Quarterly Review

September 2018

Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207
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Table of Contents

The Bangladesh Securities and Exchange Commission (BSEC) was established on 8th June, 1993 as the regulator of the country's capital market through enactment of the Bangladesh Securities and Exchange Commission Act, 1993, with the objectives of protecting the interest of investors in securities, developing the securities market and making rules for matters connected therewith or ancillary thereto. The Commission consists of the Chairman and four Commissioners who are appointed for fulltime by the Government. The Chairman acts as the Chief Executive of the Commission. The Commission has overall responsibility to make securities related rules and regulate the market accordingly. The Commission is a statutory body and attached to the Ministry of Finance.

At present, Dr. M. Khairul Hossain is serving the Commission as the Chairman and Prof. Md. Helal Uddin Nizami, Dr. Swapan Kumar Bala and Mr. Khondoker Kamaluzzaman are serving as the Commissioner of the Commission.

Bangladesh Securities and Exchange Commission (BSEC) has been elevated to 'A' category member of International Organization of Securities Commissions (IOSCO) on 22 December, 2013 for achieving international standard through capital market reforms.

1. Bangladesh Securities and Exchange Commission

Dr. M. Khairul Hossain
Chairman

Professor Md. Helal Uddin Nizami
Commissioner

Dr. Swapan Kumar Bala, FCMA
Commissioner

Mr. Khondoker Kamaluzzaman
Commissioner

2. Executive Director and Heads of the Departments of the Commission

Sl	Name	Designation	Head of the Departments
1	Mr. Farhad Ahmed	ED	SRI and CDS
2	Mrs. Ruksana Chowdhury	ED	Capital Issue, Enforcement, Office of the Chief Accountant, Internal Audit and AML&CFT Wing
3	Dr. ATM Tariquzzaman	ED	At present in Newzealand under lien
4	Mr. Md. Anowarul Islam	ED	SRMIC and Admin & Finance
5	Mr. Md. Saifur Rahman	ED	Surveillance, Project Director and Spokesperson of the Commission
6	Mr. Md. Ashraful Islam	ED	MIS and R&D
7	Mr. M. Hasan Mahmud	ED	MF&SPV and Corporate Finance
8	Mr. Md. Mahbubul Alam	ED	Registration, International Affairs, Financial Literacy and Director General of Bangladesh Academy of Securities Market
9	Mr. Md. Mahbuber Rahman Chaudhury	ED	CMRRC and Law

3. Directors of the Commission & Commission Secretary

Sl	Name	Designation	Departments
1	Mr. Kamrul Anam Khan	Director	Capital Issue
2	Mr. Mohammad Rezaul Karim	Director	Capital Issue and Financial Literacy
3	Mr. Mohammed Shafiul Azam	Director	SRI
4	Mr. Ripan Kumar Debnath	Director	CMRRC
5	Mr. Mir Mosharraf Hossain Chowdhury	Director	Enforcement
6	Mr. Mohammed Jahangir Alam	Director	Registration
7	Mr. Md. Mahmoodul Hoque	Director	MF and SPV
8	Mr. Prodip Kumar Basak	Director	Capital Issue and Corporate Finance
9	Mr. Rajib Ahmed	Director	MIS
10	Mr. Md. Abul Kalam	Director	Finance
11	Mr. Md. Monsur Rahman	Director	SRMIC
12	Mr. Mohammad Abul Hasan	Director	Administration
13	Mr.Sheikh Mahbub Ur Rahman	Director	Surveillance
14	Ms. Farhana Faruqui	Commission Secretary and Director	Commission Secretariat and IAD
15	Mr. Abu Rayhan Mohammad Mutasim Billah	Director	Research & Development

4. Establishment and Activities of the Commission

An efficient, transparent and fair capital market plays an important role in development of a country's industrialization and economic development. To develop such a fair and accountable capital market, Bangladesh Securities and Exchange Commission was established as the regulator of the capital market with the following missions:

- Protecting the interest of investors in securities;
- Developing the capital and securities markets; and
- Making rules on securities related matter or ancillary thereto.

The Commission consists of the Chairman and four full time Commissioners who are appointed by the Government for four years and terms of their service is determined by the Government. The Government may reappoint them subject to their age not exceeding 65 years. The Chairman discharges duties as the chief executive of the Commission.

The Commission carries out all its activities to meet purposes of the securities laws. Major activities of the Commission are listed below:

- Approval of securities issuance;
- Making of securities related Rules;
- Protection of investors in securities through market monitoring and surveillance, corporate governance, enforcement actions and investors education program etc.;
- Enforcement actions against defaulters;
- Regulation of capital market and its intermediaries;
- Conducting research and publishing information.

5. Capital Market Related Activities

Celebration of BSEC's Silver Jubilee

a. Inaugural Ceremony

Honorable Prime Minister of the Government of the People's Republic of Bangladesh Sheikh Hasina inaugurated the week-long Silver Jubilee celebration program of BSEC at Bangabandhu International Conference Centre, Dhaka on 12 September 2018

On 12 September 2018 Honorable Prime Minister of the Government of the People's Republic of Bangladesh Sheikh Hasina inaugurated the week-long program as the chief guest to celebrate the Silver Jubilee of Bangladesh Securities and Exchange Commission (BSEC) at Bangabandhu International Conference Centre. Honorable Finance Minister Mr. Abul Maal Abdul Muhith, MP and Md. Asadul Islam, Secretary, Financial Institution Division, Ministry of Finance were present as the special guests in the inaugural program which was presided over by Dr. M. Khairul Hossain, Chairman, BSEC.

Honorable Prime Minister Sheikh Hasina called upon all the concerned related to capital market including BSEC to work for overall development of the capital market and for ensuring protection of the investor's interest. The program was celebrated with participation of honorable cabinet members, members of parliament, leaders of various business associations, directors and shareholders of Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd., representatives of various merchant banks, leaders of various associations, high officials of listed companies, representatives of government, non-government and corporate bodies, and representatives of the capital market stakeholders. Honorable Prime Minister urged all the concerned including BSEC to play appropriate role to expedite the progress of the economy, finance large projects through capital market and to ensure the investor's protection. Honorable Prime Minister also advised to undertake some measures to make the stock market dynamic to accelerate the economic growth through enhancing investment in private sector, develop the bond market as a source of the long-term finance, expand and diversify investment opportunity for the investors through launching new products, inform all concerned about the nature of products, their operating procedure and strategy before launching, extend financial literacy at all levels by invigorating activities of BSEC's Training Academy, holding seminar, workshop and discussion on the role and importance of capital market. Introduction of organized market like small cap board as soon as possible is important to start transaction of shares of small and medium cap companies financed by venture capital. Development of necessary infrastructural facilities along with establishing transparency, accountability and rule of law in all spheres is important.

Honorable Prime Minister expressed hope that with implementation of these programs, the country's economic growth would be accelerated and the trend of advancement would be further geared up through private sector investment. She requested the retail investors to know in detail about the companies before investment decision. Expressing the positive attitude of the government towards the capital market, Honorable Prime Minister said that the government would provide full support to the capital market for making it an effective source of long-term financing. The capital market would be the reliable source of long-term finance for development of Bangladesh. She expressed hope again that in 2043, when BSEC would celebrate its Golden Jubilee, the capital market would be a stronger contributor to the national economy. Government's full support is being continued for expansion of the capital market as an important pillar of the economy. The capital market already has attained today's stable position. The world is considering the capital market of Bangladesh as a fast growing and potential investment destination. Hence, she thanked BSEC, stock exchanges, investors and all concerned of the market.

Dr. M. Khairul Hossain, Chairman, BSEC presented a crest to Honorable Prime Minister Sheikh Hasina, Government of the People's Republic of Bangladesh

Mentioning various steps taken by the government, Honorable Prime Minister, Sheikh Hasina said the Government had already constructed BSEC's own building, rationalized the rank, salaries, allowances and other facilities of the Commission's employees comparable to those of Bangladesh Bank through amendment of the law. Steps had been taken to enhance manpower of the Commission, and Commission's financial independence had already been delivered to it in law. Besides, due to participation of Commission's employees in various higher training, seminar and workshop at home and abroad, the world is knowing the capital market in Bangladesh to be a good one. The Prime Minister said that the government had taken various steps to build a stable, transparent and accountable stock market ensuring good governance in the listed companies, bringing efficiency along with good governance in stock exchanges through demutualization, detecting manipulation and irregularities in share trading and taking appropriate legal measures, ensuring successful implementation of incentive package for affected retail investors. The government established special tribunal for quick disposal of the stock market-related cases and formed the Financial Reporting Council to examine the transparency and trustworthiness of the financial report of the listed companies, made Bangladesh Securities and Exchange Commission (Alternative Investment) Rules, 2015 facilitating investment in the venture capital and private equity. As a result, small and medium industries including ICT are attracting local and foreign investment.

The Prime Minister also added that due to strides of the government, BSEC attained the status of IOSCO'A' category regulatory body. Along with increase in foreign investment, interest of India, China and other countries to our capital market has also increased.

Honorable Prime Minister said that the Securities and Exchange Board of India (SEBI) and Bangladesh Securities and Exchange Commission (BSEC) had signed a Memorandum of Understanding (MoU) related to human resources and market development. She noted that Chinese consortium has already invested in Dhaka Stock Exchange as a 'Strategic Investor'. Welcoming the leading stock exchanges Shenzhen and Shanghai Stock Exchanges, she said that with this inclusion, the depth of the capital market would increase and would ultimately benefit the stakeholders, investors and all other associated stakeholders of the capital market.

Honorable Prime Minister also said that the main focus of Government is to ensure overall development of the country. After forming government in 2009, development attained in every sector of the country is extraordinary. Today Bangladesh is the role model of development in the world. She put importance on upholding the trend of the development highlighting some notable parts of the country's socio-economic development. She called on people to work together to implement her political commitment to build Bangladesh as a middle income country by 2021 and to build it as a prosperous and developed country by 2041.

In the speech of special guest, Honorable Finance Minister, Government of the People's Republic of Bangladesh, Mr. Abul Maal Abdul Muhith, MP said that the Government along with the Commission had faced two debacles of capital market with expertise and wisdom. While appreciating the Commission for its contribution in market regulation, modernization and increasing depth of the market, he said that although the Commission had completed its 25 years of journey but major reforms had been occurred during the period of this Commission. Today the capital market is well-established, although its expansion is yet to be continued.

Dr. M. Khairul Hossain, Chairman, BSEC presented a crest to Honorable Minister, Ministry of Finance, Government of the People's Republic of Bangladesh, Mr. Abul Maal Abdul Muhith, MP

This advancement couldn't be interrupted in any way. He also said that the foreigners are aware about the potentiality of the capital market of Bangladesh and for this reason two world leading stock exchanges, Shenzhen and Shanghai Stock Exchanges invested as the strategic partner of DSE. He declared 10% capital gain tax benefits to those Trecholders of the Dhaka Stock Exchange who would invest the sell proceeds received from Chinese consortium in the listed companies for a period of 3 years.

At the outset of the program BSEC Chairman, Dr. M. Khairul Hossain and Secretary of Financial Institution Division, Mr. Md. Asadul Islam delivered their valuable speeches at this grand gathering.

b. Seminar in the business city–Chattogram

On 13 September 2018 Mr. Saifuzzaman Chowdhury, State Minister, Ministry of Land while delivering speech as the chief guest at the seminar jointly organized by CSE and CDBL on the occasion of Silver Jubilee of BSEC said that most of the developed countries use capital market as a source of long-term financing. Bank loan is taken there only for short term financing. But this practice is not seen here. Our businessmen depend on bank for long-term financing. Capital market regulator needs to take effective measure in this regard. He added that in many countries, the index of the economy goes up and down depending on their capital market. But this does not happen here. Our capital market has an insignificant influence on the total economic indication. Rather, we hear very often that some companies have been closed many years ago, but still their shares are available in the market. BSEC may focus on it.

The regulator should take this matter under consideration. Above all, entrepreneurs should be encouraged to come to the capital market through an effective policy support. The regulator has to simplify the listing of new companies in the capital market that declare dividend regularly. Those companies should get priority. He mentioned the ready made garment (RMG) sector as the lifeline of the country's economy.

Mr. M. Shaifur Rahman Mazumdar FCA, FCMA, Managing Director, CSE and Mr. Shuvra Kanti Chowdhury, Managing Director, CDBL delivered welcome speeches. Dr. Swapan Kumar Bala, Commissioner, BSEC delivered speech as the special guest. Mr. K A M Majedur Rahman, Managing Director, DSE and Mr. Abu Bashar Bhuiya of Lotus Securities also delivered speech at the seminar which was presided over by Dr. Moinul Islam Mahmud, Director, CSE. Prof. Dr. Md. Akter Hossein, Department of Finance, University of Chittagong presented the technical paper titled 'Potential Development of Capital Market in Bangladesh: A Study on Role of CSE'. Mr. M. Abdus Salam, Managing Director, Asian Apparels Ltd. & Sea Tex Ltd. & former Vice-President, BGMEA was among the panel-discussants on that technical paper.

c. Dhaka Stock Exchange's Special Occasions

Dhaka Stock Exchange Limited and DBA (DSE Brokers Association) jointly organized a special program titled 'BSEC's Silver Jubilee' on September 15, 2018 as a part of the week-long Silver Jubilee celebration program of BSEC in presence of Honorable Members of the Parliament, Officials of BSEC, Directors and Shareholders of Dhaka Stock Exchange Limited (DSE), Managing Director of Central Depository Bangladesh Limited (CDBL), representatives of Merchant Banks and leaders of various Associations. The program was presided over by DSE Chairman Professor Dr. Abul Hashem, adorned by the Chief Guest Dr. M. Khairul Hossain, Chairman, BSEC, Special Guests, Professor Dr. Swapan Kumar Bala, FCMA, and Mr. Khondoker Kamaluzzaman, Commissioner of BSEC.

Chief Guest Dr. M. Khairul Hossain said that BSEC has been working for development of the capital market in association with all the concerned. He mentioned that alternative investment opportunity for the investors has to be created for expansion of the capital market. Different types of derivative products and bond market have to be created in this regard. A committee has been working to launch derivatives product and create bond market. Besides, the Commission has been working to launch Small Cap Broad, Clearing and Settlement Company. He said in the inaugural session that honorable Prime Minister Sheikh Hasina has focused on some important recommendations. It is quite difficult to implement those all at BSEC's own effort. Stakeholders are the key driving force of the capital market, the market would go ahead based on their suggestions and efforts.

d. Reunion of the BSEC family

Engineer Mosharraf Hossain, MP and Honorable Minister, Ministry of Public Works & Housing, cut the cake in the reunion ceremony of Silver Jubilee celebration program held at BSEC multipurpose hall on 16 September 2018

On 16 September 2018, the Commission organized a reunion ceremony of the BSEC family at Securities Commission Bhaban. Honorable Minister Engineer Mosharraf Hossain, Ministry of Public Works & Housing, was as the chief guest while Dr. M. Khairul Hossain, Chairman, BSEC presided over the ceremony. The chief guest declared allocation of plot in Purbachal for BASM. Ex employees of BSEC attended the reunion and reminisced in the ceremony.

e. Seminar on Corporate Governance Code

Dr. M. Khairul Hossain, Chairman, BSEC delivered welcome speech at the seminar on
'Corporate Governance Code' held at Bangabandhu International Conference Centre on 17 September 2018

At the closing day of the week-long Silver Jubilee celebration of BSEC, on 17 September 2018 Bangladesh Securities and Exchange Commission (BSEC) organized a seminar on 'Corporate Governance Code' at Carnival & Harmony hall of Bangabandhu International Conference Centre. Mr. Md. Abul Kalam Azad, Chief Coordinator, Sustainable Development Goal (SDG), Prime Minister's Office was present in the seminar as the special guest. The seminar was presided over by Dr. M. Khairul Hossain, Chairman, BSEC where huge number of the representatives of the listed companies participated to understand the newly issued corporate Governance code.

BSEC Chairman Dr. M. Khairul Hossain delivered welcome speech. In his speech he mentioned that Corporate Governance Code (CGC) is a process to ensure good governance in listed companies. As the corporate sector is growing and the number of listed company is increasing, the Corporate Governance Code (CGC) has been formulated to adopt the current level of needs and compliance. After much scrutiny the CGC has been formulated which may be termed of 3rd generation in Bangladesh. The economy has been growing at the rate around 8%. The capital market plays an important role to support this growth. Listed companies have to follow the CGC in order to maintain confidence of the investors and raise accountability and transparency.

Dr. M. Khairul Hossain, Chairman, BSEC presented a crest to Mr. Md. Abul Kalam Azad, Chief Coordinator, Sustainable Development Goal (SDG), Prime Minister's Office, in presence of Dr. Swapan Kumar Bala, Commissioner, BSEC and Khondoker Kamaluzzaman, Commissioner, BSEC

Mr. Md. Abul Kalam Azad said that the capital market has to be developed to a new extent to meet the needs of financing for industrialization. This development need is important so that foreign investors along with the local investors would be encouraged to invest here supplying capital for various developmental initiatives in private and public sector. Government is yet to use the full potential of the capital market and use it in near future as our Honorable Prime Minister is very much development and investment friendly.

Afterwards, Mr. Hasan Mahmud, Executive Director of BSEC, presented the key note paper in the second part of the seminar, which was moderated by BSEC Commissioner, Dr. Swapan Kumar Bala, FCMA. DSE Managing Director, Mr. K. A. M. Majedur Rahman, CSE Managing Director Mr. M. Shaifur Rahman Mazumdar and CDBL Managing Director Mr. Shuvra Kanti Choudhury took part in the panel-discussion. In presentation of the main article, Mr. Hasan Mahmud detailed about the origin, evolution of Corporate Governance from the perspective of Bangladesh. Besides, he presented the important comparison between the previous code and the new code issued recently, and emphasized on important changes made therein.

BSEC observed ‘Doa Mahfil and Discussion’ on National Mourning Day

On the occasion of the National Mourning Day, a ‘Doa Mahfil and Discussion’ was held in the Commission to seek forgiveness of the souls of all the martyrs, including the Architect and Father of the Nation Bangabandhu Sheikh Mujibur Rahman and his family members and to discus his great vision and life.

Hon’ble Finance Minister of the Government of the People's Republic of Bangladesh Mr. Abul Maal Abdul Muhith, MP was present as the chief guest of the occasion. Dr. M. Khairul Hossain, Chairman of BSEC presided over the occasion. Commissioner of the Commission Dr. Swapan Kumar Bala, FCMA and Mr. Khondker Kamaluzzaman along with all employees attended the prayer. They discussed from his life and vision.

Honorable Minister, Chairman and Commissioners and all employees of the Commission expressed deepest honor to all those who were martyred on 15th August 1975, and discussed the life and political philosophy of Bangabandhu and expressed their gratitude to Bangabandhu's great contribution in achieving independence and evolution of Bangladesh. In the speech of the chief guest, the Hon’ble Finance Minister said among others, "The tragic incident of Father of the Nation was very heartbreaking for us. Before the death of Bangabandhu, in less than four-year period, to restore the three-fifths of the country broken down in the Liberation War, he upheld a phenomenal leadership. With the economic growth that we have for the last two decades, we believe we will achieve sustainable development targets by creating poverty-free Bangladesh earlier before 2030. We will be successful in achieving the golden Bangla dream of Bangabandhu by transforming the sorrow of national mourning day into strength.

The Doa Mahfil was conducted by Mr.Sheikh Mahbub Ur Rahman, Director, BSEC to seek forgiveness of all the souls of martyrs on August 15. After that Hon’ble Chief Guest planted tree as a memorandum for the martyrs on 15th August.

Some moments in Doa Mahfil

Inauguration of the newly designed training program for Authorized Representatives.

BSEC's Chairman Professor Dr. M. Khairul Hossain inaugurated the newly designed Authorized Representatives training program on 5th August, 2018, in the multipurpose room of the Securities Commission Bhaban.

The training program is jointly organized by Bangladesh Securities and Exchange Commission and Dhaka Stock Exchange Limited. Present course program is enriched with many new topics i.e. the responsibilities, duties and morals, practices and rules of the capital market and related securities laws. Among others, Commissioners and Executive directors of the Commission and senior officials of DSE were also presented.

In the inaugural speech, BSEC Chairman welcomed the attendees emphasizing on the training needs, responsibilities and duties of the Authorized Representatives of TREC holders, highlighting various aspects of our capital market.

He mentioned in his speech among others that investors in the capital market are the driving force of the market. Authorized Representatives are working directly with those investors. Therefore, the role of Authorized Representatives to provide the overall guidance to the investors is very important. Understanding of discipline, responsibilities and moral standards for the Authorized Representatives are of crucial importance to bring stability in the capital markets of the country.

6. Capital Market Regulatory Reforms and Compliance (CMRRC)

Following amendments/orders/directives have been issued by the Commission which are presented in website:

Sl	Subject	Classification	Reference No.
1.	Amendment to Notification No. BSEC/CMRRCD/2009-191/114/Administration/.28 dated: 02 October 2011	Notification	BSEC/CMRRCD/2009-191/209 dated: 31 July 2018.

7. Corporate Finance

Sl.	Particulars	Action Taken	No. of Company
1	Reports on utilization of IPO/RPO/Rights Issue / Convertible Preference Shares	Reports/Audit reports on utilization of fund raised through IPO/RPO/Rights Issue/Convertible Preference Shares have been accepted by the Commission.	03
		Explanation sought from the companies.	01
		Revised proposal on utilization of IPO/Rights Issue Proceeds have been placed before the Commission for kind decision.	01
		Company's explanations accepted by the Commission.	01
2	Extension of time for submission of Audited Financial Statements	Time extended.	11
3	Audited Financial Statements for the year ended on June 30, 2016 and 2017	Explanation sought from the companies.	01
		Company and its auditor's explanations accepted by the Commission.	04
		Explanation sought from the statutory auditor.	01
		Referred to Enforcement Department for non-compliance with the securities laws in preparation of Audited Financial Statements.	02
4	Submission of quarterly un-audited financial statements for the 1st quarter ended on 31 March 2018	Time extended.	11

Sl.	Particulars	Action Taken	No. of Company
5	Submission of quarterly un-audited financial statements for the 2nd quarter/half yearly ended on 30 June 2018	Time extended.	11
6	Appointment of Independent Director	The Commission's clearance has been accorded regarding appointment of Independent Directors in the Board, subject to ensuring the compliance with the requirement/provision of the condition No. 1.2(iii) of the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012.	05
		Due to non-compliance with the conditions of Corporate Governance Guidelines, 'no objection' has not been provided by the Commission regarding appointment of Independent Director.	01

8. Capital Issue

List of approval of Private Limited Companies' capital raising:

Sl	Name of the Company	Consent Letter Issued	Amount
1	Rose Sweaters Ltd.	02.07.2018	150,000,000
2	SP garments Limited	03.07.2018	70,550,000
3	Omera Petroleum Limited	03.07.2018	502,500,000
4	Vanessa Enterprise Ltd.	04.07.2018	50,000,000
5	Navana Construction Limited	16.07.2018	200,000,000
6	Binoda Knitwear Limited	17.07.2018	54,074,000
7	Shuruchi Multi Industries Limited	17.07.2018	100,000,000
8	Global Steel and Engineering Limited	22.07.2018	200,000,000
9	Milvik Bangladesh Limited	23.07.2018	100,685,000
10	Bengal Hotel and Resorts Limited	23.07.2018	439,143,800
11	Praava Health Bangladesh Limited	23.07.2018	85,000,000
12	Kaltimex Energy Bangladesh (Pvt.) Limited	24.07.2018	151,184,400
13	Dynamic Sun Energy Private Limited	02.08.2018	99,596,010
14	Lanka Bangla Investment Limited	05.08.2018	485,000,000
15	Suguna Food and Feeds Bangladesh Pvt. Ltd.	09.08.2018	20,485,500
16	Chemist Laboratories Limited	16.08.2018	60,000,000
17	Dhaka Norther Power Generations Limited	28.08.2018	147,450,000
18	Echotex Limited	05.09.2018	529,857,140
19	SQ Birichina Limited	05.09.2018	47,444,900
20	Bangladesh-China Power Company (Pvt.) Limited	06.09.2018	2,945,085,080
21	Green Textile Limited	06.09.2018	319,689,900
22	Apexpharma Limited	11.09.2018	30,000,000
23	Golden Harvest Ice Cream Limited	11.09.2018	700,000,000
24	Kenpark Bangladesh Apparel (Private) Limited	13.09.2018	550,596,000
25	Dan Foods Limited	23.09.2018	47,000,000
26	Bangladesh-China Power Company (Pvt.) Limited	25.09.2018	10,265,106,420
	Total Taka		18,350,448,150

List of approval of Public Limited Companies' capital raising:

Sl	Name of the Company	Consent Letter Issued	Amount
1	RAK Paints Ltd.	05.07.2018	95,000,000
2	Homeland Life Insurance Company Ltd.	08.07.2018	66,000,000
3	Union Insurance Co. Ltd.	12.07.2018	17,491,500
4	B-R Powergen Limited	17.07.2018	2,111,517,320
5	Industrial and Infrastructure Development Finance Company Ltd. (IIDFC)	22.07.2018	200,000,000
6	Raj Lanka Power Company Limited	23.07.2018	53,670,000
7	Bajaj Bangladesh Limited	02.08.2018	15,876,430
8	Electro LED & Lights Limited	16.08.2018	50,000,000
9	BD Finance Securities Limited	16.08.2018	26,150,000
10	First Dhaka Elevated Expressway (FDEE) Co. Ltd.	19.08.2018	706,047,800
11	South Bangla Agricullture and Commerce Bank Limited	26.08.2018	673,005,020
12	Associated oxygen Limited	27.08.2018	700,054,620
13	Bangladesh Development Company Limited	27.08.2018	60,203,000
14	Bangladesh Infrastructure Finance Fund Limited	10.09.2018	490,000,000
15	JMI Hospital Requisite Manufacturing Limited	13.09.2018	150,000,000
16	Base Textiles Limited	18.09.2018	700,000,000
17	Midland Bank Limited	18.09.2018	479,520,000
18	Oryza Agro Industries Ltd.	25.09.2018	491,250,000
19	Community Bank Bangladesh Limited (Proposed)	25.09.2018	4,000,000,000
	Total Taka		11,085,785,690

List of approval of Companies' Bond and Debenture issues:

Sl	Name of the Company	Consent Letter Issued	Amount
1	The City Bank Limited	10.07.2018	7,000,000,000
2	Al-Arafah Islami Bank Limited	17.07.2018	5,000,000,000
3	Investment Corporation of Bangladesh	17.07.2018	20,000,000,000
4	Islami Bank Bangladesh Limited	27.09.2018	7,000,000,000
5	Social Islami Bank Limited	27.09.2018	5,000,000,000
6	Dutch Bangla Bank Limited	27.09.2018	5,000,000,000
7	One Bank Limited	27.09.2018	4,000,000,000
	Total Taka		**53,000,000,000**

09. Surveillance

Daily Market Surveillance

As part of daily market surveillance, the surveillance officials watch and analyze the trading activities of the stock exchanges through Commission`s surveillance system 'InstantWatch Market' in order to find out irregularities, suspicious trading and market misconducts, if any. At the end of daily trading, a daily trade report is prepared by pointing out market conditions and is submitted to the Chairman, the Commissioners and concerned Executive Director of the Commission.

Enquiry and Investigation

In order to ensure fair trading and build confidence of investors in the securities market, it is necessary to ensure proper compliance of securities related laws, rules and regulations through investigation into suspicious and manipulative cases. During July-September 2018, Surveillance Department of Bangladesh Securities and Exchange Commission has initiated the following enquiry. Besides, DSE and CSE have submitted the following investigation reports on securities trading to the Commission:

A. Enquiry

Sl	Nature of Enquiry	Conducted By
01	To enquire into recent unusual movement of price and volume of shares of Bangladesh Autocars Limited and Legacy Footwear Ltd.	BSEC

B. Investigation

Sl	Nature of Investigation	Conducted By
01	To investigate into share trading of Meghna Pet Industries Ltd. from 27.12.2017 to 13.02.2018	DSE
02	To investigate into share trading of Wata Chemicals Ltd. from 28.02.2018 to 22.03.2018	DSE
03	To investigate into share trading of Apex Foods Ltd. from 08.02.2018 to 26.02.2018	DSE
04	To investigate into share trading of Kay & Que (Bangldesh) Ltd. from 07.02.2018 to 04.03.2018	DSE
05	To investigate into share trading of Alif Industries Ltd on 31.05.2018	DSE

Sl	Nature of Investigation	Conducted By
06	To investigate into share trading of Bangladesh Autocars Limited from 06.06.2018 to 26.06.2018	DSE
07	To investigate into share trading of Legacy Footwear Ltd. from 09.05.2018 to 03.06.2018	DSE
08	To investigate into share trading of Rupali Life Insurance Company Ltd from 29.03.2018 to 03.05.2018	DSE
09	To investigate into share trading of Saver Refractories Ltd. from 06.02.2018 to 06.03.2018	DSE
10	To investigate into share trading of Khulna Printing & packaging Ltd from 21.06.2018 to 29.07.2018	DSE
11	To investigate into share trading of Legacy Footwear Ltd. from 19.05.2018 to23.05.2018	DSE
12	To investigate into share trading of Usmania Glass Sheet Factory Ltd. from 03.07.2018 to 04.07.2018	DSE
13	To investigate into share trading of Dragon sweater and Spinning Ltd. from 19.06.2018 to 04.07.2018	DSE
14	To investigate into share trading of Libra Infusions Ltd. from 29.05.2018 to07.06.2018	DSE
15	To investigate into share trading of Ambee Pharmaceuticals Ltd. from 24.05.2018 to 11.06.2018	DSE
16	To investigate into share trading of Monno Ceramic Industries Ltd. from 14.05.2018 to 11.06.2018	DSE
17	To investigate into share trading of Salvo Chemical Industry Ltd. from 04.02.2018 to 09.05.2018	DSE
18	To investigate into share trading of Style Craft Ltd. from 03.06.2018 to 18.06.2018	DSE
19	To investigate into share trading of UPGDCL from 05.04.2018 to 08.05.2018	DSE
20	To investigate into share trading of United Generation & Distribution company Ltd. from 03.06.2018 to 27.06.2018	DSE
21	To investigate into share trading of Intech Ltd. from 09.07.2018 to 06.08.2018	DSE
22	To investigate into share trading of Usmania Glass Sheet Factory Ltd. from 28.03.2018 to 18.04.2018 and 19.04.2018 to 20.08.2018	DSE
23	To investigate into share trading of Legacy Footwear Ltd. from 24.05.2018 to 11.07.2018	DSE

Sl	Nature of Investigation	Conducted By
24	To investigate into share trading of Shyampur Sugar Mills Ltd. from 29.05.2018 to 18.06.2018	DSE
25	To investigate into share trading of Bangladesh Autocars Limited from 01.06.2018 to 16.08.2018	DSE
26	To investigate into share trading of Legacy Footwear Ltd. from 01.07.2018 to 16.08.2018	DSE
27	To investigate into share trading of Dragon sweater and Spinning Ltd. from 19.06.2018 to 25.07.2018	DSE
28	To investigate into share trading of Alif Insurance Ltd. from 29.05.2018 to 20.06.2018	DSE
29	To investigate into share trading of Alif Insurance Ltd. from Green Delta Mutual Fund on 19.06.2018	DSE
30	To investigate into share trading of Standard Ceramic Industries Ltd. from 06.06.2018 to 21.06.2018	DSE
31	To investigate into share trading of United Insurance Ltd. from 03.07.2018 to 16.07.2018	DSE
32	To investigate into share trading of Khulna Printing & packaging Ltd. from 21.06.2018 to 27.06.2018	DSE
33	To investigate into share trading of GQ Ball Pen Industries Ltd. from 03.06.2018 to 21.06.2018	DSE
34	To investigate into share trading of Shasha Denims Ltd. from 01.03.2018 to 08.04.2018	DSE

During the period, those short-selling alerts that were found in the surveillance system, investigated by DSE and CSE and submitted reports to the Commission as per instruction. After examination of investigation reports, it was found that 65 (sixty five) stock brokers/stock dealers were involved with short-selling of list securities and were sent those to the Enforcement Department for taking necessary action against them.

10. Registration

Registration department deals with activities of issuance and renewal of Certificates of Stock Dealer /Stock Broker, Authorized Representative, Merchant Bank, Asset Management Company, Depository Participant, Fund Manager, Trustee of Debt Securities, Security Custodian. During the period, the following certificates have been issued and renewed:

SL	Types of Certificate Issued	No. of Certificates Issued	No. of Renewal Certificate	Branch Approval	Office Transfer
01	Stock Dealer (i)	01(DSE)	63	01	--
		04 (CSE)	34	--	--
02	Stock Broker (i)	01 (DSE)	68	--	--
		0 (CSE)	38	--	--
03	Authorized Representative (i)	03 (DSE)	465	--	--
		49 (CSE)	83	--	--
04	Merchant Bank (ii)	01	--	--	01
05	Asset Management Company (iii)	--	--	--	--
06	Security Custodian (iv)	--	02	--	--
07	Depository Participant (v)	01 (CDBL)	72	--	--
08	Trustee of Debt Securities (vi)	06	--	--	--
09	Fund Manager (vii)	01	--	--	--
10	Trustee	02			

Registration Department carries out activities under the followings rules and regulations

i. সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (স্টক ডিলার, স্টক ব্রোকার ও অনুমোদিত প্রতিনিধি) বিধিমালা, ২০০০;
ii. সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬;
iii. সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড), বিধিমালা, ২০০১;
iv. সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সিকিউরিটি কাস্টডিয়াল সেবা) বিধিমালা, ২০০৩;
v. ডিপজিটরি (ব্যবহারিক) প্রবিধানমালা, ২০০৩;
vi. Securities and Exchange Commission (Private Placement of Debt Securities) Rules, 2012;
vii. Securities and Exchange Commission (Alternative Investment) Rules, 2015;

11. Mutual Fund and Special Purpose Vehicle (MF & SPV)

During the period, following activities have been accomplished:

Function of draft investment management agreement of Alternative Investment Fund, placement memorandum and subscription agreement approval.

SL.	Name of Fund	Date of Approval	Amount (TK Million)
1	EDGE Bangladesh Mutual Fund (Open-end)	23.07.2018	100.00
2	Capitek Padma P.F Shariya Unit Fund (Open-end)	31.07.2018	100.00

12. Supervision and Regulation of Markets and Issuer Companies (SRMIC)

Following activities have been accomplished:

- **List of AGM and Dividend of listed Companies**

Sl.	Name	Year-End	Date of AGM	Dividend	
				cash	stock
1	Rupali Insurance Company Ltd.	2017	7/4/2018	5.00	5%
2	Shahjalal Islami Bank Ltd.	2017	7/8/2018	-	10%
3	Islami Insurance BD. Ltd.	2017	7/14/2018	5.00	5%
4	Global Insurance Co. Ltd.	2017	7/14/2018	-	5%
5	Purabi Gen. Insurance Company Ltd.	2017	7/16/2018	-	12%
6	Berger Paints Bangladesh Ltd.	2017	7/17/2018	200.00	100%
7	Marico Bangladesh Ltd.	2017	7/18/2018	600.00	-
8	Provati Insurance Company ltd.	2017	7/23/2018	10.00	-
9	Eastern Insurance Co. Ltd.	2017	7/25/2018	20.00	-
10	Sonar Bangla Insurance Ltd.	2017	7/26/2018	10.00	-
11	Pragati Insurance Ltd.	2017	7/29/2018	13.00	5%
12	National Credit and Commerce Bank Ltd.	2017	7/30/2018	13.00	-
13	Peoples Insurance Company Ltd.	2017	8/1/2018	10.00	-
14	Bangladesh Industrial Fin. Com. Ltd.	2017	8/7/2018	-	-
15	Popular Life Insurance Company Ltd.	2017	8/27/2018	40.00	-
16	Janata Insurance Company Ltd.	2017	9/4/2018	-	5%
17	Peoples Leasing & Fin. Services Ltd.	2017	9/18/2018	-	-
18	Sunlife Insurance Company Limited	2017	9/19/2018	-	2%
19	National Life Insurance Co. Ltd.	2017	9/26/2018	20.00	15%
20	Pragati Life Insurance Ltd.	2017	9/27/2018	15.00	10%
21	Padma Islami Life Insurance Limited	2017	9/27/2018	-	-
22	Meghna Life Insurance Co. Ltd.	2017	9/30/2018	20.00	-
23	Sandhani Life Insurance Ltd.	2017	9/30/2018	-	20%

• Complaints against listed Companies

Nature of Complaint	No. of Complaints	Under Process	Resolved
Non-payment or delay in payment of dividend	11	5	6
Regarding transfer of shares	10	3	7
Non-receipt of annual report	9	1	8
Miscellaneous	21	6	15
Total	**51**	**15**	**36**

All the complaints have been settled by DSE, CSE and reported to the Commission as per the above format under the BSEC Notification No. SEC/SRMIC/94-231/271 dated October 12, 2011.

13. Supervision and Regulation of Intermediaries (SRI)

The functions of SRI Department are supervising and regulating the activities of Stock Dealers, Stock Brokers, Depository Participants, Security Custodian Banks, Merchant Bankers, Asset Management Companies, Market Makers, Security Lenders and Borrowers and other market intermediaries. This department conducts the regular inspection of Stock Brokers/Dealers, Depository Participants and Merchant Bankers on monthly basis and also conducts special inspection as and when required. The SRI department also deals with the complaints lodged by the general investors and other stakeholders.

i. Complaints against Market Intermediaries

Nature of Complaints	No. of Complaints Received			Under Process / Held up	Referred to Enforc. Dept. for Action	Referred to DSE/ CSE for Action	Resolved
	July-September, 2018	Previous	Total				
Unauthorized sales of share	02	06	08	-	01	01	06
Non-transfer of share	07	-	07	-	-	-	07
Non-payment of sales proceeds	03	02	05	01	01	02	01
Force sale / Margin Related	01	-	01	-	-	-	01
Corruptions of Broker/ Dealer and Others	03	01	04	02	-	-	02
Cash/Cheque/Dividend / Bonus related	01	-	01	-	-	-	01
Others	03	01	04	02	-	-	02
Total	20	10	30	05	02	03	20

ii. Inspections conducted

No.	Type of Market Intermediaries	Type of Inspection	Number of Inspection	Referred to Enforcement Dept. for Action	Resolved	Under Process
1.	Stock Broker/ Stock Dealer	Monthly regular Inspection	05	03	01	01
		Special Inspection	-	-	-	-
Total			**05**	03	**01**	**01**

14. Enforcement

Under the Securities Laws, the Enforcement Dept. takes legal measures including imposition of penalty against those who break /violate securities laws in consideration of the nature of offences they commit. Prior to taking measures it follows due process that includes carrying out inspection and enquiry. On the basis of violations of securities laws detected during the inspection/enquiry process, explanations are sought from the concerned issuer and person or institution alleged and then hearing is conducted as per the concerned securities laws and thereafter a report is submitted before the Commission. The Commission takes necessary legal action as per securities laws.

During the period, enforcement actions taken against issuer companies, chartered accountant firms, stockbrokers, stock-dealers, Credit Rating Company, depository participants (DPs), issue managers and others by the Commission for non-compliance of the securities related laws are furnished as bellow:

Sl.	Nature of institution	No. of Institutions	Nature of Action	
			Penalty	Warning
01	Issuer Company	47	16	31
02	Stock Broker/ Stock Dealer	19	02	17
03	Charter Accountant Firm	01	-	01
04	Others	06	-	06
	Total	73	18	55

15. Law

A total of 536 cases filed by or against Bangladesh Securities and Exchange Commission are pending in different courts. Name of the courts are given below along with number of pending cases:

Sl.	Name of the Court		Number of Cases
01.	Supreme Court of Bangladesh	Appellate Division	17
		High Court Division	222
02.	Special Tribunal, BSEC Dhaka		17
03.	District Judge Court, Joint Dist. Judge Court, Assistant Judge Court, Dhaka		11
04.	Chief Metropolitan Magistrate Court, Dhaka		04
05.	Labour Court, Dhaka		02
06.	General Certificate Court, Dhaka		263
Total Number of Cases			**536**

16. Central Depository Services (CDS)

The following companies joined the CDBL during the period:

SL	Company Name	Date
1	Bashundhara Paper Mills Limited	02 July 2018
2	Zenith Annual Income Fund	08 July 2018
3	SK Trims and Industries Limited	15 July 2018
4	Aman Cotton Fabrics Limited	06 August 2018
5	UFS-Bank Asia Unit Fund	13 August 2018
6	VFS Thread Dyeing Limited	09 September 2018
7	EDGE Bangladesh Mutual Fund	09 September 2018
8	M L Dyeing Limited	17 September 2018
9	Silva Pharmaceuticals Limited	24 September 2018

17. Management Information Systems (MIS)

Function of MIS Department is to assist different departments of BSEC through development of automation in their activities, development of capital market monitoring system based on computerized data analysis, and informing all about securities laws and other related matters through website.

In BSEC's website (www.sec.gov.bd), information is uploaded on regular basis.

Statistics of Web Uploads during the period

Works	Number
IPO Prospectus Upload	3
Mutual Fund Prospectus Upload	2
Enforcement Actions Upload	59
Other Order/Notification/Directive etc Upload	5
Proposed Draft Rule Upload for Comments	1
Press Release	17
Tender	1

18. Research and Development

- During the period, the following activities have been accomplished:
  a. Monthly report sent to the Goverment as requested:
     1. Report on status of progress on Hon’ble Prime Minister’s commitments / directions.
     2. Monthly report on mentionable/important activities.
  b. Monthly report sent to the Central Bank as requested:
     1. Monthly trade report of Capital Market.
  c. Capital market related report send to Financial Institute Division for ‘আর্থিক প্রতিষ্ঠানসমূহের প্রতিবেদন’.
  d. Capital market related report send to Financial Institute Division for Economic Review.
  e. Other Information send to Ministry as required.

- The following reports have been published:

Name of Work	Publication Time
Annual Report (English)	2016-17
Annual Report (Bangla)	2017-18
Quarterly Review	01
Traimashik Parikrama	01

19. Financial Literacy

Financial Literacy Department of the Commission conduct different types of Seminar, Workshop, conference with active participation of the investor and create awareness among investors about investment decision process. The Department approves training program or different intermediaries of the capital market and also conduct training program for Authorized Representative of the Stock Exchanges. Departmental activities are given below:

Sl.	Particular	Number of Participants
01	Training for Authorized Representatives	165
02	Financial Literacy Program conduct by the market intermediaries	55

20. International Affairs

During the time, International Affairs Department performed following activities:

1. BSEC participated in surveys from different international organizations during this period.

2. Besides these activities, International Affairs Department has several correspondences with foreign bodies concerning queries on different issues and kept continuous liaison in this regard throughout the quarter.

21. Stock Exchanges' Operational Statistics

DSE OPERATIONAL STATISTICS

Trading Month	DSE Board Index (DSEX)	Market Capitalization in Million Tk.	No. of Trading Days	Turnover of Securities in Million (No.)		Traded Amount in Million Tk.	
				Monthly	Daily Average	Monthly	Daily Average
July	5302.64	3841449	22	4298	195	186769.47	8489.52
August	5600.64	3962261	18	3396	189	114952.59	638626
September	5368.96	3876842	20	3386	169	148102.67	7405.13
Total			60	11079	185	449824.73	7497.08

* Index and Market Capitalization of the last trading day of the months have been considered as relevant figures of respective months.

CSE OPERATIONAL STATISTICS

Trading Month	All Share Price Index	Market Capitalization in Million Tk.	No. of Trading Days	Turnover of Securities in Million (No.)		Traded Amount in Million Tk.	
				Monthly	Daily Average	Monthly	Daily Average
July	16296.1141	3147411	22	299	14	12563.02	571.05
August	17244.4860	3272361	18	207	12	6111.13	339.51
September	16483.2929	3173802	20	228	11	10669.91	533.50
Total			60	734	12	29344.06	489.70

* Index and Market Capitalization of the last trading day of the months have been considered as relevant figures of respective months.

22. Press Release

The Commission has issued 17 Press Releases on its activities during this period, which are uploaded in Commission's website (www.sec.gov.bd).