

NOTIFICATION

Dated the 28 March, 2001.

No,SEC/CFD-71/2001/Admin/07-In exercise of the power conferred by section 33,read with section 20A, of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission makes after prior publication, the following rules, namely :--

1.Short title and application:--

- (1) These rules may be called the Securities and Exchange Commission (Capital issue of the public limited Companies) Rules 2001.
- (2) They shall apply to capital issue of all public limited companies other then the companies in respect of which the Public Issue Rules, 1998 and the Right Issue Rules, 1998 apply.

2.Definitions:-

- (1) In these rules unless there is anything repugnant in the subject or context, "Public limited companies" means a public company limited y shares as defined in section (l) (r) of the Companies Act, 1994 (XVIII of 994).
- (2) Words and expressions used here in but not defined shall have the same meanings as are respectively assigned to them in the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission Act, 1993 (XV of 1993) and the Companies Act, 1994 (XVIII of 1994).

3.Application for consent to the issue of capital in Bangladesh:-

- (1) A public limited company (thereinafter referred to as the applicant) intending to issue capital in Bangladesh shall make an application to the Securities and Exchange Commission for consent.

(2) The application shall contain the following particular, namely:--

- (a) name of the company;
- (b) address of the registered office;
- (c) telephone number;
- (d) fax number and e-mail number, if any;
- (e) date of incorporation;
- (f) date of commencement of business;
- (g) authorized capital;
- (h) paid up capital;
- (i) amount of capital to be issued;
- (j) face value of shares; and
- (k) period within which capital to be issued.

(3) The applicant shall furnish the following documents along with the said application, namely:-

- (a) certified copy of memorandum and articles of association;
- (b) certified copy of certificate of incorporation and certificate of commencement of business;
- (c) list of directors;
- (d) audited financial statements;
- (e) statement relating to purpose of raising capital;
- (f) copy of the resolution of the board of directors deciding to raise capital, authenticated by the managing director;
- (g) certificate of the banker to the effect that the amount shown against paid up capital was deposited in the company's bank account (in case of capital raised for cash consideration only);
- (h) vendor's agreement in case of raising of capital in kind; and
- (i) short description of the business.

4. Consideration of the application and decision thereon:--

(1) On receipt of the application under rule 3, the commission shall examine it, and if it is satisfied that all the requirements of rule 3 are fulfilled, it shall accord consent in writing to the issue of capital in Bangladesh, as prayed for, within sixty days of receipt of the application .

(2) If the Commission finds that the application does not fulfill all the requirements of rule 3, it may, within thirty days of receipt of the application, direct the applicant to fulfill the requirements within such time as the commission may determine and on fulfillment of such requirements the commission shall accord the consent as prayed for within thirty days of such fulfillment .

(3) The Commission may call for further information, in addition to the requirements of rule 3, if it so deems necessary.

(4) If the Commission finds that the application does not fulfill all the requirements of rule 3, or where a direction to fulfill such requirements has been given under sub-rule (2) and the applicant has failed to fulfill such requirements, it may reject the application, stating the reasons there for.

5. Review:-

The applicant whose application has been rejected by the Commission under rule 3(4) may apply to the commission for review of its decision within thirty days from the date of such rejection, and the decision of the commission there on shall be final.

6. Fee:-

(1) The applicant shall pay an amount of taka five thousand (nonrefundable) as application fee, along with the application way of pay order or demand draft issued in favor of the Commission.

(2) If consent is accorded to the issue of capital by the Commission, the applicant shall pay, within fifteen days of the issuance of the letter of consent, a fee @ 0.1% on the total capital to be issued by way of a pay order or demand draft in favor of the commission.

(3) If the applicant fails to pay the fee under sub-rule (2) within specified time, the consent accorded shall stand cancelled.

7. Submission of financial statements. etc.:-

(1) The company to which consent to the issue of capital is accorded shall complete audit of its financial statements and hold its annual general meeting within such period as may be specified by the commission at the time of according the consent.

(2) The said company shall submit a copy of such audited financial statements and a copy of its annual report and the minutes of its annual general meeting within fourteen days of the completion of the audit or as the case may be, holding of the annual general meeting.

(3) The Commission may, on application and on good cause shown, extend the time for auditing the financial statements or submission of the financial statements to the Commission, as the case may be.

(4) The said company shall furnish the Commission the following information, along with the supporting documents and evidence, namely:-

(a) change of registered address;

(b) change of directors;

(c) appointment of managing director;

(d) change of business or opening of new business;

(e) any material change that affects the affairs of the company.

By order of the Commission
Manir Uddin Ahmed.
Chairman.
Securities and Exchange Commission.