		9,228,627	-
Engineering		-	16,618,719
Food & Allied		-	17,586,994
Fuel & Power		21,947,569	10,835,516
Pharmaceuticals & Chemicals		78,125,661	38,338,836
Telecommunication		65,961,035	28,231,996
		<u>189,273,478</u>	<u>120,758,562</u>
<i>Details are mentioned in Annexure A.</i>			
<b>8.00 Account Receivables</b>			
Dividend Receivables	8.01	76,500	531,000
Profit on Mudaraba Term Deposit Receipt (MTDR)		243,528	-
Sale of Securities		-	18,914,976
		<u>320,028</u>	<u>19,445,976</u>
<b>8.01 Dividend Receivables</b>			
First Security Islami Bank Ltd.		-	365,000
Marico Bangladesh Ltd.		76,500	166,000
		<u>76,500</u>	<u>531,000</u>
<b>9.00 Advances, Deposits and Prepayments</b>			
BSEC Annual Fee		279,461	195,424
		<u>279,461</u>	<u>195,424</u>



Amount in Taka	
June 30. 2022	June 30. 2021

#### 10.00 Cash and Cash Equivalents

Mudaraba Special Notice Deposit (MSND)	10.01	33,556,292	57,171,063
Mudaraba Term Deposits (MTD)	10.02	82,500,000	-
		<u>116,056,292</u>	<u>57,171,063</u>

#### 10.01 Mudaraba Special Notice Deposit (MSND)

Bank	Account No.	Type	Amount in Taka	
			June 30. 2022	June 30. 2021
Export Import (Exim) Bank of Bangladesh Ltd.	11313100055566	MSND	28,497,657	13,368,663
	11313100055585	MSND	1,441,010	2,209,859
	11313100055577	MSND	8,082	3,003,323
	11313100066889	MSND	4,361	-
Standard Chartered Bank	01-1309915-01	SAADIQ	584,760	38,589,218
The City Bank Ltd.	1781550000066	Manarat	1,510,211	-
	1781550000067	Manarat	1,510,211	-
			<u>33,556,292</u>	<u>57,171,063</u>

#### 10.02 Mudaraba Term Deposits (MTD)

Bank	Account No.	Tenure	Amount in Taka	
			June 30. 2022	June 30. 2021
Export Import (Exim) Bank of Bangladesh Ltd.	0121001195181	3 Months	48,000,000	-
	0121001195165	3 Months	7,000,000	-
	0121001233061	3 Months	9,500,000	-
	0121001233078	3 Months	9,000,000	-
	0121001233094	3 Months	9,000,000	-
			<u>82,500,000</u>	<u>-</u>

#### 11.00 Capital Fund

Opening Balance	174,242,460	201,782,710
Add: Units Subscribed During the Year	98,573,660	26,668,310
Less: Units Redeemed During the Year	(5,625,160)	(54,208,560)
	<u>267,190,960</u>	<u>174,242,460</u>

#### 11.01 Capital Allotment, Net

Allotment Year	Investor	No. of Units	Face Value	Amount in Taka	
2019 - 2020	Sponsor	5,000,000	10	50,000,000	50,000,000
2019 - 2020	General	15,178,271	10	151,782,710	151,782,710
2020 - 2021	General	(2,754,025)	10	(27,540,250)	(27,540,250)
2021 - 2022	General	9,294,850	10	92,948,500	-
				<u>267,190,960</u>	<u>174,242,460</u>

All transactions are held through Banking Channel.

#### 12.00 Unit Premium / (Discount)

Opening Balance	(929,988)	(37,786)
Less: Units Subscribed / (Redeemed) During the Year	14,428,818	(892,202)
	<u>13,498,830</u>	<u>(929,988)</u>

#### 13.00 Fair Value Reserve

Opening Balance	13,620,218	-
Add / (Less): Addition / (Deduction) During the Year	(13,620,218)	13,620,218
	<u>-</u>	<u>13,620,218</u>



	Amount in Taka	
	June 30. 2022	June 30. 2021
<b>14.00 Retained Earnings</b>		
Opening Balance	28,425,145	(4,183,593)
Less: Dividend Paid During the Year	(24,393,944)	-
	<u>4,031,201</u>	<u>(4,183,593)</u>
Add: Net Income for the Year	21,656,434	32,608,739
	<u><u>25,687,635</u></u>	<u><u>28,425,145</u></u>
<b>15.00 Account Payables</b>		
Management Fee	1,373,630	1,059,716
Trustee Fee	8,262	658
Custodian Fee	98,677	94,082
Audit Fee	34,500	34,500
CDBL Fee	43,453	24,361
Payable to Investor	54,584	-
Sales Agent Commission	277,000	29,571
Purification of Income	1,829	3,967
Publication and Other Operational Expense	83,931	64,550
	<u><u>1,975,866</u></u>	<u><u>1,311,404</u></u>
<b>16.00 Net Asset Value (NAV) Per Unit at Cost Price</b>		
Total Asset Value at Market Price	308,357,384	216,669,710
Less: Unrealized Gain / (Loss)	(2,087,479)	13,620,218
Total Asset Value at Cost Price	<u>310,444,863</u>	<u>203,049,492</u>
Less: Account Payables	1,975,866	1,311,404
Total NAV at Cost Price	<u>308,468,998</u>	<u>201,738,088</u>
Number of Units	<u>26,719,096</u>	<u>17,424,246</u>
	<u><u>11.54</u></u>	<u><u>11.58</u></u>
<b>17.00 Net Asset Value (NAV) Per Unit at Market Price</b>		
Total Asset Value at Market Price	308,357,384	216,669,710
Less: Account Payables	1,975,866	1,311,404
Total NAV at Market Price	<u>306,381,519</u>	<u>215,358,306</u>
Number of Units	<u>26,719,096</u>	<u>17,424,246</u>
	<u><u>11.47</u></u>	<u><u>12.36</u></u>



Amount in Taka	
June 30, 2022	June 30, 2021

#### 18.00 Capital Gain

ACME Pesticides Ltd.	760,397	-
Associated Oxygen Ltd.	-	495,508
Bangladesh Submarine Cable Company Ltd.	3,798,501	1,929,993
BBS Cables Ltd.	-	78,329
Beacon Pharmaceuticals Ltd.	1,724,499	-
Berger Paints Bangladesh Ltd.	-	118,523
Beximco Pharmaceuticals Ltd.	7,759,479	10,636,648
Dominage Steel Building Systems Ltd.	-	1,294,970
eGeneration Ltd.	-	720,313
Export Import (Exim) Bank of Bangladesh Ltd.	(1,089,463)	42,037
First Security Islami Bank Ltd.	(1,334,846)	(508,618)
Genex Infosys Ltd.	-	(717,918)
Grammenphone Ltd.	119,904	2,107,564
Islami Bank Bangladesh Ltd.	939,085	323,692
Islamic Finance & Investment Ltd.	-	(1,243,377)
LafargeHolcim Bangladesh Ltd.	6,210,082	6,477,629
Linde Bangladesh Ltd.	1,080,268	-
Marico Bangladesh Ltd.	1,749,351	-
Master feed Agrotec Ltd.	63,958	-
Nahee Aluminum Composite Panel Ltd.	-	(1,226,695)
Olympic Industries Ltd.	(318,898)	(935,657)
Reckitt Benckiser (Bd.) Ltd.	-	4,022,821
Renata Ltd.	84,361	-
Robi Axiata Ltd.	-	(332,400)
Shahjalal Islami Bank Ltd.	-	(892,535)
Shahjibazar Power Co. Ltd.	-	(22,844)
Singer Bangladesh Ltd.	1,299,021	3,068,664
Square Pharmaceuticals Ltd.	2,592,454	1,379,463
UNION Bank Ltd.	740,312	-
United Power Generation & Distribution Company Ltd.	360,815	2,274,938
Walton Hi-Tech Industries PLC	-	3,119,602
	<b>26,539,276</b>	<b>32,210,650</b>

#### 19.00 Dividend Income

Bangladesh Submarine Cable Company Ltd.	481,611	330,000
Beacon Pharmaceuticals Ltd.	105,000	-
Beximco Pharmaceuticals Ltd.	472,815	291,000
Dominage Steel Building Systems Ltd.	-	7,500
First Security Islami Bank Ltd.	-	365,000
Grammenphone Ltd.	1,770,713	1,894,500
IBBL Mudaraba Perpetual Bond	345,500	-
Islami Bank Bangladesh Ltd.	428,500	-
LafargeHolcim Bangladesh Ltd.	-	170,000
Marico Bangladesh Ltd.	453,060	166,000
Singer Bangladesh Ltd.	-	290,250
Square Pharmaceuticals Ltd.	-	399,500
United Power Generation & Distribution Company Ltd.	1,276,700	-
	<b>5,333,898</b>	<b>3,913,750</b>

#### 20.00 Profit Earned on Deposits

Mudaraba Term Deposit (MTD)	243,528	403,992
Mudaraba Special Notice Deposit (MSND)	1,123,582	1,411,094
Accrued TDS Reverse from last year	-	72,393
	<b>1,367,110</b>	<b>1,887,479</b>



Amount in Taka	
June 30, 2022	June 30, 2021

**21.00 Publication and Other Expenses**

Renewal and registration fees	21,800	20,000
Printing and Publication	290,139	239,313
BO Account Maintenance Fees	-	2,300
IPO Subscription Fees	6,000	9,000
Other Operational Expense	190,280	195,245
	<u>508,219</u>	<u>465,858</u>

**22.00 (Provision) / Write Back of Provision for Diminution in Value of Investments**

Opening Balance	-	(3,207,575)
(Add) / Less: (Addition) / deduction during the year	(2,087,479)	3,207,575
	<u>(2,087,479)</u>	<u>-</u>

**23.00 Earnings Per Unit (EPU)**

Net Income for the Year	21,656,434	32,608,738
Number of Units	26,719,096	17,424,246
	<u>0.81</u>	<u>1.87</u>

*\*\*Other Comprehensive Income (OCI) is not considered for Earnings Per Unit (EPU) Calculation.*

**24.00 Net Operating Cash Flow Per Unit**

Net Operating Cash Flow for the Year	(24,046,657)	(77,734,093)
Number of Units	26,719,096	17,424,246
	<u>(0.90)</u>	<u>(4.46)</u>

**25.00 Reconciliation of Net Profit with Cash Flows From/ (Used in) Operating Activities**

Income Before Provision for the Year	23,743,913	29,401,163
Amortization charged of Preliminary Expenses	941,735	944,322
Amortization charged of DSE Shariah Index fee	261,127	121,401
Purification of Income	107,556	55,289
Operating Cash Flow before Changes in Working Capital	<u>25,054,332</u>	<u>30,522,176</u>

**Changes in Working capital:**

(Increase) / Decrease of Investment	(68,514,916)	(90,596,187)
(Increase) / Decrease of Advances, Deposits and Prepayments	(84,037)	(3,068)
(Increase) / Decrease of Account Receivables	19,125,948	(17,689,139)
Increase / (Decrease) of Account Payables	664,462	36,092
Payment Made for DSE Shariah Index	(240,000)	-
	<u>(49,048,542)</u>	<u>(108,252,302)</u>

**Less: Non-operating items**

Increase / (Decrease) of Payables to Investors	54,584	-
Increase / (Decrease) of Impure Income	(2,138)	(3,967)
	<u>52,446</u>	<u>(3,967)</u>

**Net Cash Used in Operating Activities**

	<u>(24,046,657)</u>	<u>(77,734,093)</u>
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**26.00 Purification of Income**

In reference to the Policy Note 4.15, following purification will be require in the distributable income (if any) of the Fund during the year ended on June 30, 2022.

Name of the Stock	Type of Income	Income Earned	Purification Ratio	Required Purification Amount
IBBL Mudaraba Perpetual Bond	Cash Dividend	428,500	-	-
Islami Bank Bangladesh Ltd.	Cash Dividend	345,500	-	-
Marico Bangladesh Ltd.	Cash Dividend	76,500	0.0239	1,828
		<u>850,500</u>		<u>1,828</u>

*The Dividend Purification (DP) ratio is taken from Dhaka Stock Exchange Shariah Index published on June, 2022.*

According to the Shariah Supervisory Guidelines of the Fund, the Shariah Supervisory Board will decide the donation process for the Required Purification Amount BDT 1,828 from Income of the Fund.

Amount in Taka	
June 30, 2022	June 30, 2021

26.01 Purification of Income (Financial Year 2021 - 22)

Name of the Stock	Type of Income	Income Earned	Purification Ratio	Purified Amount
Grameen Phone Ltd.	Cash Dividend	803,750	0.0042	3,376
Marico Bangladesh Ltd.	Cash Dividend	190,000	0.0239	4,541
Bangladesh Submarine Cable Company Ltd.	Cash Dividend	481,611	0.0511	24,610
Marico Bangladesh Ltd.	Cash Dividend	186,560	0.0239	4,459
Beximco Pharmaceuticals Ltd.	Cash Dividend	472,815	0.0017	804
United Power Generation & Distribution Company Ltd.	Cash Dividend	1,276,700	0.0500	63,835
Beacon Pharmaceuticals Ltd.	Cash Dividend	105,000	0.0004	42
Grameenphone Ltd.	Cash Dividend	966,963	0.0042	4,061
IBBL Mudaraba Perpetual Bond	Cash Dividend	428,500	-	-
Islami Bank Bangladesh Ltd.	Cash Dividend	345,500	-	-
Marico Bangladesh Ltd.	Cash Dividend	76,500	0.0239	1,828
		<b>5,333,898</b>		<b>107,556</b>

Purification of Income (Financial Year 2020 - 21)

Name of the Stock	Type of Income	Income Earned	Purification Ratio	Purified Amount
GlaxoSmithKline (GSK) Bangladesh Ltd.	Cash Dividend	306,976	0.0149	4,574
Grameen Phone Ltd.	Cash Dividend	923,000	0.0042	3,876
Square Pharmaceuticals Ltd.	Cash Dividend	399,500	0.0408	16,300
Bangladesh Submarine Cable Company Ltd.	Cash Dividend	330,000	0.0661	21,813
Beximco Pharmaceuticals Ltd.	Cash Dividend	291,000	0.0017	495
Singer Bangladesh Ltd.	Cash Dividend	290,250	0.0004	116
Grameen Phone Ltd.	Cash Dividend	971,500	0.0042	4,080
LafargeHolcim Bangladesh Ltd.	Cash Dividend	170,000	0.0004	68
Marico Bangladesh Ltd.	Cash Dividend	166,000	0.0239	3,967
First Security Islami Bank Ltd.	Cash Dividend	365,000	-	-
		<b>4,213,226</b>		<b>55,289</b>

27.00 Events after the reporting Period

The Board of Trustees of the Fund has approved 9% dividend for the year ended on June 30, 2022 at the meeting held on July 17, 2022.

28.00 Date of authorization

The Trustee Board has authorized these financial statements for issue on July 17, 2022.

Chairman, Trustee

Investment Corporation of Bangladesh

Member, Trustee

Investment Corporation of Bangladesh

Asset Manager

IDLC Asset Management Ltd.



IDLC Asset Management Shari'ah Fund

Details of Investment in Securities  
As at June 30, 2022

A. Investment in Listed Securities

Sl.	Sector	Name of the Company	No. of Securities	Avg. Cost	Total Cost	Market Value	Total Market Value	% of Total Assets	Unrealized Gain/ (Loss)
1	Bank	Islami Bank Bangladesh Ltd.	428,500	32.70	14,010,587	32.90	14,097,650	4.57%	87,064
					<b>14,010,587</b>		<b>14,097,650</b>	<b>4.57%</b>	<b>87,064</b>
2	Corporate Bond	IBBL Mudaraba Perpetual Bond	9,010	1,024.26	9,228,627	1,076.50	9,699,265	3.15%	470,639
					<b>9,228,627</b>		<b>9,699,265</b>	<b>3.15%</b>	<b>470,639</b>
3	Fuel & Power	United Power Generation & Distribution Company Ltd.	75,100	292.24	21,947,569	248.60	18,669,860	6.05%	(3,277,709)
					<b>21,947,569</b>		<b>18,669,860</b>	<b>6.05%</b>	<b>(3,277,709)</b>
4	Pharmaceuticals & Chemicals	BD Paints Ltd.	25,551	10.00	255,510	33.90	866,179	0.28%	610,669
5		Beacon Pharmaceuticals Ltd.	24,420	226.58	5,533,142	258.30	6,307,686	2.05%	774,544
6		Beximco Pharmaceuticals Ltd.	256,369	163.72	41,971,980	154.60	39,634,647	12.85%	(2,337,333)
7		Marico Bangladesh Ltd.	1,700	2,350.26	3,995,434	2,421.00	4,115,700	1.33%	120,266
8		Square Pharmaceuticals Ltd.	118,250	223.00	26,369,595	216.70	25,624,775	8.31%	(744,820)
					<b>78,125,661</b>		<b>76,548,987</b>	<b>24.82%</b>	<b>(1,576,674)</b>
9	Telecommunication	Bangladesh Submarine Cable Company Ltd.	207,373	198.28	41,118,656	219.10	45,435,424	14.73%	4,316,768
10		Grammephone Ltd.	77,303	321.36	24,842,379	294.10	22,734,812	7.37%	(2,107,567)
					<b>65,961,035</b>		<b>68,170,237</b>	<b>22.11%</b>	<b>2,209,201</b>
	<b>Grand Total</b>				<b>189,273,478</b>		<b>187,185,999</b>	<b>60.70%</b>	<b>(2,087,479)</b>

Annexure A

Amount in BDT



**IDLC Asset Management Shariah Fund**

Disclosure under Rule 69 of Securities and Exchange Commission (Mutual Fund) Rules, 2001

Particular	June 30, 2022	June 30, 2021	June 30, 2020
(a) Net Asset Value per unit at Cost	11.54	11.58	9.95
(b) Net Asset Value per unit at Market	11.47	12.36	9.79
(c) Per unit income other than investment	0.051	0.108	0.072
(d) Per unit income from Capital gain / (loss) & Dividend Income	1.193	2.073	0.087
(e) Per Unit Expense	0.355	0.491	0.208
(f) Per unit provision for diminution value of Investment	(0.078)	-	(0.159)
(g) Per unit net income / (loss)	0.811	1.875	(0.207)
(h) Highest Purchase / Surrender Price per unit during the year	12.68	13.54	9.99
(i) Lowest Purchase / Surrender Price per unit during the year	11.09	9.84	9.79

