নং এসইসি/এনফোর্সমেন্ট/২১৮৯/২০১৪/৭৩৪ তারিখঃ ডিসেম্বর ২২, ২০১৪ ইং

জনাব ফিরোজ আলম, পরিচালক/ব্যবস্থাপনা পরিচালক
জনাব রেজাকুল হায়দার, পরিচালক
জনাব আনিছ সালাউদ্দিন আহমেদ, পরিচালক
জনাব মোঃ শামছুজ্জামান, পরিচালক
জনাব এ. কে. এম. বদিউল আলম, পরিচালক
শাহজিবাজার পাওয়ার কোম্পানি লিমিটেড
৮২২/২২রোকেয়া স্বরণী(৯ তলা)
ঢাকা-১২১৬

বিষয়ঃ আদেশ।

কমিশনের ২২ ডিসেম্বর ২০১৪ ইং তারিখের আদেশ নং এসইসি/এনফোর্সমেন্ট/২১৮৯/২০১৪/৭২৯ থেকে আদেশ নং এসইসি/এনফোর্সমেন্ট/২১৮৯/২০১৪/৭৩৪ এর সত্যায়িত অনুলিপি আপনার অবগতি ও প্রয়োজনীয় ব্যবস্থা গ্রহণের জন্য এতদ্‌সংগে সংযুক্ত করা হলো।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের পক্ষে

মোহাম্মদ সিদ্দিকুর রহমান
উপ-পরিচালক

বিতরণঃ
ব্যবস্থাপনা পরিচালক, ঢাকা ষ্টক এক্সচেঞ্জ লিমিটেড
ব্যবস্থাপনা পরিচালক, চট্টগ্রাম ষ্টক এক্সচেঞ্জ লিমিটেড

অবগতির জন্য অনুলিপিঃ
১। নির্বাহী পরিচালক, আইন, বিএসইসি
২। নির্বাহী পরিচালক, সিএফ, বিএসইসি
৩। নির্বাহী পরিচালক, এমআইএস, বিএসইসি
৪। চেয়ারম্যান মহোদয়ের দপ্তর, বিএসইসি
৫। অফিস কপি

নং- বিএসইসি/এনফোর্সমেন্ট/২১৮৯/২০১৪/ তারিখঃ ডিসেম্বর ,২০১৪ ইং

আদেশ

যেহেতু, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) **এর** section 2(g) **মোতাবেক শাহজিবাজার পাওয়ার কোম্পানি লিমিটেড** 'issuer' **হিসাবে অভিহিত (অতঃপর 'ইস্যুয়ার' বলে উল্লিখিত);**

যেহেতু, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 2(cc) মোতাবেক "Commission" means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 **(অতঃপর ' কমিশন ' বলে উল্লিখিত);**

যেহেতু, it appeared from the record that the issuer company has submitted/disseminated the third quarter (Q3) financial statements for the quarter ended on March 31, 2014;

যেহেতু, on examination of the aforesaid un-audited financial statements, the Commission has some observations & Comments, among others, the following:

"Shahjibazar Power Co. Limited (SPCL) was requested to revise its financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the applicable accounting standards to the Commission and stock exchanges. In response to our letter/query, SPCL submitted its revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014. We reviewed the revised un-audited financial statement of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014. On our examination/revision, it appeared that SPCL revised/allocated its Deferred Revenue Expenditure of Tk. 57,24,44,029.00 [Preliminary Expenses of Tk. 43,54,176.00 and Deferred Revenue Expenditure of Tk. 56,80,89,853.00] to its Fixed Assets (Tk. 57,02,61,902.00) and General & Administrative Expenses (Tk. 21,82,127.00) as well as increasing its Cost of Sales by Tk. 19,76,986.00 charging depreciation on such fixed assets, stating that such accounting treatment has been done in accordance with BAS-38 Para 69(a), BAS-16 and BAS-23. But, the Commission was not clear as to whether the aforesaid revision/allocation of head of accounts as made by the company in its revised financial statement was in accordance with Para 69(a) of BAS-38, BAS-16 and BAS-23.

As per the Commission's decision, for the interest of general investors/public, M/s. A. Qasem & Co., Chartered Accountants were requested/appointed to provide their expert opinion on the aforesaid issue on scrutiny/examination of relevant vouchers/documents/bank statements, i.e., as to whether accounting treatment/allocation of Tk. 57,24,44,029.00 as made in the revised financial statements of Shahjibazar Power Company Limited for the third quarter (July 2013 to March 2014) ended on March 31, 2014 was in accordance with Para 69(a) of BAS-38, BAS-16 and BAS-23 or not.

The special auditors- M/s. A. Qasem & Co., Chartered Accountants has submitted their special audit report on revised quarterly financial statements of SPCL for the 3rd quarter ended on March 31, 2014. M/s. A. Qasem & Co., Chartered Accountants, among others, by making following recommendation, opined that Deferred Revenue Expenditure of Tk.13,26,17,648.00 and Preliminary Expenses of Tk.43,54,176.00 capitalized in the aforesaid revised financial statements are not in compliance with provisions of BAS:

> "According to the result of our review, we recommend the following accounting treatment:
>
> a) Deferred Revenue Expenditure to Tk. 43,54,72,205.00 may be capitalized as per BAS 16, BAS 23 and BAS 38, and will be subject to depreciation as per BAS 16.
>
> b) A part of Deferred Revenue Expenditure amounting to Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 previously capitalized, do not meet the criteria to be recognized as Property, Plant and Equipment (PPE), and should be charged to expenses. Since these were prior period expenses, the correction and disclosure should be made as per paragraph 41-48 (Accounting treatment) and paragraph 49 (Disclosure) of BAS 8-Accounting Policies, Charges in Accounting Estimates and Errors."

It appears from the special auditors report that by not considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in the aforesaid financial statements, SPCL shown overstated Net Profit (by Tk.13,69,71,824.00) as well as EPS. As such, the quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended. By submitting such untrue financial statements, SPCL misled the investors. As such, SPCL was directed to explain/clarify its position on the aforesaid observation of the

Commission and opinion of the special auditors as well as submit a revised financial statements of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014 to the Commission and stock exchanges revising the same in line with the special auditors' recommendations, within 3 (Three) working days**.**

In response to our aforesaid directive/letter, SPCL has submitted its clarification by explaining the company's position and also submitted revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the special auditors' recommendations. We have reviewed the revised un-audited financial statement of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014. On our examination, it appears from Note that the revised un-audited financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 that SPCL has revised its aforesaid financial statements by considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in its financial statements in accordance with the auditors' recommendation in the following way:

Particulars	**2013-2014 (9 months)**	**2012-2013**	**2011-2012**	**Total (BDT)**
Preliminary Expenses	2,91,567.00	10,79,626.00	29,82,983.00	43,54,176.00
General & Administrative exps. (Deferred Rev. Expenditure)	82,91,003.00	78,94,286.00	89,61,691.00	2,51,46,980.00
Financial Expenses (Deferred Rev. Expenditure)	10,64,35,316.00	-	-	10,64,35,316.00
	11,50,17,886.00	**89,73,912.00**	**1,19,44,674.00**	**13,59,36,472.00**
Misc. Income, netting off				8,29,994.00
Wasted Sales, netting off				2,05,358.00
				13,69,71,824.00

It appears from the company's clarification that Deferred Revenue Expenditure of Tk.13,26,17,648.00 and Preliminary Expenses of Tk.43,54,176.00 has been accounted for in its revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the special auditors' recommendations.

From the special auditors' findings as well as reply of the company and aforesaid revised financial statements, it has been found that by not considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in the previously submitted/disseminated financial statements of the company for the third quarter (July 2013 to March 2014) ended on March 31, 2014, SPCL shown overstated Net Profit by Tk.12,17,48,640 (Tk.28,97,88,148-Tk.16,80,39,508) as well as EPS by Tk.1.06 (Tk.2.54-Tk.1.48). As such, the quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 as submitted and disseminated previously to the stock exchanges did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended. By submitting such untrue financial statements, SPCL misled the investors.”

যেহেতু, it appeared from the above statement that the issuer disseminated untrue/false financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 to the stock exchanges on 15.07.2014, showing overstated Net Profit by Tk.12,17,48,640 (Tk.28,97,88,148-Tk.16,80,39,508) as well as EPS by Tk.1.06 (Tk.2.54-

Tk.1.48) and misled the investors. The quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 as disseminated to the stock exchanges on 15.07.2014, did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended;

বর্ণিত অবস্থায় প্রতীয়মাণ হয় যে, ইস্যুয়ারের, মার্চ ৩১, ২০১৪ ইং তারিখে সমাপ্ত তৃতীয় ত্রৈমাসিক প্রস্তুতকৃত অনিরীক্ষীত আর্থিক বিবরণী BAS-8 (paragraph 41-49), 16, 23, 38 অনুযায়ী প্রস্তুত করতে ব্যর্থ হয়েছে বিধায় আর্থিক বিবরণীতে ইস্যুয়ারের বাস্তব অবস্থা সঠিক ও স্বচ্ছ (true and fair) ভাবে প্রতিফলিত হয়নি, যা আলোচ্য Ordinance এর section 18 এর সুস্পষ্ট লংঘন;

যেহেতু, ইস্যুয়ারের উপরোক্ত ব্যর্থতার জন্য কমিশন কর্তৃক পত্র সূত্র নং- BSEC/Enforcement/2189/2014/648 তারিখ অক্টোবর ২৬, ২০১৪ এর মাধ্যমে ইস্যুয়ার ও উহার পরিচালকগণকে Securities and Exchange Ordinance, 1969 এর section 22 এর অধীন কারণ দর্শানো ও শুনানীর নোটিশ জারি করা হয় এবং অক্টোবর ২৮, ২০১৪ ইং তারিখে উক্ত শুনানী অনুষ্ঠিত হয়;

যেহেতু, উক্ত শুনানীতে দাখিলকৃত ইস্যুয়ার পত্র নং SPCL/REP/Enforcement/2189/648 এর তারিখ অক্টোবর ২৭, ২০১৪ ইং এর মাধ্যমে উল্লিখিত ব্যর্থতা তথা বিধান লংঘন সংক্রান্ত যে ব্যাখ্যা প্রদান করা হয় তা সন্তোষজনক না হওয়ায় কমিশনের নিকট গ্রহনযোগ্য বলে বিবেচিত হয়নি;

যেহেতু, আলোচ্য ইস্যুয়ার একটি পাবলিক লিমিটেড কোম্পানী এবং ইসুয়্যার সিকিউরিটিজ সংক্রান্ত আইন ও উহার অধীন জারীকৃত বিধি-বিধান পরিপালনের জন্য দায়ী;

যেহেতু, সিকিউরিটিজ সংক্রান্ড় আইন ও উহার বিধি-বিধান পরিপালনে ইস্যুয়ার এর উক্তরূপ ব্যর্থতা Securities and Exchange Ordinance, 1969 এর section 22 এর অধীন শাস্তিযোগ্য অপরাধ; এবং

যেহেতু, কমিশনের বিবেচনায়, সিকিউরিটিজ সংক্রান্ত আইন ও উহার বিধি-বিধান পরিপালনে উল্লিখিত ব্যর্থতার জন্য, পুঁজিবাজারের শৃংখলা, স্বচ্ছতা এবং জনস্বার্থে উক্ত ইস্যুয়ারকে জরিমানা করা প্রয়োজন ও সমীচীন;

অতএব, সেহেতু, কমিশন, উলিণ্ডখিত যাবতীয় বিষয় বিবেচনাপূর্বক, Securities and Exchange Ordinance, 1969 এর section 22 [যা The Securities and Exchange (Amendment) Act, 2000 দ্বারা সংশোধিত] তে প্রদত্ত ক্ষমতাবলে শাহজিবাজার পাওয়ার কোম্পানি লিমিটেড এর ব্যবস্থাপনা পরিচালক জনাব ফিরোজ আলম এর উপর ৫ (পাঁচ) লক্ষ টাকা জরিমানা ধার্য্য করল যা অত্র আদেশের ১৫ (পনের) দিনের মধ্যে 'বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন' এর অনুকূলে ইস্যুকৃত ব্যাংক ড্রাফট/পে-অর্ডারের মাধ্যমে কমিশনে জমা করতে হবে।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের আদেশক্রমে-

অধ্যাপক ড. এম. খায়রুল হোসেন
চেয়ারম্যান

বিতরণঃ
জনাব ফিরোজ আলম, পরিচালক/ব্যবস্থাপনা পরিচালক, শাহজিবাজার পাওয়ার কোম্পানি লিমিটেড

নং- বিএসইসি/এনফোর্সমেন্ট/২১৮৯/২০১৪/ তারিখঃ ডিসেম্বর ,২০১৪ ইং

আদেশ

যেহেতু, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 2(g) **মোতাবেক শাহজিবাজার পাওয়ার কোম্পানি লিমিটেড** 'issuer' **হিসাবে অভিহিত (অতঃপর 'ইস্যুয়ার' বলে উল্লিখিত);**

যেহেতু, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 2(cc) মোতাবেক "Commission" means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 **(অতঃপর ' কমিশন ' বলে উলিণ্ঢখিত);**

যেহেতু, it appeared from the record that the issuer company has submitted/disseminated the third quarter (Q3) financial statements for the quarter ended on March 31, 2014;

যেহেতু, on examination of the aforesaid un-audited financial statements, the Commission has some observations & Comments, among others, the following:

"Shahjibazar Power Co. Limited (SPCL) was requested to revise its financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the applicable accounting standards to the Commission and stock exchanges. In response to our letter/query, SPCL submitted its revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014. We reviewed the revised un-audited financial statement of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014. On our examination/revision, it appeared that SPCL revised/allocated its Deferred Revenue Expenditure of Tk. 57,24,44,029.00 [Preliminary Expenses of Tk. 43,54,176.00 and Deferred Revenue Expenditure of Tk. 56,80,89,853.00] to its Fixed Assets (Tk. 57,02,61,902.00) and General & Administrative Expenses (Tk. 21,82,127.00) as well as increasing its Cost of Sales by Tk. 19,76,986.00 charging depreciation on such fixed assets, stating that such accounting treatment has been done in accordance with BAS-38 Para 69(a), BAS-16 and BAS-23. But, the Commission was not clear as to whether the aforesaid revision/allocation of head of accounts as made by the company in its revised financial statement was in accordance with Para 69(a) of BAS-38, BAS-16 and BAS-23.

As per the Commission's decision, for the interest of general investors/public, M/s. A. Qasem & Co., Chartered Accountants were requested/appointed to provide their expert opinion on the aforesaid issue on scrutiny/examination of relevant vouchers/documents/bank statements, i.e., as to whether accounting treatment/allocation of Tk. 57,24,44,029.00 as made in the revised financial statements of Shahjibazar Power Company Limited for the third quarter (July 2013 to March 2014) ended on March 31, 2014 was in accordance with Para 69(a) of BAS-38, BAS-16 and BAS-23 or not.

The special auditors- M/s. A. Qasem & Co., Chartered Accountants has submitted their special audit report on revised quarterly financial statements of SPCL for the 3rd quarter ended on March 31, 2014. M/s. A. Qasem & Co., Chartered Accountants, among others, by making following recommendation, opined that Deferred Revenue Expenditure of Tk.13,26,17,648.00 and Preliminary Expenses of Tk.43,54,176.00 capitalized in the aforesaid revised financial statements are not in compliance with provisions of BAS:

> "According to the result of our review, we recommend the following accounting treatment:
>
> a) Deferred Revenue Expenditure to Tk. 43,54,72,205.00 may be capitalized as per BAS 16, BAS 23 and BAS 38, and will be subject to depreciation as per BAS 16.
>
> b) A part of Deferred Revenue Expenditure amounting to Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 previously capitalized, do not meet the criteria to be recognized as Property, Plant and Equipment (PPE), and should be charged to expenses. Since these were prior period expenses, the correction and disclosure should be made as per paragraph 41-48 (Accounting treatment) and paragraph 49 (Disclosure) of BAS 8-Accounting Policies, Charges in Accounting Estimates and Errors."

It appears from the special auditors report that by not considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk.

13,69,71,824.00 as expenses in the aforesaid financial statements, SPCL shown overstated Net Profit (by Tk.13,69,71,824.00) as well as EPS. As such, the quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended. By submitting such untrue financial statements, SPCL misled the investors. As such, SPCL was directed to explain/clarify its position on the aforesaid observation of the Commission and opinion of the special auditors as well as submit a revised financial statements of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014 to the Commission and stock exchanges revising the same in line with the special auditors' recommendations, within 3 (Three) working days.

In response to our aforesaid directive/letter, SPCL has submitted its clarification by explaining the company's position and also submitted revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the special auditors' recommendations. We have reviewed the revised un-audited financial statement of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014. On our examination, it appears from Note that the revised un-audited financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 that SPCL has revised its aforesaid financial statements by considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in its financial statements in accordance with the auditors' recommendation in the following way:

Particulars	**2013-2014 (9 months)**	**2012-2013**	**2011-2012**	**Total (BDT)**
Preliminary Expenses	2,91,567.00	10,79,626.00	29,82,983.00	43,54,176.00
General & Administrative exps. (Deferred Rev. Expenditure)	82,91,003.00	78,94,286.00	89,61,691.00	2,51,46,980.00
Financial Expenses (Deferred Rev. Expenditure)	10,64,35,316.00	-	-	10,64,35,316.00
	11,50,17,886.00	**89,73,912.00**	**1,19,44,674.00**	**13,59,36,472.00**
Misc. Income, netting off				8,29,994.00
Wasted Sales, netting off				2,05,358.00
				13,69,71,824.00

It appears from the company's clarification that Deferred Revenue Expenditure of Tk.13,26,17,648.00 and Preliminary Expenses of Tk.43,54,176.00 has been accounted for in its revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the special auditors' recommendations.

From the special auditors' findings as well as reply of the company and aforesaid revised financial statements, it has been found that by not considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in the previously submitted/disseminated financial statements of the company for the third quarter (July 2013 to March 2014) ended on March 31, 2014, SPCL shown overstated Net Profit by Tk.12,17,48,640 (Tk.28,97,88,148-Tk.16,80,39,508) as well as EPS by Tk.1.06 (Tk.2.54-Tk.1.48). As such, the quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 as submitted and disseminated previously to the stock exchanges did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended. By submitting such untrue financial statements, SPCL misled the investors."

যেহেতু, it appeared from the above statement that the issuer disseminated untrue/false financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 to the stock exchanges on 15.07.2014, showing overstated Net Profit by Tk.12,17,48,640 (Tk.28,97,88,148-Tk.16,80,39,508) as well as EPS by Tk.1.06 (Tk.2.54-Tk.1.48) and misled the investors. The quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 as disseminated to the stock exchanges on 15.07.2014, did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended;

বর্ণিত অবস্থায় প্রতীয়মাণ হয় যে, ইস্যুয়ারের, মার্চ ৩১, ২০১৪ ইং তারিখে সমাপ্ত তৃতীয় ত্রৈমাসিক প্রস্তুতকৃত অনিরীক্ষীত আর্থিক বিবরণী BAS-8 (paragraph 41-49), 16, 23, 38 অনুযায়ী প্রস্তুত করতে ব্যর্থ হয়েছে বিধায় আর্থিক বিবরণীতে ইস্যুয়ারের বাস্তব অবস্থা সঠিক ও স্বচ্ছ (true and fair) ভাবে প্রতিফলিত হয়নি, যা আলোচ্য Ordinance এর section 18 এর সুস্পষ্ট লংঘন;

যেহেতু, ইস্যুয়ারের উপরোক্ত ব্যর্থতার জন্য কমিশন কর্তৃক পত্র সূত্র নং- BSEC/Enforcement/2189/2014/648 তারিখ অক্টোবর ২৬, ২০১৪ এর মাধ্যমে ইস্যুয়ার ও উহার পরিচালকগণকে Securities and Exchange Ordinance, 1969 এর section 22 এর অধীন কারণ দর্শানো ও শুনানীর নোটিশ জারি করা হয় এবং অক্টোবর ২৮, ২০১৪ ইং তারিখে উক্ত শুনানী অনুষ্ঠিত হয়;

যেহেতু, উক্ত শুনানীতে দাখিলকৃত ইস্যুয়ার পত্র নং SPCL/REP/Enforcement/2189/648 এর তারিখ অক্টোবর ২৭, ২০১৪ ইং এর মাধ্যমে উল্লিখিত ব্যর্থতা তথা বিধান লংঘন সংক্রান্ত যে ব্যাখ্যা প্রদান করা হয় তা সন্তোষজনক না হওয়ায় কমিশনের নিকট গ্রহনযোগ্য বলে বিবেচিত হয়নি;

যেহেতু, আলোচ্য ইস্যুয়ার একটি পাবলিক লিমিটেড কোম্পানী এবং ইসুয়্যার সিকিউরিটিজ সংক্রান্ত আইন ও উহার অধীন জারীকৃত বিধি-বিধান পরিপালনের জন্য দায়ী;

যেহেতু, সিকিউরিটিজ সংক্রান্ত আইন ও উহার বিধি-বিধান পরিপালনে ইস্যুয়ার এর উক্তরূপ ব্যর্থতা Securities and Exchange Ordinance, 1969 এর section 22 এর অধীন শাস্তিযোগ্য অপরাধ; এবং

যেহেতু, কমিশনের বিবেচনায়, সিকিউরিটিজ সংক্রান্ত আইন ও উহার বিধি-বিধান পরিপালনে উল্লিখিত ব্যর্থতার জন্য, পুঁজিবাজারের শৃংখলা, স্বচ্ছতা এবং জনস্বার্থে উক্ত ইস্যুয়ারকে জরিমানা করা প্রয়োজন ও সমীচীন;

অতএব, সেহেতু, কমিশন, উল্লিখিত যাবতীয় বিষয় বিবেচনাপূর্বক, Securities and Exchange Ordinance, 1969 এর section 22 [যা The Securities and Exchange (Amendment) Act, 2000 দ্বারা সংশোধিত] তে প্রদত্ত ক্ষমতাবলে শাহজিবাজার পাওয়ার কোম্পনি লিমিটেড এর পরিচালক জনাব রেজাকুল হায়দার এর উপর ১০ (দশ) লক্ষ টাকা জরিমানা ধার্য্য করল যা অত্র আদেশের ১৫ (পনের) দিনের মধ্যে 'বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন' এর অনুকূলে ইস্যুকৃত ব্যাংক ড্রাফট/পে-অর্ডারের মাধ্যমে কমিশনে জমা করতে হবে।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের আদেশক্রমে-

অধ্যাপক ড. এম. খায়রুল হোসেন
চেয়ারম্যান

বিতরণঃ
জনাব রেজাকুল হায়দার, পরিচালক, শাহজিবাজার পাওয়ার কোম্পনি লিমিটেড

নং- বিএসইসি/এনফোর্সমেন্ট/২১৮৯/২০১৪/ তারিখঃ ডিসেম্বর, ২০১৪ ইং

আদেশ

যেহেতু, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 2(g) **মোতাবেক শাহজিবাজার পাওয়ার কোম্পানি লিমিটেড** 'issuer' **হিসাবে অভিহিত (অতঃপর 'ইস্যুয়ার' বলে উল্লিখিত);**

যেহেতু, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 2(cc) মোতাবেক "Commission" means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 **(অতঃপর ' কমিশন ' বলে উল্লিখত);**

যেহেতু, it appeared from the record that the issuer company has submitted/disseminated the third quarter (Q3) financial statements for the quarter ended on March 31, 2014;

যেহেতু, on examination of the aforesaid un-audited financial statements, the Commission has some observations & Comments, among others, the following:

"Shahjibazar Power Co. Limited (SPCL) was requested to revise its financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the applicable accounting standards to the Commission and stock exchanges. In response to our letter/query, SPCL submitted its revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014. We reviewed the revised un-audited financial statement of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014. On our examination/revision, it appeared that SPCL revised/allocated its Deferred Revenue Expenditure of Tk. 57,24,44,029.00 [Preliminary Expenses of Tk. 43,54,176.00 and Deferred Revenue Expenditure of Tk. 56,80,89,853.00] to its Fixed Assets (Tk. 57,02,61,902.00) and General & Administrative Expenses (Tk. 21,82,127.00) as well as increasing its Cost of Sales by Tk. 19,76,986.00 charging depreciation on such fixed assets, stating that such accounting treatment has been done in accordance with BAS-38 Para 69(a), BAS-16 and BAS-23. But, the Commission was not clear as to whether the aforesaid revision/allocation of head of accounts as made by the company in its revised financial statement was in accordance with Para 69(a) of BAS-38, BAS-16 and BAS-23.

As per the Commission's decision, for the interest of general investors/public, M/s. A. Qasem & Co., Chartered Accountants were requested/appointed to provide their expert opinion on the aforesaid issue on scrutiny/examination of relevant vouchers/documents/bank statements, i.e., as to whether accounting treatment/allocation of Tk. 57,24,44,029.00 as made in the revised financial statements of Shahjibazar Power Company Limited for the third quarter (July 2013 to March 2014) ended on March 31, 2014 was in accordance with Para 69(a) of BAS-38, BAS-16 and BAS-23 or not.

The special auditors- M/s. A. Qasem & Co., Chartered Accountants has submitted their special audit report on revised quarterly financial statements of SPCL for the 3rd quarter ended on March 31, 2014. M/s. A. Qasem & Co., Chartered Accountants, among others, by making following recommendation, opined that Deferred Revenue Expenditure of Tk.13,26,17,648.00 and Preliminary Expenses of Tk.43,54,176.00 capitalized in the aforesaid revised financial statements are not in compliance with provisions of BAS:

> "According to the result of our review, we recommend the following accounting treatment:
>
> a) Deferred Revenue Expenditure to Tk. 43,54,72,205.00 may be capitalized as per BAS 16, BAS 23 and BAS 38, and will be subject to depreciation as per BAS 16.
>
> b) A part of Deferred Revenue Expenditure amounting to Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 previously capitalized, do not meet the criteria to be recognized as Property, Plant and Equipment (PPE), and should be charged to expenses. Since these were prior period expenses, the correction and disclosure should be made as per paragraph 41-48 (Accounting treatment) and paragraph 49 (Disclosure) of BAS 8-Accounting Policies, Charges in Accounting Estimates and Errors."

It appears from the special auditors report that by not considering/recognizing Deferred Revenue

Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in the aforesaid financial statements, SPCL shown overstated Net Profit (by Tk.13,69,71,824.00) as well as EPS. As such, the quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended. By submitting such untrue financial statements, SPCL misled the investors. As such, SPCL was directed to explain/clarify its position on the aforesaid observation of the Commission and opinion of the special auditors as well as submit a revised financial statements of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014 to the Commission and stock exchanges revising the same in line with the special auditors' recommendations, within 3 (Three) working days**.**

In response to our aforesaid directive/letter, SPCL has submitted its clarification by explaining the company's position and also submitted revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the special auditors' recommendations. We have reviewed the revised un-audited financial statement of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014. On our examination, it appears from Note that the revised un-audited financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 that SPCL has revised its aforesaid financial statements by considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in its financial statements in accordance with the auditors' recommendation in the following way:

Particulars	**2013-2014 (9 months)**	**2012-2013**	**2011-2012**	**Total (BDT)**
Preliminary Expenses	2,91,567.00	10,79,626.00	29,82,983.00	43,54,176.00
General & Administrative exps. (Deferred Rev. Expenditure)	82,91,003.00	78,94,286.00	89,61,691.00	2,51,46,980.00
Financial Expenses (Deferred Rev. Expenditure)	10,64,35,316.00	-	-	10,64,35,316.00
	11,50,17,886.00	**89,73,912.00**	**1,19,44,674.00**	**13,59,36,472.00**
Misc. Income, netting off				8,29,994.00
Wasted Sales, netting off				2,05,358.00
				13,69,71,824.00

It appears from the company's clarification that Deferred Revenue Expenditure of Tk.13,26,17,648.00 and Preliminary Expenses of Tk.43,54,176.00 has been accounted for in its revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the special auditors' recommendations.

From the special auditors' findings as well as reply of the company and aforesaid revised financial statements, it has been found that by not considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in the previously submitted/disseminated financial statements of the company for the third quarter (July 2013 to March 2014) ended on March 31, 2014, SPCL shown overstated Net Profit by Tk.12,17,48,640 (Tk.28,97,88,148-Tk.16,80,39,508) as well as EPS by Tk.1.06 (Tk.2.54-Tk.1.48). As such, the quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 as submitted and disseminated previously to the stock exchanges did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended. By submitting such untrue financial statements, SPCL misled the investors."

যেহেতু, it appeared from the above statement that the issuer disseminated untrue/false financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 to the stock exchanges on 15.07.2014, showing overstated Net Profit by Tk.12,17,48,640 (Tk.28,97,88,148-Tk.16,80,39,508) as well as EPS by Tk.1.06 (Tk.2.54-Tk.1.48) and misled the investors. The quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 as disseminated to the stock exchanges on 15.07.2014, did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended;

বর্ণিত অবস্থায় প্রতীয়মাণ হয় যে, ইস্যুয়ারের, মার্চ ৩১, ২০১৪ ইং তারিখে সমাপ্ত তৃতীয় ত্রৈমাসিক প্রস্তুতকৃত অনিরীক্ষীত আর্থিক বিবরণী BAS-8 (paragraph 41-49), 16, 23, 38 অনুযায়ী প্রস্তুত করতে ব্যর্থ হয়েছে বিধায় আর্থিক বিবরণীতে ইস্যুয়ারের বাস্তব অবস্থা সঠিক ও স্বচ্ছ (true and fair) ভাবে প্রতিফলিত হয়নি, যা আলোচ্য Ordinance এর section 18 এর সুস্পষ্ট লংঘন;

যেহেতু, ইস্যুয়ারের উপরোক্ত ব্যর্থতার জন্য কমিশন কর্তৃক পত্র সূত্র নং- BSEC/Enforcement/2189/2014/648 তারিখ অক্টোবর ২৬, ২০১৪ এর মাধ্যমে ইস্যুয়ার ও উহার পরিচালকগণকে Securities and Exchange Ordinance, 1969 এর section 22 এর অধীন কারণ দর্শানো ও শুনানীর নোটিশ জারি করা হয় এবং অক্টোবর ২৮, ২০১৪ ইং তারিখে উক্ত শুনানী অনুষ্ঠিত হয়;

যেহেতু, উক্ত শুনানীতে দাখিলকৃত ইস্যুয়ার পত্র নং SPCL/REP/Enforcement/2189/648 এর তারিখ অক্টোবর ২৭, ২০১৪ ইং এর মাধ্যমে উল্লিখিত ব্যর্থতা তথা বিধান লংঘন সংক্রান্ত যে ব্যাখ্যা প্রদান করা হয় তা সন্তোষজনক না হওয়ায় কমিশনের নিকট গ্রহনযোগ্য বলে বিবেচিত হয়নি;

যেহেতু, আলোচ্য ইস্যুয়ার একটি পাবলিক লিমিটেড কোম্পানী এবং ইসুয়্যার সিকিউরিটিজ সংক্রান্ত আইন ও উহার অধীন জারীকৃত বিধি-বিধান পরিপালনের জন্য দায়ী;

যেহেতু, সিকিউরিটিজ সংক্রান্ত আইন ও উহার বিধি-বিধান পরিপালনে ইস্যুয়ার এর উক্তরূপ ব্যর্থতা Securities and Exchange Ordinance, 1969 এর section 22 এর অধীন শাস্তিযোগ্য অপরাধ; এবং

যেহেতু, কমিশনের বিবেচনায়, সিকিউরিটিজ সংক্রান্ত আইন ও উহার বিধি-বিধান পরিপালনে উল্লিখিত ব্যর্থতার জন্য, পুঁজিবাজারের শৃংখলা, স্বচ্ছতা এবং জনস্বার্থে উক্ত ইস্যুয়ারকে জরিমানা করা প্রয়োজন ও সমীচীন;

অতএব, সেহেতু, কমিশন, উলিণ্ডখিত যাবতীয় বিষয় বিবেচনাপূর্বক, Securities and Exchange Ordinance, 1969 এর section 22 [যা The Securities and Exchange (Amendment) Act, 2000 দ্বারা সংশোধিত] তে প্রদত্ত ক্ষমতাবলে শাহজিবাজার পাওয়ার কোম্পনি লিমিটেড এর পরিচালক জনাব আনিছ সালাউদ্দিন আহমেদ এর উপর ১০ (দশ) লক্ষ টাকা জরিমানা ধার্য্য করল যা অত্র আদেশের ১৫ (পনের) দিনের মধ্যে 'বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন' এর অনুকূলে ইস্যুকৃত ব্যাংক ড্রাফট/পে-অর্ডারের মাধ্যমে কমিশনে জমা করতে হবে।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের আদেশক্রমে-

অধ্যাপক ড. এম. খায়রুল হোসেন
চেয়ারম্যান

বিতরণঃ
জনাব আনিছ সালাউদ্দিন আহমেদ, পরিচালক, শাহজিবাজার পাওয়ার কোম্পনি লিমিটেড

নং- বিএসইসি/এনফোর্সমেন্ট/২১৮৯/২০১৪/ তারিখঃ ডিসেম্বর, ২০১৪ ইং

আদেশ

যেহেতু, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 2(g) **মোতাবেক শাহজিবাজার পাওয়ার কোম্পানি লিমিটেড** 'issuer' **হিসাবে অভিহিত (অতঃপর 'ইস্যুয়ার' বলে উল্লিখিত);**

যেহেতু, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 2(cc) মোতাবেক "Commission" means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 **(অতঃপর ' কমিশন ' বলে উল্লিখিত);**

যেহেতু, it appeared from the record that the issuer company has submitted/disseminated the third quarter (Q3) financial statements for the quarter ended on March 31, 2014;

যেহেতু, on examination of the aforesaid un-audited financial statements, the Commission has some observations & Comments, among others, the following:

"Shahjibazar Power Co. Limited (SPCL) was requested to revise its financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the applicable accounting standards to the Commission and stock exchanges. In response to our letter/query, SPCL submitted its revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014. We reviewed the revised un-audited financial statement of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014. On our examination/revision, it appeared that SPCL revised/allocated its Deferred Revenue Expenditure of Tk. 57,24,44,029.00 [Preliminary Expenses of Tk. 43,54,176.00 and Deferred Revenue Expenditure of Tk. 56,80,89,853.00] to its Fixed Assets (Tk. 57,02,61,902.00) and General & Administrative Expenses (Tk. 21,82,127.00) as well as increasing its Cost of Sales by Tk. 19,76,986.00 charging depreciation on such fixed assets, stating that such accounting treatment has been done in accordance with BAS-38 Para 69(a), BAS-16 and BAS-23. But, the Commission was not clear as to whether the aforesaid revision/allocation of head of accounts as made by the company in its revised financial statement was in accordance with Para 69(a) of BAS-38, BAS-16 and BAS-23.

As per the Commission's decision, for the interest of general investors/public, M/s. A. Qasem & Co., Chartered Accountants were requested/appointed to provide their expert opinion on the aforesaid issue on scrutiny/examination of relevant vouchers/documents/bank statements, i.e., as to whether accounting treatment/allocation of Tk. 57,24,44,029.00 as made in the revised financial statements of Shahjibazar Power Company Limited for the third quarter (July 2013 to March 2014) ended on March 31, 2014 was in accordance with Para 69(a) of BAS-38, BAS-16 and BAS-23 or not.

The special auditors- M/s. A. Qasem & Co., Chartered Accountants has submitted their special audit report on revised quarterly financial statements of SPCL for the 3rd quarter ended on March 31, 2014. M/s. A. Qasem & Co., Chartered Accountants, among others, by making following recommendation, opined that Deferred Revenue Expenditure of Tk.13,26,17,648.00 and Preliminary Expenses of Tk.43,54,176.00 capitalized in the aforesaid revised financial statements are not in compliance with provisions of BAS:

"According to the result of our review, we recommend the following accounting treatment:

a) Deferred Revenue Expenditure to Tk. 43,54,72,205.00 may be capitalized as per BAS 16, BAS 23 and BAS 38, and will be subject to depreciation as per BAS 16.

b) A part of Deferred Revenue Expenditure amounting to Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 previously capitalized, do not meet the criteria to be recognized as Property, Plant and Equipment (PPE), and should be charged to expenses. Since these were prior period expenses, the correction and disclosure should be made as per paragraph 41-48 (Accounting treatment) and paragraph 49 (Disclosure) of BAS 8-Accounting Policies, Charges in Accounting Estimates and Errors."

It appears from the special auditors report that by not considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in the aforesaid financial statements, SPCL shown overstated Net Profit (by Tk.13,69,71,824.00) as well as EPS. As such, the quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended. By submitting such untrue financial statements, SPCL misled the investors. As such, SPCL was directed to explain/clarify its position on the aforesaid observation of the Commission and opinion of the special auditors as well as submit a revised financial statements of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014 to the Commission and stock exchanges revising the same in line with the special auditors' recommendations, within 3 (Three) working days**.**

In response to our aforesaid directive/letter, SPCL has submitted its clarification by explaining the company's position and also submitted revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the special auditors' recommendations. We have reviewed the revised un-audited financial statement of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014. On our examination, it appears from Note that the revised un-audited financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 that SPCL has revised its aforesaid financial statements by considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in its financial statements in accordance with the auditors' recommendation in the following way:

Particulars	**2013-2014 (9 months)**	**2012-2013**	**2011-2012**	**Total (BDT)**
Preliminary Expenses	2,91,567.00	10,79,626.00	29,82,983.00	43,54,176.00
General & Administrative exps. (Deferred Rev. Expenditure)	82,91,003.00	78,94,286.00	89,61,691.00	2,51,46,980.00
Financial Expenses (Deferred Rev. Expenditure)	10,64,35,316.00	-	-	10,64,35,316.00
	11,50,17,886.00	**89,73,912.00**	**1,19,44,674.00**	**13,59,36,472.00**
Misc. Income, netting off				8,29,994.00
Wasted Sales, netting off				2,05,358.00
				13,69,71,824.00

It appears from the company's clarification that Deferred Revenue Expenditure of Tk.13,26,17,648.00 and Preliminary Expenses of Tk.43,54,176.00 has been accounted for in its revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the special auditors' recommendations.

From the special auditors' findings as well as reply of the company and aforesaid revised financial statements, it has been found that by not considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in the previously submitted/disseminated financial statements of the company for the third quarter (July 2013 to March 2014) ended on March 31, 2014, SPCL shown overstated Net Profit by Tk.12,17,48,640 (Tk.28,97,88,148-Tk.16,80,39,508) as well as EPS by Tk.1.06 (Tk.2.54-Tk.1.48). As such, the quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 as submitted and disseminated previously to the stock exchanges did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended. By submitting such untrue financial statements, SPCL misled the investors."

যেহেতু, it appeared from the above statement that the issuer disseminated untrue/false financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 to the stock exchanges on 15.07.2014, showing overstated Net Profit by Tk.12,17,48,640 (Tk.28,97,88,148-Tk.16,80,39,508) as well as EPS by Tk.1.06 (Tk.2.54-Tk.1.48) and misled the investors. The quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 as disseminated to the stock exchanges on 15.07.2014, did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended;

বর্ণিত অবস্থায় প্রতীয়মাণ হয় যে, ইস্যুয়ারের, মার্চ ৩১, ২০১৪ ইং তারিখে সমাপ্ত তৃতীয় ত্রৈমাসিক প্রস্তুতকৃত অনিরীক্ষীত আর্থিক বিবরণী BAS-8 (paragraph 41-49), 16, 23, 38 অনুযায়ী প্রস্তুত করতে ব্যর্থ হয়েছে বিধায় আর্থিক বিবরণীতে ইস্যুয়ারের বাস্তব অবস্থা সঠিক ও স্বচ্ছ (true and fair) ভাবে প্রতিফলিত হয়নি, যা আলোচ্য Ordinance এর section 18 এর সুস্পষ্ট লংঘন;

যেহেতু, ইস্যুয়ারের উপরোক্ত ব্যর্থতার জন্য কমিশন কর্তৃক পত্র সূত্র নং- BSEC/Enforcement/2189/2014/648 তারিখ অক্টোবর ২৬, ২০১৪ এর মাধ্যমে ইস্যুয়ার ও উহার পরিচালকগণকে Securities and Exchange Ordinance, 1969 এর section 22 এর অধীন কারণ দর্শানো ও শুনানীর নোটিশ জারি করা হয় এবং অক্টোবর ২৮, ২০১৪ ইং তারিখে উক্ত শুনানী অনুষ্ঠিত হয়;

যেহেতু, উক্ত শুনানীতে দাখিলকৃত ইস্যুয়ার পত্র নং SPCL/REP/Enforcement/2189/648 এর তারিখ অক্টোবর ২৭, ২০১৪ ইং এর মাধ্যমে উল্লিখিত ব্যর্থতা তথা বিধান লংঘন সংক্রান্ত যে ব্যাখ্যা প্রদান করা হয় তা সন্তোষজনক না হওয়ায় কমিশনের নিকট গ্রহনযোগ্য বলে বিবেচিত হয়নি;

যেহেতু, আলোচ্য ইস্যুয়ার একটি পাবলিক লিমিটেড কোম্পানী এবং ইসুয়্যার সিকিউরিটিজ সংক্রান্ত আইন ও উহার অধীন জারীকৃত বিধি-বিধান পরিপালনের জন্য দায়ী;

যেহেতু, সিকিউরিটিজ সংক্রান্ত আইন ও উহার বিধি-বিধান পরিপালনে ইস্যুয়ার এর উক্তরূপ ব্যর্থতা Securities and Exchange Ordinance, 1969 এর section 22 এর অধীন শাস্তিযোগ্য অপরাধ; এবং

যেহেতু, কমিশনের বিবেচনায়, সিকিউরিটিজ সংক্রোন্ড় আইন ও উহার বিধি-বিধান পরিপালনে উল্লিখিত ব্যর্থতার জন্য, পুঁজিবাজারের শৃংখলা, স্বচ্ছতা এবং জনস্বার্থে উক্ত ইস্যুয়ারকে জরিমানা করা প্রয়োজন ও সমীচীন;

অতএব, সেহেতু, কমিশন, উলিণ্ডখিত যাবতীয় বিষয় বিবেচনাপূর্বক, Securities and Exchange Ordinance, 1969 এর section 22 [যা The Securities and Exchange (Amendment) Act, 2000 দ্বারা সংশোধিত] তে প্রদত্ত ক্ষমতাবলে শাহজিবাজার পাওয়ার কোম্পনি লিমিটেড এর পরিচালক জনাব মোঃ শামছুজ্জামান এর উপর ১০ (দশ) লক্ষ টাকা জরিমানা ধার্য্য করল যা অত্র আদেশের ১৫ (পনের) দিনের মধ্যে 'বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন' এর অনুকূলে ইস্যুকৃত ব্যাংক ড্রাফট/পে-অর্ডারের মাধ্যমে কমিশনে জমা করতে হবে।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের আদেশক্রমে-

অধ্যাপক ড. এম. খায়রুল হোসেন
চেয়ারম্যান

বিতরণঃ
জনাব মোঃ শামছুজ্জামান, পরিচালক, শাহজিবাজার পাওয়ার কোম্পনি লিমিটেড

নং- বিএসইসি/এনফোর্সমেন্ট/২১৮৯/২০১৪/ তারিখঃ ডিসেম্বর, ২০১৪ ইং

আদেশ

যেহেতু, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 2(g) **মোতাবেক শাহজিবাজার পাওয়ার কোম্পানি লিমিটেড** 'issuer' **হিসাবে অভিহিত (অতঃপর 'ইস্যুয়ার' বলে উল্লিখিত);**

যেহেতু, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 2(cc) মোতাবেক "Commission" means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 **(অতঃপর ' কমিশন ' বলে উল্লিখিত);**

যেহেতু, it appeared from the record that the issuer company has submitted/disseminated the third quarter (Q3) financial statements for the quarter ended on March 31, 2014;

যেহেতু, on examination of the aforesaid un-audited financial statements, the Commission has some observations & Comments, among others, the following:

"Shahjibazar Power Co. Limited (SPCL) was requested to revise its financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the applicable accounting standards to the Commission and stock exchanges. In response to our letter/query, SPCL submitted its revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014. We reviewed the revised un-audited financial statement of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014. On our examination/revision, it appeared that SPCL revised/allocated its Deferred Revenue Expenditure of Tk. 57,24,44,029.00 [Preliminary Expenses of Tk. 43,54,176.00 and Deferred Revenue Expenditure of Tk. 56,80,89,853.00] to its Fixed Assets (Tk. 57,02,61,902.00) and General & Administrative Expenses (Tk. 21,82,127.00) as well as increasing its Cost of Sales by Tk. 19,76,986.00 charging depreciation on such fixed assets, stating that such accounting treatment has been done in accordance with BAS-38 Para 69(a), BAS-16 and BAS-23. But, the Commission was not clear as to whether the aforesaid revision/allocation of head of accounts as made by the company in its revised financial statement was in accordance with Para 69(a) of BAS-38, BAS-16 and BAS-23.

As per the Commission's decision, for the interest of general investors/public, M/s. A. Qasem & Co., Chartered Accountants were requested/appointed to provide their expert opinion on the aforesaid issue on scrutiny/examination of relevant vouchers/documents/bank statements, i.e., as to whether accounting treatment/allocation of Tk. 57,24,44,029.00 as made in the revised financial statements of Shahjibazar Power Company Limited for the third quarter (July 2013 to March 2014) ended on March 31, 2014 was in accordance with Para 69(a) of BAS-38, BAS-16 and BAS-23 or not.

The special auditors- M/s. A. Qasem & Co., Chartered Accountants has submitted their special audit report on revised quarterly financial statements of SPCL for the 3rd quarter ended on March 31, 2014. M/s. A. Qasem & Co., Chartered Accountants, among others, by making following recommendation, opined that Deferred Revenue Expenditure of Tk.13,26,17,648.00 and Preliminary Expenses of Tk.43,54,176.00 capitalized in the aforesaid revised financial statements are not in compliance with provisions of BAS:

> "According to the result of our review, we recommend the following accounting treatment:
>
> a) Deferred Revenue Expenditure to Tk. 43,54,72,205.00 may be capitalized as per BAS 16, BAS 23 and BAS 38, and will be subject to depreciation as per BAS 16.
>
> b) A part of Deferred Revenue Expenditure amounting to Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 previously capitalized, do not meet the criteria to be recognized as Property, Plant and Equipment (PPE), and should be charged to expenses. Since these were prior period expenses, the correction and disclosure should be made as per paragraph 41-48 (Accounting treatment) and paragraph 49 (Disclosure) of BAS 8-Accounting Policies, Charges in Accounting Estimates and Errors."

It appears from the special auditors report that by not considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in the aforesaid financial statements, SPCL shown overstated Net Profit (by Tk.13,69,71,824.00) as well as EPS. As such, the quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended. By submitting such untrue financial statements, SPCL misled the investors. As such, SPCL was directed to explain/clarify its position on the aforesaid observation of the Commission and opinion of the special auditors as well as submit a revised financial statements of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014 to the Commission and stock exchanges revising the same in line with the special auditors' recommendations, within 3 (Three) working days.

In response to our aforesaid directive/letter, SPCL has submitted its clarification by explaining the company's position and also submitted revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the special auditors' recommendations. We have reviewed the revised un-audited financial statement of SPCL for the third quarter (July 2013 to March 2014) ended on March 31, 2014. On our examination, it appears from Note that the revised un-audited financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 that SPCL has revised its aforesaid financial statements by considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in its financial statements in accordance with the auditors' recommendation in the following way:

Particulars	**2013-2014 (9 months)**	**2012-2013**	**2011-2012**	**Total (BDT)**
Preliminary Expenses	2,91,567.00	10,79,626.00	29,82,983.00	43,54,176.00
General & Administrative exps. (Deferred Rev. Expenditure)	82,91,003.00	78,94,286.00	89,61,691.00	2,51,46,980.00
Financial Expenses (Deferred Rev. Expenditure)	10,64,35,316.00	-	-	10,64,35,316.00
	11,50,17,886.00	**89,73,912.00**	**1,19,44,674.00**	**13,59,36,472.00**
Misc. Income, netting off				8,29,994.00
Wasted Sales, netting off				2,05,358.00
				13,69,71,824.00

It appears from the company's clarification that Deferred Revenue Expenditure of Tk.13,26,17,648.00 and Preliminary Expenses of Tk.43,54,176.00 has been accounted for in its revised financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 in line with the special auditors' recommendations.

From the special auditors' findings as well as reply of the company and aforesaid revised financial statements, it has been found that by not considering/recognizing Deferred Revenue Expenditure of Tk. 13,26,17,648.00 and Preliminary Expenses of Tk. 43,54,176.00 totaling Tk. 13,69,71,824.00 as expenses in the previously submitted/disseminated financial statements of the company for the third quarter (July 2013 to March 2014) ended on March 31, 2014, SPCL shown overstated Net Profit by Tk.12,17,48,640 (Tk.28,97,88,148-Tk.16,80,39,508) as well as EPS by Tk.1.06 (Tk.2.54-Tk.1.48). As such, the quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 as submitted and disseminated previously to the stock exchanges did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended. By submitting such untrue financial statements, SPCL misled the investors."

যেহেতু, it appeared from the above statement that the issuer disseminated untrue/false financial statements for the third quarter (July 2013 to March 2014) ended on March 31, 2014 to the stock exchanges on 15.07.2014, showing overstated Net Profit by Tk.12,17,48,640 (Tk.28,97,88,148-Tk.16,80,39,508) as well as EPS by Tk.1.06 (Tk.2.54-Tk.1.48) and misled the investors. The quarterly financial statements of the company for the 3rd quarter ended on March 31, 2014 as disseminated to the stock exchanges on 15.07.2014, did not give the true and fair view of the company's affairs as of March 31, 2014 and the result of its operation for the period then ended;

বর্ণিত অবস্থায় প্রতীয়মাণ হয় যে, ইস্যুয়ারের, মার্চ ৩১, ২০১৪ ইং তারিখে সমাপ্ত তৃতীয় ত্রৈমাসিক প্রস্তুতকৃত অনিরীক্ষীত আর্থিক বিবরণী BAS-8 (paragraph 41-49), 16, 23, 38 অনুযায়ী প্রস্তুত করতে ব্যর্থ হয়েছে বিধায় আর্থিক বিবরণীতে ইস্যুয়ারের বাস্তব অবস্থা সঠিক ও স্বচ্ছ (true and fair) ভাবে প্রতিফলিত হয়নি, যা আলোচ্য Ordinance এর section 18 এর সুস্পষ্ট লংঘন;

যেহেতু, ইস্যুয়ারের উপরোক্ত ব্যর্থতার জন্য কমিশন কর্তৃক পত্র সূত্র নং- BSEC/Enforcement/2189/2014/648 তারিখ অক্টোবর ২৬, ২০১৪ এর মাধ্যমে ইস্যুয়ার ও উহার পরিচালকগণকে Securities and Exchange Ordinance, 1969 এর section 22 এর অধীন কারণ দর্শানো ও শুনানীর নোটিশ জারি করা হয় এবং অক্টোবর ২৮, ২০১৪ ইং তারিখে উক্ত শুনানী অনুষ্ঠিত হয়;

যেহেতু, উক্ত শুনানীতে দাখিলকৃত ইস্যুয়ার পত্র নং SPCL/REP/Enforcement/2189/648 এর তারিখ অক্টোবর ২৭, ২০১৪ ইং এর মাধ্যমে উল্লিখিত ব্যর্থতা তথা বিধান লংঘন সংক্রান্ত যে ব্যাখ্যা প্রদান করা হয় তা সন্তোষজনক না হওয়ায় কমিশনের নিকট গ্রহনযোগ্য বলে বিবেচিত হয়নি;

যেহেতু, আলোচ্য ইস্যুয়ার একটি পাবলিক লিমিটেড কোম্পানী এবং ইসুয়্যার সিকিউরিটিজ সংক্রান্ত আইন ও উহার অধীন জারীকৃত বিধি-বিধান পরিপালনের জন্য দায়ী;

যেহেতু, সিকিউরিটিজ সংক্রান্ত আইন ও উহার বিধি-বিধান পরিপালনে ইস্যুয়ার এর উক্তরূপ ব্যর্থতা Securities and Exchange Ordinance, 1969 এর section 22 এর অধীন শাস্তিযোগ্য অপরাধ; এবং

যেহেতু, কমিশনের বিবেচনায়, সিকিউরিটিজ সংক্রান্ড় আইন ও উহার বিধি-বিধান পরিপালনে উল্লিখিত ব্যর্থতার জন্য, পুঁজিবাজারের শৃংখলা, স্বচ্ছতা এবং জনস্বার্থে উক্ত ইস্যুয়ারকে জরিমানা করা প্রয়োজন ও সমীচীন;

অতএব, সেহেতু, কমিশন, উলিণ্ডখিত যাবতীয় বিষয় বিবেচনাপূর্বক, Securities and Exchange Ordinance, 1969 এর section 22 [যা The Securities and Exchange (Amendment) Act, 2000 দ্বারা সংশোধিত] তে প্রদত্ত ক্ষমতাবলে শাহজিবাজার পাওয়ার কোম্পনি লিমিটেড এর পরিচালক জনাব এ. কে. এম. বদিউল আলম এর উপর ১০ (দশ) লক্ষ টাকা জরিমানা ধার্য্য করল যা অত্র আদেশের ১৫ (পনের) দিনের মধ্যে 'বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন' এর অনুকূলে ইস্যুকৃত ব্যাংক ড্রাফট/পে-অর্ডারের মাধ্যমে কমিশনে জমা করতে হবে।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের আদেশক্রমে-

অধ্যাপক ড. এম. খায়রুল হোসেন
চেয়ারম্যান

বিতরণঃ
জনাব এ. কে. এম. বদিউল আলম, পরিচালক, শাহজিবাজার পাওয়ার কোম্পনি লিমিটেড