

IDLC Asset Management Shariah Fund

For the Period ended 31 March 2021

IDLC Asset Management Shariah Fund
Statement of Financial Position

As at March 31, 2021

Particulars	Notes	March 31, 2021	June 30, 2020
		Taka	Taka
ASSETS			
Non-Current Asset			
Preliminary and issue expenses	3	5,327,012	6,035,901
		<u>5,327,012</u>	<u>6,035,901</u>
Current Asset			
Investment in securities at market price	4	150,195,245	26,954,800
Accounts Receivables	5	5,604,746	1,756,837
Prepayments	6	487,082	700,646
Cash and cash equivalents	7	32,245,707	163,388,481
		<u>188,532,779</u>	<u>192,800,764</u>
Total Assets		<u><u>193,859,791</u></u>	<u><u>198,836,664</u></u>
OWNERS' EQUITY			
Capital Fund	8	160,001,030	201,782,710
Fair Value Reserve		16,672,943	-
Investor's Balance		305	21
Retained earnings	9	15,935,869	(4,221,380)
Total Equity		<u>192,610,147</u>	<u>197,561,351</u>
LIABILITIES			
Non-Current Liabilities			
		-	-
Current Liabilities			
Accounts payable	10	1,249,644	1,275,313
		<u>1,249,644</u>	<u>1,275,313</u>
Total Liabilities		<u>1,249,644</u>	<u>1,275,313</u>
Total Equity and Liabilities		<u><u>193,859,791</u></u>	<u><u>198,836,664</u></u>
Net asset value (NAV) per unit:			
At cost	11	11.00	9.95
At market price	12	<u>12.04</u>	<u>9.79</u>

The annexed notes from 1 to 20 form an integral part of these Financial Statements.


Chairman, Trustee
Investment Corporation of
Bangladesh


Member, Trustee
Investment Corporation of
Bangladesh


Asset Manager
IDLC Asset Management Limited

IDLC Asset Management Shariah Fund
Statement of Profit or Loss and Other Comprehensive Income
For the period ended on March 31, 2021

Particulars	Notes	July 01, 2020 - March 31, 2021	November 22, 2019 - March 31, 2020	January 31 - March 31, 2021	January 31 - March 31, 2020
		Taka	Taka	Taka	Taka
INCOME					
Profit earned on mudaraba deposits	13	1,733,569	-	220,124	-
Net gain on sale of securities	14	22,565,528	518,506	5,170,130	518,506
Dividend income	15	3,382,750	306,976	1,431,750	306,976
Total Income		27,681,847	825,482	6,822,004	825,482
EXPENDITURE					
Management fee		3,262,768	1,522,093	1,060,159	1,027,722
Brokerage Commission		1,269,982	156,355	357,626	156,355
Amortization of preliminary and issue expenses	3	708,888	338,921	232,847	235,434
Publication and other expenses	16	312,613	26,306	26,050	24,506
Trustee fee		265,227	122,595	86,122	84,646
BSEC annual fee		152,641	71,618	49,353	49,619
Amortization of DSE Shariah Index Fee		103,922	63,984	17,941	11,326
CDBL - Settlement and Demat charges		125,481	92,671	68,975	92,671
Custodian fee		100,392	3,564	44,231	3,564
Sales Agent Commission		15,212	22,080	5,523	-
Bank charges and excise duty		137,646	-	93,494	-
Total Expenditure		6,454,772	2,420,188	2,042,321	1,685,844
Income before provision for the period		21,227,074	(1,594,706)	4,779,683	(860,362)
Writeback of Provision/(provision) for diminution in value of investments	17	3,207,575	(2,268,664)	-	-
Distributable profit for the period		24,434,649	(3,863,370)	4,779,683	(860,362)
Earnings per unit during the period	18	1.53	(0.19)	0.30	(0.04)
Other Comprehensive Income					
Fair Value Reserve		16,672,943	-	(13,491,316)	-
Total Comprehensive Income		41,107,593	(3,863,370)	(8,711,633)	(860,362)

The annexed notes from 1 to 20 form an integral part of these Financial Statements.


Chairman, Trustee
Investment Corporation of Bangladesh


Member, Trustee
Investment Corporation of Bangladesh


Asset Manager
IDLC Asset Management
Limited

IDLC Asset Management Shariah Fund
Statement of Changes in Equity
For the period ended on March 31, 2021

Particulars	Amount in Taka					
	Capital Fund	Fair Value Reserve	Unit Premium	Investor's Balances	Retained Earnings	Total Equity
Opening Balance	201,782,710	-	-	21	(4,221,380)	197,561,352
Fund Collected/ (redeemed) during the period, net	(41,781,680)	-	-	-	(4,226,078)	(46,007,758)
Investor's Balances	-	-	-	284	-	284
Net income during the period	-	-	-	-	24,434,649	24,434,649
Fair Value Reserve	-	16,672,943	-	-	-	16,672,943
Purification of Income	-	-	-	-	(51,322)	(51,322)
Balance as at March 31, 2021	160,001,030	16,672,943	-	305	15,935,869	192,610,148

Statement of Changes in Equity
For the period ended on March 31, 2020

Opening Balance	-	-	-	-	-	-
Sponsor's Contribution	50,000,000	-	-	-	-	50,000,000
Fund Collected from General Investors	149,754,150	-	4,335	10	-	149,758,495
Net income/(loss) during the year	-	-	-	-	(3,863,370)	(3,863,370)
Balance as at March 31, 2020	199,754,150	-	4,335	10	(3,863,370)	195,895,125

The annexed notes from 1 to 20 form an integral part of these Financial Statements.

Signed in terms of our report of even date annexed



Chairman, Trustee

Investment Corporation of Bangladesh



Member, Trustee

Investment Corporation of Bangladesh



Asset Manager

IDLC Asset Management Limited

IDLC Asset Management Shariah Fund
Statement of Cash Flows

For the period ended on March 31, 2021

Particulars	Notes	July 01, 2020 - March 31, 2021	November 22, 2019 - March 31, 2020
		Taka	Taka
A. Cash flows from/(used in) operating activities			
Investment in marketable securities		(358,008,949)	(54,367,223)
Investment in IPO shares		(699,790)	(10,000,000)
Proceeds from sell of marketable securities		273,954,341	23,810,095
Interest income realized in cash		2,963,306	-
Dividend income received in cash		2,257,976	-
Advance, Deposit and Prepayments		(308,226)	(952,659)
Payment made for expenses		(5,246,899)	(7,401,547)
Net cash used in operating activities		(85,088,241)	(48,911,333)
B. Cash Flows from investing activities			
		-	-
C. Cash flows from financing activities			
(Redemption) / Issuance of Unit Capital, net		(41,776,765)	199,754,150
Unit Premium Reserves, net		(4,230,993)	4,335
Investor's Fund		284	10
Dividend Purification		(47,058)	-
Net cash flow from financing activities		(46,054,533)	199,758,495
D. Net cash flows (A+B)		(131,142,774)	150,847,162
E. Cash and cash equivalents at the beginning of the period		163,388,481	
F. Cash & cash equivalents at the end of the period (A+B+C)		32,245,706	150,847,162
Net Operating Cash flow per unit for the period	19	(5.32)	(2.45)

The annexed notes from 1 to 20 form an integral part of these Financial Statements.



Chairman, Trustee
Investment Corporation of
Bangladesh



Member, Trustee
Investment Corporation of
Bangladesh



Asset Manager
IDLC Asset Management Limited

IDLC Asset Management Shariah Fund

Notes to the Financial Statements

As at and for the period ended on March 31, 2021

1. Introduction of the Fund and its activities

1.1 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 Tk. 500 million divided into 50 million units of Tk. 10.00 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:

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

1.2 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 fixed income instruments. 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 Institution and Individual. Units of the Fund may be bought / surrendered through IDLC Asset Management Limited 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 AML or the selling agents from which the units are originally purchased.

2 Objectives

The objective of the Fund is to generate profit by investing in a portfolio of Shariah compliant securities as per Shariah Investment Guideline. The fund intends to deliver the profit among the investors in the form of dividend as well as capital appreciation. The Fund will also exercise 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 will be a key differentiator of the Fund from other Shariah investment vehicles currently available in Bangladesh.

IDLC Asset Management Shariah Fund
Notes to the Financial Statements
As at and for the period ended on March 31, 2021

Notes	March 31, 2021	June 30, 2020
	Taka	Taka
3 Preliminary and issue expenses		
Opening Balance	(Note: 3.1) 6,035,901	6,610,256
Less: Amortized during the period	(708,888)	(574,355)
	5,327,012	6,035,901
3.1 Preliminary and issue expenses		
Formation Fees		2,010,600
Pre-formation Management Fees		2,171,193
Application & Registration Fees paid to BSEC		1,010,000
CDBL Fees		37,558
Trust Deed Registration Fees		127,779
Printing and Publication		764,538
Other Expenses		488,587
		6,610,256
4 Investment in securities at Market price		
Investment in listed securities at cost	(Note: 4.1) 133,522,301	20,162,375
Investment in Initial Public Offering (IPO)	(Note: 4.2) -	10,000,000
	133,522,301	30,162,375
Add: Fair value reserve/ (Provision) against Unrealized gain/(loss) in portfolio	Annexure A 16,672,943	(3,207,575)
	150,195,245	26,954,800
4.1 Investment in listed securities at cost		
Cement	10,147,762	-
Engineering	16,618,719	-
Food & Allied	19,152,021	-
Fuel & Power	17,607,713	-
Information Technology	156,250	-
Miscellaneous	3,452,626	-
Pharmaceuticals	31,351,227	-
Telecommunication	35,035,983	20,162,375
<i>Details are mentioned in Annexure A</i>	133,522,301	20,162,375
4.2 Investment in Initial Public Offering (IPO)		
Walton Hi-Tech Industries Limited	-	10,000,000
	-	10,000,000
<i>*This is application money for IPO investment under Mutual Fund quota</i>		
5 Accounts Receivables		
Dividend receivables	(Note: 5.1) 1,431,750	306,976
Receivables of profit on Mudaraba Special Notice Deposit	220,124	1,449,861
Trade receivables	3,952,872	-
	5,604,746	1,756,837
5.1 Dividend receivables		
Grameenphone Limited	290,250	-
LafargeHolcim Bangladesh Limited	971,500	-
Singer Bangladesh Limited	170,000	-
Unilever Consumer Care Limited (GlaxoSmithKline)	-	306,976
	1,431,750	306,976

	March 31, 2021	June 30, 2020
	Taka	Taka
6 Prepayments		
Annual fee - BSEC	36,520	189,161
DSE Shariah Index	404,368	508,290
Trustee fee	46,194	3,195
	487,082	700,646

7 Cash and cash equivalents

Cash at bank	(Note: 7.1) 32,245,707	33,388,481
Mudaraba Term deposits (MTD)	(Note: 7.2) -	130,000,000
	32,245,707	163,388,481

7.1 Cash at bank

Name of Bank	Account Name	Account No.	Type	Balance	Balance
Shahjalal Islami Bank Limited	IDLC Asset Management Shariah Fund	11100000323	CA	-	1,332,039
	IDLC Asset Management Shariah Fund - Operations	11100000417	CA	1,081	44,309
Export Import Bank of Bangladesh Limited	IDLC Asset Management Shariah Fund	11313100055566	SND	3,030,322	-
	IDLC Asset Management Shariah Fund - Operations	11313100055585	SND	1,289,690	-
	IDLC Asset Management Shariah Fund - Trading	11313100055577	SND	27,675,363	-
Standard Chartered Bank	IDLC Asset Management Shariah Fund	01-1309915-01	CA	249,250	32,012,133
				32,245,707	33,388,481

7.2 Mudaraba Term deposits (MTD)

Name of Institution	Account No.	Term		
Islami Bank Limited	2095584	3 Months	-	45,000,000
	2095585	3 Months	-	45,000,000
	2095586	3 Months	-	40,000,000
			-	130,000,000

8 Capital Fund

Opening Balance	201,782,710	-
Sponsor's Subscription	-	50,000,000
Units (redeemed)/subscribed by Investors during the period	(41,781,680)	151,782,710
	160,001,030	201,782,710

9 Retained earnings

Opening balance	(4,221,380)	-
Add: Profit/(Loss) during the period	24,434,649	(4,183,593)
	20,213,269	(4,183,593)
Less: Units redeemed with realization of Fund's performance, net	(4,226,078)	(37,786)
	15,987,191	(4,221,380)
Less: Purification process	(51,322)	-
	15,935,869	(4,221,380)

	March 31, 2021	June 30, 2020
	Taka	Taka
10 Accounts payable		
Management fee	1,060,159	1,038,495
Tax payable for the profit on Mudaraba Deposits	11,006	72,493
Custodian fee	114,462	33,917
Audit fee	-	34,500
Purification of impure income during the period	4,264	-
CDBL fee	7,564	1,973
Payable to Investor	-	9,889
Sales Agent Commission	5,523	10,026
Publication & Other Operational Expense	46,665	74,020
	1,249,644	1,275,313
11 Net asset value (NAV) per unit at cost		
Total Asset at Market Price	193,859,791	198,836,664
Less: Unrealized gain/(loss) in portfolio	16,672,943	(3,207,575)
Total asset value at cost	177,186,848	202,044,239
Less: Accounts payable	(1,249,644)	(1,275,313)
Total net asset value at cost	175,937,204	200,768,927
Number of units	16,000,103	20,178,271
NAV per unit at cost	11.00	9.95
12 Net asset value (NAV) per unit at market price		
Total Asset at Market Price	193,859,791	198,836,664
Less: Accounts payable	(1,249,644)	(1,275,313)
Total net asset value at market price	192,610,147	197,561,352
Number of units	16,000,103	20,178,271
NAV per unit at market price	12.04	9.79
	July 01, 2020	November 22,
	March 31,	2019 - March 31,
	2021	2020
13 Profit earned on mudaraba deposits		
Mudaraba Term Deposit (MTD)	403,992	-
Mudaraba Special Notice Deposit (MSND)	1,329,577	-
	1,733,569	-
14 Gain / (Loss) from Listed Securities		
Associated Oxygen Limited	495,508	-
BBS Cables Limited	78,329	-
Bangladesh Submarine Cable Company Limited	6,025	-
Beximco Pharmaceuticals Limited	6,941,948	352,821
Dominage Steel Building Systems	1,294,970	-
EXIM Bank Limited	42,037	-
First Security Islami Bank Limited	(508,618)	-
Genex Infosys Limited	(717,918)	-
Grameenphone Limited	576,704	165,685
Islami Bank Bangladesh Limited	323,692	-
Islamic Finance and Investment Limited (IFIL)	(1,243,377)	-
LafargeHolcim Bangladesh Limited	5,926,989	-
Nahee Aluminum Composite Panel Limited	(1,226,695)	-
Olympic Industries Limited	(705,029)	-
Reckitt Benckiser (Bangladesh) Ltd.	3,418,759	-
Shahjalal Islami Bank Ltd.	(892,535)	-
Shahjibazar Power Co. Ltd	(22,844)	-
Singer Bangladesh Limited	3,068,664	-
Square Pharmaceuticals Limited	192,181	-
United Power Generation and Distribution Co. Limited	2,397,136	-
Walton Hi-Tech Industries Ltd	3,119,602	-
	22,565,528	518,506

	July 01, 2020 September 30, 2020	November 22, 2019 - June 30, 2020
	Taka	Taka
15 Dividend income		
Beximco Pharmaceuticals Limited	291,000	-
Bangladesh Submarine Cable Company Limited	330,000	-
Dominage Steel Building Systems	7,500	-
Unilever Consumer Care Limited (GlaxoSmithKline)	-	306,976
Grameenphone Limited	1,894,500	-
LafargeHolcim Bangladesh Limited	170,000	-
Singer Bangladesh Limited	290,250	-
Square Pharmaceuticals Limited	399,500	-
	3,382,750	306,976

16 Publication and other expenses

Renewal and registration fees	20,000	-
Printing and publication expenses	164,563	24,506
Other operational expenses	118,550	-
BO account maintenance fees	500	1,800
IPO subscription fees	9,000	-
	312,613	26,306

17 Write back of provision/(Provision) for diminution in value of investments

Opening Balance	3,207,575	-
Required provision against diminution in value of investments at the end of the period	-	3,207,575
Add: Write Back of provision/(Provision) during the period	3,207,575	(3,207,575)

18 Earnings per Unit (EPU)

Net income for the period (A)	24,434,649	(3,863,370)
Outstanding number of units (B)	16,000,103	19,975,415
Earnings per unit (A÷B)	1.53	(0.19)

Other Comprehensive Income (OCI) is not considered for Earnings per Unit (EPU) calculation.

The NPAT and EPU would have been BDT. 21,227,074 and BDT 1.33 respectively if the recovery of previous period's provision for diminution in value of investments have not been considered in calculating the net profit (Note - 16).

19 Net Operating Cash flow per unit

Net Operating cash flow for the period (A)	(85,088,241)	(48,911,333)
Outstanding number of units (B)	16,000,103	19,975,415
Net Operating Cash flow per unit (A÷B)	(5.32)	(2.45)

20 Purification Process

Following purification will require in the distributable income (if any) of the Fund during the period ended on March 31, 2021:

Name of the Stock	Type of Income	Income Earned (Tk)	Dividend Purification Ratio*	Required purification Amount (Tk)
		(A)	(B)	(C = A x B)
Singer Bangladesh Ltd.	Dividend	290,250	0.0004	116.10
Grameen Phone Limited	Dividend	971,500	0.0042	4,080.30
LafargeHolcim Bangladesh Limited	Dividend	170,000	0.0004	68.00
Total amount to be purified:		1,431,750	Purification amount:	4,264.40

* The Dividend Purification (DP) ratio is taken from Dhaka Stock Exchange Shariah Index

According to the Shariah Supervisory Guidelines of the Fund, the Shariah Board will decide the donation

process for the required purification amount (BDT. 4,264.40) before disbursement of any dividend from the re-distributable income of the Fund.

20.1 Purification in previous periods

Name of the Stock	Type of Income	Period ended on	Amount (Taka)	Beneficiary
Unilever Consumer Care Limited (GlaxoSmithKline)	Dividend	June 30, 2020	4,573.94	Anjuman Mufidul Islam
Grameenphone Ltd.	Dividend	September 30, 2020	3,876.60	Anjuman Mufidul Islam
Square Pharmaceuticals Limited	Dividend	December 31, 2020	16,299.60	Anjuman Mufidul Islam
Bangladesh Submarine Cable Company Limited	Dividend	December 31, 2020	21,813.00	Anjuman Mufidul Islam
Beximco Pharmaceuticals Limited	Dividend	December 31, 2020	494.70	Anjuman Mufidul Islam
			47,058	

IDLC Asset Management Shariah Fund
Details of investment in Listed Securities
As at March 31, 2021

(Amount in Taka)

A. Investment in Listed Securities:

Sl.	Sector	Name of the Company	No. of Share	Avg. Cost	Total Cost	Market Value	Total Market Value	% of Total Assets (cost)	Unrealized Gain/ (Loss)
1	Cement	LafargeHolcim Bangladesh Limited	170,000	59.69	10,147,762	49.10	8,347,000	5.73%	(1,800,762)
					10,147,762		8,347,000	5.73%	(1,800,762)
2	Engineering	Singer Bangladesh Limited	96,750	171.77	16,618,719	165.80	16,041,150	9.38%	(577,569)
					16,618,719		16,041,150	9.38%	(577,569)
3	Food & Allied	Olympic Industries Ltd.	97,900	195.63	19,152,021	164.60	16,114,340	10.81%	(3,037,681)
					19,152,021		16,114,340	10.81%	(3,037,681)
4	Fuel & Power	United Power Generation & Distribution Company Ltd.	65,000	270.89	17,607,713	265.20	17,238,000	9.94%	(369,713)
					17,607,713		17,238,000	9.94%	(369,713)
5	Information Technology	eGeneration Limited	15,625	10.00	156,250	28.60	446,875	0.09%	290,625
					156,250		446,875	0.09%	290,625
6	Miscellaneous	Berger Paints Bangladesh Ltd.	1,960	1,761.54	3,452,626	1,754.70	3,439,212	1.95%	(13,414)
					3,452,626		3,439,212	1.95%	(13,414)
7	Pharmaceuticals	Beximco Pharmaceuticals Limited	139,400	85.57	11,928,407	185.40	25,844,760	6.73%	13,916,353
8		Reckitt Benckiser(Bd.)Ltd.	857	3,646.84	3,125,339	4,546.10	3,896,008	1.76%	770,669
9		Square Pharmaceuticals Ltd.	89,250	182.60	16,297,481	196.60	17,546,550	9.20%	1,249,069
					31,351,227		47,287,318	17.69%	15,936,091
10	Telecom	Bangladesh Submarine Cable Company Limited	129,000	135.52	17,482,440	163.40	21,078,600	9.87%	3,596,160
11		Grameenphone Limited	61,500	285.42	17,553,543	328.50	20,202,750	9.91%	2,649,207
					35,035,983		41,281,350	19.77%	6,245,367
	Grand Total				133,522,301		150,195,245	75.36%	16,672,943