

NOTIFICATION

November 22, 2011

No. SEC/CMRRCD/2009-193/119/Admin/-----: Whereas, the Securities and Exchange 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 should be subject to certain further conditions in the interest of investors and the capital market;

Now, therefore, in exercise of the power conferred by section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange 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:-

- a) All sponsors/promoters and 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. The sponsors/promoters and directors holding less than 30% (thirty percent) shares shall acquire the rest amount within 6 (six) months of issuance of this Notification;
- b) In case of non-holding of the said amount of shares the sponsors/promoters and directors would not be able to sell or transfer any shares until acquisition of the aforesaid amount of shares;
- c) If the sponsors/promoters and directors of any listed company fail to hold the aforesaid amount of shares, the respective company would not be able to declare rights share and raise capital through repeat public offer;
- d) Each director other than independent director (s) 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;
- e) In case of aforesaid casual vacancy of director, any individual holding 5% (five percent) or more shares of the paid up capital shall be entitled to be a director in the next Annual General Meeting (AGM).

This Notification shall supersede the previous Order No. GmBm/mGgAvi Avim/2009-193/111 Zwi Lt tm#P#f 21, 2011Bs and shall have immediate effect.

By order of the Securities and Exchange Commission

Prof. Dr. M. Khairul Hossain
Chairman.