Bangladesh SEC Quarterly Review

June 2017

Bangladesh Securities and Exchange Commission

Securities Commission Bhaban
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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.

At present Dr. M. Khairul Hossain is serving as the Chairman and Prof. Md. Helal Uddin Nizami, Mr. Md. Amzad Hossain and Dr. Swapan Kumar Bala are serving as Commissioner. The Chairman and first two Commissioners have been serving since May, 2011, and they were re-appointed for further four years on May 2014 for the second tenure. Dr. Swapan Kumar Bala has been serving as a Commissioner since 19 April 2016.

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.

Bangladesh Securities and Exchange Commission

Dr. M. Khairul Hossain
Chairman

Professor Md. Helal Uddin Nizami
Commissioner

Mr. Md. Amzad Hossain
Commissioner

Dr. Swapan Kumar Bala FCMA
Commissioner

2. Executive Directors of the Commission

1. Mr. Farhad Ahmed (Working at IOSCO as Enforcement and Co-operation Advisor on Secondment position)
2. Mrs. Ruksana Chowdhury
3. Mr. A.T.M. Tariquzzaman (On study leave in New Zealand)
4. Mr. Md. Anowarul Islam
5. Mr. Md. Saifur Rahman
6. Mr. Md. Ashraful Islam
7. Mr. M. Hasan Mahmud
8. Mr. Mahbubul Alam
9. Mr. Mahbuber Rahman Chowdury

3. Head of the Departments of the Commission

SL No.	Name	Designation	Head of the Departments
1	Mrs. Ruksana Chowdhury	ED	Enforcement, Office of the Chief Accountant, Internal Audit, AML/CFT Wing
2	Mr. Md. Anowarul Islam	ED	SRMIC, Admin and Finance
3	Mr. Md. Saifur Rahman	ED	SRI and Surveillance
4	Mr. Md. Ashraful Islam	ED	MIS, R&D and CDS
5	Mr. M. Hasan Mahmud	ED	MF&SPV and Corporate Finance
6	Mr. Mahbubul Alam	ED	Capital Issue, Registration, International Affairs, Financial Literacy
7	Mr. Mahbuber Rahman Chowdury	ED	CMRRC, Law

4. Directors of the Commission

SL No.	Name	Designation	Departments
1	Mr. Kamrul Anam Khan	Director	Capital Issue
2	Mr. Mohammad Rezaul Karim	Director	Capital Issue
3	Mr. Shafiul Azam	Director	SRI
4	Mr. Ripan Kumar Debnath	Director	CMRRC
5	Mr. Mir Mosharraf Hossain	Director	Enforcement
6	Mr. Mohammad Jahangir Alam	Director	Registration
7	Mr. Mahmoodul Hoque	Director	MF and SPV
8	Mr. Prodip Kumar Basak	Director	Capital Issue, Corporate Finance
9	Mr. Rajib Ahmed	Director	MIS
10	Mr. Abul Kalam	Director	Finance
11	Mr. Mansur Rahman	Director	SRMIC
12	Mr. Mohammad Abul Hasan	Director	Admin
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

5. Establishment and Activities of Bangladesh Securities and Exchange 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 matters 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 year old. 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 issuance of securities;
- Framing of Rules;
- Protection of investors through market monitoring and surveillance, corporate governance, enforcement actions and investors education program etc.;
- Enforcement actions;
- Regulation of capital market and its intermediaries;
- Conducting research and publishing information.

6. Capital Market Related Activities:

- **Seminar on “Cyber Security: A Business Imperative” in BSEC auditorium**

Chairman of the Commission Dr. M. Khairul Hossain is seen delivering his speech in the seminar on “Cyber Security: A Business Imperative” in the BSEC auditorium

Bangladesh Securities and Exchange Commission and Information Systems Securities Association (ISSA) jointly arranged a seminar on “Cyber Security: A Business Imperative” on the cyber security issues in business environment in BSEC auditorium on April 4, 2017. Hon’ble chairman of the Commission Dr. M. Khairul Hossain was present as the chief guest. He focused in his speech on importance of Cyber Security and expressed his hope on success of the occasion. Commissioner Prof. Md. Helal Uddin Nizami, Mr. Md. Amzad Hossain, Dr. Swapan Kumar Bala, high officials of the Commission, delegates of various banks & financial institutes and stock exchanges & capital market stakeholders were present in the seminar.

Mr. Maruf Ahmed, an international expert and the president ISSA Bangladesh chapter presented cyber security related technical issues. Information security issues in national and international level was focused in the seminar which need to be ensured through prioritization of cyber security knowledge in order to prevent information leakage in all financial institutions of the country. Cyber Security issues, techniques of cyber security management in developed countries including USA and protection of information matters were discussed in detail in the seminar. Participants from financial institutions actively took part in discussion making the occasion worthy and expressed their views to strengthen cyber security in their respective organizations.

- **Commission's meeting on exchange of views with the NISM delegates of India**

In meeting with NISM delegates of India, Chairman of the Commission Dr. M. Khairul Hossain and Commissioners Prof. Md. Helal Uddin Nizami, Mr. Md. Amzad Hossain, Dr. Swapan Kumar Bala and high officials of the Commission

A team lead by Mr. Sandip Ghosh, Director General, National Institute of Securities Markets (NISM) of India visited BSEC and attended a meeting with the Chairman, Commissioners and high officials on April 3, 2017. In the meeting discussion took place exchanging views on various related issues of the capital market and expectation of greater mutual co-operation.

Noted that a number of 20 (twenty) officials from BSEC has already participated in training program of NISM in this financial year under BSEC's MoU with SEBI. All deputy directors and assistant directors of BSEC will attend the training program gradually.

- **BSEC organized "Investors and Entrepreneurs Conference and Financial Literacy Fair", Khulna 2017**

Chairman of the Commission Dr. M. Khairul Hossain and Commissioner
Prof. Md. Helal Uddin Nizami, Mr. Md. Amzad Hossain, Dr. Swapan Kumar Bala are seen in the conference

The first conference among scheduled conferences in divisional towns was held in Khulna on 7 April 2017 as a part of nationwide financial literacy programme initiatives by BSEC. Chairman of the Commission Dr. M. Khairul Hossain inaugurated the "Investors and Entrepreneur Conference and Financial Literacy Fair", Khulna 2017. Commissioners Prof. Md. Helal Uddin Nizami, Mr. Md. Amzad Hossain, Dr. Swapan Kumar Bala, officials of the Commission and delegates of stock exchanges & capital market stakeholders were present in the seminar.

Dr. M. Khairul Hossain mentioned in the conference that BSEC's goal is to make all investors aware and literate about the issues of their investment. Overall socio-economic development is not possible unless the investors become aware about financial market, it various products and trends, and gain knowledge about how to protect against financial loss. He emphasized on the financial literacy of the people of our country for development and stability of our economy. BSEC has already taken initiatives and started activities. Although this requires huge initiatives and involvement of concerned others, the Commission has made plan and set targets to achieve its goal.

The daylong program was divided in two sessions; one for investors regarding financial literacy and another for entrepreneurs regarding capital raising. The conference was organized mainly to provide concepts of financial literacy among local investors of Khulna and to give practical knowledge on capital raise to local entrepreneurs from capital market.

Later on, panel discussion took place in both the sessions. Commissioners of the Commission participanted in various sessions of the occasion explaining different aspects of investment education. Investors and entrepreneurs raised various questions to panel discussants. Thus, the two sessions became very much participative and lively.

Financial Literacy Fair, 2017 took place in the same compound simultaneously with the conference. Capital market related 21 organizations participated in the fair. Huge number of interested enthusiastic investors and entrepreneurs participated in the conference as well as in the fair to collect their required information.

7. Capital Market Regulatory Reforms and Compliance (CMRRC)

During the quarter, following amendments/orders/directives have been issued

Serial No	Subject	Classification	Reference No.
1.	Framing of Bangladesh Securities and Exchange Commission (Market Maker) Rules, 2017	Notification	BSEC/CMRRCD/2001-21/198/Admin/75 Dated: 09 May 2017
2.	Framing of Bangladesh Securities and Exchange Commission (Clearing and Settlement) Rules, 2017	Notification	BSEC/CMRRCD/2017-356/199/Admin/76 Dated: 11 June 2017
3.	Amendments to the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015	Notification	BSEC/CMRRCD/2003-109/200/Admin/77 Dated: 18 June 2017

8. Corporate Finance

Sl. No.	Particulars	Action taken	No. of Company	No. of Action
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 examined and put-up for information & perusal of the Commission.	12	12
		Explanation sought from the companies.	02	03
		Referred to Enforcement Department for non-compliance with securities laws.	03	03
		Examination of company's clarifications placed to the Commission for kind information.	01	01
2	Extension of time for submission of Audited Financial Statements.	Time extended.	17	06
		Time not extended.	03	03
		Referred to Enforcement Department for non-submission of Audited Financial Statements within stipulated time.	03	03
3	Audited Financial Statements for the year ended on June 30, 2015 and June 30, 2013.	Examination of company and its auditor's clarifications placed to the Commission for kind information.	02	02
		Explanation sought from ICAB for not taking action against Chartered Accountants.	01	01
4	Submission of quarterly un-audited financial statements for the 1st quarter ended on September 30, 2016.	Time extended.	02	02
		Time not extended.	04	04
		Referred to Enforcement Department for non-submission of quarterly financial statements within stipulated time.	05	05
5	Submission of quarterly un-audited financial statements for the 2nd quarter/half yearly ended on December 31, 2016.	Time extended.	01	01
		Time not extended.	01	01
		Referred to Enforcement Department for non-submission of quarterly financial statements within stipulated time.	05	05
6	Submission of quarterly un-audited financial statements for the 3rd quarter ended on	Time not extended.	03	03
		Referred to Enforcement Department for non-submission of quarterly financial statements within stipulated	07	07

	March 31, 2017.	time.		
7	Appointment of Independent Director	The Commission's clearance has been accorded regarding appointment of Independent Directors in the Board of the companies, 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	06
		Due to non-compliance with the conditions of Corporate Governance Guidelines, the matter has been regretted by the Commission regarding appointment of Independent Director.	01	01
8	Corporate Governance Guidelines	Examination of company's clarifications regarding Corporate Governance Guidelines placed to the Commission for kind information.	01	01
9	Instruction to Stock Exchange	Instructed to precisely follow with requirements of provision 37 of Dhaka Stock Exchange (Listing) Regulations, 2015.	01	01

9. Capital Issue

List of approval of Private Limited Companies' capital raising:

Sl No	Particulars	Consent Letter issued	Amount
1	AB Securities Ltd.	04.04.2017	1,23,37,500/--
2	Amann Bangladesh Ltd.	05.04.2017	48,00,00,000/-
3	Madhumoti Auto Rice Mill Ltd.	05.04.2017	11,68,35,000/-
4	HMCL Niloy Bangladesh Ltd.	11.04.2017	20,96,000/-
5	BRAC EPL Stock Brokerage Ltd.	11.04.2017	6,77,25,000/-
6	Norban Comtex Ltd.	11.04.2017	11,00,00,000/-
7	R. R. Spinning and Cotton Mills ltd.	18.04.2017	35,98,76,000/-
8	Sublime Greentex Ltd.	25.04.2017	10,00,00,000/-
9	Sembcorp North-West Power Co. ltd.	26.04.2017	23,16,55,000/-
10	Impress-Newtex Composite Textiles Ltd.	26.04.2017	1500/-
11	Ship Aichi Medical Service Ltd.	26.04.2017	112,90,00,000/-
12	Smart Jacket (BD) Ltd.	30.04.2017	21,53,77,870/-
13	Bashundhara Oil and Gas Company Ltd.	02.05.2017	40,00,00,000/-
14	Nasir Float Glass Industries Ltd.	09.05.2017	2,00,00,000/-
15	Rahimafrooz Batteries Ltd.	16.05.2017	100,00,00,000/-
16	Summit Barisal Power ltd.	25.05.2017	49,50,00,000/-
17	Summit Narayanganj Power Unit II Ltd.	28.05.2017	36,00,00,000/-
18	Kallol Thai Preident Foods (BD) ltd.	29.05.2017	10,00,00,000/-
19	Smart Jacket (BD) Ltd.	11.06.2017	21,50,00,000/-
20	Echotex Limited.	14.06.2017	2,40,84,410/-

21	VIPB Asset Management Co.ltd.	14.06.2017	2,10,00,000/-
22	Gazi Satellite Television Ltd.	15.06.2017	15,00,00,000/-
23	Unicap Securities ltd.	20.06.2017	7,50,00,000/-
24	Dhaka Bank Securities Ltd.	22.06.2017	8,58,00,000/-
	Total Taka		5,770,788,280

List of approval of Public Limited Companies' capital raising:

Sl No	Particulars	Consent Letter issued	Amount
1	Onetex Limited	03.04.2017	20,00,04,000/-
2	Alliance Leasing and Finance Company Ltd.	12.04.2017	99,00,00,000/-
3	Chattagram Metrpolitan Hospital ltd.	16.04.2017	11,00,00,000/-
4	ADN Telecom Ltd.	16.04.2017	3,000,8340/-
5	Globex Pharmaceuticals ltd.	23.04.2017	60,00,000/-
6	National Finance Limited	26.04.2017	10,40,04,000/-
7	Standard Bank Ltd.	27.04.2017	400,00,00,000/-
8	Bengal Gas Limited.	17.05.2017	91,90,00,000/-
9	Rohimafrooz Energy Services Ltd.	18.05.2017	60,00,00,000/-
10	Union Bank Ltd.	25.05.2017	42,80,000,00/-
11	Far East Spinning Industries Ltd.	25.05.2017	5,00,00,000/-
12	Fiber@Home Ltd.	30.05.2017	7,81,00,000/-
13	Cutting Edge Industries ltd.	31.05.2017	10,00,00,000/-
14	The City Bank Ltd.	01.06.2017	500,00,00,000/-
15	South Bangla Agriculture Bank Ltd.	12.06.2017	6,50,24,640/-
16	Union Insurance Co. ltd.	19.06.2017	2,28,15,000/-

17	Dhaka West Power Ltd. .	19.06.2017	400,00,00,000/-
18	Midland Bank Ltd.	22.06.2017	47,52,00,000/-
	Total Taka		17,178,155,980

List of approval of Public Limited Companies' IPOs:

Serial No.	Name of the Company	Date of Consent	Issue price	IPO amount, In Tk. (Including premium if any)
1	BBS Cables Limited	05.04.2017	10/-	20,00,00,000/-

10. Surveillance

Daily Market Surveillance:

As part of daily market surveillance, the surveillance officials observe and monitor if any irregularities, suspicious trading and market misconducts take place in the stock exchanges daily transactions through Commission`s surveillance system "Instant Watch Market". 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:
During the time surveillance department has initiated the following enquiry report besides, DSE and CSE have submitted the following investigation reports on shares trading to the Commission:

(A) Enquiry:

Sl No.	Nature of Enquiry	Conducted by
01	To enquiry into unusual price increase in shares of Regent Textile Mills Limited and Tung Hai Knitting & Dyeing Limited in the stock exchanges.	BSEC

(B) Investigation:

Sl No.	Nature of Investigation	Conducted by
01	To investigate into repeated matching of shares trading among several clients of three stock brokers.	DSE
02	To investigate into share trading of Ratanpur Steel Re-Rolling Mills Limited.	DSE
03	To investigate into share trading of R.N. Spinning Mills Limited.	DSE
04	To investigate into share trading of Kohinoor Chemicals Company (Bangladesh) Limited.	DSE
05	To investigate into share trading of IFAD Autos Limited by its sponsors/directors without declaration.	DSE
06	To investigate into share trading of Paramount Textile Limited.	DSE

07	To investigate into share trading of Northern Jute Manufacturing Company Limited.	DSE
08	To investigate into share trading of Delta Life Insurance Company Limited by its sponsor/director without declaration.	DSE

Observation:

During the period, those short-selling alerts are found in surveillance system, as per Commission direction DSE and CSE investigated on that all alerts and submitted the reports to the Commission. After examination of investigation reports, it has been found that 10 (ten) stock brokers/stock dealers were involved with short-selling of securities and send those to the Enforcement Department for taking necessary action against them.

11. Registration

Registration department deals with issuance and renewal of Certificate 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 registration department has accomplished the following registration issuance and renewal activities:

SL No.	Kinds of Issuance Certificate	No. of Issuance Certificate	No. of Renewal Certificate	Branch Approval	office Transfer
01	Stock Dealer (i)	0 (DSE)	32	--	--
		0 (CSE)	31	--	--
02	Stock Broker (i)	0 (DSE)	34	--	--
		0 (CSE)	43	--	--
03	Authorized Representative (i)	128 (DSE)	38	--	--
		0 (CSE)	03	--	--
04	Merchant Bank (ii)	--	--	--	--
05	Asset Management Company (iii)	01	--	--	--
06	Security Custodian (iv)	--	01	--	--
07	Depository Participant (v)	01 (CDBL)	87	--	--
08	Trustee of Debt Securities (vi)	02	--	--	--
09	Fund Manager (vii)	--	--	--	--

Registration department carry out its 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;

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

During the period, the following activities have been performed:

Mutual Fund

- Registration and public issue related functions of mutual fund:

SL No.	Name of Fund	Approval date	Amount (Million)
1	**Credence First Growth Fund**	05.04.2017	200.00
2	**IDLC Balanced Fund**	16.05.2017	500.00
3	**NAM IBBL Islamic Unit Fund**	22.05.2017	150.00

- Mutual fund closed end/ conversion activities:

SL No.	Name of Fund	Closed end/ conversion Date	Amount (Million)
1	MTB First Mutual Fund	17.04.2017	100.00

- Special Purpose Vehicle Fund:

SL No.	Name of Fund	Closed end/ conversion Date	Amount (Million)
1	Bangladesh Fixed Income Special Purpose Vehicle	17.06.2017	10000.00

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

During the period, following activities have been accomplished**:**

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

Sl. No.	Code No	Name	Year-End	Date of AGM	% of Dividend cash	% of Dividend stock
1	17450	R.N. Spinning Mills Ltd.	201606	4/11/2017	-	20% (201606)
2	14259	British American Tobacco Bangladesh Co. Ltd.	201612	4/19/2017	600.00	-
3	27001	Grameenphone Ltd.	201612	4/20/2017	175.00	-
4	18454	Glaxo SmithKline Ltd.	201612	4/20/2017	500.00	-
5	11113	United Finance Limited	201612	4/27/2017	10.00	5%
6	15301	Linde Bangladesh Limited	201612	4/27/2017	310.00	-
7	11106	Pubali Bank Ltd.	201612	4/27/2017	5.00	8%
8	11138	BRAC Bank Ltd.	201612	4/27/2017	10.00	20%
9	11112	Eastern Bank Ltd.	201612	4/27/2017	20.00	5%
10	25714	Reliance Insurance Co. Ltd.	201612	4/30/2017	15.00	10%
11	11125	Standard Bank Ltd.	201612	4/30/2017	5.00	5%
12	11137	Industrial Promotion & Dev. Com. Of Bd.Ltd.	201612	5/2/2017	-	20%
13	11132	Premier Leasing & Finance Ltd.	201612	5/2/2017	5.00	5%
14	11115	Al-Arafah Islami Bank Ltd.	201612	5/6/2017	20.00	-
15	11116	Prime Bank Ltd.	201612	5/8/2017	16.00	-
16	13211	Singer Bangladesh Ltd.	201612	5/11/2017	70.00	-
17	21614	Heidelberg Cement Bd.Ltd.	201612	5/11/2017	300.00	-
18	11126	One Bank Limited	201612	5/11/2017	13.00	10%
19	20623	National Housing Finance and Invt. Ltd.	201612	5/11/2017	18.00	-
20	11108	United Commercial Bank Ltd.	201612	5/11/2017	15.00	-
21	25703	United Insurance Co. Ltd.	201612	5/14/2017	11.00	-
22	25736	Takaful Islami Insurance Ltd.	201612	5/20/2017	5.00	5%
23	25740	Asia Insurance Co. Ltd.	201612	5/21/2017	10.00	-
24	11114	Uttara Finance Ltd.	201612	5/22/2017	30.00	-
25	11117	Southeast Bank Ltd.	201612	5/22/2017	20.00	-
26	11110	ICB Islamic Bank Ltd	201612	5/23/2017	-	-
27	11104	Islami Bank Bd Ltd	201612	5/23/2017	10.00	-

28	11149	GSP Finance Co.(Bangladesh) Limited	201612	5/23/2017	22.00	-
29	20621	Delta Brac Housing Fin.Corp.Ltd.	201612	5/23/2017	15.00	-
30	25720	Pioneer Insurance Co. Ltd.	201612	5/23/2017	15.00	-
31	11145	Trust Bank Ltd.	201612	5/24/2017	15.00	10%
32	11133	Islamic Finance & Investment Ltd.	201612	5/24/2017	3.00	11%
33	11109	Uttara Bank Ltd.	201612	5/24/2017	20.00	-
34	11142	Bangladesh Finance and Invt. Co. Ltd.	201612	5/24/2017	-	10%
35	25708	Eastland Insurance Co.Ltd.	201612	5/24/2017	10.00	5%
36	25704	Peoples Insurance Co.Ltd.	201612	5/30/2017	12.00	-
37	25709	Central Insurance Co.Ltd.	201612	6/1/2017	7.00	5%
38	25723	Global Insurance Co. Ltd.	201612	6/4/2017	-	7%
39	28023	Fareast Finance & Investment Limited	201612	6/11/2017	5.00	-
40	11107	Rupali Bank Ltd.	201612	6/11/2017	-	10%
41	25733	Paramount Insurance Co. Ltd.	201612	6/11/2017	2.00	8%
42	25716	Delta Life Insurance Co.Ltd.	201612	6/11/2017	20.00	-
43	25722	Agrani Insurance Co Ltd.	201612	6/12/2017	7.00	3%
44	11118	Dhaka Bank Ltd.	201612	6/12/2017	10.00	5%
45	25727	Nitol Insurance Co.Ltd.	201612	6/14/2017	-	13%
46	25717	Pragati Insurance Co.Ltd.	201612	6/14/2017	10.00	5%
47	25747	Bangladesh National Insurance Co. Ltd.	201612	6/14/2017	10.00	-
48	25739	Republic Insurance Company Ltd.	201612	6/14/2017	-	12%
49	21643	Lafarge Surma Cement Ltd.	201612	6/15/2017	10.00	-
50	11102	City Bank Ltd.	201612	6/15/2017	24.00	-
51	25734	City General Insurance Co. Ltd.	201612	6/15/2017	10.00	-
52	11146	FAS Finance & Investment Limited	201612	6/15/2017	-	5%
53	11143	International Leasing and Financial Serv. Ltd.	201612	6/15/2017	-	5%
54	25738	Northern General Insurance Co. Ltd.	201612	6/15/2017	-	10%
55	11141	Union Capital Ltd.	201612	6/15/2017	-	10%
56	11148	Bay Leasing & Investment Ltd.	201612	6/17/2017	15.00	-
57	25710	Karnaphuli Insurance Co.Ltd.	201612	6/19/2017	10.00	-
58	18460	Reckitt Benckiser (Bd.) Ltd.	201612	6/19/2017	775.00	-
59	23603	Bata Shoe Ltd.	201612	6/20/2017	330.00	-
60	11122	MIDAS Financing Ltd.	201612	6/20/2017	-	-

61	25744	Dhaka Insurance Co. Ltd.	201612	6/21/2017	12.00	-
62	25707	Phoenix Insurance Co.Ltd.	201612	6/21/2017	15.00	-
63	25701	Bangladesh General Insurance Co.Ltd.	201612	6/22/2017	11.00	-
64	11144	Phoenix Finance and Investments Ltd.	201612	6/29/2017	20.00	-
65	25721	Mercantile Insurance Co.Ltd.	201612	6/29/2017	10.00	-

Complaints against listed companies:

Nature of Complaint	No. of Companies	Under Process	Resolved
Non payment or delay in payment of Dividend	8	4	4
Regarding Transfer of Shares	4	2	2
Non receipt of Annual Report	13	5	8
Regarding Non Demat of Shares	1	-	1
Miscellaneous	10	6	4
Total	**36**	**17**	**19**

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

14. 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, merchant bankers, market makers, security lenders and borrowers and other market intermediaries. This department conducts 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. During April to June, 2017 the following activities were performed by this department:

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
	April to June, 2017	Previous	Total				
Unauthorized sales of	4	4	**8**	5	1	-	2
Non-transfer of share	4	-	**4**	2	-	2	-
Non-payment of sales	7	10	**17**	1	9	-	7
Force sale / Margin Related	-	7	**7**	4	-	-	3
Financial loss due to non-transfer of share	1	-	**1**	1	-	-	-
Delay in settlement	1	-	**1**	1	-	-	-
Non-receipt of share	-	2	**2**	-	-	-	2
Corruptions of Broker/ Dealer and Others	3	-	**3**	3		-	-
Others	3	2	**5**	4	-	1	-
Total	**23**	**25**	**48**	**21**	**10**	**3**	**14**

ii) Inspections conducted (April to June, 2017):

Sl. 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**	**12**	**2**	**2**	**8**
		Special Inspection	**3**	**1**	**1**	**1**
2.	**Merchant Bank**	**Monthly regular Inspection**	**3**	**-**	**1**	**2**
Total			18	3	**4**	**11**

15. 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. No.	Nature of institution	No. of Institutions/Persons	Nature of Action
1	**Issuer Company/Director**	10	Penalty- 09
			Warning-01
2	**Stock Broker/ Stock Dealer**	16	Penalty- 01
			Warning-15
3	**Authorized Representative**	02	Penalty- 00
			Warning-02
4	**Others**	10	Penalty- 00
			Warning-10
	Total	38	Penalty- 10
			Warning-28

16. Law

Court Cases of Bangladesh Securities and Exchange Commission:

A total of 541 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. No.	Name of the Court		Number of cases
01.	Supreme Court of Bangladesh	Appellate Division	17
		High Court Division	229
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		261
Total number of Cases :			**541**

17. Central Depository Services (CDS)

The following companies have joined the CDBL during the period:

Sl No.	Name of the companies	Date
01	Prime Finance 2nd mutual Fund	29.04.2017
02	UFS-Progoti Life Unit Fund	20.05.2017
03	Credence First Growth Fund	27.05.2017
04	Nurani Dyeing & Sweater Limited	01.06.2017

18. 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.

BSEC's website (www.sec.gov.bd and www.secbd.org), has organized with various information which are updated regularly.

Statistics of Web Uploads during the period:

Works	Number
IPO Prospectus/Right offer document Upload	3 IPO & 1 ROD
Enforcement Actions Upload	33
Other Order/Notification/Directive etc Upload	3
Quarterly Report Upload	3
Proposed Draft Rule Upload for Comments	2
Press Release	12
Employment Information	1

19. 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 implemented on Hon'ble Prime Minister's commitments / directions.
     2. Monthly report on mentionable/important activities.

  b. Monthly report sent to the Centerl Bank as requested:-

     1. Monthely trade report of Capital Market.

- The following reports are published**:**

Name of Work	**Publication Time**
Annual Report (Bangle)	2016-17
Quarterly Review	01
Traimashik Parikrama	01

- During the quarter, 74 including 39 women trainees have been trained fundamental idea of capital market and important laws; regarding laws investor's right, duty, risk and financial management, etc.

20. International Affairs

During the period, the following activities have been done:

- On April 2-6, 2017 a delegation team heading by Mr. Sondip Gosh, Director General, NISM, India visited Bangladesh to exchange views. They participated in bilateral discussion with Chairman, Commissioners and high officials. Besides, the team visited Stock Exchanges, Special Tribunal and some Universities.

- The survey named ‘Identify the training needs of financial regulators in the region’ provided by APEC FRTI was duly filled up and sent to APEC FRTI Secretariat.

❖ NISM= National Institute of Securoties Market.

❖ APEC FRTI =Asia-Pacific Economic Cooperation Financial Regulators Training Initiative.

21. Stock Exchanges' operational statistics

DSE OPERATIONAL STATISTICS
April-June 2017

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
April	5475.55	3710928	21	4471	213	153177.78	7294.18
May	5403.12	3683019	21	3710	177	122582.23	5837.25
June	5656.05	3801001	18	2945	164	101563.80	5642.43
Total	-	-	60	11126	185	377323.82	6288.73

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

CSE OPERATIONAL STATISTICS
April-June 2017

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
April	16993.9444	3043195	21	357	17	10512.30	500.59
May	16707.0699	3009496	21	354	17	11952.60	569.17
June	17516.7107	3123839	18	211	12	8218.71	456.59
Total			60	922	15	30683.61	511.39

*Index and Market Capitalization of the last trading day of the months have been considered as relevant figures of respective months.
Sources: Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE)

22. Press Release

The Commission has issued 12 press releases on its activities during this period, which are available Commission's website (www.sec.gov.bd).