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## PROSPECTUS (Abridged Version)

# ICB AMCL SECOND NRB MUTUAL FUND

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<b>Total Issue</b>	<b>: 10,000,000</b>	<b>units of Tk. 100.00 each at par for</b>	<b>Tk. 1.00 billion</b>
<b>Sponsor's Contribution</b>	<b>: 1,000,000</b>	<b>units of Tk. 100.00 each at par for</b>	<b>Tk. 100.00 million</b>
<b>Reserved for Mutual Funds</b>	<b>: 1,000,000</b>	<b>units of Tk. 100.00 each at par for</b>	<b>Tk. 100.00 million</b>
<b>Non-Resident Bangladeshis</b>	<b>: 6,000,000</b>	<b>units of Tk. 100.00 each at par for</b>	<b>Tk. 600.00 million</b>
<b>Resident Bangladeshis</b>	<b>: 2,000,000</b>	<b>units of Tk. 100.00 each at par for</b>	<b>Tk. 200.00 million</b>

## Subscription

**Subscription opens: May 15, 2008**

**Subscription closes: May 29, 2008**

**For Non-Resident Bangladeshis subscription closes on June 07, 2008**

### ASSET MANAGER

**ICB AMCL SECOND NRB MUTUAL FUND**  
(A Subsidiary of ICB, registered as a public limited company under the কোম্পানি আইন ১৯৯৪)



**ICB CAPITAL MANAGEMENT LIMITED**  
(A Subsidiary of ICB)



**TRUSTEE & CUSTODIAN**  
**INVESTMENT CORPORATION OF BANGLADESH**

Date of publication of prospectus: April 10, 2008 in "The Prothom Alo", "The Daily Star" and "The Financial Express".  
The Issue/Fund shall be placed in "A" category.  
The Fund shall apply for listing with both the Stock Exchanges.

### HIGHLIGHTS

1. <b>Name</b>	ICB AMCL Second NRB Mutual Fund.
2. <b>Size of the Fund</b>	Tk. 1.00 billion divided into 10,000,000 units of Tk. 100.00 each.
3. <b>Nature</b>	Closed-end Mutual Fund of ten years tenure.
4. <b>Objective</b>	The objective of the Fund is to mobilize small savings of NRB's & increase remittance of foreign currency and to provide attractive dividend to the investors by investing the proceeds in the Capital Market & Money Market.
5. <b>Target Group</b>	Sixty per cent of the Fund's capital (i.e. 6,000,000 units of Tk. 100.00 each) is reserved for NRB. Twenty per cent (i.e. 2,000,000 units of Tk. 100.00 each) for resident Bangladeshis, ten per cent reserved for Mutual Funds and ten per cent Sponsor's portion of 1,000,000 units of Tk. 100.00 each.
6. <b>Dividend</b>	Minimum 80% income of the Fund will be distributed as dividend in Bangladeshi Taka only at the end of each accounting year. The Fund shall create a reserve fund for equalizing the dividend.
7. <b>Mode of Distribution</b>	The dividend will be distributed within 45 days from the date of declaration.
8. <b>Transferability</b>	Units are transferable. The transfer will be made by the CDBL under electronic settlement process.
9. <b>Encashment</b>	The units will be listed with DSE and CSE. So investment in this Fund will easily be encashable.
10. <b>Tax Benefit</b>	Income will be exempted from tax free up to certain level, which is permitted as per Finance Act. Investment in the Fund would qualify for investment tax credit under section 44(2) of the Income Tax Ordinance 1984.
11. <b>Report &amp; Accounts</b>	Every unit holder is entitled to receive annual report together with the yearly statement of accounts as and when published.

### RISK FACTORS

1.	The performance of the Fund is directly related with the macro economic situation particularly the capital market of Bangladesh.
2.	Since the capital market of Bangladesh is highly volatile, there is no assurance of achieving the stated objective of the Fund.
3.	Due to small number of listed securities in both the stock exchanges, it may be difficult to invest the Fund's assets in a widely diversified portfolio as and when required to do so.
4.	Stock market trends show that prices of almost all the listed securities move in unpredictable direction, which may affect the value of the Fund. Moreover, there is no guarantee that the market price of shares of the Fund will fully reflect their underlying net asset values.
5.	If the companies wherein the fund will be invested fail to pay expected dividend may affect the return of the Fund.
6.	Uncertainties like political and social instability may affect the value of the Fund's Assets.
7.	Adverse natural climatic condition may hamper the performance of the Fund.

### KEY INFORMATION ABOUT THE FUND

- Publication of Prospectus for public offering:**  
ICB Asset Management Company Ltd. has received Registration Certificate from the Securities and Exchange Commission (SEC) under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ and the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (নিউট্রিয়াল ফান্ড) বিধিমালা, ২০০১ made there under and also received approval for issuing prospectus for public offering. A complete copy of the prospectus of the public offering is available for public inspection at the registered office of the Fund.  
The Trust Deed of the Fund was registered on February 06, 2008 under the Trust Act, 1882 and Registration Act, 1908 which is also available for public inspection at registered office of the Fund.  
The SEC registered the Fund on March 17, 2008 under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (নিউট্রিয়াল ফান্ড) বিধিমালা, ২০০১.
- Approval of the Securities and Exchange Commission (SEC)**  
"APPROVAL OF THE SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THE FUND UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969 AND THE সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (নিউট্রিয়াল ফান্ড) বিধিমালা, ২০০১ IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE FUND, ANY OF ITS SCHEMES OR THE ISSUE PRICE OF ITS UNITS OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ASSET MANAGER, TRUSTEE, SPONSOR AND/OR CUSTODIAN."
- 2.1 Disclosure in respect of Security in Demat Form:**  
As per provisions of the সিকিউরিটিজ আইন, ১৯৯৩ and regulations made there under, the unit of the fund will be issued in dematerialized form only and for this purpose, the fund has signed an agreement with the Central Depository of Bangladesh Ltd. (CDBL). Therefore, all transfer/transmission, splitting or conversion will take place in CDBL system and any further issuance of units will also be issued in dematerialized form only.
- 2.2 Documents available for inspection:**  
(01) Copy of this prospectus will be available with the Members of the Stock Exchanges, website & at the registered office of the ICB Asset Management Company Limited and also at the website of Securities and Exchange Commission (www.secd.org).  
(02) Copy of Trust Deed and Investment Management Agreement will be available for public inspection during business hours at the head office of the Asset Management Company of the Fund. The Trust Deed and Investment Management Agreement may also be viewed from the website of the ICB Asset Management Company Limited.
- 3. CONDITIONS UNDER THE সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (নিউট্রিয়াল ফান্ড) বিধিমালা, ২০০১ AND SECTION 20C OF THE SECURITIES AND EXCHANGE ORDINANCE, 1969:**  
**PART-A**  
1. The Fund shall go for Public Offer (PO) for 90.00 (Ninety) lac units of Taka 100/- each at par worth Taka 90.00 (Ninety) crore following the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (নিউট্রিয়াল ফান্ড) বিধিমালা, ২০০১ the Securities and Exchange Commission (Public Issue) Rules, 2006, the সিকিউরিটিজ আইন, ১৯৯৩ and regulations issued there under.  
2. The prospectus/abridged version of the prospectus as vetted by SEC, shall be published in two widely circulated national daily newspapers (Bangla and English) within 10 (Ten) days of receipt of the approval letter. Provided that information relating to publication of prospectus in the form of advertisement be published in two national daily newspapers (Bangla and English).  
3. Sufficient copies of prospectus shall be made available by the Asset Management Company so that any person requesting a copy may receive one. A notice shall be placed on the front of the application form distributed in connection with the offering, informing that interested persons are entitled to a prospectus, if they so desire, and that copies of prospectus may be obtained from the Asset Management Company. The subscription application shall indicate in bold type that no sale of securities shall be made, nor shall any money be taken from any person, in connection with such sale until 25 (twenty five) days after the prospectus has been published.  
4. The Asset Management Company shall ensure transmission of the prospectus and relevant application forms for NRBs through e-mail, simultaneously of publication of the prospectus, to the Bangladesh Embassies and Missions abroad, as mentioned in the prospectus, and shall also ensure sending of the printed prospectus and application forms to the said Embassies and Missions within 5 (five) working days of the publication date by express mail service (EMS) of the postal department. A compliance report shall be submitted in this respect to the SEC by the Asset Management Company within 3 (three) working days from the date of said despatch of the prospectus & the forms.  
5. The paper clipping of the published prospectus/abridged version of the prospectus and all other published documents/notes regarding the Fund shall be submitted to the Commission within 24 (Twenty Four) hours of publication thereof.  
6. The Asset Management Company shall submit 40 (forty) copies of the printed prospectus, along with a diskette prepared in "MS WORD" containing the prospectus and its abridged version, as vetted by SEC, to the Securities and Exchange Commission for official record within 5 (Five) working days from the date of publication of the prospectus in the newspaper.  
7. The Asset Management Company shall also open FC account(s) to deposit the application money of the non-Resident Bangladeshis (NRBs) for Public Offering purpose, and shall incorporate full particulars of said FC account(s) in the prospectus. NRB means Bangladeshi citizens staying abroad including all those who have dual citizenship (provided they have a valid Bangladeshi passport) or those, whose foreign passport bear a stamp from the concerned Bangladesh Embassy/High Commission to the effect that no visa is required to travel to Bangladesh."  
8. Subscription shall start after 25 (Twenty five) days from the date of publication of the prospectus for both NRBs and resident Bangladeshis. Subscription will remain open for 15 (fifteen) days.  
9. Application shall be sent by the NRB applicants directly to the Asset Management Company within the closing date of the subscription so as to reach the same to the Asset Management Company by the closing date plus 9 (nine) days. Applications received by the Asset Management Company after the above mentioned time period will not be considered for allotment purpose.  
10. The Asset Management Company shall apply the spot buying rate (TT clean) in US\$, UK Pound Sterling and Euro of Sonali Bank as prevailed on the date of opening of the subscription for the purpose of application of the NRBs.

- A non-resident Bangladeshi shall apply either directly by enclosing a foreign demand draft drawn on a bank payable at Dhaka, or through a nominee by paying out of foreign currency deposit account maintained in Bangladesh or in Taka, supported by foreign currency encashment certificate issued by the concerned bank, for the value of securities applied for through crossed bank cheque marking "Account Payee only". Application shall be sent by the NRB applicants to the Asset Management Company within the closing date of the subscription so as to reach the same to the company by the closing date plus 9 (nine) days. Applications received by the company after the above time period will not be considered for allotment purpose.
- The Asset Management Company shall ensure prompt collection/ clearance of the foreign remittances of NRBs for allotment of units without any difficulty/complain.
- The Asset Management Company shall provide SEC with the preliminary status of the subscription within one week from closure of the subscription date, and also the list of valid and invalid applicants (i.e. final status of subscription) to the Commission within 3 (three) weeks after the closure of the subscription date including bank statement (original), branch-wise subscription statement, NRB application forms (photocopy attested by CEO/Authorized Officers of the Asset Management Company) regarding collection of public offer money. The final list of valid and invalid applicants shall be finalized after examining with the CDBL in respect of BO accounts and particulars thereof.
- The public offering shall stand cancelled and the application money shall be refunded immediately (but not later than 6 (six) weeks from the date of the subscription closure) if any of the following events occur:  
a. Upon closing of the subscription list it is found that the total number of valid applications is less than the minimum requirement as specified in the listing regulations of the stock exchange(s) concerned; or  
b. At least 60% (i.e. Tk. 60.00 crore) of the targeted amount (i.e. Tk. 100.00 crore) under বিমি, ৪৮ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (নিউট্রিয়াল ফান্ড) বিধিমালা, ২০০১ is not subscribed.
- Public Offer distribution system:**  
a. Units of Tk. 60.00 (sixty) crore of total public offering shall be reserved for non-resident Bangladeshi (NRB) and units of Tk. 10.00 (ten) crore for mutual funds and collective investment schemes registered with the Commission, and the remaining units of Tk. 20.00 (twenty) crore shall be open for subscription by the general public.  
b. All securities/units stated in para (a) shall be offered for subscription and subsequent allotment by the Asset Management Company subject to any restriction which may be imposed from time to time by the Securities and Exchange Commission.  
c. In case of over subscription under any of the 3 (three) categories mentioned in para (a), the Asset Management Company shall conduct an open lottery of all the applications received under each category separately in accordance with the SEC's instructions.  
d. In case of under-subscription under any of the 2 (two) categories [i.e. units of Tk. 60.00 (sixty) crore and units of Tk. 10.00 (ten) crore] mentioned in para (a), the unsubscribed portion shall be added to the general public category [units of Tk. 20.00 (twenty) crore] and, if after such addition, there is over subscription in the general public category, the Asset Management Company shall conduct an open lottery of all the applicants added together.  
e. The lottery as stated in para (c) and (d) shall be conducted in presence of the authorized representatives of the Stock Exchange(s) concerned, Sponsor, Asset Management Company, Trustee and the applicants.  
6. Lottery (if applicable) will be held within 5 (five) weeks from closure of the subscription date.  
7. The Asset Management Company shall issue unit allotment letters to all successful applicant's within 6 (six) weeks from the date of the subscription closing date. Within the same time, refund to the unsuccessful applicant's shall be made in the currency in which the value of units was paid for by the applicant's without any interest, through direct deposit to the applicant's bank account as far as possible/Account Payee Cheque/Refund warrants with bank account number, bank's name and branch as indicated in the securities application forms payable at Dhaka /Chittagong/ Khulna/ Rajshahi/Banail/ Sylhet/Bogra, as the case may be. In this regards a compliance report shall be submitted to the Commission within 7 (seven) days from the date of completion of the allotment of units and refund warrants (if applicable).  
8. The Asset Management Company shall furnish the List of Allottees to the Commission and the stock exchange(s) simultaneously in which the units will be listed, within 24 (twenty four) hours of allotment.  
9. Unit Certificates for 110th of the Sponsors contribution amounting Tk. 1.00 (one) crore shall be subject to a lock-in for the whole life of the Fund;  
10. If the Asset Management Company fails to collect the minimum 60% of the targeted amount under বিমি ৪৮ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (নিউট্রিয়াল ফান্ড) বিধিমালা, ২০০১, it will refund the subscription money within 6 (six) weeks from the closure of subscription without any deduction. In case of failure, the Asset Management Company shall refund the same with interest @18 (Eighteen) per cent per annum from its own account within the next month;  
11. In case of over subscription, the excess amount shall be refunded within 6 (six) weeks from the closure of subscription period, failing which the Asset Management Company will refund the same with an interest @ 18 per cent per annum from its own account within the next month;  
12. The Asset Management Company shall publish a notice through the newspaper to all successful applicants within 6 (six) weeks from the closing of subscription for collection of allotment letters;  
13. The Asset Management Company shall apply for listing of the Fund with stock exchange(s) within 9 (nine) days of first publication of the prospectus;  
14. **Declaration about Listing of Fund with the Stock Exchange(s):**  
"None of the stock exchange(s), if for any reason, grants listing within 75 (seventy five) days from the closure of subscription, any allotment in terms of this prospectus shall be void and the Asset Management company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchange(s), or from the date of expiry of the said 75 (seventy five) days, as the case may be.  
In case of non-refund of the subscription money within the aforesaid fifteen days, The Asset Management Company, in addition to the Sponsor and Trustee, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.  
The Asset Management Company, in addition to the Sponsor and Trustee shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within seven days of expiry of the aforesaid fifteen days time period allowed for refund of the subscription money."
- Letter informing allotment shall be issued within 6 (six) weeks from the closure of subscription;**  
The Fund shall maintain escrow bank account for proceeds of public offering. The Fund collected through public offering shall not be utilized prior to the allotment and shall be effected through banking channel i.e., through account payee cheque, pay order, bank draft etc.;  
27. The Fund shall not be involved in option trading, short selling or carry forward transactions;  
28. The annual report of the Fund/its abridged version shall be published within 45 (forty-five) days of the closure of each accounting year of the Fund;  
29. An annual report and details of investment and savings of the Fund shall be submitted to the Commission, Trustee and Custodian of the Fund within 90 (ninety) days from the closure of the accounts;  
30. Half-yearly accounts/financial results of the Fund shall be submitted to the Commission and the stock exchanges and published in at least one widely circulated Bangla national daily newspaper within 30 (thirty) days from end of the period;  
31. Dividend shall be paid within 45 (forty five) days of its declaration, and a report shall be submitted to SEC, Trustee and Custodian within 7 (seven) days of dividend distribution;  
32. Net Asset Value (NAV) of the Fund shall be calculated and disclosed publicly as per বিমি ৬০ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (নিউট্রিয়াল ফান্ড) বিধিমালা, ২০০১;  
33. SEC may appoint auditors for special audit/investigation on the affairs of the Fund, if it so desires;

### PART-B

- The Asset Management Company (i.e. ICB Asset Management Company Ltd.) shall ensure that the prospectus/abridged version of the prospectus is published correctly and in strict conformity without any error/omission, as vetted by the Securities and Exchange Commission.
- The Asset Management Company shall carefully examine and compare the published prospectus/abridged version of the prospectus on the date of publication with the prospectus, as vetted by SEC. If any discrepancy/inconsistency is found both the sponsor and the Asset Management Company shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to SEC and the stock exchange(s) concerned, correcting the discrepancy/inconsistency as required under "Declaration" provided with SEC.
- The sponsor and the Asset Management Company shall immediately after publication of the prospectus jointly inform the Commission in writing that the published prospectus/abridged version of the prospectus is a verbatim copy of the prospectus vetted by the Commission.
- The sponsor and the Asset Management Company shall simultaneously submit to the Commission an attested copy of the application filed with the stock exchange(s) for listing of the securities.
- The Fund collected through public offering shall not be utilized prior to allotment and/or issuance of unit, as and when applicable, and that utilization of the said Fund shall be effected through banking channel, i.e. account payee cheque, pay order or bank draft etc.

### PART-C

- All the above imposed conditions shall be incorporated in the prospectus/abridged version immediately after the page of the table of contents where applicable, with a reference in the table of contents, prior to its publication.
- The Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the Sponsor, Asset Management Company, Trustee and Custodian.

### PART-D

- As per provision of the সিকিউরিটিজ আইন, ১৯৯৩ and regulations made there under, units shall only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of units will be issued in dematerialized form only.  
An applicant (including NRB) shall not be able to apply for allotment of units without beneficial owner account (BO account).
- The Asset Management Company shall also ensure due compliance of all above mentioned conditions.

### 4. DECLARATIONS:

**4.1 Declaration about the responsibility of the Sponsor**  
The sponsor whose name appears in this prospectus, accept full responsibility for the authenticity and accuracy of the information contained in this prospectus and other documents regarding the Fund. To the best of the knowledge and belief of the sponsor, who has taken all reasonable care to ensure that all conditions and requirements concerning this public issue and prospectus have been met and there is no other information or documents, the omission of which may make any information or statements therein misleading.  
The sponsor also confirms that full and fair disclosures have been made in this prospectus to enable the investors to make an informed decision for investment.

Sd/-  
(Md. Itikhar-uz-zaman)  
Chief Executive Officer  
ICB Capital Management Ltd.

**4.2 Declaration about the responsibility of the Asset Management Company**  
This prospectus has been prepared by us based on the Trust Deed, Investment Management Agreement, the Securities and Exchange Commission (Public Issue) Rules, 2006, the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (নিউট্রিয়াল ফান্ড) বিধিমালা, ২০০১, the সিকিউরিটিজ আইন, ১৯৯৩ and other related agreement & examination of other documents as relevant for adequate disclosure. We also confirm that:  
(a) the prospectus is in conformity with the documents, materials and papers related to the issue;  
(b) all the legal requirements of the issue have been duly fulfilled; and  
(c) the disclosures made are true, fair and adequate for investment decision. An investor who is not interested to take a moderate degree of risk need not apply, as risk factor is associated with the investment under the Fund.

Sd/-  
(Dina Ahsan)  
Chief Executive Officer  
ICB Asset Management Company Ltd.

**4.3 Declaration about the responsibility of the Trustee:**  
We, as Trustee of the ICB AMCL Second NRB Mutual Fund, accept the responsibility and confirm that we shall:  
a. be the guardian of the Fund, held in trust for the benefit of the unit holders in accordance with the Rules & Trust Deed;  
b. always act in the interest of the unit holders;  
c. take all reasonable care to ensure that the Fund floated and managed by the Asset Management Company are in accordance with the Trust Deed and the Rules;  
d. make such disclosure by the Asset Management Company to the investors as are essential in order to keep them informed about any information, which may have any bearing on their investments;  
e. take such remedial steps as are necessary to rectify the situation where they have reason to believe that the conduct of business of the Fund is not in conformity with the relevant Rules.

Sd/-  
(Md. Ziaul Haque Khondker)  
Managing Director  
Investment Corporation of Bangladesh

**4.4 Declaration about the responsibility of the Custodian:**  
We, as Custodian of the ICB AMCL Second NRB Mutual Fund accept the responsibility and confirm that we shall:  
a. keep all the securities in safe custody and shall provide the highest security for the assets of the Fund; and  
b. preserve necessary documents and record so as to ascertain movement of assets of the Fund as per Rules.

Sd/-  
(Md. Ziaul Haque Khondker)  
Managing Director  
Investment Corporation of Bangladesh

**5. Background of Initiating a closed-end ICB AMCL Second NRB Mutual Fund:**  
Mutual Fund presently is one of the fastest growing sectors through out the world. In Bangladesh ICB is the harbinger of Mutual Funds. Out of the total 17 Mutual Funds, ICB and its Subsidiary have so far floated 14 Mutual Funds in the Market. Among these 14 (thirteen) Mutual Funds, the ICB Asset Management Company Limited has floated 5 (five) Mutual Funds of which ICB AMCL Islamic Mutual Fund, ICB AMCL First NRB Mutual Fund and ICB AMCL Pension Holders' Unit Fund (Open end) are 3 (three) non-conventional Mutual Funds. The other 2 (two) Funds are conventional named ICB AMCL First Mutual Fund and ICB AMCL Unit Fund. The ICB AMCL Second NRB Mutual Fund is also a non-conventional Mutual Fund. In Bangladesh there are no Mutual Fund for non-resident Bangladeshis without ICB AMCL First NRB Mutual Fund. Keeping in view the situation, ICB capital Management Limited come forward with the proposal to act as sponsor of a Mutual Fund. ICB itself will be the Trustee and Custodian of the Fund whereas ICB Asset Management Company Ltd. will act as the Fund Manager of the said Mutual Fund.

**6. Present condition of the capital market regarding formation of a Mutual Fund:**  
During the second half of FY 2006-07 the securities market witnessed buoyancy and vibrancy after one year of sluggish trend. Turnover recorded all time high on June 26, 2007 at Tk. 279.93 crore in FY 2006-07, while stock prices stood up sharply. The general price index of the Dhaka Stock Exchange Limited (DSE) climbed to 2149.32 point at the end of June 2007. Market capitalization boosted over to US\$ 7.00 billion. The market capitalization to GDP (based on DSE statistics) stood at 10.18 per cent on June 30, 2007, which was 5.18 per cent a year ago.  
Like in the previous year, looking at the capital market, the stock exchanges in the country witnessed a strong bullish trend in first half of FY 2007-08. The DSE General Price Index stood at 3017.21 on December 31, 2007. The total market capitalization of DSE was US\$ 10994 million and the market capitalization to GDP ratio stood at 15.88 per cent on December 31, 2007. The significant and active participation by the institutional, foreign portfolio and retail investors, aided by market liquidity, kept the market buoyant.

### 7. Brief Description of the Fund

**7.1 Sponsor of the Fund:**  
ICB Capital Management Ltd. (ICML), a subsidiary of ICB will be the sponsor of the Fund. ICB Capital Management Ltd. (ICML) was created as part of the restructuring program of ICB under Capital Market Development Program (CMDP) initiated by the Government of the Peoples Republic of Bangladesh (GOB) and the Asian Development Bank (ADB). The company was incorporated as a public Ltd. company under the কোম্পানি আইন, ১৯৯৩ with the Registrar of Joint Stock Companies & Firms on December 05, 2000. Registration of the company with the SEC was also obtained on October 16, 2001 and the gazette notification of Government of the Peoples Republic of Bangladesh has been issued with a view to carry out the merchant banking activities. Although it is a newly created company, it has enormous scope of expansion and growth in the field of merchant banking as ICB is not undertaking any new business in this area rather these functions are being carried out by this company.  
The present authorized capital of the Company is Tk. 100.00 crore and paid up capital is Tk. 8.00 crore. The company in addition to other operational activities has already sponsored two open ended and three closed-end Mutual Funds within short span of time.

The company is being managed by high caliber professional people mostly taken from ICB. An independent board consisting people from private and public sectors provides guidance in framing objectives & policies of the company. Besides, ICB as holding company, also supervise and control the performance of the company.

### 7.2 Trustee & Custodian of the Fund:

In order to ensure maximum trust and confidence of the investors, supervisory bodies and the persons concerned towards the fund, the Investment Corporation of Bangladesh (ICB) itself will act as the trustee & custodian of the Fund.  
The Investment Corporation of Bangladesh (ICB) was established on 01 October 1976 under "The Investment Corporation of Bangladesh" Ordinance, 1976 (No. XL of 1976) with a view to encouraging and broadening the base of investment, develop the capital market, mobilize savings, promote and establish subsidiaries for business development & provide for matters ancillary thereto. Over the years, the activities of ICB have grown manifold, particularly in Merchant Banking, Mutual Funds operations and stock brokerage activities. ICB is the biggest investment bank and the harbinger of mutual funds in the country. Out of country's 14 (fourteen) closed-end mutual funds, ICB manages 8 (eight) funds. ICB also manages the biggest open-end fund in the country. It was also the single largest stockbroker and dealer in Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

In the reporting year, ICB and its subsidiary companies' contribution to total turnover (Tk. 20030.45 crore) of both the bourses was 8.52 per cent, which was 11.87 per cent in the preceding year.  
Up to June 2007, ICB acted as trustee to the debenture issues of 17 companies involving Tk. 184.15 crore, issues of bonds of 5 companies involving Tk. 134.86 crore. ICB also performed the responsibilities of trustee as well as custodian to 4 closed-end mutual funds of Tk. 50.00 crore and 2 open-end mutual funds with initial capital of Tk. 10.00 crore each as on June 30, 2007.

As on June 30, 2007, the number of ICB assisted securities were 126 out of 325 listed securities of Dhaka Stock Exchange Limited. Out of 219 listed securities of Chittagong Stock Exchange Limited, ICB assisted securities totaled 86. Besides portfolios of over 47,516 investors (margin) accounts, institutional portfolios including mutual funds and unit fund are also being managed by ICB. The corporation has long and proven experience in advisory function, particularly in buying and selling of shares, corporate re-structuring and engineering, off loading of government shares and hosts of other merchant banking related activities for the benefit of its clients. Since inception, ICB has been playing a unique role in the development of country's capital market.

### 7.3 Asset Manager of the Fund:

ICB Asset Management Company Ltd. (ICB AMCL) a subsidiary of ICB will act as the Asset Manager of the Fund. ICB Asset Management Company Ltd. (ICB AMCL) was also created as part of the restructuring program of ICB under Capital Market Development Program (CMDP) initiated by the Government of the Peoples Republic of Bangladesh and Asian Development Bank (ADB). The company was incorporated as a public limited company under the কোম্পানি আইন, ১৯৯৩ with the Registrar of Joint Stock Companies & Firms on 05 December 2000. Registration of the company with the SEC was obtained on October 14, 2001. The company has also obtained necessary Government Gazette Notification on July 01, 2002 to carry out the Mutual Fund operations.

The present authorized capital of the Company is Tk. 100.00 crore and paid-up capital is Tk. 5.00 crore. The company has been successfully managing three closed-end Mutual Funds and two open-ended Mutual Funds for the last five years. As per relevant provision of the ICB Ordinance, Corporation shall hold all or majority shares and may review business objectives, supervise and control its performance. The CEO and other key personnel have been deputed to the company from ICB. An independent Board consisting 50 per cent directors from ICB and the rest from private sector has been created.

### 7.4 Auditors:

Huda Vasi Chowdhury & Co., Chartered Accountants has been appointed as the Auditor of the Fund for the first year. They are one of the reputed audit firms of the country. The Trustee shall appoint subsequent auditors.

### 7.5 Life, objectives and nature of the Fund:

The Fund will be a closed-end mutual fund of 10 years tenure. The objective of the Fund is to mobilize small savings of NRB's & increase remittance of foreign currency and to provide attractive dividend to the investors by investing the proceeds in the Capital Market & Money Market.