

bs GmBwm/Gbtdvmtg>U/2071/2014/276

ZwiLt Rb 11, 2014 Bs

Rbve KvRx mvjggj nK, tPqvigvb/ e'e'vcbv cwiPvjK

Rbvev mvjgv nK, cwiPvjK

Rbve KvRx Gg. mvjgvb mtiqvvi, cwiPvjK

Rbvev mvi nK, cwiPvjK

WRiKD ejtcb BûóR wjwgUW

tnW Adm: 331/2 ZvRDwİb Avn#g` iYx

eo gMeVRvi, XvKv-1217

welq: Avt`k|

Kwgk+bi 20 Rb 2013 Bs Zwi+Li Avt`k bs GmBwm/Gbtdvmtg>U/2071/2014/272 t_K
Avt`k bs GmBwm/Gbtdvmtg>U/2071/2014/275 Gi mZ'wqZ Abwj c Avcbvi AeMwZ I
ctqvRbxq e'e'v Mn+Yi Rb" GZ`ms+M msh³ Kiv ntjv|

evsjvt`k wmwKDwiUR A'vU G · tPÄ Kwgk+bi ct¶

tgvnvæ§` wmwİKi ingvb
Dc-cwiPvjK

wEziYt

cavb wbevnx KgKZv, XvKv óK G · tPÄ wjwgUW

cavb wbevnx KgKZv, PÆMvg óK G · tPÄ wjwgUW

AeMwZi Rb" Abwj c:

1| wbevnx cwiPvjK, AvBb, weGmBwm

2| wbevnx cwiPvjK, wmgd, weGmBwm

3| wbevnx cwiPvjK, GgAvBGm, weGmBwm

4| tPqvigvb g+nv`tqi`İi, weGmBwm

5| Adm Kwc

Av`k

thnZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(g) tgvZvteK wR wKD ejtcb BÜw÷R wjwgUW 'issuer' wnmvte AwfwnZ (AZtci ôBm"qviô ejj DwjwLZ);

thnZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(cc) tgvZvteK "Commission" means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 (AZtci ô Kigkb ô ejj DwjwLZ);

thnZ, Securities and Exchange Rules, 1987 Gi rule 12(2) G D+jL itqQ th, "The financial statements of an issuer of a listed security shall be prepared in accordance with the requirements laid down in the Schedule and the International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh. ...";

thnZ, Securities and Exchange Rules, 1987 Gi rule 12 Abhvqx Bm"qvi KZK wbiwXZ Aw_K weeiYx Kigkb G Rgv `v`bi weavb itqQ Ges tm tgvZvteK Bm"qvi KZK wWtmøi 31, 2012 Bs ZwiL mgvß ermji c-ZKZ wbiwXZ Aw_K weeiYx Kigkb G Rgv `vb Kiv nqQ;

thnZ, Dciv³ ermji Aw_K ciZte`bi Dci Kigkbi Ab`vbi gta" wbtgv³ chteflb itqQ:

	Allegation	Contraventions/Violations and related laws
1	Statement of Cash Flows for the year ended on December 31, 2012: Increase in Share Capital through issuance of bonus shares/stock dividend (an item of non-cash transaction) of Tk.1,07,82,720.00 has been shown as cash inflows. By showing such non-cash transaction as cash inflows, cash and bank balances as shown in the Balance Sheet as of December 31, 2012 is overstated by Tk.1,07,82,720.00	Contravention: 1. BAS-07 (incorrect cash flow statement) 2. Rule 12(2) of Securities and Exchange Rules, 1987 read with 3. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).
2	Statement of Cash Flows of Maladesh International (Pvt.) Ltd. (a subsidiary of GQ Ball Pen Industries Limited) for the year ended on September 30, 2011 and 2012: Increase in Share Capital through issuance of bonus shares/stock dividend (item of non-cash transactions) of Tk. 40,00,000.00 in the year 2011 and Tk. 24,00,000.00 in the year 2012 have been shown as cash outflows and cash inflows respectively, which is contradictory. It appears to us that by showing such non-cash transaction as cash outflows in the year 2011 and as cash inflows in the year 2012, cash and bank balances as shown in the Balance Sheet as of September 30, 2011 is understated by Tk. 40,00,000.00 and as of September 30, 2012 is overstated by Tk. 24,00,000.00. Net cash and bank balances as of September 30, 2012 is understated by Tk. 16,00,000.00 through above two transactions. Due to aforesaid anomalies in the cash flow statements of the company and its subsidiary, consolidated cash and balances as well as consolidated financial statements do not portray the true and fair position of the company.	Contravention: 1. BAS-1(true and fair view); read with 2. Rule 12(2) of Securities and Exchange Rules, 1987 read with 3. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).
3	<u>Tangible Fixed Assets:</u> It appears from from Note No. 03.00 to the financial statements of GQ Ball Pen Industries Limited that no depreciation has been charged on addition/revaluation of fixed assets of Tk. 22,57,96,548.00 (Excluding Freehold land and Lease Hold Land), which is not in line with the company's accounting policies as disclosed at Note No. 2.06 to the financial statements for the year ended on December 31, 2012 as well as BAS-16. Non-charging of depreciation/amortization on Lease Hold Land of Tk.99,96,28,067.00. Disclosure on revaluation of fixed assets has not been made in line with Para # 77 of BAS-16. No disclosure on tax (Deferred/Current tax calculation) related to revaluation of assets as per Income	Contravention: 1. BAS-12 (non-calculation deferred tax liabilities properly), BAS-16 (Non charging of depreciation on revalued assets) and BAS-1(true and fair view); read with 2. Rule 12(2) of Securities and Exchange Rules, 1987 read with 3. Section 18 of the Securities and Exchange Ordinance, 1969

Tax Ordinance, 1984 and BAS-12 has been made.	(Submission of untrue and incorrect financial statements).
---	--

cVZV- 2

eiYZ Ae⁻vq cZxqgvY nq th, Bm⁻qv⁺ii, W⁺m⁺i 31, 2012 Bs Zwi⁺L mgv⁺ß erm⁺ii c⁻ZKZ Wbix⁺Y⁺Z Aw⁻K weeiY⁺ IAS Abhv⁺q c⁻Z Ki⁺Z e⁻ n⁺q⁺Q weav⁺q Bm⁻qv⁺i Securities and Exchange Rules, 1987 Gi rule 12(2) c⁺icv⁺j⁺b e⁻ n⁺q⁺Q| d⁺j Aw⁻K weeiY⁺x⁺Z Bm⁻qv⁺ii e⁻v Ae⁻v m⁺VK I ⁻Q (true and fair) fv⁺e c⁺Zd⁺ij⁺Z nq⁺W Z⁻v D³ i⁺c KgKv⁺Üi gva⁺tg Bm⁻qv⁺i Av⁺jvP⁻ **Rules** Gi msikó weav⁺ jsNb Ki⁺i⁺Q, hv Av⁺jvP⁻ Ordinance Gi section 18 Gi m⁻úó jsNb;

th⁺nZ, Bm⁻qv⁺ii Dc⁺iv³ e⁻_Zvi Rb⁻ Kigkb KZK c⁺Î m⁺Î bs- SEC/Enforcement/2071/2014/118 Zwi⁺L gvP 16, 2014 Gi gva⁺tg Bm⁻qv⁺i I Dnvi c⁺ip⁺vj KMY⁺K Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb Kv⁺iY ⁻kv⁺tbv I ⁻ibvbx⁺i tbw⁺Uk Rwi Kiv nq Ges Gw⁺cj 09, 2014 Bs Zwi⁺L D³ ⁻ibvbx⁺ Ab⁺ôZ nq;

th⁺nZ, D³ ⁻ibvbx⁺Z ⁻w⁺LjKZ Bm⁻qv⁺ii c⁺Î bs GQBPI/LGA/CS/2014 Zwi⁺L Gw⁺cj 07, 2014 Bs Gi gva⁺tg D⁺ij⁺LZ e⁻_Zv Z⁻v weav⁺ jsNb ms⁺uv⁺š th e⁻vL⁻v c⁻v⁺b Kiv nq Zv m⁺šv⁺iRbK bv n⁺lqv⁺ Kigkb⁺i WbKU Mnb⁺thvM⁻ e⁺j we⁺te⁺iPZ nq⁺W;

th⁺nZ, Av⁺jvP⁻ Bm⁻qv⁺i GK⁺U cve⁺jk Wj⁺ig⁺tUW tKv⁺úvbx Ges Bmq⁺v⁺i Wm⁺KD⁺iiUR ms⁺uv⁺š AvBb I Dnvi Aaxb Rv⁺ixKZ wea- weav⁺ c⁺icv⁺j⁺bi Rb⁻ ⁻vq⁺;

th⁺nZ, Wm⁺KD⁺iiUR ms⁺uv⁺š AvBb I Dnvi wea- weav⁺ c⁺icv⁺j⁺bi Bm⁻qv⁺i Gi D³ i⁺c e⁻_Zv Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb k⁺w⁺ ⁻thvM⁻ Aciva; Ges

th⁺nZ, Kigkb⁺i we⁺tePbvq, Wm⁺KD⁺iiUR ms⁺uv⁺š AvBb I Dnvi wea- weav⁺ c⁺icv⁺j⁺bi D⁺ij⁺LZ e⁻_Zvi Rb⁻, c⁺Re⁺vR⁺ii ksLjv, ⁻QZv Ges Rb⁻v⁺t⁺ D³ Bm⁻qv⁺ii c⁺ip⁺vj KM⁺Yi c⁺Z⁺K⁺K Rv⁺igbv Kiv c⁺qvRb I mg⁺Pxb;

AZGe, th⁺nZ, Kigkb, D⁺ij⁺LZ hveZxq we⁺lq we⁺tePbvceK, Securities and Exchange Ordinance, 1969 Gi section 22 [hv The Securities and Exchange (Amendment) Act, 2000 Øviv ms⁺k⁺waZ] tZ c⁻Ë ⁺lgZv⁺etj:-

- (1) W⁺R⁺KD ejtcb BÜw⁺ÖR Wj⁺ig⁺tUW Gi tPqv⁺ig⁺vb/e⁻e⁻vcbv c⁺ip⁺vjK Rbve KvR⁺x m⁺tgj nK Gi Dci 2,50,000/- (B j⁺ÿ c⁺Ävk nvRvi) UvKv Rv⁺igbv av⁺h Kij hv A⁺Î Av⁺t⁺ki 15 (c⁺bi) W⁺t⁺bi g⁺a⁺ Øevs⁺jt⁺ k Wm⁺KD⁺iiUR A⁺vÜ G · tP⁺Ä Kigkb⁺ Gi AbK⁺tj Bm⁻KZ e⁻vsK WdU/tc-AW⁺ii gva⁺tg Kigkb⁺ Rgv Ki⁺Z n⁺etj

evs⁺jt⁺ k Wm⁺KD⁺iiUR A⁺vÜ G · tP⁺Ä Kigkb⁺ Av⁺t⁺ k⁺µtg-

Aa⁺vcK W. Gg. Lvqi⁺j tnv⁺mb
tPqv⁺ig⁺vb

weZiYt

Rbve KvR⁺x m⁺tgj nK, tPqv⁺ig⁺vb/ e⁻e⁻vcbv c⁺ip⁺vjK, W⁺R⁺KD ejtcb BÜw⁺ÖR Wj⁺ig⁺tUW

bs- GmBm/Gb+dvm#g,U/2071/2014/273

Zwilt Rb 11, 2014 Bs

Av`k

hñZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(g) gVZvteK R KD ej+cb BÜ÷R j g+UW 'issuer' nmve AwfnZ (AZtc i ðBmqvið ej DñjLZ);

hñZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(cc) gVZvteK "Commission" means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 (AZtc i ð Klgkb ð ej DñjLZ);

hñZ, Securities and Exchange Rules, 1987 Gi rule 12(2) G D+jL i+q+Q th, "The financial statements of an issuer of a listed security shall be prepared in accordance with the requirements laid down in the Schedule and the International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh. ...";

hñZ, Securities and Exchange Rules, 1987 Gi rule 12 Abhvqx Bmqvi KZK wbx¶xZ Aw_K weeiYx Klgkb G Rgv `vbi weavb i+q+Q Ges m tgVZvteK Bmqvi KZK Wtmøi 31, 2012 Bs Zwi+L mgvß erm+i c-ZKZ wbx¶xZ Aw\_K weeiYx Klgkb G Rgv `vb Kiv n+q+Q;

hñZ, Dc+iv³ erm+i Aw_K ciZte`bi Dci Klgk+bi Ab`vbi g+a" wbgv³ chte¶b i+q+Q:

	Allegation	Contraventions/Violations and related laws
1	Statement of Cash Flows for the year ended on December 31, 2012: Increase in Share Capital through issuance of bonus shares/stock dividend (an item of non-cash transaction) of Tk.1,07,82,720.00 has been shown as cash inflows. By showing such non-cash transaction as cash inflows, cash and bank balances as shown in the Balance Sheet as of December 31, 2012 is overstated by Tk.1,07,82,720.00	Contravention: 4. BAS-07 (incorrect cash flow statement) 5. Rule 12(2) of Securities and Exchange Rules, 1987 read with 6. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).

2	Statement of Cash Flows of Maladesh International (Pvt.) Ltd. (a subsidiary of GQ Ball Pen Industries Limited) for the year ended on September 30, 2011 and 2012: Increase in Share Capital through issuance of bonus shares/stock dividend (item of non-cash transactions) of Tk. 40,00,000.00 in the year 2011 and Tk. 24,00,000.00 in the year 2012 have been shown as cash outflows and cash inflows respectively, which is contradictory. It appears to us that by showing such non-cash transaction as cash outflows in the year 2011 and as cash inflows in the year 2012, cash and bank balances as shown in the Balance Sheet as of September 30, 2011 is understated by Tk. 40,00,000.00 and as of September 30, 2012 is overstated by Tk. 24,00,000.00. Net cash and bank balances as of September 30, 2012 is understated by Tk. 16,00,000.00 through above two transactions. Due to aforesaid anomalies in the cash flow statements of the company and its subsidiary, consolidated cash and balances as well as consolidated financial statements do not portray the true and fair position of the company.	Contravention: 4. BAS-1(true and fair view); read with 5. Rule 12(2) of Securities and Exchange Rules, 1987 read with 6. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).
3	Tangible Fixed Assets: It appears from from Note No. 03.00 to the financial statements of GQ Ball Pen Industries Limited that no depreciation has been charged on addition/revaluation of fixed assets of Tk. 22,57,96,548.00 (Excluding Freehold land and Lease Hold Land), which is not in line with the company's accounting policies as disclosed at Note No. 2.06 to the financial statements for the year ended on December 31, 2012 as well as BAS-16. Non-charging of depreciation/amortization on Lease Hold Land of Tk.99,96,28,067.00. Disclosure on revaluation of fixed assets has not been made in line with Para # 77 of BAS-16. No disclosure on tax (Deferred/Current tax calculation) related to revaluation of assets as per Income Tax Ordinance, 1984 and BAS-12 has been made.	Contravention: 4. BAS-12 (non-calculation deferred tax liabilities properly), BAS-16 (Non charging of depreciation on revalued assets) and BAS-1(true and fair view); read with 5. Rule 12(2) of Securities and Exchange Rules, 1987 read with 6. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).

P j gvb.....cVZV-

eiYZ Ae⁻vq cZxqgY nq th, Bm^qvi i, W^mma i 31, 2012 Bs Zwi^L mgvB ermⁱ i c⁻ZKZ ^{ibix}q^x Z Aw⁻K ^{eei}Y^x IAS Abhvq^x c⁻Z Ki^z Z e⁻ n^tq^zQ ^{weav}q Bm^qvi Securities and Exchange Rules, 1987 Gi rule 12(2) cⁱⁱc^vj^z b e⁻ n^tq^zQⁱ dⁱj Aw⁻K ^{eei}Y^x Z Bm^qvi i e⁻v Ae⁻v mⁱVK I ^Q (true and fair) f^vte cⁱⁱZⁱⁱj Z nq^{ib} Z ^v D³ i^jc KgK^vUⁱ gva^{tg} Bm^qvi Av^tj^vP^o **Rules** Gi msⁱk^o ^{weav}b jsNb Ki^tzQ, hv Av^tj^vP^o Ordinance Gi section 18 Gi m⁻u^o jsNb;

thⁿz, Bm^qvi i Dcⁱv³ e⁻ Z^{vi} Rb^o K^{ig}kb KZK cⁱ mⁱ bs- SEC/Enforcement/2071/2014/118 Zwi^L g^vP 16, 2014 Gi gva^{tg} Bm^qvi I Dnvi cⁱⁱP^vj KMY^zK Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb K^{vi}Y ^{kv}tbv I ^{ibv}bx i ^{tbv}Uk Rwi Kiv nq Ges G^{ic}j 09, 2014 Bs Zwi^L D³ ^{ibv}bx AbⁱoZ nq;

thⁿz, D³ ^{ibv}bx^z ^WLjKZ Bm^qvi i cⁱ bs GQB^PIL/GA/CS/2014 Zwi^L G^{ic}j 07, 2014 Bs Gi gva^{tg} Dⁱⁱj^LZ e⁻ Z^v ^{weav}b jsNb ms^uv^s th e^vL^v c⁻v^b Kiv nq Z^v m^ts^vI RbK bv nⁱq^v K^{ig}k^zbi ^{ib}KU Mnbthh^m e^tj ^{we}teⁱⁱPZ nqib;

thⁿz, Av^tj^vP^o Bm^qvi GKⁱU c^{ve}i^jK ^jig^tUW ^tK^vu^vbx Ges Bm^qvi ^{mm}KDⁱⁱUR ms^uv^s AvBb I Dnvi Aaxb R^{iv}i^xKZ ^{wea}-^{weav}b cⁱⁱc^vj^z bi Rb^o ^vq^x;

thⁿz, ^{mm}KDⁱⁱUR ms^uv^s AvBb I Dnvi ^{wea}-^{weav}b cⁱⁱc^vj^z Bm^qvi Gi D³ i^jc e⁻ Z^v Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb k^w⁻th^m Ac^{iv}a; Ges

thⁿz, K^{ig}k^zbi ^{we}te^Pb^vq, ^{mm}KDⁱⁱUR ms^uv^s AvBb I Dnvi ^{wea}-^{weav}b cⁱⁱc^vj^z Dⁱⁱj^LZ e⁻ Z^{vi} Rb^o, cⁱⁱRe^vR^{vi} i k^sL^jv, ^QZ^v Ges Rb⁻v^t D³ Bm^qvi i cⁱⁱP^vj KMY^zi c^zZ^zK^zK R^{ig}ibv Kiv c^tq^vRb I mg^xP^xb;

AZGe, tññZ, Kigkb, DñjñLZ hñeZñq ñelq ñeñePññceK, Securities and Exchange Ordinance, 1969 Gi section 22 [hv The Securities and Exchange (Amendment) Act, 2000 ðñiv msñkññZ] ñZ c`È ñlgZñeñj :-

(2) ñRñKD ejñcb BÜñóR ñjñgñUW Gi cñiPñjK Rññev mñjgñ nK Gi Dci 2,50,000/- (`B j ÿ cÂñk nñRññi) UñKñ Rñigñbñ avh` Kij hv AÎ Avñ`ñki 15 (cñbi) ñ`ñbi gññ` ðevñjñ`k ñmñKDññiñUR AñÜ G · ñPÄ Kñgkbñ Gi AbKñj BmñKZ eññsK WñdUñc-AWññi i gññ`g Kñgkbñ Rgñ KiñZ nñe|

evñjñ`k ñmñKDññiñUR AñÜ G · ñPÄ Kñgkbñ Avñ`kññg-

AaññcK W. Gg. Lñqñ`j tñññmb
ñPqñigññb

ñeZñYt

Rññev mñjgñ nK, cñiPñjK, ñRñKD ejñcb BÜñóR ñjñgñUW

bs- GmBñm/GbñdñmñgñU/2071/2014/274

ZwñLt Rb 11, 2014 Bs

Avñ`k

ññññZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(g) ñgñZññeK ñR ñKD ejñcb BÜññ÷R ñjñgñUW ‘issuer’ ññmññe AñññññZ (AZñci ðBmñqñññ ðeñj DñjñLZ);

ññññZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(cc) ñgñZññeK “Commission” means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 (AZñci ð Kñgkb ðeñj DñjñLZ);

ññññZ, Securities and Exchange Rules, 1987 Gi rule 12(2) G DñjñL iñqññQ ññ, “The financial statements of an issuer of a listed security shall be prepared in accordance with the requirements laid down in the Schedule and the International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh. ...”;

ññññZ, Securities and Exchange Rules, 1987 Gi rule 12 Abññqñ Bmñqñi KZK ñbixñññZ Aññ_K ñeeiYñ Kñgkb G Rgñ `ññbi ñeavñ iñqññQ Ges ñm ñgñZññeK Bmñqñi KZK ñWññmññi 31, 2012 Bs ZwñññL mñññ ðermññi cññZKZ ñbixñññZ Aññ\_K ñeeiYñ Kñgkb G Rgñ `ññb Kiv nñqññQ;

ññññZ, Dcñiv³ ðermññi Aññ_K cñZñe`ñbi Dci Kñgkbñi Abñññbi gññ` ñbñgñ³ chñeññb iñqññQ:

Allegation	Contraventions/Violations and related laws
------------	--

1	Statement of Cash Flows for the year ended on December 31, 2012: Increase in Share Capital through issuance of bonus shares/stock dividend (an item of non-cash transaction) of Tk.1,07,82,720.00 has been shown as cash inflows. By showing such non-cash transaction as cash inflows, cash and bank balances as shown in the Balance Sheet as of December 31, 2012 is overstated by Tk.1,07,82,720.00	Contravention: 7. BAS-07 (incorrect cash flow statement) 8. Rule 12(2) of Securities and Exchange Rules, 1987 read with 9. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).
2	Statement of Cash Flows of Maladesh International (Pvt.) Ltd. (a subsidiary of GQ Ball Pen Industries Limited) for the year ended on September 30, 2011 and 2012: Increase in Share Capital through issuance of bonus shares/stock dividend (item of non-cash transactions) of Tk. 40,00,000.00 in the year 2011 and Tk. 24,00,000.00 in the year 2012 have been shown as cash outflows and cash inflows respectively, which is contradictory. It appears to us that by showing such non-cash transaction as cash outflows in the year 2011 and as cash inflows in the year 2012, cash and bank balances as shown in the Balance Sheet as of September 30, 2011 is understated by Tk. 40,00,000.00 and as of September 30, 2012 is overstated by Tk. 24,00,000.00. Net cash and bank balances as of September 30, 2012 is understated by Tk. 16,00,000.00 through above two transactions. Due to aforesaid anomalies in the cash flow statements of the company and its subsidiary, consolidated cash and balances as well as consolidated financial statements do not portray the true and fair position of the company.	Contravention: 7. BAS-1(true and fair view); read with 8. Rule 12(2) of Securities and Exchange Rules, 1987 read with 9. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).
3	Tangible Fixed Assets: It appears from from Note No. 03.00 to the financial statements of GQ Ball Pen Industries Limited that no depreciation has been charged on addition/revaluation of fixed assets of Tk. 22,57,96,548.00 (Excluding Freehold land and Lease Hold Land), which is not in line with the company's accounting policies as disclosed at Note No. 2.06 to the financial statements for the year ended on December 31, 2012 as well as BAS-16. Non-charging of depreciation/amortization on Lease Hold Land of Tk.99,96,28,067.00. Disclosure on revaluation of fixed assets has not been made in line with Para # 77 of BAS-16. No disclosure on tax (Deferred/Current tax calculation) related to revaluation of assets as per Income Tax Ordinance, 1984 and BAS-12 has been made.	Contravention: 7. BAS-12 (non-calculation deferred tax liabilities properly), BAS-16 (Non charging of depreciation on revalued assets) and BAS-1(true and fair view); read with 8. Rule 12(2) of Securities and Exchange Rules, 1987 read with 9. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).

Pjgvb.....cvZv-

2

cvZv- 2

eiYZ Ae⁻vq cZxqgvY nq th, Bm⁻qv⁺i i, W⁻m⁺i 31, 2012 Bs Zwi⁺L mgv⁺ erm⁺i i c⁻ZKZ 6ibix⁺Y Z Aw⁻K weeiYx IAS Abhvq⁺ c⁻Z Ki⁺Z e⁻ n⁺q⁺Q weavq Bm⁻qv⁺i Securities and Exchange Rules, 1987 Gi rule 12(2) c⁺icvj⁺b e⁻ n⁺q⁺Q d⁺j Aw⁻K weeiYx⁺Z Bm⁻qv⁺i i e⁻v e Ae⁻v m⁺VK I ⁻Q (true and fair) f⁺ve c⁺Zd⁺jZ nq⁺b Z⁻v D³ i⁺c KgKv⁺U⁺i gva⁺tg Bm⁻qv⁺i Av⁺jvP⁺ **Rules** Gi ms⁺kó weavb jsNb K⁺i⁺Q, hv Av⁺jvP⁺ Ordinance Gi section 18 Gi m⁻úó jsNb;

th⁺nZ, Bm⁻qv⁺i i Dc⁺i⁺v³ e⁻ Z⁻vi Rb⁻ Kigkb KZK c⁺î m⁺î bs- SEC/Enforcement/2071/2014/118 Zwi⁺L giP 16, 2014 Gi gva⁺tg Bm⁻qv⁺i I Dnvi c⁺iiPvj KMY⁺K Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb Kv⁺iY ⁻kv⁺bv I ⁻ibvxi tbvUk Rwi Kiv nq Ges G⁺icj 09, 2014 Bs Zwi⁺L D³ ⁻ibvxi Ab⁺ôZ nq;

th⁺nZ, D³ ⁻ibvxi⁺Z ⁻wLjKZ Bm⁻qv⁺i i c⁺î bs QBPIL/GA/CS/2014 Zwi⁺L G⁺icj 07, 2014 Bs Gi gva⁺tg D⁺j⁺ILZ e⁻ Z⁻vi Z⁻v weavb jsNb ms⁺µvš th e⁻vL⁻v c⁻vb Kiv nq Z⁻v m⁺švIRbK bv nIqv⁺ Kigk⁺bi w⁺bKU Mnb⁺hvM⁺ e⁺j we⁺eiPZ nq⁺b;

th⁺nZ, Av⁺jvP⁺ Bm⁻qv⁺i GK⁺U cve⁺jK w⁺j⁺g⁺UW tKv⁺úvbx Ges Bm⁻qv⁺i m⁺miKD⁺iUR ms⁺µvš AvBb I Dnvi Aaxb RvixKZ wea-
weavb c⁺icvj⁺bi Rb⁻ ⁻vq;

তহন, Securities and Exchange Rules, 1987 Gi rule 12 Abhvq Bm'qvi KZK Wbix'xZ Aw_K weeiYx Kigkb G Rgy
 `v'bi weavb i'q'Q Ges tm tgvZv'eK Bm'qvi KZK W'm'oi 31, 2012 Bs Zwi'L mgvB ermti c-ZKZ Wbix'xZ Aw_K
 weeiYx Kigkb G Rgy `vb Kiv n'q'Q;

তহন, Dc'iv³ ermti Aw_K ciz'e`'bi Dci Kigk'bi Ab'v'bi g'a'` b'gv³ ch'e'f'bi i'q'Q:

	Allegation	Contraventions/Violations and related laws
1	Statement of Cash Flows for the year ended on December 31, 2012: Increase in Share Capital through issuance of bonus shares/stock dividend (an item of non-cash transaction) of Tk.1,07,82,720.00 has been shown as cash inflows. By showing such non-cash transaction as cash inflows, cash and bank balances as shown in the Balance Sheet as of December 31, 2012 is overstated by Tk.1,07,82,720.00	Contravention: 10. BAS-07 (incorrect cash flow statement) 11. Rule 12(2) of Securities and Exchange Rules, 1987 read with 12. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).
2	Statement of Cash Flows of Maladesh International (Pvt.) Ltd. (a subsidiary of GQ Ball Pen Industries Limited) for the year ended on September 30, 2011 and 2012: Increase in Share Capital through issuance of bonus shares/stock dividend (item of non-cash transactions) of Tk. 40,00,000.00 in the year 2011 and Tk. 24,00,000.00 in the year 2012 have been shown as cash outflows and cash inflows respectively, which is contradictory. It appears to us that by showing such non-cash transaction as cash outflows in the year 2011 and as cash inflows in the year 2012, cash and bank balances as shown in the Balance Sheet as of September 30, 2011 is understated by Tk. 40,00,000.00 and as of September 30, 2012 is overstated by Tk. 24,00,000.00. Net cash and bank balances as of September 30, 2012 is understated by Tk. 16,00,000.00 through above two transactions. Due to aforesaid anomalies in the cash flow statements of the company and its subsidiary, consolidated cash and balances as well as consolidated financial statements do not portray the true and fair position of the company.	Contravention: 10. BAS-1(true and fair view); read with 11. Rule 12(2) of Securities and Exchange Rules, 1987 read with 12. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).
3	Tangible Fixed Assets: It appears from from Note No. 03.00 to the financial statements of GQ Ball Pen Industries Limited that no depreciation has been charged on addition/revaluation of fixed assets of Tk. 22,57,96,548.00 (Excluding Freehold land and Lease Hold Land), which is not in line with the company's accounting policies as disclosed at Note No. 2.06 to the financial statements for the year ended on December 31, 2012 as well as BAS-16. Non-charging of depreciation/amortization on Lease Hold Land of Tk.99,96,28,067.00. Disclosure on revaluation of fixed assets has not been made in line with Para # 77 of BAS-16. No disclosure on tax (Deferred/Current tax calculation) related to revaluation of assets as per Income Tax Ordinance, 1984 and BAS-12 has been made.	Contravention: 10. BAS-12 (non-calculation deferred tax liabilities properly), BAS-16 (Non charging of depreciation on revalued assets) and BAS-1(true and fair view); read with 11. Rule 12(2) of Securities and Exchange Rules, 1987 read with 12. Section 18 of the Securities and Exchange Ordinance, 1969 (Submission of untrue and incorrect financial statements).

P jgvb.....c'v'v-

eiYZ Ae'vq cZxqgy nq th, Bm'qv'ii, W'm'oi 31, 2012 Bs Zwi'L mgvB ermti c-ZKZ Wbix'xZ Aw_K weeiYx IAS
 Abhvq c-Z Ki'Z e'` n'q'Q weavq Bm'qvi Securities and Exchange Rules, 1987 Gi rule 12(2) c'ic'v'j'b e'`
 n'q'Q| d'j Aw_K weeiYx'Z Bm'qv'ii e'v'e Ae'v m'vK I 'Q (true and fair) f'v'e c'Zd'j'Z nq'v Z_v D³ i'c KgK'v'Üi
 g'a'g Bm'qvi Av'j'vP' **Rules** Gi m'ikó weavb j'sNb K'i'Q, hv Av'j'vP' Ordinance Gi section 18 Gi m'úó j'sNb;

þhþnZ, Bm"qvþii Dcþiv³ e" _Zvi Rb" Kigkb KZK cÎ mÎ bs- SEC/Enforcement/2071/2014/118 ZwiL gvP 16, 2014 Gi gva"tg Bm"qvi I Dnvi ciiPvj KMYþK Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb KviY`kvþbv I ðbvbxi tbvUk Rvi Kiv nq Ges Gwcj 09, 2014 Bs ZwiþL D³ ðbvbxi AbôZ nq;

þhþnZ, D³ ðbvbxiZ`wLjKZ Bm"qvþii cÎ bs QBPIL/GA/CS/2014 ZwiL Gwcj 07, 2014 Bs Gi gva"tg DjjwLZ e" \_Zv Z\_v weavb jsNb msþvš þh e"vL"v c`vb Kiv nq Zv mþšvIRbK bv nIqv Kigkþbi wbKU MnbþhvM" eþj weþeþZ nqib;

þhþnZ, AvþjvP" Bm"qvi GKU cveþjK wjwgþUW tKvþvþv Ges Bmq"vi mwKDiiUR msþvš AvBb I Dnvi Aaxb RvixKZ wea-weavb cwi cvjþbi Rb" `vqx;

þhþnZ, mwKDiiUR msþvš AvBb I Dnvi wea-weavb cwi cvjþbi Bm"qvi Gi D³ jc e" _Zv Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb kwwþhvM" Aciva; Ges

þhþnZ, Kigkþbi weþeþvq, mwKDiiUR msþvš AvBb I Dnvi wea-weavb cwi cvjþbi DjjwLZ e" _Zvi Rb", cReiRvþii ksLjv, "QZv Ges Rb"vþ_ D³ Bm"qvþii ciiPvj KMþYi cþZ"KþK Rvignv Kiv cþqvRb I mgvþb;

AZGe, þmþnZ, Kigkb, DjjwLZ hveZxq weiq weþeþvþceK, Securities and Exchange Ordinance, 1969 Gi section 22 [hv The Securities and Exchange (Amendment) Act, 2000 Øviv msþkwaZ] þZ c`Ë flgZveþj:-

- (4) wRKD ejþcb BÛwóR wjwgþUW Gi ciiPvjK Rbvev mviv nK Gi Dci 2,50,000/- (`B jÿ cÂkv nRvi) UvKv Rvignv avh" Kij hv AÎ Avþ`þki 15 (cþbi) wþþi gþa" Øeþjvþ`k mwKDiiUR A"vÛ G · þPÄ Kigkbô Gi AbKþj Bm"KZ e"vK Wdu/tc-AWþii gva"tg Kigkþb Rgv KiþZ nþe|

eþþjvþ`k mwKDiiUR A"vÛ G · þPÄ Kigkþbi Avþ`kþg-

Aa"vcK W. Gg. Lvqi"j þnvþmb
þPqvig"vb

weZiYt

Rbvev mviv nK, ciiPvjK, wRKD ejþcb BÛwóR wjwgþUW