bs GmBwm/Gb‡dvm‡g›U/2071/2014/276 ZwiLt Rb 11, 2014 Bs

Rbve KvRx mv‡jgj nK, †Pqvig¨vb/ e¨e¯vcbv cwiPvjK
Rbvev mvjgv nK, cwiPvjK
Rbve KvRx Gg. mvjgvb m‡ivqvi, cwiPvjK
Rbvev mvwiv nK, cwiPvjK
wRwKD ej†cb BÛwóR wjwg‡UW
‡nW Awdm: 331/2 ZvRDwÏb Avn‡g` ¯iYx
eo gMevRvi, XvKv-1217

welq: Av‡`k|

Kwgk‡bi 20 Rb 2013 Bs Zwi‡Li Av‡`k bs GmBwm/Gb‡dvm‡g›U/2071/2014/272 ‡_‡K Av‡`k bs GmBwm/Gb‡dvm‡g›U/2071/2014/275 Gi mZ¨wqZ Abwjwc Avcbvi AeMwZ I c‡qvRbxq e¨e¯v Mn‡Yi Rb¨ GZ`ms‡M msh³ Kiv n‡jv|

evsjv‡`k wmwKDwiwUR A¨vÛ G·‡PÄ Kwgk‡bi c‡¶

†gvnv¤§` wmwÏKi ingvb
Dc-cwiPvjK

weZiYt
cavb wbevnx KgKZv, XvKv óK G·‡PÄ wjwg‡UW
cavb wbevnx KgKZv, PÆMvg óK G·‡PÄ wjwg‡UW

AeMwZi Rb¨ Abwjwc:
1| wbevnx cwiPvjK, AvBb, weGmBwm
2| wbevnx cwiPvjK, wmGd, weGmBwm
3| wbevnx cwiPvjK, GgAvBGm, weGmBwm
4| †Pqvig¨vb g‡nv`‡qi `ßi, weGmBwm
5| Awdm Kwc

bs- GmBwm/Gb‡dvm‡g›U/2071/2014/272 ZwiLt Rb 11, 2014 Bs

Av‡`k

‡h‡nZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(g) ‡gvZv‡eK wR wKD ej†cb BÛw÷R wjwg‡UW 'issuer' wnmv‡e AwfwnZ (AZtci ÔBm¨qviÕ e‡j DwjwLZ);

‡h‡nZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(cc) ‡gvZv‡eK "Commission" means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 (AZtci Ô KwgkbÕ e‡j DwjwLZ);

‡h‡nZ, Securities and Exchange Rules, 1987 Gi rule 12(2) G D‡jL i‡q‡Q †h, "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. ...";

‡h‡nZ, Securities and Exchange Rules, 1987 Gi rule 12 Abhvqx Bm¨qvi KZK wbix¶xZ Aw_K weeiYx Kwgkb G Rgv `v‡bi weavb i‡q‡Q Ges ‡m †gvZv‡eK Bm¨qvi KZK wW‡m¤^i 31, 2012 Bs Zwi‡L mgvß erm†i c¯ZKZ wbix¶xZ Aw_K weeiYx Kwgkb G Rgv `vb Kiv n‡q‡Q;

‡h‡nZ, Dc‡iv³ erm‡i Aw_K cwZ‡e`‡bi Dci Kwgk‡bi Ab¨v‡bi g‡a¨ wb‡gv³ ch‡e¶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:** 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).

Pjgvb............cvZv-

cvZv- 2

eiYZ Ae¯'vq cZxqgvY nq †h, Bm¨qv‡ii, wW‡m¤^i 31, 2012 Bs Zvwi‡L mgvß erm‡ii c¯ZKZ wbix¶xZ Avw_K weeiYx IAS Abhvqx c¯'Z Ki‡Z e¨_ n‡q‡Q weavq Bm¨qvi Securities and Exchange Rules, 1987 Gi rule 12(2) cwicvj‡b e¨_ n‡q‡Q| d‡j Avw_K weeiYx‡Z Bm¨qv‡ii ev¯'e Ae¯'v mwVK I ¯'"Q (true and fair) fv‡e cwZdwjZ nqwb Z_v D³ i¦c KgKv‡Ûi gva¨‡g Bm¨qvi Av‡jvP¨ **Rules** Gi msWkó weavb jsNb K‡i‡Q, hv Av‡jvP¨ Ordinance Gi section 18 Gi m¯úó jsNb;

‡h‡nZ, Bm¨qv‡ii Dc‡iv³ e¨_Zvi Rb¨ Kwgkb KZK cÎ mÎ bs- SEC/Enforcement/2071/2014/118 ZwiL gvP 16, 2014 Gi gva¨‡g Bm¨qvi I Dnvi cwiPvjKMY‡K Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb KviY `k©v‡bv I ïbvbxi †bwUk Rvwi Kiv nq Ges Gwcj 09, 2014 Bs Zvwi‡L D³ ïbvbx AbwôZ nq;

‡h‡nZ, D³ ïbvbx‡Z `wLjKZ Bm¨qv‡ii cÎ bs GQBPIL/GA/CS/2014 ZwiL Gwcj 07, 2014 Bs Gi gva¨‡g DwjwLZ e¨_Zv Z_v weavb jsNb msµvš— †h e¨vL¨v c`vb Kiv nq Zv m‡šÍvlRbK bv nIqvq Kwgk‡bi wbKU Mnb‡hvM¨ e‡j we‡ewPZ nqwb;

‡h‡nZ, Av‡jvP¨ Bm¨qvi GKwU cvewjK wjwg‡UW †Kv¤úvbx Ges Bmq¨vi wmwKDwiwUR msµvš— AvBb I Dnvi Aaxb RvixKZ wewa-weavb cwicvj‡bi Rb¨ `vqx;

‡h‡nZ, wmwKDwiwUR msµvš— AvBb I Dnvi wewa-weavb cwicvj‡b Bm¨qvi Gi D³ i¦c e¨_Zv Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb kw¯—‡hvM¨ Acivа; Ges

‡h‡nZ, Kwgk‡bi we‡ePbvq, wmwKDwiwUR msµvš— AvBb I Dnvi wewa-weavb cwicvj‡b DwjwLZ e¨_Zvi Rb¨, cwReviv‡ii ksLjv, ¯'"QZv Ges Rb¯v‡_ D³ Bm¨qv‡ii cwiPvjKM‡Yi c‡Z¨K‡K Rwigvbv Kiv c‡qvRb I mgxPxb;

AZGe, †m‡nZ, Kwgkb, DwjwLZ hveZxq welq we‡ePbvcеK, Securities and Exchange Ordinance, 1969 Gi section 22 [hv The Securities and Exchange (Amendment) Act, 2000 Øviv ms‡kvwaZ] ‡Z c`Ë ¶gZve‡j:-

(1) wRwKD ej†cb BÛwóR wjwg‡UW Gi †Pqvig¨vb/e¨e¯'vcbv cwiPvjK Rbve KvRx mv‡jgj nK Gi Dci 2,50,000/- (`B jÿ cÂvk nvRvi) UvKv Rwigvbv avh¨ Kij hv AÎ Av‡`‡ki 15 (c‡bi) w`‡bi g‡a¨ Ôevsjv‡`k wmwKDwiwUR A¨vÛ G· ‡PÄ KwgkbÕ Gi AbK‡j Bm¨KZ e¨vsK WvdU/†c-AWv‡ii gva¨‡g Kwgk‡b Rgv Ki‡Z n‡e|

evsjv‡`k wmwKDwiwUR A¨vÛ G· ‡PÄ Kwgk‡bi Av‡`kµ‡g-

Aa¨vcK W. Gg. Lvqi"j †nv‡mb
‡Pqvig¨vb

weZiYt
Rbve KvRx mv‡jgj nK, †Pqvig¨vb/ e¨e¯'vcbv cwiPvjK, wRwKD ej†cb BÛwóR wjwg‡UW

bs- GmBwm/Gb‡dvm‡g›U/2071/2014/273 ZwiLt Rb 11, 2014 Bs

Av‡`k

‡h‡nZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(g) ‡gvZv‡eK wR wKD ej†cb BÛv÷R wjwg‡UW ‘issuer’ wnmv‡e AwfwnZ (AZtci ÔBm¨qviÕ e‡j DwjwLZ);

‡h‡nZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(cc) ‡gvZv‡eK “Commission” means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 (AZtci Ô KwgkbÕ e‡j DwjwLZ);

‡h‡nZ, Securities and Exchange Rules, 1987 Gi rule 12(2) G D‡jL i‡q‡Q †h, “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. ...”;

‡h‡nZ, Securities and Exchange Rules, 1987 Gi rule 12 Abhvqx Bm¨qvi KZK wbix¶xZ Aw_K weeiYx Kwgkb G Rgv `v‡bi weavb i‡q‡Q Ges ‡m †gvZv‡eK Bm¨qvi KZK wW‡m¤^i 31, 2012 Bs Zwi‡L mgvß erm†ii c¯ZKZ wbix¶xZ Aw_K weeiYx Kwgkb G Rgv `vb Kiv n‡q‡Q;

‡h‡nZ, Dc‡iv³ erm‡i Aw_K cwZ‡e`‡bi Dci Kwgk‡bi Ab¨v‡bi g‡a¨ wb‡gv³ ch‡e¶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	**<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 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).

Pjgvb............cvZv-

ewYZ Ae¯vq cZxqgvY nq †h, Bm¨qv‡ii, wW‡m¤i 31, 2012 Bs Zwi‡L mgvß ermi‡ii c¯ZKZ wbix¶xZ Aw_K weeiYx IAS Abhvqx c¯Z Ki‡Z e¨_ n‡q‡Q weavq Bm¨qvi Securities and Exchange Rules, 1987 Gi rule 12(2) cwicvj‡b e¨_ n‡q‡Q| d‡j Aw_K weeiYx‡Z Bm¨qv‡ii ev¯e Ae¯v mwVK I ¯"Q (true and fair) fv‡e cwZdwjZ nqwb Z_v D³ i/c KgKv‡Ûi gva¨‡g Bm¨qvi Av‡jvP¨ **Rules** Gi mswkó weavb jsNb K‡i‡Q, hv Av‡jvP¨ Ordinance Gi section 18 Gi m¯úó jsNb;

‡h‡nZ, Bm¨qv‡ii Dc‡iv³ e¨_Zvi Rb¨ Kwgkb KZK cÎ mÎ bs- SEC/Enforcement/2071/2014/118 ZwiL gvP 16, 2014 Gi gva¨‡g Bm¨qvi I Dnvi cwiPvjKMY‡K Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb KviY `kv‡bv I ïbvbxi †bwUk Rwi Kiv nq Ges Gwcj 09, 2014 Bs Zwi‡L D³ ïbvbx AbwôZ nq;

‡h‡nZ, D³ ïbvbx‡Z `wLjKZ Bm¨qv‡ii cÎ bs GQBPIL/GA/CS/2014 ZwiL Gwcj 07, 2014 Bs Gi gva¨‡g DwjwLZ e¨_Zv Z_v weavb jsNb msµvš †h e¨vL¨v c`vb Kiv nq Zv m‡švlRbK bv nIqvq Kwgk‡bi wbKU Mnb‡hvM¨ e‡j we‡ewPZ nqwb;

‡h‡nZ, Av‡jvP¨ Bm¨qvi GKwU cvewjK wjwg‡UW †Kv¤úvbx Ges Bmq¨vi wmwKDwiwUR msµvš AvBb I Dnvi Aaxb RvixKZ wewa-weavb cwicvj‡bi Rb¨ `vqx;

‡h‡nZ, wmwKDwiwUR msµvš AvBb I Dnvi wewa-weavb cwicvj‡b Bm¨qvi Gi D³i/c e¨_Zv Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb kw¯‡hvM¨ Aciva; Ges

‡h‡nZ, Kwgk‡bi we‡ePbvq, wmwKDwiwUR msµvš AvBb I Dnvi wewa-weavb cwicvj‡b DwjwLZ e¨_Zvi Rb¨, cwRevRv‡ii ksLjv, ¯"QZv Ges Rb¯v‡_ D³ Bm¨qv‡ii cwiPvjKM‡Yi c‡Z¨K‡K Rwigvbv Kiv c‡qvRb I mgxPxb;

AZGe, †m‡nZ, Kwgkb, DwjwLZ hveZxq wel‡q we‡ePbvceK, Securities and Exchange Ordinance, 1969 Gi section 22 [hv The Securities and Exchange (Amendment) Act, 2000 Øviv ms‡kvwaZ] ‡Z c`Ë ¶gZve‡j:-

(2) wRwKD ej†cb BÛwóR wjwg‡UW Gi cwiPvjK Rbvev mvjgv nK Gi Dci 2,50,000/- (`B jÿ cÂvk nvRvi) UvKv Rwigvbv avh¨ Kij hv AÎ Av‡`‡ki 15 (c‡bi) w`‡bi g‡a¨ Ôevsjv‡`k wmwKDwiwUR A¨vÛ G·‡PÄ KwgkbÕ Gi AbK‡j Bm¨KZ e¨vsK WvdU/†c-AWv‡ii gva¨‡g Kwgk‡b Rgv Ki‡Z n‡e|

evsjv‡`k wmwKDwiwUR A¨vÛ G·‡PÄ Kwgk‡bi Av‡`kµ‡g-

Aa¨vcK W. Gg. Lvqi"j †nv‡mb
‡Pqvig¨vb

weZiYt
Rbvev mvjgv nK, cwiPvjK, wRwKD ej†cb BÛwóR wjwg‡UW

bs- GmBwm/Gb‡dvm‡g›U/2071/2014/274 ZwiLt Rb 11, 2014 Bs

Av‡`k

‡h‡nZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(g) ‡gvZv‡eK wR wKD ej†cb BÛwóR wjwg‡UW 'issuer' wnmv‡e AwfwnZ (AZtci ÔBm¨qviÕ e‡j DwjwLZ);

‡h‡nZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(cc) ‡gvZv‡eK "Commission" means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 (AZtci Ô KwgkbÕ e‡j DwjwLZ);

‡h‡nZ, Securities and Exchange Rules, 1987 Gi rule 12(2) G D‡jL i‡q‡Q †h, "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. ...";

‡h‡nZ, Securities and Exchange Rules, 1987 Gi rule 12 Abhvqx Bm¨qvi KZK wbix¶xZ Aw_K weeiYx Kwgkb G Rgv `v‡bi weavb i‡q‡Q Ges ‡m †gvZv‡eK Bm¨qvi KZK wW‡m¤^i 31, 2012 Bs Zvwi‡L mgvß ermi†i c¯ZKZ wbix¶xZ Aw_K weeiYx Kwgkb G Rgv `vb Kiv n‡q‡Q;

‡h‡nZ, Dc‡iv³ erm‡i Aw_K cwZ‡e`‡bi Dci Kwgk‡bi Ab¨v‡bi g‡a¨ wb‡gv³ ch‡e¶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:** 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	**<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 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-

ewYZ Ae¯'vq cZxqgvY nq †h, Bm¨qv‡ii, wW‡m¤^i 31, 2012 Bs Zvwi‡L mgvß ermi‡ii c¯ZKZ 6wbix¶xZ Aw_K weeiYx IAS Abhvqx c¯Z Ki‡Z e¨_ n‡q‡Q weavq Bm¨qvi Securities and Exchange Rules, 1987 Gi rule 12(2) cwicvj‡b e¨_ n‡q‡Q| d‡j Aw_K weeiYx‡Z Bm¨qv‡ii e¯e Ae¯v mwVK I ¯"Q (true and fair) fv‡e cwZdwjZ nqwb Z_v D³ i/c KgKv‡Ûi gva¨‡g Bm¨qvi Av‡jvP¨ **Rules** Gi mswkó weavb jsNb K‡i‡Q, hv Av‡jvP¨ Ordinance Gi section 18 Gi m¯úó jsNb;

‡h‡nZ, Bm¨qv‡ii Dc‡iv³ e¨_Zvi Rb¨ Kwgkb KZK cÎ mÎ bs- SEC/Enforcement/2071/2014/118 ZvwiL gvP 16, 2014 Gi gva¨‡g Bm¨qvi I Dnvi cwiPvjKMY‡K Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb KviY `kv‡bv I ïbvbxi †bwUk Rvwi Kiv nq Ges Gwcj 09, 2014 Bs Zvwi‡L D³ ïbvbx AbwôZ nq;

‡h‡nZ, D³ ïbvbx‡Z `wLjKZ Bm¨qv‡ii cÎ bs GQBPIL/GA/CS/2014 ZvwiL Gwcj 07, 2014 Bs Gi gva¨‡g DwjwLZ e¨\_Zv Z\_v weavb jsNb msµvš— †h e¨vL¨v c`vb Kiv nq Zv m‡šÍvIRbK bv nIqvq Kwgk‡bi wbKU Mnb‡hvM¨ e‡j we‡ewPZ nqwb;

‡h‡nZ, Av‡jvP¨ Bm¨qvi GKwU cvewjK wjwg‡UW †Kv¤úvbx Ges Bmq¨vi wmwKDwiwUR msµvš— AvBb I Dnvi Aaxb RvixKZ wewa-weavb cwicvj‡bi Rb¨ `vqx;

‡h‡nZ, wmwKDwiwUR msµvšÍ AvBb I Dnvi wewa-weavb cwicvj‡b Bm¨qvi Gi D³ i¨c e¨_Zv Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb kw¯Í‡hvM¨ Aciva; Ges

‡h‡nZ, Kwgk‡bi we‡ePbvq, wmwKDwiwUR msµvšÍ AvBb I Dnvi wewa-weavb cwicvj‡b DwjwLZ e¨_Zvi Rb¨, cwRevRv‡ii ksLjv, ¯^"QZv Ges Rb¯^v‡_ D³ Bm¨qv‡ii cwiPvjKM‡Yi c‡Z¨K‡K Rwigvbv Kiv c‡qvRb I mgxPxb;

AZGe, †m‡nZ, Kwgkb, DwjwLZ hveZxq welq we‡ePbvceK, Securities and Exchange Ordinance, 1969 Gi section 22 [hv The Securities and Exchange (Amendment) Act, 2000 Øviv ms‡kvwaZ] ‡Z c`Ë ¶gZve‡j:-

(3) wRwKD ej†cb BÛvwóR wjwg‡UW Gi cwiPvjK Rbve KvRx Gg. mvjgvb m‡ivqvi Gi Dci 2,50,000/- (`B jÿ cÂvk nvRvi) UvKv Rwigvbv avh¨ Kij hv AÎ Av‡`‡ki 15 (c‡bi) w`‡bi g‡a¨ ÔevsjvÔ‡`k wmwKDwiwUR A¨vÛ G· ‡PÄ Kwgkb Gi AbK‚‡j Bm¨KZ e¨vsK WvdU/†c-AW©v‡ii gva¨‡g Kwgk‡b Rgv Ki‡Z n‡e|

evsjv‡`k wmwKDwiwUR A¨vÛ G· ‡PÄ Kwgk‡bi Av‡`kµ‡g-

Aa¨vcK W. Gg. Lvqi"j †nv‡mb
‡Pqvig¨vb

weZiYt
Rbve KvRx Gg. mvjgvb m‡ivqvi, cwiPvjK, wRwKD ej†cb BÛvwóR wjwg‡UW

bs- GmBwm/Gb‡dvm‡g›U/2071/2014/275 ZwiLt Rb 11, 2014 Bs

Av‡`k

‡h‡nZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(g) ‡gvZv‡eK wR wKD ej†cb BÛvw÷R wjwg‡UW 'issuer' wnmv‡e AwfwnZ (AZtci ÔBm¨qviÕ e‡j DwjwLZ);

‡h‡nZ, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 2(cc) ‡gvZv‡eK "Commission" means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Commission Act, 1993 (AZtci ÔKwgkbÕ e‡j DwjwLZ);

‡h‡nZ, Securities and Exchange Rules, 1987 Gi rule 12(2) G D‡jL i‡q‡Q †h, "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. ...";

‡h‡nZz, Securities and Exchange Rules, 1987 Gi rule 12 Abhvqx Bm¨qvi KZK wbix¶xZ Aw_K weeiYx Kwgkb G Rgv `v‡bi weavb i‡q‡Q Ges ‡m †gvZv‡eK Bm¨qvi KZK wW‡m¤i 31, 2012 Bs Zwi‡L mgvß eQ‡ii c~ZKZ wbix¶xZ Aw_K weeiYx Kwgkb G Rgv `vb Kiv n‡q‡Q;

‡h‡nZz, Dc‡iv³ eQ‡ii Aw_K cwZ‡e`‡bi Dci Kwgk‡bi Ab¨v‡bi g‡a¨ wb‡gv³ ch‡e¶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:** 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	**<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 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).

Pjgvb............cvZv-

ewYZ Ae¯’vq cZxqgvY nq †h, Bm¨qv‡ii, wW‡m¤i 31, 2012 Bs Zwi‡L mgvß eQ‡ii c~ZKZ wbix¶xZ Aw_K weeiYx IAS Abhvqx c~Z Ki‡Z e¨_ n‡q‡Q weavq Bm¨qvi Securities and Exchange Rules, 1987 Gi rule 12(2) cwicvj‡b e¨_ n‡q‡Q| d‡j Aw_K weeiYx‡Z Bm¨qv‡ii ev¯e Ae¯v mwVK I ¯”Q (true and fair) fv‡e cwZdwjZ nqwb Z_v D³ i{c KgKv‡Ûi gva¨‡g Bm¨qvi Av‡jvP¨ **Rules** Gi msw¤ó weavb jsNb K‡i‡Q, hv Av‡jvP¨ Ordinance Gi section 18 Gi m¯úó jsNb;

‡h‡nZ, Bm¨qv‡ii Dc‡iv³ e¨_Zvi Rb¨ Kwgkb KZK cÎ mÎ bs- SEC/Enforcement/2071/2014/118 ZwiL gvP 16, 2014 Gi gva¨‡g Bm¨qvi I Dnvi cwiPvjKMY‡K Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb KviY `kv‡bv I ïbvbxi †bwUk Rvwi Kiv nq Ges Gwcj 09, 2014 Bs Zwi‡L D³ ïbvbx AbwôZ nq;

‡h‡nZ, D³ ïbvbx‡Z `wLjKZ Bm¨qv‡ii cÎ bs GQBPIL/GA/CS/2014 ZwiL Gwcj 07, 2014 Bs Gi gva¨‡g DwjwLZ e¨_Zv Z_v weavb jsNb msµvš— †h e¨vL¨v c`vb Kiv nq Zv m‡švlRbK bv nIqvq Kwgk‡bi wbKU MÖnb‡hvM¨ e‡j we‡ewPZ nqwb;

‡h‡nZ, Av‡jvP¨ Bm¨qvi GKwU cvewjK wjwg‡UW †Kv¤úvbx Ges Bmq¨vi wmwKDwiwUR msµvš— AvBb I Dnvi Aaxb RvixKZ wewa-weavb cwicvj‡bi Rb¨ `vqx;

‡h‡nZ, wmwKDwiwUR msµvš— AvBb I Dnvi wewa-weavb cwicvj‡b Bm¨qvi Gi D³iƒc e¨_Zv Securities and Exchange Ordinance, 1969 Gi section 22 Gi Aaxb kw¯—‡hvM¨ Acivа; Ges

‡h‡nZ, Kwgk‡bi we‡ePbvq, wmwKDwiwUR msµvš— AvBb I Dnvi wewa-weavb cwicvj‡b DwjwLZ e¨_Zvi Rb¨, cwRevRv‡ii ksLjv, ¯"QZv Ges Rb¯v‡_ D³ Bm¨qv‡ii cwiPvjKM‡Yi c‡Z¨K‡K Rwigvbv Kiv c‡qvRb I mgxPxb;

AZGe, †m‡nZ, Kwgkb, DwjwLZ hveZxq welq we‡ePbvceK, Securities and Exchange Ordinance, 1969 Gi section 22 [hv The Securities and Exchange (Amendment) Act, 2000 Øviv ms‡kwaZ] ‡Z c`Ë ¶gZve‡j:-

(4) wRwKD ej†cb BÛwóR wjwg‡UW Gi cwiPvjK Rbvev mvjv nK Gi Dci 2,50,000/- (`B jÿ cÂvk nvRvi) UvKv Rwigvbv avh¨ Kij hv AÎ Av‡`‡ki 15 (c‡bi) w`‡bi g‡a¨ ÔevsjvÔ‡`k wmwKDwiwUR A¨vÛ G·‡PÄ KwgkbÕ Gi AbK‡j Bm¨KZ e¨vsK WvdU/†c-AWv‡ii gva¨‡g Kwgk‡b Rgv Ki‡Z n‡e|

evsjv‡`k wmwKDwiwUR A¨vÛ G·‡PÄ Kwgk‡bi Av‡`kµ‡g-

Aa¨vcK W. Gg. Lvqi"j †nv‡mb
‡Pqvig¨vb

weZiYt
Rbvev mvjv nK, cwiPvjK, wRwKD ej†cb BÛwóR wjwg‡UW