NOTIFICATION

21 May 2019

No. BSEC/CMRRCD/2009-193/217/Admin/90—Whereas, the Bangladesh Securities and Exchange Commission (hereinafter referred to as the "Commission") deems it fit that the consent already accorded by the Commission, or to be accorded by it in future, to the issue of capital in Bangladesh, or public offer of securities for sale shall be subject to certain further conditions in the interest of investors and for the development of the securities market;

Now, therefore, in exercise of the power conferred by the section 2CC of the Securities and Exchange Ordinance, 1969, (Ordinance No. XVII of 1969), the Commission hereby imposes the following further conditions to the consent already accorded by it, or to be accorded by it in future, to the issue of capital in Bangladesh, or public offer of securities for sale, namely:—

1. All sponsors and directors other than independent directors of a company listed with any stock exchange shall all time jointly hold minimum 30% (thirty percent) shares of the paid-up capital of the company.

2. If the sponsors and directors other than independent directors of any listed company fail to jointly hold the aforesaid amount of shares, the sponsors and directors other than independent directors shall not be able to execute any type of sale or transfer or transmission or pledge of shares until
acquisition of the aforesaid amount of shares except transfer of pledged 
shares in case of confiscation for loan default or transmission of shares in 
case of death.

3. If the sponsors and directors other than independent directors of any listed 
company fail to jointly hold the aforesaid amount of shares, the respective 
company shall not be able to raise capital through rights share offer or 
repeat public offer or bonus shares or amalgamation of companies or any 
other mode of raising of capital.

4. Each director other than independent director of any listed company shall 
hold minimum 2% (two percent) shares of the paid up capital, otherwise 
there shall be a casual vacancy of director:
   Provided that any company or institution shall hold minimum 2% (two 
percent) shares of the paid up capital of any listed company for nominating 
any individual against each position of director, otherwise there shall also 
be a casual vacancy of director.

5. In case of aforesaid casual vacancy of director, the board of directors shall 
fill up the vacancy from the shareholders having 2% (two percent) or more 
shares of the paid up capital within 30 (thirty) working days of such 
vacancy in compliance with the provisions of the applicable securities laws.

6. The following Order, Notifications, Memo and Directive are hereby 
repealed:

   (a) Order No. েসিএস/সিএমআরআরসিডি/২০০৯-১৯৩/১১১, তারিখ : সেপ্টেম্বর ২১, ২০১১;
   (b) Notification No. SEC/CMRRCD/2009-193/119/Admin/34, dated 
       November 22, 2011;
   (c) Notification No. SEC/CMRRCD/2009-193/120/Admin/35, dated 
       December 07, 2011;
   (d) Memo No. েসিএস/এসআরএমআইসিসি/৯৫-২৯৯/৩৮৪, তারিখ : ফেব্রুয়ারি ১২, ২০১২;

This Notification shall have immediate effect.

By order of the Bangladesh Securities and Exchange Commission

DR. M. KHABIRUL HOSSAIN
Chairman.

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