

1. The Commission

Professor Dr. M. Khairul Hossain, Chairman

Professor Md. Helal Uddin Nizami, Member

Mr. Md. Amzad Hossain, Member

Mr. Md. Arif Khan, Member

Mr. Md. A. Salam Sikder, Member

2. Executive Directors of the Commission:

1. Mr. Abdul Hannan Zoarder ED (Presently under lien to BICM for 2 years)

2. Mr. Anwarul Kabir Bhuiyan ED (OSD)

3. Mr. Farhad Ahmed ED

4. Mrs. Ruksana Chowdhury ED

5. Mr. A.T.M. Tariquzzaman ED

6. Mr. Anowarul Islam ED

7. Mr. Saifur Rahman ED

8. Mr. Ashraful Islam ED

9. Mr. M. Hasan Mahmud ED

3. Head of the Departments of the Commission

1. Mr. Farhad Ahmed	ED (Admin, Finance and Enforcement)
2. Mrs. Ruksana Chowdhury	ED (CMRRC and Law)
3. Mr. A.T.M. Tariquzzaman	ED (Corporate Finance and R&D)
4. Mr. Anowarul Islam	ED (SRMIC and CDS)
5. Mr. Saifur Rahman	ED (SRI)
6. Mr. Ashraful Islam	ED (Surveillance and MIS)
7. Mr. M. Hasan Mahmud	ED (Capital Issue and MF&SPV)
8. Mr. Mahbubul Alam	Director (Registration)

4. Establishment of the Commission

The Securities and Exchange Commission (SEC) was established on 8th June, 1993 under the Securities and Exchange Commission Act, 1993. The Chairman and Members of the Commission are appointed by the government and have overall responsibility to administer securities legislation. The Commission is a statutory body and attached to the Ministry of Finance.

5. Mission of the Commission

- Protect the interests of securities investors.
- Develop and maintain fair, transparent and efficient securities markets.
- Ensure proper issuance of securities and compliance with securities laws.

6. Main Functions of the Commission

- Regulating the business of the Stock Exchanges or any other securities market.
- Registering and regulating the business of stock-brokers, sub-brokers, share transfer agents, merchant bankers and managers of issues, trustee of trust deeds, registrar of an issue, underwriters, portfolio managers, investment advisers and other intermediaries in the securities market
- Registering, monitoring and regulating of collective investment scheme including all forms of mutual funds.
- Monitoring and regulating all authorized self regulatory organizations in the securities market.
- Prohibiting fraudulent and unfair trade practices relating to securities trading in any securities market.
- Promoting investors' education and providing training for intermediaries of the securities market.
- Prohibiting insider trading in securities.
- Regulating the substantial acquisition of shares and take-over of companies.
- Undertaking investigation and inspection, inquiries and audit of any issuer or dealer of securities, the Stock Exchanges and intermediaries and any self regulatory organization in the securities market.
- Conducting research and publishing information.

7. SEC Member's Profile



Mr. Md. A. Salam Sikder has joined Securities and Exchange Commission as Member on 14.07.2011. As a member of Bangladesh Civil Service (Judicial) Cadre he went on retirement on 28.01.2011 from Barisal as District and Sessions Judge. Mr. Salam Sikder was born in a renowned Muslim family of Pirojpur District Sadar on 29th January 1952. He passed the S.S.C, H.S.C Examination in 1968 and 1970 respectively. Thereafter, he had obtained

graduation with honors and postgraduate in Political Science and L.L.B. from Dhaka University (1970-1977). Mr. Salam Sikder was a lecturer of Pirojpur College from 1979-1980. Thereafter, he had joined in Pirojpur District BAR in 1981 and started legal practice as an Advocate. On 20.04.1983 he joined in Bangladesh Civil Service (Judicial) Cadre as an Assistant Judge. Thereafter, on promotion he served as Sub Judge, Additional District and Sessions Judge and District and Sessions Judge in different Districts including Barisal and Dhaka. During his service tenure he had under gone Judicial Administration training, Survey and settlement training, Special foundation course in Bangladesh.

Mr. Md. A. Salam Sikder is a Freedom Fighter. In 1971, during war of liberation he went India and obtained Military Training in Chakulia Training Center of Bihar. He took active part in the war of liberation in Sector No. 9 and fought against Pakistani Military in Different places including Sundarban.

8. Corporate Finance

CFD's activities for the quarter: July-September, 2011

Sl. No.	Particulars	Action taken	No. of Company
01.	Qualified audit report and/or CFD's observation on the audited financial statements.	Referred to Enforcement Department for necessary action against the companies as their clarification regarding auditors' qualified report and/or Commission's observations were not satisfactory.	02
		Companies referred to SRMIC Department for appropriate action since there was significant doubt about their ability to continue as going concern.	03
		Explanations received from the companies. The matters have been put-up and subsequently disposed off.	08
02.	Time extension for submission of audited financial statements for the year ended on December 31, 2010.	Time extended.	02

03.	Clearance for re-appointment of existing auditors for the consecutive period exceeding three years.	Clearance accorded.	03
		Clearance not accorded.	01
		Company has been referred to Enforcement Department for appropriate action for retention of existing statutory auditors for FY 2011 for a consecutive period exceeding 3 years without the clearance of the Commission	01
04.	Reports on utilization of IPO/Right Issue/Convertible preference shares.	Reports on utilization of fund raised through issuance of IPO/Right Issue/Convertible preference shares have been examined and put-up for information of the Commission.	16
05.	Quarterly financial statements.	Referred to Enforcement Department for making incorrect/false information/figure in their 3 rd Quarterly financial statements.	01
06.	Enlistment of Valuer	A list of Valuer for valuation of assets & liabilities of statement owned companies has been prepared and present the same in the Commission's website.	

9. Capital Issue

CONSENT LETTER ISSUED TO PRIVATE LIMITED COMPANIES				
DURING: July to September 2011				
SL NO	NAME OF THE COMPANY	PARTICULARS	DATE OF CONSENT LETTER ISSUED	AMOUNT
1	C. P. Bangladesh Co. Limited	Post-facto approval for Ordinary shares of 50,00,000 Tk. 100/- each at par	01.07.2011	500000000

		totaling Tk. 50,00,00,000/-		
2	C. P. Bangladesh Co. Limited	Tk. 50,00,00,000/- (taka fifty crore)	03.08.2011	500000000
3	Bashundhara Textiles Mills Limited	Paid up capital of Tk. 70,00,00,000/- of proposed company.	05.09.2011	700000000
4	Bashundhara Multi Paper Industries Ltd.	Ordinary Shares of Tk. 150,00,00,000.00	03.08.2011	1500000000
5	Salek Textiles Limited.	Ordinary shares of Tk.18,99,26,900/-	12.07.2011	189926900
6	Fareast Stocks & Bonds Limited	Ordinary shares of 53,55,622 @ Tk. 10 totaling Tk. 5,35,56,220.	11.07.2011	53556220
7	Knit Asia Limited	Bonus shares 21,00,000 @ 100/- totaling Tk. 21,00,00,000.	26.07.2011	210000000
8	Genuity Systems Limited	10,00,000 bonus shares of Tk. 100/- each at par totaling Tk. 10,00,00,000.	28.07.2011	100000000
9	IDLC Securiites Limited	20,00,000 bonus shares of Tk. 100/- each at par totaling Tk. Tk. 20,00,00,000/- .	24.07.2011	200000000
10	Palmy Shoes Limited	Ordinary shares of 15,00,000 @ Tk.100 totaling 15,00,00,000.	28.07.2011	150000000
11	FAR Ceramics Limited	Ordinary and bonus shares of Tk. 40,00,00,000.00	28.07.2011	400000000

12	Unicorn Industries Ltd.	Ordinary Shares of Tk. 5,00,00,000.00	13.07.2011	50000000
13	Supreme Seed Company Limited	Bonus shares of 2,50,000 @ Tk.1000 totaling 25,00,00,000.	04.08.2011	250000000
14	Newtex Design Ltd.	Ordinary shares of Tk. 9,69,00,000.00	03.08.2011	96900000
15	Rakeen Development (BD) Limited.	1,33,90,560 ordinary shares @ Tk. 100 each amounting to Tk. 133,90,56,000/-	08.08.2011	1339056000
16	BRAC EPL Stock Brokerage Limited	Bonus shares of 25,00,000 @ Tk. 100 each amounting to Tk. 25,00,00,000.	03.08.2011	250000000
17	EPIC Garments Manufacturing Co. Limited	Ordinary shares of 5,98,570 @ Tk. 100 totaling Tk. 5,98,57,000 .	10.08.2011	59857000
18	BRAC EPL Investments Ltd.	Bonus Shares of Tk. 9,00,00,000	11.08.2011	90000000
19	CMI Limited	Ordinary Shares of Tk. Tk. 39,50,00,000/-	08.09.2011	395000000
20	Speed Limited Aviation	Ordinary shares 1,00,029 @ Tk. 1000 each amounting to Tk. 10,00,29,000/-.	08.09.2011	100029000
21	Wintel Limited	Ordinary shares of 53,55,622 @ Tk. 10 totaling Tk. 5,35,56,220.	08.09.2011	53556220
22	Swadesh Investment Management Limited	Ordinary Shares of Tk. 20,00,00,000.00	19.08.2011	200000000
23	ACI Godrej Agrovet	Preference Shares	12.09.2011	300000000

	Private Limited.	of 30,00,00,000.00	Tk.		
24	DBL Securities Limited	Ordinary of 1,50,00,000 @ Tk. 10 totaling Tk. 15,00,00,000.		27.09.2011	150000000
25	Venture Investment Partners Bangladesh Ltd.	Ordinary Shares of 3,50,00,000.00	Tk.	05.07.2011	35000000
26	IEL Consortium & Associates Limited	Ordinary Shares of 99,75,00,000	Tk.	05.07.2011	997500000
27	AAA Consultant Limited	Ordinary Shares of Tk. 15 crore		13.09.2011	50000000
	Total				8920381340

**CONSENT LETTER ISSUED TO PUBLIC LIMITED COMPANIES
DURING: July to September, 2011**

SL NO	NAME OF THE COMPANY	PARTICULARS	DATE OF CONSENT LETTER ISSUED	AMOUNT
1	Broad Band Telecom Services Limited	Ordinary shares 5,00,000 @ Tk. 100 each amounting to Tk. 5,00,00,000/-.	07.07.2011	50000000
2	Beximco Limited	Ordinary shares of Tk. 10,72,82,9200/-	25.07.2011	1072829200
3	United Power Generation and Power Distribution Company Limited	Bonus shares of Tk. 90,95,75,740/-	08.09.2011	909575740
4	Janata Bank Limited	Right shares of Tk. 312,50,00,000/-	08.09.2011	3125000000
5	Express Insurance Limited.	Bonus shares of Tk. 2,20,50,000/-	11.09.2011	22050000

6	M P Spinning Mill Limited	Bonus Shares of Tk. 16,60,00,000	05.07.2011	166000000
7	GPH Ispat Limited	Bonus shares of Tk. 20,00,00,000/-	18.08.2011	200000000
8	Imperial Hospital Limited	Ordinary Shares of Tk. 75,50,80,000.00	19.09.2011	755080000
9	PFI Securities Limited	Bonus Shares of Tk. 54,60,00,000.00	14.08.2011	546000000
10	Essential Drugs Company Limited	Bonus Shares of Tk. 32,43,34,500.00	21.08.2011	324334500
11	The Peninsula Chittagong Limited	Bonus Shares of Tk. 23,12,50,000.00	11.09.2011	231250000
12	Bangladesh Infrastructure Fund Limited	Ordinary Shares of Tk. 1600,00,00,000.00	16.08.2011	16000000000
13	Rangs Pharmaceuticals Limited	Raising of paid up capital from Tk. 10 crore to Tk. 92 crore by issuing ordinary and bonus shares.	18.09.2011	820000000
14	Tung Hai Knitting & Dyeing Ltd.	Ordinary shares of Tk 25,70,00,000 crore	25.09.2011	257000000
	Total			24479119440

Status Report of Rights Issue for July-Sep, 2011

Serial No.	Name of the Company	Date of Approval	Number of shares	Amount (BDT)
1	International Leasing and Financial Services Limited	19.07.2011	Approval of rights issue of 81,46,600 ordinary shares of Tk.100/- each at par totaling Tk. 81,46,60,000/- at a ratio of 1R:1	814,660,000.00
2	Federal Insurance Company Limited	19.07.2011	Approval of rights issue of 2,51,32,216 ordinary shares of Tk.10/- each at par totaling Tk. 25,13,22,160/- at a ratio of 2R:1	251,322,160.00
3	United Airways (BD) Ltd.	26.07.2011	Approval of rights issue of 21,00,00,000 ordinary shares of Tk.10/- each at an issue price of Tk. 20 each (including premium of Tk. 10 each) totaling Tk. 420,00,00,000.00 at a ratio of 1R:1	4,200,000,000.00
4	Bank Asia Limited	23.08.2011	Approval of rights issue of 1,05,09,581 ordinary shares of Tk.100/- each at par totaling Tk. 105,09,58,100/- at a ratio of 1R:4	1,050,958,100.00

5	Lafarge Surma Cement Ltd.	08.09.2011	Approval of rights issue of 5,80,68,675 ordinary shares of Tk.100/- each at par totaling Tk. 580,68,67,500/- at a ratio of 1R:1	5,806,867,500.00
6	Premier Leasing & Finance Limited	15.09.2011	Approval of rights issue of 52,09,282 ordinary shares of Tk.100/- each at par totaling Tk. 52,09,28,200/- at a ratio of 1R:1	520,928,200.00

Particulars of the issues for which Commission accorded consent for publication of Prospectus during July-September, 2011

Sl. No	Name of the Co	Name of the Issue Manager	Date of Approval	Face value Per share	Total Capital (In Tk.) (9+13)	Sponsors Equity (Excluding premium, In Tk.)			Public Equity (Excluding premium, In Tk.)			Total (10+11+12)	Remarks	Subscribed amount Ref Col No 10	Date of Subscription Opens: Closes:
						Local	Foreign	Total	General Public	Foreign placement	Local placement				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	17
1.	Rangpur Dairy & Food Products Limited.	Alliance Financial Services Limited	21/07/11	10.00	40.00 crore	23.6586 crore	-	23.6586 crore	16.3414 crore	-	-	16.3414 crore	Issue price of Tk.18.00 per share(At a premium of Tk.8.00 per share)	546.95376 crore	11.09.11 15.09.11
2.	Zahintex Industries Ltd.	AAA Consultants & Financial Advisers Ltd.	08/08/11	10.00	45.00 crore	25.00 crore	-	25.00 crore	20.00 crore	-	-	20.00 crore	Issue price of Tk.25.00 per share(At a premium of Tk.15.00 per share)	800.26875 crore	18.09.11 22.09.11
3.	Bangladesh Shipping Corporation (RPO)	ICB Capital Management Limited	05/09/11	100.00	82.74 crore	20.00 crore	-	20.00 crore	62.74 crore	-	-	62.74 crore	RPO issue price of Tk.500.00 per share(At a premium of Tk.400.00 per share)	381.55275 crore	09.10.11 13.10.11

10. Surveillance

Daily Market Surveillance: As part of daily market surveillance, the surveillance officials watch and analyze the trading activities in both the stock exchanges through non trading on-line surveillance system in order to find out irregularities, suspicious trading and market misconducts, if any. At the end of

trading, a daily trade report, at the end of week, weekly trade report & monthly trade report is prepared by pointing out market conditions and submitted to the Chairman, the Members and the EDs of the Commission.

Investigation and Enquiry: In connection to fair-trading and confidence of investors in the securities market it is necessary to ensure proper compliance of securities related laws, rules and regulations through inspection & investigation in suspicious and manipulative cases. In this regard, the following stock-brokers/stock-dealers activities have been investigated by SEC, Dhaka Stock Exchange and Chittagong Stock Exchange during the referred period.

Enquiry/Inspection/Investigation Initiated by SEC:

Nature of Enquiry & Investigation	Investigation & Enquiry Against	Inspection & Enquiry Conducted By
Investigation on Unusual Trading in Shares of Saiham Textile Mills Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of Beach Hatchery Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of Alltex Industries Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of Beacon Pharmaceuticals Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of Chittagong Vegetable Oil Industries Limited.	_____	Dhaka Stock Exchange Ltd.

Investigation on Unusual Trading in shares of Eastern Housing Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of FU-WANG Foods Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of MI Cement Factory Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of MJL Bangladesh Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of Maksons Spinning Mills Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of Bangladesh Finance & Investment Company Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of Bangladesh Industrial Finance Company Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of Dhaka Insurance Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Unusual Trading in Shares of FAS Finance & Investment Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Aggressive Selling in Shares of Islami	Phoenix Securities	Dhaka Stock Exchange Ltd.

Insurance Bangladesh Limited by Phoenix Securities Limited (DSE Member # 4) on September 12, 2011.	Limited (DSE Member # 4)	
Investigation on Aggressive Selling in Shares of different listed securities by stock brokers on September 18, 2011.	_____	Dhaka Stock Exchange Ltd.

Inspection/ Investigation initiated by DSE:

Nature of Enquiry & Investigation	Investigation & Enquiry Against	Inspection & Enquiry Conducted By
Investigation on unusual trading in shares of Legacy Footwear Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Trading in Shares of National Tea Company Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on unusual buy orders of Bangladesh Services Limited on June 15, 2011.	_____	Dhaka Stock Exchange Ltd.
Investigation on trading in shares of Lafarge Surma Cement Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on unusual trading in shares of One Bank Limited by Mr. A.K.M. Arifur Rahman.	Mr. A.K.M. Arifur Rahman	Dhaka Stock Exchange Ltd.
Investigation on Trading in Shares of Reckitt Benckiser (Bangladesh) Limited by Mr.	Mr. Abdur Rahim &	Dhaka Stock Exchange Ltd.

Abdur Rahim & Associates.	Associates	
Investigation on Trading in Shares of GQ Ball Pen Industries Limited.	_____	Dhaka Stock Exchange Ltd.
Investigation on Trading in Shares of Mutual Trust Bank Ltd., Trust Bank Ltd., and First Security Islami Bank Ltd.	_____	Dhaka Stock Exchange Ltd.
Investigation on Trading in Shares of R.N. Spinning Mills Limited.	_____	Dhaka Stock Exchange Ltd.

11. Registration

Issuance and Renewal of Stock Dealer /Stock Broker Registration Certificate:

During July – September 2011, the Commission issued 4 (Four) stock broker and 5 (Five) stock dealer registration certificates in favor of different members of Dhaka Stock Exchange Ltd. and 1 (One) Stock broker and 1 (One) Stock dealer registration certificates in favor of Chittagong Stock Exchange Ltd. under *ৱৱৱKDwi ৱJR I G. †PÄ Kugkb (÷K ৱWj vi , ÷K te†Kvi I Ab†gৱ Z c†Zwbwa) ৱewagvj v, 2000.*

Moreover, the Commission renewed 40 (Forty) stock broker and 34 (Thirty four) stock dealer registration certificates of Dhaka Stock Exchange Ltd. and 30 (Thirty) stock broker and 23 (Twenty three) stock dealer registration certificates of Chittagong Stock Exchange Ltd. respectively during July - September 2011.

Issuance and Renewal of Authorized Representative Registration Certificates:

During the period under review, the Commission issued 775 authorized representatives registration certificates of Dhaka Stock Exchange Ltd. and 113

of Chittagong Stock Exchange Ltd. respectively under the Securities Exchange Act, 2000 (Act No. 19 of 2000).

Issuance and Renewal of Depository Participant Registration Certificate:

During the Quarter, the Commission issued 9 (Nine) depository participants registration certificates under the Depositories Act, 2003 and renewed 34 depository participant registration certificates.

Issuance of Registration Certificate for Merchant Banking Operation:

During the quarter, the Commission issued 2 (Two) registration certificates for Merchant Banking operation under the Securities Exchange Act, 2000 (Act No. 19 of 2000).

Issuance of Asset Management Company Registration Certificate:

During the quarter, the Commission has approved issued of 1 (one) Asset Management Registration Certificate under the Securities Exchange Act, 2000 (Act No. 19 of 2000).

12. Mutual Fund and Special Purpose Vehicle (MF & SPV)

During July-September, 2011, Mutual Fund and SPV Department has performed the following activities:

- Completed the process for approval of Trust Deed and Investment Management Agreement of MTB Unit Fund (Open-end).
- Completed the process relating to registration of Shandhani Life Unit Fund (Open-end), AB Bank First Mutual Fund (Closed-end), MTB First Mutual Fund and Continental Insurance First Mutual Fund.
- Completed the process relating to approval of prospectus and abridged version of prospectus of AB Bank First Mutual Fund (Closed-end), First Bangladesh fixed Income Fund (Closed-end), Shandhani Life Unit Fund (Open-end) and Bangladesh Fund (Open-end).
- Completed the process for approval of lottery of LR GLOBAL Bangladesh Mutual Fund One (Closed-end).
- Also completed the process relating to permission of the Commission to invest the Sponsor's Contribution of AB Bank First Mutual Fund (Closed-End).

13. Supervision and Regulation of Markets and Issuer Companies (SRMIC)

COMPLAINT AGAINST LISTED COMPANIES:

Nature of Complaint	No. of Companies	Under Process	Referred for Enforcement Action	Resolved
Non payment or delay in payment of dividend				

Non payment of debenture installment	1			1
Regarding transfer of shares				
Non receipt of letter of rights share offering	10			21
Non receipt of annual report				
Refund warrant	2			2
Non demat of shares				
Miscellaneous	9			9
Total	22			33

Name of the Company	Last AGM Date	Last YearEnd	Cash Dividend (%)	Stock Dividend Ratio
<u>Banks & Finance</u>				
AB Bank	12/07/2011	201012	10.00	1.5B:10
City Bank	14/08/2011	201012	-	3B:10
IFIC Bank	24/07/2011	201012	-	2.7B:10
1st Security Islami Bank Limited	30/07/2011	201012	-	1.2B:10
<u>Engineering</u>				
Navana CNG Limited	22/09/2011	201103	18.00	1.4B:10
Deshbandhu Polymer Limited		PY201006	-	
<u>Food & Alliance</u>				
Apex Foods	29/09/2011	201106	14.00	
National Tea	29/07/2011	201012	25.00	
<u>Fuel & Power</u>				
Barakatullah Electro	22/09/	201106		1B:5

	2011		-	
MJL Bangladesh Limited	21/09/ 2011	201012	15.00	1.5B:10
<u>Textile</u>				
Stylecraft	22/09/ 2011	201103	50.00	
Apex Spinning.	29/09/ 2011	201103	15.00	
CMC Kamal	10/07/ 2011	201012	-	1B:8
<u>Pharmaceuticals & Chemicals</u>				
Beximco Pharma	02/07/ 2011	201012	-	1B:5
Square Pharma	21/09/ 2011	201103	30.00	3.5B:10
Keya Cosmetics	30/09/ 2011	201106	-	2.1B:10
Salvo Chemical Industry Limited	04/07/ 2011	201012	-	1B:20
<u>Tannery</u>				
Apex Tannery	29/09/ 2011	201106	30.00	
Legacy Footwear	28/07/ 2011	201012	-	1B:10
<u>Ceramic</u>				
Monno Ceramic	30/09/ 2011	201106	-	1B:4
Shinepukur Ceramics Limited	02/07/ 2011	201012	-	1.5B:10
<u>Insurance</u>				
Eastern Insurance	18/07/ 2011	201012	5.00	1B:10
Janata Insurance	26/07/ 2010	200912	-	1.2B:10

Rupali Insurance	07/07/ 2011	201012	-	1B:5
Federal Insurance	05/07/ 2011	201012	-	1.2B:10
Purabi Gen. Insurance	27/07/2011	201012	-	1.5B:10
Delta Life Insurance	18/07/ 2004	200312	48.00	
Sandhani Life Insurance	27/07/ 2011	201012	-	4.8B:10
Global Insurance	09/07/ 2011	201012	-	1B:10
Popular Life	03/08/ 2011	201012	-	3.7B:10
Meghna Life Insurance	04/08/ 2011	201012	-	4B:10
Progressive Life	21/09/ 2011	201012	-	1.2B:10
Asia Pacific Gen Ins	03/07/ 2011	201012	10.00	
Sonarbangla Ins	21/07/ 2011	201012	-	1.2B:10
Pragati life Insurance	15/09/2011	201012	-	1.2B:10
Prime Islami Life	02/09/ 2010	200912	5.00	3.5B:10
Paramount Insurance	03/07/ 2011	201012	-	1B:10
Takaful Islami Insurance Limited	02/07/ 2011	201012	-	1.5B:10
Rupali Life Insurance Company Limited	18/08/ 2011	201012	-	1.4B:10
Islami Insurance BD. Ltd.	21/07/ 2011	201012	-	1B:5
<u>Travel & Leisure</u>				
United Airways (BD) Ltd	20/09/ 2011	201106	-	1B:10
Bangladesh Services Ltd.	23/07/ 2011	201012	-	1B:5

14. Supervision and Regulation of Intermediaries (SRI)

The functions of SRI Department are supervising and regulating the activities of stock-dealers/stock brokers, depository participants, security custodian banks, merchant bankers, market makers, security lenders and borrowers and other market intermediaries. This department conducts the regular inspection of stock brokers/dealers, depository participants and merchant banks on monthly basis and also conducts special inspection as and when required. The SRI department also deals with the complaints lodged by the general investors and other stakeholders. During, July-September, 2011, the following activities were performed by this department:

i) Complaints against Market Intermediaries:

Nature of Complaints	No. of Complaints Received	Under Process	Referred to Enforcement Dept. for Action	Referred to DSE/CSE for Negotiation	Resolved
Lost of shares	1			1	
Unauthorized debit of share	3			1	2
Non-transfer of share					
Non-payment of sales proceeds	2			1	1
Financial loss due to non-transfer of share					
Delay in settlement					
Non-receipt of share				1	1
Corruptions of Broker/Dealer	2				
Others	2			1	1
Total	10			05	05

ii) Inspections conducted:

Sl. No.	Type of Market Intermediaries	Type of Inspection	Number of Inspection conducted	Referred to Enforcement Dept. for Action	Resolved

1.	Stock Broker/ Stock Dealer	Monthly regular Inspection	4	3	1
		Special Inspection	2	2	
2.	Merchant Bank	Monthly regular Inspection	1	1	
Total			07	06	01

15. Enforcement

During July to September 2011 the following enforcement actions were taken against Issuer Companies, ,Stock-Brokers/Stock-Dealers, chartered accountant firms and Others by the Commission for non-compliance of the securities related laws:

Against Issuer Company:

Violation	No. of Issuer Companies	Nature of Action
Accurate and transparent information not reflected in the audited financial statements	3	Penalty
Failure to submit the half-yearly financial statements	3	Warning
Failure to comply with securities related laws	6	Warning
Non-compliance of Directive/Notification/Order	1	Warning
Failure to submit the half-yearly financial statements	8	Penalty
Failure to comply with securities related laws	2	Penalty
Failure to submit the quarter (Q) financial statements	3	Warning
Non-compliance of Directive/Notification/Order	1	Penalty
Total	24	

Against Chartered Accountant Firm:

Violation	No. of Chartered Accountant Firm:	Nature of Action
Failure to comply with securities related laws regarding audited financial statements of the issuers.	1	Warning

Total

1

Against Stock Broker/ Stock Dealer:

Violation	No. of Stock Broker/Stock-Dealer	Nature of Action
Non-compliance of securities related laws	10	Warning
Non-compliance of securities related laws	20	Penalty

Total

30

Against Others:

Violation	No.	Nature of Action
Violation of wewa 4(1) of wmwKDwi wJR I G- #PÄ Kwgkb (mpeavtfvWlx e'emv wowl xKiY) wewagj v 1995 in connection with trading in shares of BIFCL.	1	Penalty
Violation of Section 17 (a) of Securities and Exchange Ordinance,1969 in connection with unusual trading in shares of Beach Hatchery Limited	2	Penalty
Non-compliance of securities related laws in connection with unusual trading in shares of Aftab Automobiles Limited	1	Penalty
Non-compliance of securities related laws in connection with unusual trading in shares of Aftab Automobiles Limited	1	Warning

Total

5

Grand Total : 24+1+30+5 = 60**16. Law**

Total 375 cases filed by or against SEC are pending in different courts. Name of the courts are given below along with number of pending cases with each:

Sl. No.	Name of the Court		Number of Cases
01.	Supreme Court of Bangladesh	Appellate Division	06
		High Court Division	138
02.	District Judge Court, Dhaka.		01

03.	Metropolitan Sessions Judge Court, Dhaka.	06
04.	1 st Asst. Metropolitan Session Judge Court, Dhaka	01
05.	4 th Joint District judge Court, Dhaka	02
06.	5 th Joint Dist. Judge Court, Dhaka.	09
07.	4 th Asst. Judge Court, Dhaka.	01
08.	9 th Assistant Judge (Savar) court, Dhaka	01
09.	Chief Metropolitan Magistrate Court, Dhaka.	11
10	General Certificate Court, Dhaka.	199
Total Cases :		375

1. Out of total 15 share scam cases of 1996, 1 case is now pending before the Appellate Division, 10 cases before the High Court Division of Bangladesh Supreme Court and rest 4 cases are pending before the Metropolitan Session Judge Court, Dhaka.
2. 03 (three) certificate cases were filed against the directors of 03 companies in order to recover the penalty imposed by the Commission for violation of securities laws during the period July-September, 2011 under Public Demands Recovery Act, 1913.

17. Management Information System (MIS)

MIS Department is responsible to assist different departments of SEC through development of automation in their activities, development of capital market monitoring system based on computerized data analysis, and informing all about securities laws and other related matters through website.

At present all officers of SEC use computers in their daily activities. All computers are connected through local area network (LAN). Different modules of integrated Securities and Exchange Commission Automated System (SECAS) have developed at SEC for use of its different departments. Officers of SEC can use broadband internet connection from their workstation through connected LAN. SEC's website (www.secbd.oeg) is enriched with various information like securities laws, IPO prospectus, eligible securities, depository participants, enforcement actions, reports etc. which are updated regularly and many users visit the website. MIS department works on development, modification and maintenance of the mentioned systems.

During July-September 2011, Important Web Uploads and Website Visits:

Works	Number
IPO Prospectus/Right offer document Upload	6 Prospectus
Enforcement Actions Upload	63
Other Order/Notification/Directive etc Upload	12
Quarterly Report Upload	3
Annual Report Upload	0
Proposed Draft Rule Upload for Comments	4
No. of Website Visitors (As Per Web Counter)	34000 (approx)

18. Research and Development

Research and Development Department of the Commission conducts investors' education program for the general investors, impart capital market related seminar for various government and non-government organizations, prepares and publishes Commission's various publications regularly, furnishes various reports and information to the government and other institutions including Ministry of Finance and different regulatory authorities, and makes paper clipping from most of the daily newspapers (20 dailies) and circulate it to the Commission and executives. The department also deals the training program of the authorized representatives jointly with the stock exchanges.

During April - June 2011 Research and Development Department has carried out regular activities as mentioned in the table below:

S/N	Name of Work	Quantity
1	Training Program for General Investors (Two-days program)	-
2	Training for Authorized Representatives (Two-days program)	DSE- 5 programs 300 participants
4	Quarterly Report	2
5	Parikrama	2
6	Monthly Work Plan to MOF	3
7	Monthly Progress Report to MOF	3

8	Quarterly Manpower Report to MOF	1 Quarterly
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19. Capital Market Regulatory Reforms and Compliance (CMRRC):

During April-June, 2011 the following directives/ amendments/ order/ notifications related to capital market have been issued:

Sl No.	Subject	Classification	Ref. No.
1	Declaration by sponsors/directors/ placement holders before sell or dispose off their shares or mutual fund units	Directive	SEC/CMRRCD/2009-193/46/Admin/02-23 Dated: July 01, 2010
2	The members of the stock exchanges shall not extend credit facilities to their approved clients beyond 1(one) time of the clients' margin under the Margin Rules, 1999.	Directive	SEC/CMRRCD/2001-43/47 Dated: July 08, 2010
3	गुप्तपत्रा एवमकवि (तत्त्वपरिचय इ गृहपरिचय) कर्तव्यं दन्वि गृहपरिचय इ कर्तव्यं यथावत् गृहपरिचय फ़ायि मतेपरिचय नि 1 त 1	आदेश	GmBim/wmGgAvi Avi wm/2001-43/48 Zwi L: Rj vB 08, 2010
4	Declaration by directors/sponsors/ placement holders before buy/sell or dispose off their shares in the listed	Directive	SEC/CMRRCD/2009-193/49/Admin/03-48 Dated: July 14, 2010

SI No.	Subject	Classification	Ref. No.
	issuers.		
5	Declaration by sponsors/placement holders before sell or dispose off their mutual fund units	Directive	SEC/CMRRCD/2009-193/50/Admin/02-24 Dated: July 14, 2010
6	Limiting the credit facilities provided by the members to the individual clients or their spouse or any of their dependent persons, their directors or their spouse or any of their dependent persons or stock-dealer concerned.	Directive	SEC/CMRRCD/2001-43/51 Dated: July 22, 2010
7	gvfP9U e'vsKvi (tcvUfcdwj l g'vfbRvi) KZK Dnvi e'w ³ tk0xi g'f°j t' i tK weZi YthvM' gwR0 Ftyi mxgv wbafl Y	Avf` k	GmBim/wmGgAvi Avi wm/2001-43/52 Zwi L: Rj vB 22, 2010
8	Limiting the credit facilities provided by the members to the individual clients or their spouse or any of their dependent persons, their directors or their spouse or any of their dependent persons or stock-dealer concerned.	Directive	SEC/CMRRCD/2001-43/53 Dated: July 25, 2010
9	gvfP9U e'vsKvi (tcvUfcdwj l g'vfbRvi) KZK Dnvi e'w ³ tk0xi g'f°j t' i tK weZi YKZ AwZwi ³ gwR0 FY mgšq Kivi mgq	Avf` k	GmBim/wmGgAvi Avi wm/2001-43/54 Zwi L: Rj vB 25, 2010
10	wmwKDwi wUR l G. tPA Kugkb (Dtj LthvM' msL`K tkqvi AR0, AwM0hY l KZZ; M0hY) wevagj v, 2002 Gi mstkrab	cAvcb	GmBim/wmGgAvi Avi wmw/2001-25/55/cKvmb/03-50 Zwi L: Rj vB 27, 2010
11	KwZcq c0Z0vb l e'w ³ i bvtg gvfP9U e'vsKvti i mwnZ i wflZ Kv÷gvi wmwve	Avf` k	GmBim/wmGgAvi Avi wmw/2008-179/56, Zwi L: Rj vB 27,

Sl No.	Subject	Classification	Ref. No.
	(client account) - MZ (Free) KiY		2010
12	Amendment to the Securities and Exchange Commission (Public Issue) Rules, 2006	Notification	SEC/CMRRCD/2008/186/57/Admin/03-49 Dated: August 01, 2010
13	Repeal of the Order No. SEC/CMRRCD/2006-159/Admin/02/09 Dated: May 30, 2006	Order	SEC/CMRRCD/2009-193/58/Admin/02-25 Dated: August 04, 2010
14	Providing margin loan by stock brokers to purchase mutual fund units	Directive	SEC/CMRRCD/2009-193/58 Dated: August 30, 2010
15	Providing margin loan by merchant bankers to purchase mutual fund units	Directive	SEC/CMRRCD/2009-193/59 Dated: August 30, 2010
16	Amendment to the Securities and Exchange Commission (Public Issue) Rules, 2006	Notification	SEC/CMRRCD/2003-109/60/Admin/03-51 Dated: August 31, 2010
17	Conditions for unlisted security under section 2CC of the Securities and Exchange Ordinance, 1969	Notification	SEC/CMRRCD/2009-193/61/Admin/03-52 Dated: September 06, 2010
18	Condition under section 2CC of the Securities and Exchange Ordinance, 1969	Notification	SEC/CMRRCD/2009-193/62/Admin/03-53 Dated: September 06, 2010
19	Directive regarding netting, NAV and margin call under section 20A of the Securities and Exchange Ordinance, 1969	Directive	SEC/CMRRCD/2009-193/63 Dated: September 06, 2010

SI No.	Subject	Classification	Ref. No.
20	Directive for clarification of the Directive No. SEC/CMRRCD/2009-193/63 Dated: September 06, 2010, under section 20A of the Securities and Exchange Ordinance, 1969	Directive	SEC/CMRRCD/2009-193/64 Dated: September 21, 2010
21	Directive regarding non-dematted Z-category securities, under section 20A of the Securities and Exchange Ordinance, 1969	Directive	SEC/CMRRCD/2001-16/65 Dated: September 28, 2010

20. Stock Exchanges operational statistics:

DSE OPERATIONAL STATISTICS July-September, 2011

Trading Month	All Share Price Index	Market Capitalization in Million	No. of Trading Days	Turnover of Securities in Million (No.)		Traded Amount in Million	
				Monthly	Daily Average	Monthly	Daily Average
July	5,380.10	3,032,653	20	3447	172	298,172.99	14,908.65
August	5,195.68	2,957,858	17	1104	65	88,648.66	5,214.63
September	4,944.96	2,833,212	20	819	41	70,572.48	3,528.62
Total	-	-	57	5370	94	457,394.13	8,024.46

*Index and Market Capitalization of the last trading day of the months have been considered as relevant figures of respective months.

CSE OPERATIONAL STATISTICS

July-September, 2011

Trading Month	All Share Price Index	Market Capitalization in Million	No. of Trading Days	Turnover of Securities in Million (No.)		Traded Amount in Million	
				Monthly	Daily Average	Monthly	Daily Average
July	18375.53	2,436,527.72	20	440.57	22.03	31,135.92	1,556.80
August	17,673.27	2,344,284.69	17	169.43	9.97	10,707.32	629.84
September	16,668.94	2,215,689.77	20	140.22	7.01	10,098.38	504.92
Total			57	750.22	13.16	51,941.62	911.26

*Index and Market Capitalization of the last trading day of the months have been considered as relevant figures of respective months.