Annual Report 2012-2013

BANGLADESH SECURITIES AND EXCHANGE COMMISSION

ANNUAL REPORT 2012-2013

Bangladesh Securities and Exchange Commission
Jiban Bima Tower (14th ,15th , 16th & 20th Floor)
10, Dilkusha Commercial Area,Dhaka-1000, Bangladesh
Phone: 9568101-2, 9561525, Fax: (88)-02-9563721
Website: http://www.secbd.org, http://www.sec.gov.bd
E-mail: secbd@bdmail.net

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Chairman, BSEC

Statement of the Commission's Chairman

Bangladesh Securities and Exchange Commission (BSEC) was established on 8 June 1993 through enactment of the Securities and Exchange Commission Act, 1993, with the objectives to protect the interests of securities investors, develop the securities markets and promulgate necessary rules on areas concerned or related topic there under. Since establishment of the Commission, development of legal infrastructure in capital market, introduction of automated trading system in securities transaction, preservation and transfer of investors' securities electronically through establishment of Central Depository Bangladesh Limited(CDBL), facility of accessing real-time market price of securities and index information, regular conduction of investors education programs of BSEC at free of cost and those of stock exchanges and other market intermediaries etc have contributed significantly to the development of the capital market. Capital market is being used as the main source of long term financing for major private sectors and for some state owned enterprises. In spite of these, unusual movement of share price in December 2010 raised the need for reform and reorganization of various weak aspects of the market. On May 2011, the Government reconstituted the Commission and emphasized for various reforms and reorganization. The Government formed a Capital Market Probe Committee 2011 to find out the causes of the unusual movement of price in the capital market in 2010. Subsequently, the Government has published the probe committee report as it was, which is now under implementation on step by step. The Commission has developed a long term Bangladesh Capital Market Development Master Plan 2012-2022 for reconstruction and development of the capital market, which will be implemented gradually. It is expected that fundamental problems of the market would be removed and it's stability and depth would be increased in the long run with progress of implementation of the master plan.

The reconstituted new Commission emphasized on modernization of the market monitoring and surveillance system in the Commission. Consequently, with financial assistance of Asian Development Bank (ADB), a project named "Improvement of Capital Market and Insurance Governance Project: Sub Project 3: Improvement of Capital

Markets Governance Project" purchased and installed a modern surveillance system at the Commission, which is showing effective results. Besides, the Commission has also instructed the stock exchanges to modernize and strengthen their surveillance system. Demutualization of the stock exchanges is an important issue which needs to be mechanized. National Parliament has already passed the Exchanges Demutualization Act, 2012 in this connection. Stock Exchanges has already started the process of implementing demutualization.

Hon'ble Prime Minister has given guidelines to overcome the problems of the capital market through appropriate reforms concentrating on protection of interest of the investors and escalation of coordination among all stakeholders. To develop the market, she has emphasized for protection of the small investors. The Government has already constituted a Special Scheme Committee for small investors to give motivation package. For the market it is observed that becoming director in listed company without holding a reasonable quantity of share has been identified as a big problem. At this circumstance, it has been made mandatory that (except independent director) each director must hold 2% shares individually and 30% shares by all directors jointly in the company shareholding. The Commission believes that although it may create some problem temporarily in the market but it will bring benefit of stabilization in the long run.

Corporate governance is a very important issue for the capital market. The Commission reformed the existing Corporate Governance Guidelines. According to the Guideline, Companies' board must have one fifth independent directors; Company must have Chief Financial Officer, Head of Internal Audit and Company Secretary, where their qualification and responsibilities are specified. Besides, it has instructed the stock exchanges to establish their corporate finance department so that financial statements of the listed companies could be more rigorously examined.

In order to create investors awareness about the market situation and to facilitate their access to information regarding the listed companies, promulgation of Research Analysis Rules is necessary. Work has been in progress in this regard and presently it is at its final stage. If the investors can be provided with right research analysis about the market and listed securities, it will help them taking right decision for their investment. Besides, formulation of Investment Advisory Rules is also in progress.

The National Parliament has passed the amendment of The Securities and Exchange Ordinance, 1969 and The Securities and Exchange Commission Act, 1993. This has opened path to strengthen the Commission. It has empowered the Commission to increase its manpower, prepare its financial budget independently and to establish a separate Tribunal to resolve capital market related cases speedily. Besides, it has created opportunity to introduce commodity future contracts, derivative securities and commodity exchange.

The Commission has also reformed the Book Building Method so that misuse of this system can be avoided and transparency can be ensured in IPO. As a result, opportunity is remained open for any company willing to come to IPO through Book Building Method or Fixed Price Method.

The Commission has conducted enquiry regarding dishonest market players and investors in the market and taken necessary lawful action against them. Owing to criticism about omnibus account in the market, omnibus accounts for non discretionary investors have been closed. As a result, malpractice through omnibus account has been stopped. The Commission has issued a long term policy regarding margin loan limit so that frequent changes in the limit may not create negative impact on market.

We believe that Bangladesh Capital Market can play significant role to supply necessary capital to public and private sector development initiatives. In order to do that all the stakeholder like merchant bankers, broker-dealers, asset management companies, auditors, credit rating agencies, private entrepreneurs, state-owned-enterprises, stock exchanges and regulators have to play their roles more professionally. In this regard increasing of the Commission's manpower and training them up is important. Investors also need to become more cautious and their level of investment related knowledge need to be extended so that they can refrain themselves from taking unjustified risks. The stock exchanges have expanded their trading network to the divisional towns like Dhaka, Chittagong, Sylhet, Rajshahi, Khulna, Borishal and also to a good number of district towns. But the matter of supply of securities, and raising awareness and investment related knowledge among the investors is very important. BSEC, DSE, CSE, merchant bankers, BICM and others are conducting capital market and investment related training programs twice a month or more.

In order to play effective role to increase supply of good securities the Commission has issued more 06 merchant bank registration certificates, 01 asset management co certificates, 2 security custodian certificates, 54 stock brokers & stock dealer certificates, 22 depository participant agency certificates in 2012-2013.

Mutual Fund is a very important instrument for the capital market. This type of funds reduces the risk of investors indirectly through efficient investment management by asset management companies. The Commission has set emphasis on increasing this type of funds in the market and reformed rules relating to them. Maturity period for close end Mutual Fund has been fixed to ten (10) years, and last date is set to December 31, 2013 for those whose maturity date is already exceeded, During the year 2012-2013, one (01) more Mutual Fund have been listed thought IPO. It is expected that the rise of mutual funds will help reduce the risk and stabilize the market.

During July 2012 to June 2013, 13 companies have collected capital of Tk. 7089.00 million (including premium) through IPO, where subscription from public was Tk. 51301.85 million, 7.24 times of IPO amount, which indicates a demand in primary market. Moreover Right Issue for six (06) Companies was Tk. 1667.2 million. The Commission also approved raising of paid-up capital Tk. 30368.7 million for 117 private limited companies and Tk. 84856.6 million for 80 public limited companies.

As on June 30, 2013, the number of BO accounts was 2.645 million, the number of demated securities was 308, the depository participants was 363 in the Central Depository Bangladesh Ltd (CDBL). CDBL has been instructed for regular system audit to ensure proper management and also been instructed to establish a disaster recovery site in another divisional town.

It is observed over the last couple of years that market capitalization was 27.38% of GDP in 2012-2013, which was 31.64% in 2011-2012, 41.22% in 2010-2011, 43.92% in 2009-2010, 19.6% in 2008-2009, 17.06% in 2007-2008, 10.07% in 2006-2007, 5.18% in 2005-2006, 5.99% in 2004-2005, and 4.10% in 2003-2004. It is seen that the rate is gradually increasing in trend although it shows a decline in 2012-2013 due to dull market situation.

Although our market is mainly equity securities based, it is also important to create bond market, and to make it active, in order to increase the market depth. The Commission has issued Bangladesh Securities and Exchange Commission (Private Placement of Debt Securities) Rules, 2012 for the development of bond market. To increase the size of bonds and to familiarize govt. bonds in the market, govt. bonds have been remained opened for transaction in the secondary market since January 01, 2005. As on June 30, 2012, there are 03 corporate bonds, 08 debentures and 221 treasury bonds existing in the market. On year end, total market capitalization for all securities is Tk. 2530246 million, where issued capital is Tk. 983594.2 million, capitalization for equity is Tk. 389102 million, mutual fund is Tk 38436 million and bond (debenture, T-bond, corporate bond) is Tk. 55,6055 million. The Government, BSEC and other stakeholders are trying to create an active bond market.

In DSE, as on June 30, 2013, number of listed securities increased to 525 compared to that of 511 on June 30, 2012. The amount of all issued securities stand at Tk 983594.2 million on June 30, 2013 which was Tk 933629.5 million on June 30, 2012, indicating a growth by 5.35%. As on June 30, 2012 market capitalization of DSE was Tk 2491612.9 million which increased to Tk 2530246 million on June 30, 2013 by a growth of 1.55%.

All share price index of DSE was 4572.88 on June 30, 2011 which declined to 4385.77 on June 30, 2013 decreasing by 4.09%.

Similarly, in CSE, as on June 30, 2013, number of listed securities increased to 266 compared to that of 251 on June 30, 2012. The amount of all issued securities stand at Tk. 428564.3 million on June 30, 2013 which was Tk 375220.2 million on June 30, 2012, indicating a growth by 14.21%. As on June 30, 2012 market capitalization of CSE was Tk 187,1532.9 million which increased to Tk 1919890.7 million on June 30, 2013 by a growth of 2.58%. All share price index of CSE was 13,736.42 on June 30, 2012 which declined to 12738.23 on June 30, 2013 decreasing by 7.84%.

Capital market's development is important for economic prosperity of the country. The Commission has been continuing its efforts in reform activities along with other development activities in consideration of the market situation. It has been working to improve investors' confidence, to ensure security of their investment, and to build a stable and deep market, involving all stakeholders. It is expected that Bangladesh capital market will play a more important role in the economy through industrialization, employment generation and poverty alleviation in near future. I express my thanks to everyone involved in the capital market for their efforts towards economic development of the country through utilization of the capital market potential.

Professor Dr. M. Khairul Hossain
Chairman
Bangladesh Securities and Exchange Commission

The Commission

Chairman
Professor Dr. M. Khairul Hossain

Commissioners
Professor Md. Helal Uddin Nizami
Mr. Md. Amzad Hossain
Mr. Arif Khan
Mr. Md. A. Salam Sikder

Economic Indicators of Bangladesh

Bangladesh is recognized as an emerging economic power and positioned in Next Eleven (N-11) countries among the world economies. Its agriculture has already adopted machineries in cultivation, its industries and service sectors are increasing gradually. Country's apparel sector has positioned No-2 among the apparel exporting countries. Its human resources are contributing largely to the economy from within the country and from abroad. Major economic indicators of Bangladesh are presented below:

Sl	Indicators	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
1	GDP (in current market price) Tk. In million	545822	614943	690571(P)	787495(P)	914784(P)	1037987 (P)
2	GDP growth rate(1995/1996) in fixed price%	6.21	5.88	6.00(P)	6.66	6.32 (P)	6.03 (P)
3	Price Index of industrial products	384.82	413.00	442.12	580.24	550.21 (P)	
4	Annual GDP per capita (US dollar)	559	620	687	748	772	838 (P)
5	Annual GNI per capita (US dollar)	608	676	751	816	848	923 (P)
6	Annual GNP (in current market price)Tk. In million	594212	670696	758928	869217	1004723	1,142,479 (P)
7	Tax & GDP ratio (in percentage)	8.96	9.03	9.03	10.04	10.53	10.81 (P)
8	Rate of Investment(GDP in percentage)	24.21	24.37	24.41	25.15	25.45	26.84 (P)
	a) Public sector	4.95	4.70	5.01	5.64	6.30	7.85 (P)
	b) Private sector	19.25	19.67	19.40	19.51	19.14	18.99 (P)

Sl	Indicators	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
9	Industrial growth rate (GDP in percentage)	7.21	6.68	6.50	9.45	9.76	19.25 (P)
	a) Large & medium scale industries	7.26	6.58	5.98	10.94	10.78	29.51 (P)
	b) Small scale Industries	7.10	6.9	7.77	5.84	7.18	9.34 (P)
10	Agricultural growth rate (GDP in percentage) Services	2.93	4.10	5.56	5.09	1.72	1.18 (P)
11	Services(GDP in percentage) Services	49.50	49.70	49.78	49.60	49.45	49.30 (P)
12	Exportable goods & services (GDP in percentage)	17.80	17.40	16.20	20.60	13.60	
13	Importable goods & services(GDP in percentage)	24.50	22.70	21.30	27.10	18.40	
14	Domestic savings rate (GDP in percentage)	20.31	20.09	20.10	19.29	19.37	
15	Govt. savings rate	30.21	29.57	30.02	28.78	29.40	
16	Total domestic loan (GDP in percentage)	17.22	17.72	16.92	17.68		
17	Total financing (GDP in percentage)	4.13	3.57	2.62	3.79		
18	Foreign Direct Investment (US dollar) in millions	650	941	636	768	580 (July-April)	1,100 (July-April)
19	Portfolio Investment(US dollar) in million	48.00	-159.00	-117.00	-28	142 (July-April)	192 (July-April)
20	Domestic loan (In millions)	248767.80	288507.20	340176.00	433419.20	499536.00 (April)	567,567.30 (April)

Sl	Indicators	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
21	Revenue receipt in million	47435.66	52527.25	62157.18	82320.68	80422.84 (July-May)	92,891.56 (July-April)
22	Monetary Aggregate (in millions)						
	a) Naro money (M1)	59849.90	66426.90	87988.30	103101.10	105866.10 (April)	118,539.10 (April)
	b) Broad money(M2)	248794.90	296499.80	363031.20	440519.90	493807.10 (April)	585,116.80 (April)
	a) Currency in circulation	35648.50	39448.70	50465.40	60526.90	63797.10 (April)	73,569.30 (April)
23	Reserve money in million	52789.60	69390.00	80510.30	97493.50	91691.80 (April)	108,918.50 (April)
24	Increase in money supply (in percentage)	17.63	19.17	22.44	21.34	12.10	13.15
25	Monetary base & money supply ratio(in percentage)	21.22	23.40	22.18	22.13	18.57	18.61
26	Reserve money multiple	4.71	4.27	4.51	4.52	5.39	5.37
27	Bank rate (in percentage)	5.00	5.00	5.00	5.00	5.00	5.00
28	Deposit rate (Weighted average)	7.46	8.26	7.4	9.09	8.17 (April)	8.63 (May)
29	Commercial Lending rate (Weighted average)	11.82	13.46	12.36	13.74	13.72 (April)	13.63 (May)
30	Lending & Deposit rate balance	4.36	5.2	4.97	4.65	5.55 (April)	5.06 (March)
31	Call money rate (monthly average)	9.74	1.71	6.62	10.93	15.05 (May)	7.17 (June)

Sl	Indicators	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
32	Inflation (Weighted average)	9.94	6.66	7.31	8.80	10.76 (May)	7.85 (April)
33	Dollar conversion (at the end of month)	68.53	69.06	69.45	74.15	81.93 (June)	77.78 (June, 30)
34	Import (in millions)	21629.00	22507.10	23738.40	33657.50	29853.20 (July-April)	28,172.40 (July-April)
35	Export (U$ dollar)in millions	14110.80	15565.19	16204.65	22924.38	19777.04 (July-April)	21,783.09 (July-April)
36	Trade Balance (U$ dollar)in millions	(7518.20)	(6941.91)	(7533.75)	(10733.12)	(10076.16)	(6,389.31)
37	Foreign currency reserve ((U$ dollar) in millions)	6148.82	7470.96	10749.74	10,911.55	9520.43 (May)	14,531.42 (May)
38	Remittance (US dollar) in millions	7914.78	6989.26	10987.40	11650.32	11772.57 (July-May)	13,402.90 (July-May)
39	Govt. Loan Tk.crore						
	a) Bangladesh Bank	25523.80	28479.20	21793.30	31358.10	33504.50 (April)	29,575.50 (April)
	b) Deposit Money Banks	36681.30	47542.30	52252.70	66306.10	82967.40 (April)	104049.40 (April)

*Source: Dhaka Stock Exchange Ltd (With the assistance of data from Bangladesh Bank and Bangladesh Bureau of Statistics)

Capital Market around the world

The scenario of capital market in some countries and changes in their economies are presented below:

				Changes in June 2013 Compared to June 2012			Annual interest rate
Name of the country	June-2013	PE ratio	Market yield	Change in index (%) year to date	Change in GDP in current price (%)	Inflation (%)change on year ago	(10-year Gov't Bonds) % a year
Bangladesh (DSE GEN)	4,385.77	14.48	3.65	1.00	14.82	(26.08)	12.16
India (BSE 30)	18,552.10	16.12	1.53	(13.60)	4.80	9.30	7.58
Pakistan (Karachi 100)	21,002.60			22.10	4.20	5.10	10.86
Indonesia(Jakarta composite)	4,587.70			3.20	6.00	5.50	N.A.
Malaysia (KLSE composite)	1,740.80	16.00	2.90	(1.60)	4.10	1.80	3.69
Thailand (SET)	1,424.40	14.00	2.90	0.50	5.40	2.30	3.77
Taiwan (Taiwan weighted)	7,784.80	16.00	2.90	(2.40)	1.70	0.70	1.43
Japan (Nikkei 225)	12,834.00	21.00	1.80	9.60	0.40	(0.70)	0.87
Hong kong (Hang Seng)	20,338.60	15.00	2.60	(10.30)	2.80	3.90	2.16
Singapore (Straits Times)	3,104.40	12.00	3.20	(5.90)	0.20	1.60	2.73
Germany (DAX)	7,941.00			2.90	(0.30)	1.50	1.77
UK (FTSE 100)	6,165.50			(1.40)	0.60	2.70	2.64
USA (DJIA)	14,910.10			13.80	1.60	1.40	2.54

*Source: Dhaka Stock Exchange Ltd (With the assistance of data from different web site)

Market Capitalization & GDP in few countries of Asia Pacific:

Although Bangladesh economy is one of the N-11 countries, its capital market has a lot more to contribute to the economy as its market cap to GDP ratio is only near 29%. A comparison of market cap to GDP among few asia pacific countries are presented below:

	Market Cap. (US dollar) in billion	GDP (US dollar) in billion	Market Cap and GDP ratio
Name of country	June 2013	June 2013	
Bangladesh(DSE)	32.54	111.86	29.09
India (BSE)	1,077.85	1,946.77	55.37
Pakistan (Karachi 100)	51.64	230.53	22.40
Srilanka (Colombo SE)	18.03	59.77	30.16
Indonesia (SE)	477.54	894.85	53.37
Bursa Malaysia	490.83	307.18	159.79
Thailand (SE)	408.49	376.99	108.36
Taiwan (SE Corp.)	754.34	466.05	161.86
Philippine (SE)	231.35	240.66	96.13
Japan(SE)	4,026.07	5,984.39	67.28
Hong Kong Exchange	2,669.60	257.95	1034.92
Singapore Exchange	752.03	267.94	280.67

*Source: Dhaka Stock Exchange Ltd (With the assistance of data from different web site)

Bangladesh Capital Market

Bangladesh Securities and Exchange Commission:

Capital market plays a significant role in the economy as a source of long term financing. A fair, efficient and transparent capital market is essential for a country for its industrialization and economic development. To develop such a fair, efficient and transparent capital market, the Bangladesh Securities and Exchange Commission was established as the regulator through enactment of the Bangladesh Securities and Exchange Commission Act, 1993 in June 08, 1993, with the following mission:

- Protecting the interest of investors in securities;
- Developing the capital and securities markets; and
- Framing of securities rules concerning above.

The Commission frames rules and regulations under the relevant laws , and regulate the capital market through compliance of duties and responsibilities of the issuer, stock exchange and market intermediaries involved in the market.

The Commission consists of a Chairman and four full time Commissioners who are appointed by the government for a certain period as per law, and terms of their service is determined by the government. The Chairman is the chief executive officer of the Commission.

The Dhaka Stock Exchange (DSE):

Dhaka Stock Exchange Ltd (DSE) is the oldest and largest stock exchange in Bangladesh. Though DSE was established in 28 April 1954 but its commercial operation started in 1956. The board of directors consisting of 25 members, which directs the activities of DSE. Out of them, 12 directors are elected by direct votes of DSE members and other 12 directors are nominated by the elected members from non-DSE members upon approval of the Commission and their CEO is a member by chair.. At present, there are 250 members in DSE of which 229 members are registered by the Commission for conducting securities business. DSE has expanded its on-line trading network to many district towns like Gazipur, Narayanganj, Comilla, Feni, Habiganj, Maulvibazar, Mymensingh, Chittagong, Khulna, Sylhet, Kushtia, Barisal, Rajshahi and Bogra including the divisional towns.

As on 30 June 2013 total number of listings in DSE was 525 against which issued capital was Tk. 983594.2 million and the market capitalization was Tk. 2530246 million **(ANNEX-2).**

The Chittagong Stock Exchange (CSE):

The Chittagong Stock Exchange Ltd (CSE), the second stock exchange, was established in 1995. The board of directors consisting of 25 members, which directs the activities of CSE. Out of them, 12 directors are elected by direct votes of CSE members and other 12 directors are nominated by the elected members from non-CSE members upon approval of the Commission and their CEO is a member by chair. Now there are 148 members in CSE of which 138 members are registered by the Commission for conducting securities business. CSE has expanded its on-line trading network to many district towns like Chittagong, Dhaka, Narayanganj, Feni, Sylhet, Noakhali, Coxs Bazar, Khulna, Jessore, Barisal and Rajshahi. Besides, CSE introduced internet trading system by which investors can trade from anywhere.

As on June 30, 2013 total number of securities in CSE was 266 against which issued capital was Tk. 428564.3 million and market capitalization was Tk. 1919890.7 million **(ANNEX- 3).**

Over -the-Counter Market or OTC Market:

Approved non-listed securities are traded without intermediaries through mutual understanding in the OTC market, which are outside the stock exchanges. Delisted securities and Approved non-listed securities may trade in OTC market. In CSE stock exchange's OTC market, there are opportunities of securities trading. Under Securities and Exchange Commission (Over-the-Counter) Rules, 2001, OTC market was established in CSE. Securities de-listed from the exchanges and securities not listed with the exchanges but issued obtaining consent from the Commission can be traded in the OTC market. Dhaka Stock Exchanges Ltd started OTC market in line with the direction of the Commission on 6th September, 2009. Settlement procedure of the OTC market is similar to that of the Stock Exchanges. The list of the companies trading in OTC market as on 30 June 2013 is furnished in **ANNEX-8.**

Categorization of Listed Companies:

Listed securities are categorized into "A", "B", "Z", "N" and "G" based on profitability, commercial operation, holding of AGM and accumulated loss exceeding paid up capital etc. This categorization helps investors to know the qualities of securities before making investment decision.

During the reporting FY 2012-2013, number of "A" ,"B" and "Z" categories companies has increased compared to the last FY,which can be seen in the following table:

Name of the category	Criteria of Categorization	Number of Companies FY 2011-2012	Number of Companies FY 2012-2013
"A" category	Companies that hold AGM regularly and declare dividend 10% or higher	242	250
"B" category	Companies that hold AGM regularly and declare dividend less than 10%	15	19
"G" category	Companies that have not yet started commercial operation	0	0
"N" category	Companies that are newly listed in stock exchanges whose next AGM have not yet take place after the listing	6	6
"Z" category	Companies that do not hold AGM regularly or do not pay any dividend or accumulated loss exceeds paid up capital or commercial operation remains suspended for more than six months	19	21

Derivatives:

Derivative products are necessary for reducing the risk of investors through creating alternative investment opportunities in the capital market. The National Parliament has passed Bangladesh Securities and Exchange (Amendment) Act, 2012 in last financial year which has created opportunity to introduce derivatives instruments in Bangladesh capital market. CSE is imparting training on derivative products. The Commission is now looking at the legal issues related to this matter so that it can frame necessary rules for introducing this instrument.

Bond Market:

The capital market of Bangladesh is predominantly an equity based securities market. Number of bonds and other debt instruments are insignificant. At present, there are Tk 140 million of debentures of 8 companies listed in the stock exchanges. In order to popularize the government bond and to increase the depth of market, trading of government treasury bonds have been introduced in stock exchanges with effect from 1 January 2005. But there is no transaction in last financial year.

As on 30 June 2013, 221 government treasury bonds, 3 corporate bond, 8 debentures were listed in DSE whose market capitalization was Tk 555,749.7 million. But bonds are not yet popular. Banking and Financial Institution Division, Ministry of Finance, Bangladesh Bank, Bangladesh Securities and Exchange Commission and National Board of Revenue are working together for development of the bond market.

Investors' Protection Fund:

To protect the interest of the investors, 'Investors Protection Fund' has been created in both the stock exchanges under Dhaka/Chittagong Stock Exchange Investors Protection Fund Regulations, 1999. If any stock broker is declared insolvent by the court or itself-or if any other reason causes stock broker business to be wound up resulting in failure to pay the clients money, related stock exchange takes initiative to compensate the investors from the fund. As per financial statement ended on 30 June 2013, deposited amount of money in the Investors Protection Fund of DSE is Tk. 5,72,99,912.00. and CSE is Tk. 7234172.00. In the financial year 2012-2013, no claim was raised by the investors at stock exchange against the Investor Protection Fund.

Corporate Governance Guidelines:

The Commission issued Corporate Governance Guidelines 2012 with necessary ammendment of Corporate Governance Guidelines 2006. The Commission monitors compliance of Corporate Governance Guidelines by the listed company in order to improve corporate governance. This guidelines has made the size of the board (5-20), appointment of one fifth independent directors, company secretary, chief financial officer (CFO) and head of audit and internal control department. As per the guidlines, the Chairman and CEO have to be separate persons. The guidelines require that complaince status of each of the requirements be included in the annual report. The Commission ensures compliance of the guidelines issued.

Securities Activities Over Internet:

Capital market related activities specially investment related information flow, value added information services and other securities related activities may take place over the internet, which may be of immense value to various market participants. In this regard BSEC is working to frame rules/guidelines named "Securities Activities Over the Internet". for introducing securities related activities in the internet.

Expansion of the Capital Market and Its Future:

Capital market of Bangladesh is an emerging market. Although it started in 1956, its growth has quickened after establishment of the Bangladesh Securities and Exchange Commission (BSEC) in 1993. While in 2000, the market capitalization was only around 2.24% of the country's GDP, at the end of June, 2013 it stands at around 29.09%. The average daily turnover of the country's main stock exchange reached at Tk. 3650 million, while it was only 100/150 million. The trading network has expanded to the six divisions of the country transcending the periphery of Dhaka and Chittagong. The network is also expanding to district towns and to other important places gradually. But expansion of the trading network is not enough; it requires raising of investment related knowledge especially amoung investors, and development of fundamentals based investment practices which will help them to protect themselves from taking unjustified risk.

BSEC, DSE, CSE, BICM and merchant bankers arrange regular training programs for the investors in related areas. Booklets and brochures have also been published in this regard. To conduct more extensive level of training, an institute named Bangladesh Institute of Capital Market is working to strengthen its capacity.

In order to increase the depth of the capital market, efforts are underway to launch activities for the development of bond market and derivatives market. It is expected that considerable development will take place in these areas over the next few years.

Initiative to launch a full-fledged separate automated clearing house is underway which is expected to reduce settlement time and thus improve overall market efficiency.

It is expected that after implementation of the Commission's 10-year master plan, basic problems of the market would be resolved and market would perform more effectively.

To demonstrate the growth of the capital market, two graphs showing the market capitalization of DSE and the ratios of market capitalization of DSE to gross domestic product (GDP) during the last few years have been presented below:

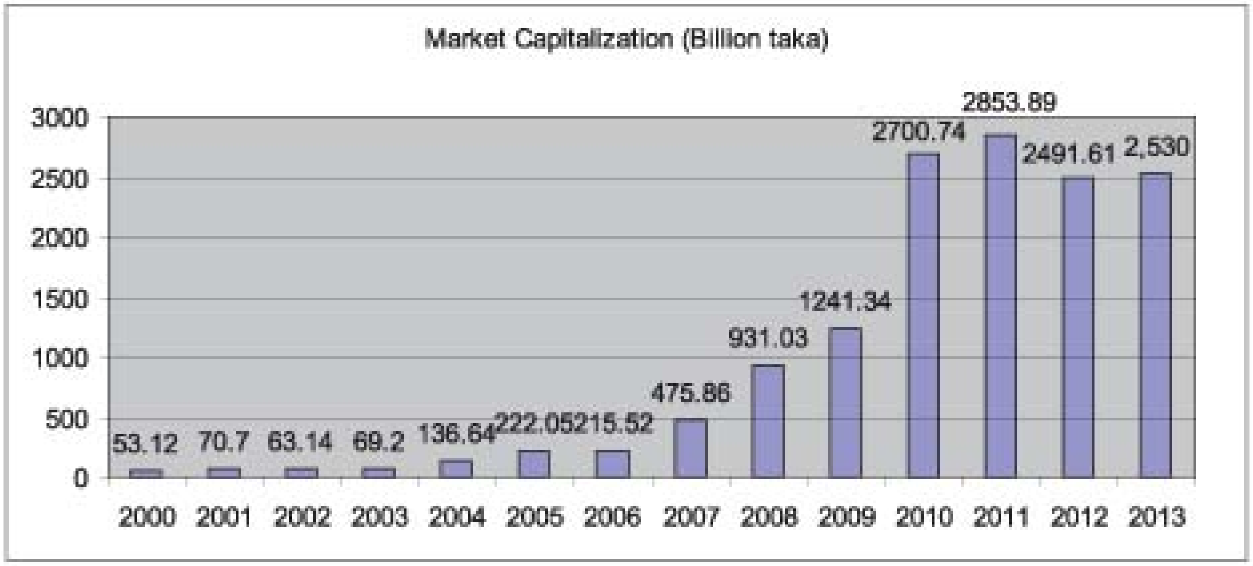


Figure: Year wise market capitalization of Dhaka Stock Exchange Ltd.

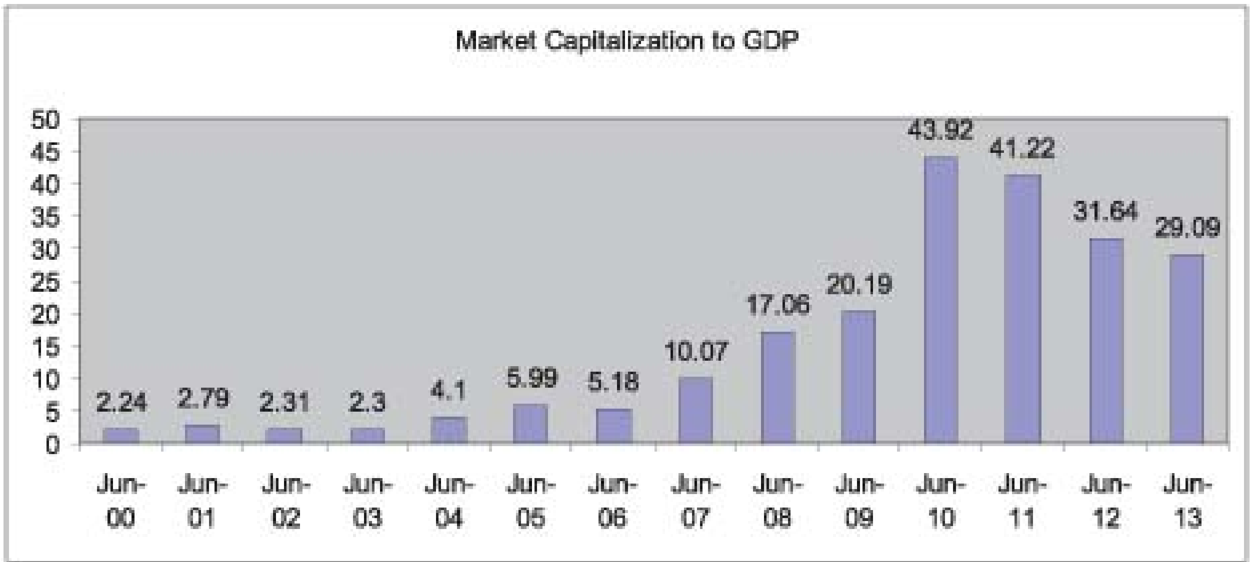


Figure: Year wise market capitalization to GDP ratio of Dhaka Stock Exchange Ltd.

Capital Market Regulatory Reforms and Compliance (CMRRC)

CMRRC Department makes drafts and issues securities related rules/regulations for the development of the capital market, amends those rules/regulations as and when necessary and conducts activities related to capital market reforms.

During the financial year 2012-2013 the Commission issued the following orders, notifications and directives:

Sl. no.	Subject	Classification	Reference No:
1	Directive to all stock Brokers of the Dhaka Stock Exchange Ltd. regarding implementation of government decision as per recommendation of special scheme committee foe effective investors in capital market.	Directive	SEC/CMRRCD/2009-93/130 Dt: July 10, 2012
2	Directive to all stock Brokers of the Chittagong Stock Exchange Ltd. regarding implementation of government decision as per recommendation of special scheme committee foe effective investors in capital market.	Directive	SEC/CMRRCD/2009-93/131 Dt: July 10, 2012
3	Directive to all Merchant banks and Bangladesh Merchant Bankers Association regarding implementation of government decision as per recommendation of special scheme committee foe effective investors in capital market.	Directive	SEC/CMRRCD/2009-93/132 Dt: July 10, 2012
4	Corporate Governance Guidelines	Notification	SEC/CMRRCD/2006-158/134/Admin/44 Dated: 07 August 2012
5	Extension of time regarding implementation of government decision as per recommendation of special scheme committee foe effective investors in capital market.	Directive	SEC/CMRRCD/2009-93/134 Dated: September 06, 2012
6	Regarding limit of credit facilities provided by the members of the stock exchanges	Directive	SEC/CMRRCD/2009-193/135 Dated: September 30, 2012
7	Regarding limit of credit facilities provided by the Merchant Bankers.	Order	SEC/CMRRCD/2009-193/136 Dated: September 30, 2012
8	Securities and Exchange Commission (Private Placement of Debt Securities) Rules, 2012	Notification	SEC/CMRRCD/2009-194/138/Admin/46 Dated: October 29, 2012

Sl. no.	Subject	Classification	Reference No:
9	Repeal of clause 2 of the directive No. SEC/CMRRCD/2001-43/169 dated October 01, 2009	Directive	SEC/CMRRCD/2009-193/140 Dated: November 28, 2012
10	Cancellation of order no: SEC/CMRRCD/2001-50/167 Dated: October 01, 2009.	Order	SEC/CMRRCD/2009-193/139 Dated: November 28, 2012.
11	Convert to separate customer BO a/c from omnibus a/c of Non-Discretionary Portfolio Management-	Directive	GmBwm/wmGgAviAviw mwW/2009-193/142 ZvwiL: wW‡m¤^i 30, 2012
12	Amendment of Securities and Exchange Commission (Mutual Fund) Rules, 2001.	Notification	SEC/CMRRCD/2006-157/ 143/Admin/47 Dated: January 08, 2013
13	Regarding maintaining Provision against Unrealized Loss of Stock Broker/ Stock and Merchant Banker.	Directive	SEC/CMRRCD/2009-193/144 Dated: February 27, 2013
14	Regarding Rule 3(5) of Margin Rules, 1999 has been suspended till September 30, 2013.	Order	SEC/CMRRCD/2009-193/145 Dated: April 10, 2013

- Amendment of Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) has passed in National Assemble and published in Bangladesh gazette on December 10, 2012;
- Amendment of Securities and Exchange Commission Act, 1993 (Act No. XV of 1993) has passed in National Assemble and published in Bangladesh gazette on December 10, 2012;
- Exchanges Demutualization Act, 2013 (Act No. XV of 2013) has passed in National Assemble and published in Bangladesh gazette on May 02, 2013.

Above Acts and Rules are furnished in **ANNEX-17.**

Listing in Stock Exchanges

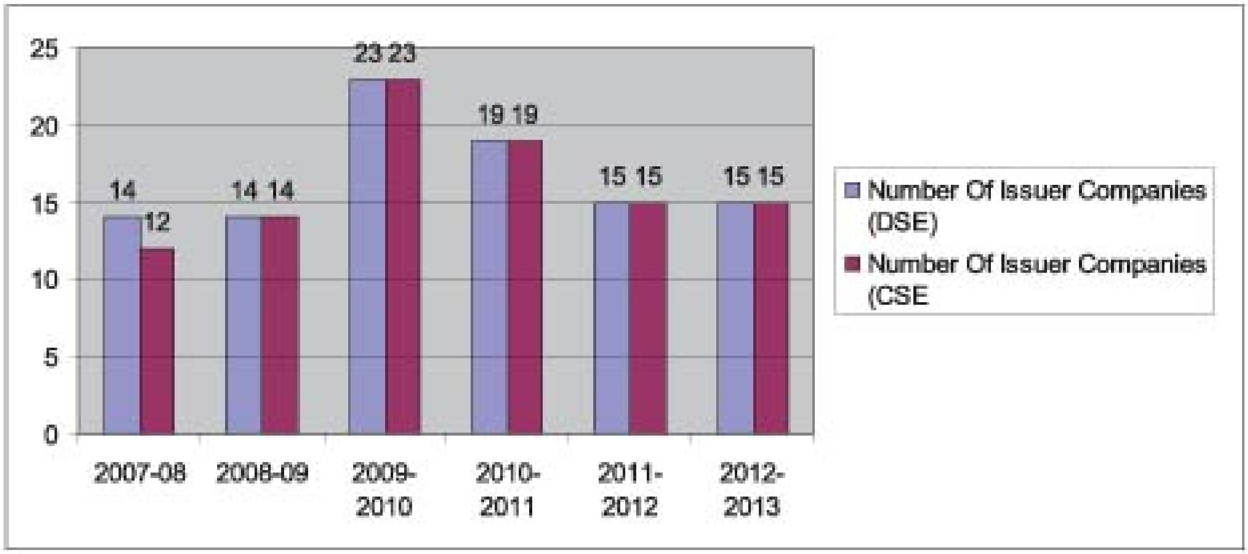
During FY 2012-2013, 15 companies including 01 Mutual Funds were listed with DSE & CSE . Details of companies are given in the following table:

S.I	Name of the Company	Paid-Up Capital (TK in Crore)	Listing Date
1	aamra technologies limited (140%Pre)	41.95	14.06.2012
2	Unique Hotel & Resorts Limited (650%Pre)	256.00	14.06.2012
3	Generation Next Fashions Limited	117.17	15.11.2012
4	Envoy Textiles Limited	130.00	03.12.2012
5	Sunlife Insurance Company Limited	30.00	15.01.2013
6	Summit Purbanchol Power Co. Ltd. (30%pre)	106.28	15.01.2013
7	Argon Denims Limited (250% Pre)	60.00	10.02.2013
8	Premier Cement Mills Limited	105.45	10.02.2013
9	Golden Harvest Agro Industries Limited	65.00	18.02.2013
10	Global Heavy Chemicals Limited	72.00	18.02.2013
11	Orion Pharma Limited (50%Pre)	195.00	06.03.2013
12	Bengal Windsor Thermoplastics Limited (15%pre)	70.00	03.04.2013
13	Familytex (BD) Limited	139.06	12.06.2013
14	GMI syringe and medical services Ltd.	11.00	12.06.2013
15	ICB AMCL Sonali Bank Limited 1st Mutual Fund	100.00	02.06.2013

Comparative position of securities listing on the exchanges during the last few years is as follows:

FY	Number of Issuer Companies	
	DSE	CSE
2012-13	15	15
2011-12	15	15
2010-11	19	19
2009-10	23	23
2008-09	14	14
2007-08	14	12

Graphical presentation of securities listing in DSE and CSE:



Capital Issue

Capital Issue

Capital Issue Department of the Commission accords consent to issue equity and debt securities through initial public offering and capital raising including approval of all type of securities issues. Public and private limited companies are required to obtain consent of the Commission for raising capital whose capital exceeds Taka 10 million and 100 million respectively. This Department also approves the offer of right shares, direct listing of securities on the exchanges and issuance of asset-backed securities.

Securities and Exchange Commission, accords consent to raise capital under the following Rules:

Securities and Exchange Commission (Issue of Capital) Rules, 2001

Securities and Exchange Commission (Public Issue) Rules, 2006

Securities and Exchange Commission (Rights Issue) Rules, 2006

Securities and Exchange Commission (Asset Backed Security Issue) Rules, 2004

Initial Public Offering (IPO):

During FY 2012- 2013, the Commission accorded consent to 13 companies to raise capital. Out of 13 companies, 11 companies have accomplished the subscription process. The subscription for shares was Tk.5130.85 crore against offer of Tk.708.90 crore (including premium) and TK.265 crore (without premium) leading to over subscription by 7.24 times. Information concerning public issue during the year is furnished at **Annexure-9.**

Comparative status of IPO and subscription during the last five years is furnished below:

FY	No. of Companies	Size of IPO (in million Tk.)	Subscribed Amount (in million Tk.)	Additional subscription (in times)
2005-2006	8	990.5	13943.1	14.08
2006-2007	10	3217.5 (Including Premium)	22148.0 (Including Premium)	8.88

FY	No. of Companies	Size of IPO (in million Tk.)	Subscribed Amount (in million Tk.)	Additional subscription (in times)
2007-2008	9	1935.6 (Including Premium)	24679.6 (Including Premium)	12.75
2008-2009	7	820.0 (Including Premium)	23892.9 (Including Premium)	29.14
2009-2010	10	13980.92 (Including Premium)	91250.96 (Including Premium)	6.52
2010-2011	6	11220.40 (Including Premium)	8,2250.32 (Including Premium)	7.33
2011-2012	11	10470.38 (Including Premium)	40670.57	3.88
2013-2013	13	708.90 (Including Premium)	5130.85 (Including Premium)	7.24

Capital Raising:
Public Limited Company:

During the financial year 2012-2013, the Commission accorded consent to 82 public Ltd. companies to raise capital through issuance of ordinary shares, bonus shares, preference shares, right shares and bonds amounting to Tk. 8485.66 crore under the Securities and Exchange Commission (Issue of Capital) Rules, 2001. The following table exhibits position of such capital raising:

Nature of raising capital	Number of companies	Total capital (Crore Taka)
Ordinary shares	55	6280.18
Bonus share	21	594.33
Preference share	1	945.00
Right Share	1	16.15
Bond	2	400.00
Subordinate Bond	2	250.00
Total	82	8485

Private Limited Company:

During the financial year 2012-2013, the Commission accorded consent to 117 private Ltd companies to raise capital through issuance of ordinary shares, bonus shares and preference shares worth Tk.3,036.87 crore under the Securities and Exchange Commission (Issue of Capital) Rules, 2001. The following table exhibits position of such capital raising.

Nature of raising capital	Number of companies	Total capital (crore Taka)
Ordinary shares	94	2560.39
Bonus share	16	168.33
Preference Share	04	165.15
Right Share	02	43.00
Bond	01	100
Total	**117**	**3,036.87**

Rights Issue:

During the FY 2012-2013, the Commission accorded consent to 06 listed companies for issue of right shares of Tk. 166.72 crore under the Securities and Exchange Commission (Rights Issue) Rules, 2006. During the FY 2011-2012, 15 listed companies were accorded consent for issue of right shares of Tk.2040.27 crore.

Corporate Finance

The Corporate Finance Department (CFD) supervises and monitors the listed companies after issuance of shares through initial public offering in line with the securities laws and accounting standards. CFD examines appointment of auditors by the issuer company as per securities laws and compliance with the conditions of corporate governance guidelines including examination of the annual report & annual audited financial statements and periodical financial statements (Quarterly/half-yearly), monitors the proper utilization of capital raised through initial public offering (IPO) & rights share issue, ensures proper disclosures in the financial statements as well as in the corporate governance among the issuer companies listed in the stock exchanges as a part of its supervision.

Activities of the Corporate Finance Department, during the financial year 2012-2013, are as follows:

A) Audited Financial Statements:

The listed issuer companies are required to submit the annual audited financial statements within 14 (fourteen) days of completion of auditing of the financial statements within one hundred twenty days from the date on which the issuer's financial year end in accordance with the rule 12 (3A) of the Securities and Exchange Rules, 1987. Corporate Finance Department supervises the matter of submission of annual audited financial statements in line with the aforesaid Rules. The Commission is duly taking enforcement actions against the issuer companies who fail to submit the annual audited financial statements within the stipulated time. Due to non-submission of annual audited financial statements, the Commission took punitive actions against 05 companies during the FY 2012-2013. As a result, the tendency of due submission of annual audited financial statements to the Commission has been increased in a mentionable rate.

The audited financial statements of the issuer companies are examined regularly in order to ensure that the issuers have prepared and presented them with proper disclosures in accordance with the Securities and Exchange Rules, 1987 and International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Moreover, the Commission examines/reviews regularly the matters as to whether the audit report on the financial statements is prepared in compliance with Bangladesh Standards on Auditing (BSA).

Due to intensive examination of financial statements and in some cases, initiation of action against defaulter issuer companies and concerned auditors, transparency and disclosures in the financial statements appeared to have increased. By this time, it is observed that the auditors are issuing audit reports mentioning their adverse/qualified opinions on the annual financial statements. It is mentionable here that the Commission examines such qualified/adverse opinion of the auditors on the annual audited financial statements and/or if the Commission has found any observation on the annual audited financial statements then it calls the concerned company to furnish its explanation/ clarification on that matter/observations. The Commission also instructs the companies to incorporate full information and explanation on the qualified/ adverse opinion of the auditors in the directors' report as per requirement of the section 184(3) of the Companies Act, 1994 as well as to place the same before the shareholders in the annual general meeting. Moreover, the Commission calls the statutory auditors for their comments/opinions, if it is found that the auditors have failed to qualify their report as required by Bangladesh Standards on Auditing (BSA). The Commission takes actions against the concerned company and/or the statutory auditors if the company's explanation/clarification and/or the statutory auditor's comments/opinions are found dissatisfactory.

B) Annual General Meeting (AGM) & Annual Report:

Corporate Finance Department monitors the submission of annual reports of the issuer companies to the Commission as well as to the shareholders, which have to submit at least fourteen days before the annual general meeting (AGM) of the shareholders. Among others, incorporation of compliance status of corporate governance guidelines and additional statements by the Board of Directors in the annual report are ensured. As a result, the readers of the annual reports can acquire full information on the compliance of corporate governance by the issuer companies.

C) Half Yearly & Quarterly Statements:

The Corporate Finance Department monitors the submission of half-yearly financial statements by the issuer companies to the Commission as well as to the shareholders, which have to submit within one month of close of the first half-year. During the FY 2012-2013 enforcement action has been taken against 06 companies for non-submission of half yearly financial statements. Moreover, Corporate Finance Department supervises the matter with more importance as to whether the companies prepare the half -yearly financial statement in accordance with the

Bangladesh Accounting Standards (BAS). As a matter of fact, the shareholders as well as the investors are now able to get information on the half-yearly financial condition of the listed companies.

In order to ensure the information of latest condition of the financial statement of the listed companies to the shareholders and the investors within short period, the Commission has already issued Notification in connection with the submission of quarterly financial statements by the listed companies. Accordingly, the listed companies have been submitting the quarterly financial statements for the quarter ended on 30 September, 2009. As a result, the shareholders as well as the investors can able to make proper decision to invest in the capital market based on the latest financial condition of the listed companies within short span of time. During the FY 2012-2013 enforcement action has been taken against 07 companies for non-submission of quarterly financial statements.

D) Opening of Corporate Finance Department by Stock Exchanges:

As per advice of the Commission, Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited have opened corporate finance departments and started their activities. They are also examining the audited financial statements of the issuer companies regularly in order to ensure that the issuers have prepared and presented financial statements with proper disclosures in accordance with the Securities and Exchange Rules, 1987 and International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). They are also monitoring and examining the compliance with the conditions of corporate governance guidelines including monitoring the proper utilization of capital raised through initial public offering (IPO) & rights share issue, which ensures proper disclosures in the financial statements as well as in the corporate governance among the issuer companies listed in the stock exchanges.

E) Statutory Auditors:

As per rule 12(3) of the Securities and Exchange Rules, 1987, a listed issuer company is required to auditing of its financial statements appointing a partnership firm of chartered accountants consisting of not less than two partners in practice for a minimum of seven years. Moreover, the Commission has issued a directive not to appoint any firm of chartered accountant as statutory auditors for a consecutive period exceeding three years. It may be mentioned here that the Commission took punitive actions against the companies for appointment of statutory auditors for a consecutive period exceeding three years.

F) Corporate Governance Guidelines:

In order to ensure corporate governance in the listed companies, the Commission has issued a new guidelines imposing seven conditions on mandatory comply basis, such conditions shall be complied with by all listed companies within December 31, 2012. As per the guidelines, the listed companies shall have to comply with the conditions related to the appointment of independent director, chief financial officer (CFO), company secretary and formation of Internal Audit Committee, etc. The Corporate Finance Department regularly supervises the compliance status of corporate governance guidelines. A compliance status report on 'Corporate Governance Guidelines' on the basis of compliance of three conditions (namely,- Board size, appointment of Independent Director (s) and Constitution of Audit Committee) has been prepared due to non-receipt of Auditors' Certificate on Compliance of the Corporate Governance from all the listed companies. It reveals from the aforesaid report that 140 issuer companies (44.03%) have, among others, complied with the three conditions of the Corporate Governance Guidelines, namely,- Board size, appointment of Independent Director (s) and Constitution of Audit Committee. 116 issuer companies (36.47%) have partially complied with the above three conditions. But, the rest (19.50%) i.e., 62 issuer companies have not complied with any of the above three conditions.

Registration

All market intermediaries associated with capital market are required to be licensed by the SEC in order to ensure the proper functioning of the capital market. Licensing of intermediaries help the Commission to discharge its oversight functions more effectively. During FY 2012-2013, the Commission issued registration certificates to the following companies:

Particulars	Issue of registration certificates
Stock Dealer /Stock Broker	54
Authorized representative	98
Depository participant	22
Asset Management Company	1
Credit Rating Company	–
Merchant Banker	6
Security Custodian	2

Issuance and Renewal of Stock Dealer /Stock Broker Registration Certificates:

During FY 2012-2013, the Commission issued 14 (fourteen) stock broker and 15 (fifteen) stock dealer registration certificates in favor of members of Dhaka Stock Exchange Limited and 16 (sixteen) Stock broker and 9 (nine) Stock dealer registration certificates in favor of members of Chittagong Stock Exchange Limited under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (স্টক ডিলার, স্টক ব্রোকার ও অনুমোদিত প্রতিনিধি) বিধিমালা, ২০০০.

Moreover, the Commission renewed 191 (one hundred ninety one) stock broker and 175 (one hundred seventy five) stock dealer registration certificates of Dhaka Stock Exchange Limited and 93 (ninety three) stock broker and 52 (fifty two) stock dealer registration certificates of Chittagong Stock Exchange Limited respectively during FY 2012-2013.

Issuance and Renewal of Authorized Representative Registration Certificates:

During the FY under review, the Commission issued 97 (ninety seven) authorized representative registration certificates of Dhaka Stock Exchange Limited and 1 (one) of Chittagong Stock Exchange Limited and renewed 628 (six hundred twenty eight) authorized representative registration certificates of Dhaka Stock Exchange Limited and 51 (fifty one) of Chittagong Stock Exchange Limited under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (স্টক ডিলার, স্টক ব্রোকার ও অনুমোদিত প্রতিনিধি) বিধিমালা, ২০০০.

Issuance of Registration Certificates for Merchant Banking Operation:

During the period, the Commission issued 6 (six) registration certificates for Merchant Banking operation in favor of EBL Investments Limited, AIBL Capital Management Limited, Sandhani Life Finance Limited, BLI Capital Limited, First Securities Services Limited and BetaOne Investments Limited under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬.

Issuance of Asset Management Company Registration Certificate:

During the FY, the Commission issued 1 (one) Asset Management Registration Certificates in favor of Vanguard Asset Management Limited under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড), বিধিমালা, ২০০১.

Issuance of Security Custodian Registration Certificate:

During the FY, the Commission issued 2 (two) Security Custodian Registration Certificates in favor of Mutual Trust Bank Limited and One Bank Limited under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সিকিউরিটি কাস্টডিয়াল সেবা) বিধিমালা, ২০০৩.

Issuance and Renewal of Depository Participant Registration Certificates:

During the FY, the Commission issued 22 (twenty two) depository participant registration certificates under the ডিপজিটরি (ব্যবহারিক) প্রবিধানমালা, ২০০৩ and renewed 237 (two hundred thirty seven) depository participant registration certificates.

Relocation for Branch Office to the Stock Broker/Stock Dealer and Merchant Bankers:

During the FY, the Commission approved 3 (three) relocation of branch offices of different stock broker and stock dealer of Dhaka Stock Exchange Limited and approved 2 (two) relocation of Merchant Bankers.

Mutual Fund and SPV

Mutual Fund and SPV Department was established on 16 March 2009 in order to register, supervise, monitor and other activities relating to mutual fund and asset backed securities.

- Registration related activities: Formalities relating to the approval of mutual fund such as- approval of Trust Deed and Investment Management Agreement; approval of Prospectus and monitoring all Public Issue related functions, approval for formation of fund and investment of collected funds etc.
- Supervision related activities – Supervision of composition of portfolio of funds on weekly, fortnight, monthly and quarterly basis. Besides, supervision of annual accounts of the funds on quarterly, half yearly and yearly basis.
- Monitoring related activities – Regular monitoring of funds and functions of fund's related all parties like- custodian, trustee, sponsor etc. Besides, handling of complaints regarding fund investment etc.

During the financial year (FY) 2012-2013 Mutual Fund and SPV Department performed the following functions:

1.	Formalities relating to the approval of Trust Deed up to registration of the following funds have been completed during 2012-2013. The rest of the works of the Funds will be finished in the next financial year. Alliance S&P Shariah Index Fund: Fund Size: Tk. 10 Crore Sponsor& Asset Manager: Alliance Capital Asset Management Limited Trustee: Bangladesh General Insurance Company Ltd. Custodian: BRAC Bank Ltd. CAPM Unit: Fund Size: Tk. 10 Crore Sponsor& Asset Manager: CAPM (Capital & Asset Portfolio Management) Company Limited Trustee: Bangladesh General Insurance Company Limited. Custodian: BRAC Bank Limited.
2.	Processing of the following fund started in the previous financial year and during 2012-2013, rest of the formalities up to listing of the Funds has been completed. ICB AMCL Sonali Bank Limited First Mutual Fund: Fund Size: Tk. 100 Crore Sponsor: Sonali Bank Limited **Asset Manager: ICB Asset Management Company Ltd** **Trustee & Custodian: ICB Asset Management Company Ltd**

3.	Processing of the following funds started in the previous financial year and during 2012-2013, rest of the formalities up to Unit sale of the Funds have been completed. Bangladesh Fund: Fund Size: Tk. 5000 Crore Sponsor: Investment Corporation of Bangladesh Ltd., Sonali Bank Limited, Janata Bank Limited, Agrani Bank Limited, Rupali Bank Limited, Bangladesh Development Bank Limited, Sadharan Bima Corporation and Jiban Bima Corporation Asset Manager: ICB Asset Management Company Ltd. Trustee & Custodian: ICB Capital Management Ltd. MTB Unit Fund: Fund Size: Tk. 100 Crore Sponsor: Mutual Trust Bank Limited Asset Manager: Alliance Capital Asset Management Ltd. Trustee: Bangladesh General Insurance Company Limited Custodian: BRAC Bank Ltd.
4.	Formalities relating to the approval of Trust Deed of the following funds have been completed during 2012-2013. The rest formalities of the Funds will be completed in the next financial year. Alif Islamic Income Fund: Fund Size: Tk. 10 Crore Sponsor & Asset Manager: Alif Assets Management Ltd. Trustee: Bangladesh General Insurance Company Limited Custodian: BRAC Bank Limited Rock NRB Balanced Fund: Fund Size: Tk. 50 Crore Sponsor& Asset Manager: Rock Asset Management Limited Trustee: Bangladesh General Insurance Company Limited Custodian: BRAC Bank Limited
5.	Processing of the below mentioned Fund started in the previous financial year and during the said period up to Lottery of the Fund's subscription has been completed. Rest of the formalities of the Fund will be completed in the next financial year. EXIM Bank First Mutual Fund: Fund Size: Tk. 100 Crore Sponsor: EXIM Bank Limited Asset Manager: RACE Management Private Company Limited Trustee & Custodian: Investment Corporation of Bangladesh
6.	Besides this, MF & SPV Department has been performing it's mutual funds and parties related with mutual funds monitoring and supervising duties regularly.
Functions related Rule/Act/Notification	
1.	To up to date the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১, MF & SPV Department has taken initiative for necessary amendment of the said বিধিমালা during the financial year, which was gezzatted on 4 March, 2013.

Surveillance

Surveillance of Securities Transactions :

For ensuring investors' protection and uphold transparency in the capital market, the Commission performs surveillance function through it's newly introduced online surveillance software system "InstantWatch". It is mentionable that under Improvement of Capital Market Governance Project, BSEC introduced the new online surveillance software system "InstantWatch". The system was inaugurated by the honorable Finance Minister of the Government of Bangladesh on 17.12.2012. Before implementation of "InstantWatch" the surveillance function conducted through online surveillance system of stock exchanges. Stock Exchanges are the primary regulators for detection of market manipulation, price rigging and other regulatory breaches. BSEC keeps constant vigilance on the activities of stock exchanges to ensure effective surveillance. BSEC conducts market surveillance through on-line and off-line surveillance system.

Inspection and Investigation :

The Surveillance Department of the Commission uses On-Line and Off-Line market surveillance systems to find out violation of securities related law in securities trading and also to find out whether irregularities have taken place or any abnormalities exist in securities transactions. As part of on-line surveillance, the surveillance officials watch the daily securities transaction through non-trading software and surveillance software, and at the end of daily transactions on the exchanges, prepare a report containing summary of daily securities transactions and abnormal trading, if any. On the other hand, as part of Off-Line surveillance, the surveillance officials use the Commission's offline surveillance software tools to analyze necessary post trading information after collection. If detailed investigation is needed after analysis then proposal placed before the Commission to constitute inspection and enquiry committee for submitting report. If any violation of securities laws is found in the enquiry report, then it is forwarded to the Enforcement Department for necessary action.

Comparative statistics of irregularities in securities transactions found by Surveillance Department during current FY and last 2 (two) FY and brief description of subsequent actions undertaken are furnished below:

Financial Year	Number of Irregularities found	Refer to Stock Exchanges		Investigation & Inspection	Enquiry	Refer to Enforcement Department	Refer to Registration Department	Refer to SRMID Department	Refer to CDS Department
		DSE	CSE						
2012-2013	20	11	0	11	9	12	0	0	0
2011-2012	43	20	1	27	16	22	0	0	0
2010-2011	41	17	8	21	20	29	0	1	0

Surveillance Department has enhanced its activities through supervision of Depository Participants (DP) activities along with daily market surveillance. As a result, small investors' interest about capital market is being increased and confidence among investors of all levels is also increasing.

Supervision and Regulation of Markets and Issuer Companies (SRMIC)

SRMIC Department of the SEC supervises activities of stock exchanges, over the counter (OTC) markets and issuer companies in accordance with the securities laws. Besides, the department also resolves complaints received against issuer companies under the securities laws. The functions of SRMIC are enumerated below:

a. Monitoring the declaration of sale/purchase/transfer of securities by the sponsor /director of the listed companies.

b. Monitoring the position of monthly shareholding of sponsors/directors.

c. Monitoring disclosure of price sensitive information of listed companies.

d. Approval of transfer of share of listed companies outside the stock exchanges.

e. Monitoring all activities of stock exchanges (except securities transactions).

f. Taking effective measures to resolve complaints related to capital market.

Annual General Meeting (AGM) of listed companies held during July 2012- June 2013 are given below:

AGM held during FY 2012-2013								
Sl.No.	Code	Name	Year End	Date of AGM	% of Dividend		Record	Declaration
	No				cash	stock	Date	Date
1	25730	Sonar Bangla Insurance	201112	02/07/2012	-	10%B	14.05.2012	29.04.2012
2	11129	Export Import (Exim) Bank	201112	04/07/2012	-	14%B	22.05.2012	13.05.2012
3	18484	Salvo Chemical Industry Limited	201112	08/07/2012	-	5%B	28.05.2012	30.04.2012
4	25713	Federal Insurance	201112	09/07/2012	-	10%B	21.05.2012	02.05.2012
5	11103	IFIC Bank	201112	11/07/2012	5.00	25%B	17.05.2012	30.04.2012
6	25729	Asia Pacific Gen Ins	201112	12/07/2012	10.00	-	10.05.2012	26.04.2012
7	25731	Pragati Life Insurance	201112	12/07/2012	-	12%B	27.05.2012	07.05.2012
8	11147	First Security Islami Bank Ltd.	201112	14/07/2012	-	10%B	27.05.2012	16.05.2012
9	20552	Bangladesh Services	201112	18/07/2012	-	20%B	28.06.2012	14.06.2012
10	18481	Marico Bangladesh Ltd.	201112	19/07/2012	100.00	-	21.05.2012	25.04.2012
11	25725	Fareast Islami Life	201112	29/07/2012	12.50	25%B	03.07.2012	24.06.2012
12	17444	CMC Kamal	201112	31/07/2012	-	12.50%B	24.05.2012	30.04.2012
13	25706	Janata Insurance	201012	02/08/2012	-	15%B	29.05.2011	15.05.2011
14	25741	Rupali Life Insurance Co.Ltd.	201112	08/08/2012	-	14%B	09.07.2012	28.06.2012
15	15315	GBB Power Ltd.	201112	12/08/2012	5.00	25%B	15.07.2012	02.07.2012
16	25732	Prime Islami life Insurance	201012	26/08/2012	-	10%B	06.08.2012	15.07.2012
17	25726	Meghna Life Insurance	201112	28/08/2012	30.00	-	05.07.2012	14.06.2012
18	25728	Progressive Life Insurance Co. Ltd.	201112	06/09/2012	-	18%B	09.07.2012	24.06.2012
19	17421	Apex Spinning.	201203	19/09/2012	18.00	-	25.07.2012	15.07.2012
20	14254	Apex Foods	201206	19/09/2012	18.00	-	13.08.2012	01.08.2012

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21	25745	Padma Islami Life Insurance Ltd.	201112	20/09/2012	Nil	-	15.07.2012	02.07.2012
22	18473	Square Pharmaceuticals Ltd.	201203	25/09/2012	25.00	40%B	26.08.2012	23.07.2012
23	23601	Apex Tannery	201206	26/09/2012	35.00	-	29.08.2012	08.08.2012
24	13228	Navana CNG Limited	201203	27/09/2012	10.00	15%B	08.08.2012	30.07.2012
25	99613	BEXIMCO	201112	29/09/2012	-	25%B	23.07.2012	29.04.2012
26	17408	Stylecraft Ltd.	201112	29/09/2012	50.00	-	27.08.2012	08.07.2012
27	17413	Modern Dyeing	201206	04/10/2012	7.00	-	19.09.2012	30.08.2012
28	17453	Saiham Cotton Mills Ltd.	201204	04/10/2012	10.00	-	12.09.2012	02.09.2012
29	13469	National Polymer	201206	15/10/2012	-	15%B	11.09.2012	02.09.2012
30	29002	Unique Hotels & Resorts Ltd.	201112	18/10/2012	15.00	15%B	25.09.2012	16.09.2012
31	12151	ICB	201206	20/10/2012	25.00	25%B	03.10.2012	23.09.2012
32	17427	Delta Spinners	201206	04/11/2012	-	50%B	10.10.2012	30.09.2012
33	11122	MIDAS Financing Ltd.	201206	06/11/2012	Nil	-	02.09.2012	08.08.2012
34	29001	United Airways (BD) Ltd.	201206	06/11/2012	-	15%B	07.10.2012	24.09.2012
35	25732	Prime Islami life Insurance	201112	07/11/2012	15.00	15%B	25.09.2012	02.09.20121
36	15313	Barakatullah Electro Dynamics Limited	201206	08/11/2012	-	21%B	08.10.2012	25.09.2012
37	25706	Janata Insurance	201112	11/11/2012	-	10%B	07.10.2012	19.09.2012
38	13230	GPH Ispat Ltd	201204	13/11/2012	10.00	20%B	13.09.2012	05.08.2012
39	20621	Delta Brac Housing Fin.Corp.Ltd.	201206	14/11/2012	10.00	15%B	13.09.2012	26.08.2012
40	27002	Bangladesh Submarine Cable Company Limited	201206	17/11/2012	20.00	10%B	24.09.2012	06.09.2012
41	22647	aamra technologies Ltd.	201206	18/11/2012	-	20%B	16.10.2012	01.10.2012
42	17449	The Dacca Dyeing and Manufacturing Co. Ltd.	201206	30/11/2012	-	12%B	30.10.2012	11.10.2012
43	20620	Eastern Housing	201207	03/12/2012	10.00	10%B	15.11.2012	07.11.2012
44	18474	Imam Button	201206	04/12/2012	Nil	-	18.11.2012	23.10.2012
45	18462	Pharma Aids	201206	06/12/2012	25.00	-	22.10.2012	08.10.2012
46	18472	Orion Infusion	201206	06/12/2012	16.00	-	05.11.2012	21.10.2012
47	18463	Kohinoor Chemicals	201206	06/12/2012	10.00	30%B	05.11.2012	21.10.2012
48	13215	Renwick Jajneswar	201206	08/12/2012	22.00	-	21.11.2012	30.10.2012
49	16355	Jute Spinners	201206	10/12/2012	20.00	-	11.11.2012	22.10.2012
50	14292	Fine Foods Limited	201206	11/12/2012	-	10%B	08.11.2012	23.10.2012
51	14266	Zeal Bangla Sugar	201206	15/12/2012	Nil	-	21.11.2012	30.10.2012
52	14262	Gemini Sea Food	201209	18/12/2012	15.00	-	27.11.2012	15.11.2012
53	17410	Rahim Textile	201206	19/12/2012	-	10%B	08.11.2012	16.10.2012
54	14277	AMCL (Pran)	201206	20/12/2012	31.00	-	05.11.2012	18.10.2012
55	17401	Al-Haj Textile	201206	20/12/2012	-	10%B	18.11.2012	30.10.2012
56	13201	Aftab Automobiles	201208	20/12/2012	-	25%B	05.12.2012	26.11.2012
57	99637	Miracle Ind.	201206	22/12/2012	-	5%B	12.11.2012	21.10.2012
58	14279	Shyampur Sugar	201206	22/12/2012	Nil	-	21.11.2012	30.10.2012
59	22645	Agni Systems Ltd.	201206	22/12/2012	-	10%B	22.11.2012	01.11.2012
60	13218	National tubes	201206	22/12/2012	10.00	-	20.11.2012	04.11.2012
61	24632	Fu-Wang Ceramic	201206	23/12/2012	-	10%B	01.11.2012	11.10.2012
62	17412	Saiham Textile	201206	23/12/2012	15.00	-	08.11.2012	17.10.2012
63	21644	M.I. Cement Factory Limited	201206	23/12/2012	35.00	10%B	22.11.2012	21.10.2012

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64	14269	CVO Petrochemical Refinery Limited	201206	23/12/2012	-	20%B	21.11.2012	22.10.2012
65	17452	Zahintex Industries Limited	201206	23/12/2012	10.00	10%B	15.11.2012	30.10.2012
66	18482	Beacon Pharmaceuticals Ltd.	201206	23/12/2012	Nil	-	22.11.2012	31.10.2012
67	17424	Mithun Knitting	201206	23/12/2012	-	20%B	26.11.2012	11.11.2012
68	17417	Tallu Spinning	201206	23/12/2012	-	10%B	26.11.2012	11.11.2012
69	14257	Bangas	201206	23/12/2012	-	45%B	26.11.2012	11.11.2012
70	13214	Quasem Drycells	201206	23/12/2012	5.00	10%B	13.11.2012	18.10.2012
71	17451	Malek Spinning Mills Ltd.	201206	24/12/2012	-	10%B	15.11.2012	21.10.2012
72	13212	Atlas Bangladesh	201206	24/12/2012	75.00	-	26.11.2012	06.11.2012
73	17447	Metro Spinning	201206	25/12/2012	-	10%B	15.11.2012	30.10.2012
74	18477	Keya Cosmetics	201206	25/12/2012	-	10%B	15.11.2012	30.10.2012
75	18471	Libra Infusions Limited	201206	26/12/2012	20.00	-	12.11.2012	23.10.2012
76	14286	Fu Wang Food	201206	26/12/2012	-	12%B	19.11.2012	30.10.2012
77	24626	Standard Ceramic	201206	26/12/2012	10.00	-	08.11.2012	30.10.2012
78	23634	Samata Leather	201206	26/12/2012	Nil	-	26.11.2012	01.11.2012
79	14281	Rahima Food	201206	26/12/2012	10.00	-	29.11.2012	12.11.2012
80	17440	Alltex Ind. Ltd.	201206	27/12/2012	Nil	-	06.12.2012	23.10.2012
81	17441	Anlima Yarn	201206	27/12/2012	10.00	-	11.11.2012	30.10.2012
82	13203	Olympic Industries	201206	27/12/2012	10.00	50%B	22.11.2012	30.10.2012
83	17415	Desh Garments	201206	27/12/2012	7.00	-	15.11.2012	30.10.2012
84	22646	Daffodil Computers	201206	27/12/2012	10.00	-	15.11.2012	31.10.2012
85	13213	BD.Autocars	201206	27/12/2012	-	2%B	21.11.2012	04.11.2012
86	14287	Meghna Pet	201206	27/12/2012	Nil	-	06.12.2012	05.11.2012
87	14290	Meghna Condensed	201206	27/12/2012	Nil	-	06.12.2012	05.11.2012
88	24606	Monno Ceramic	201206	27/12/2012	5.00	-	27.11.2012	13.11.2012
89	16360	Sonali Aansh	201206	27/12/2012	10.00	-	20.12.2012	10.12.2012
90	99608	Usmania Glass	201206	28/12/2012	-	20%B	26.11.2012	30.10.2012
91	19510	Hakkani Pulp & Paper	201206	29/12/2012	5.00	-	27.11.2012	16.09.2012
92	17434	Prime Textile	201206	29/12/2012	10.00	-	11.11.2012	31.10.2012
93	17416	Dulamia Cotton	201206	29/12/2012	Nil	-	03.12.2012	11.11.2012
94	22643	BDCOM Online Ltd.	201206	29/12/2012	-	10%B	19.11.2012	30.10.2012
95	13229	Deshbandhu Polymer Limited	201206	30/12/2012	5.00	5%B	01.11.2012	15.10.2012
96	16357	Northern Jute	201206	30/12/2012	Nil	-	09.12.2012	31.10.2012
97	15311	Titas Gas Trans. & Dist. Co. Ltd.	201206	30/12/2012	30.00	5%B	27.11.2012	15.11.2012
98	17455	Envoy Textiles Ltd.	201209	31/12/2012	15.00	5%B	17.12.2012	06.12.2012
99	17454	Generation Next Fashions Ltd.	201112	31/12/2012	-	20%B	17.12.2012	10.12.2012
100	15307	Dhaka Electric Supply Company	201206	02/01/2013	10.00	15%B	07.11.2012	30.10.2012
101	15308	Power Grid Company of Bangladesh Ltd.	201206	05/01/2013	10.00	10%B	21.11.2012	11.11.2012
102	20553	Samorita Hospital	201206	10/01/2013	-	18%B	08.11.2012	10.10.2012
103	99611	Savar Refractories	201206	10/01/2013	Nil	-	02.12.2012	21.10.2012
104	15309	Jamuna Oil Com. Ltd.	201206	12/01/2013	45.00	30%B	06.12.2012	22.11.2012
105	15303	Eastern Lubricants	201206	19/01/2013	30.00	-	05.12.2012	12.11.2012
106	15310	Meghna Petroleum Ltd.	201206	26/01/2013	45.00	30%B	24.12.2012	26.11.2012
107	15302	Padma Oil Co.	201206	16/02/2013	65.00	35%B	26.12.2012	12.11.2012
108	11111	IDLC Finance Limited	201212	25/03/2013	-	30%B	28.02.2013	17.02.2013
109	11131	Prime Finance & Invest.	201212	27/03/2013	10.00	20%B	05.03.2013	24.02.2013
110	13221	Anwar Galvanizing	201206	28/03/2013	5.00	-	07.11.2012	23.10.2012

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111	17448	Maksons Spinning Mills Ltd	201209	28/03/2013	-	5%B	18.02.2013	29.01.2013
112	25702	Green Delta Insurance	201212	28/03/2013	15.00	15%B	27.02.2013	17.02.2013
113	14294	Golden Harvest Agro Industries Ltd	201206	28/03/2013	-	20%B	14.03.2013	03.03.2013
114	11113	United Leasing	201212	28/03/2013	5.00	15%B	12.03.2013	03.03.2013
115	25708	Eastland Insurance	201212	28/03/2013	-	30%B	13.03.2013	05.03.2013
116	13225	S. Alam Cold Rolled Steels Ltd.	201209	30/03/2013	15.00	-	07.03.2013	26.02.2013
117	25719	Prime Insurance	201212	31/03/2013	-	15%B	28.02.2013	18.02.2013
118	11112	Eastern Bank	201212	31/03/2013	20.00	-	10.03.2013	27.02.2013
119	11116	Prime Bank	201212	31/03/2013	10.00	10%B	12.03.2013	03.03.2013
120	11127	Bank Asia	201212	31/03/2013	-	10%B	12.03.2013	03.03.2013
121	11141	Union Capital Ltd.	201212	31/03/2013	-	5%B	11.03.2013	03.03.2013
122	11135	LankaBangla Finance Ltd.	201212	31/03/2013	-	10%B	14.03.2013	04.03.2013
123	14259	BATBC	201212	01/04/2013	500.00	-	10.03.2013	27.02.2013
124	17442	H.R.Textile	201209	09/04/2013	15.00	-	14.02.2013	23.01.2013
125	24634	RAK Ceramics (BD) Ltd.	201212	10/04/2013	15.00	10%B	24.02.2013	11.02.2013
126	27001	Grameenphone Ltd.	201212	10/04/2013	140.00	-	20.02.2013	11.02.2013
127	11125	Standard Bank	201212	15/04/2013	-	17%B	24.03.2013	10.03.2013
128	18483	Active Fine Chemicals Ltd.	201212	18/04/2013	-	25%B	27.03.2013	12.03.2013
129	11118	Dhaka Bank	201212	18/04/2013	-	16%B	28.03.2013	13.03.2013
130	11147	First Security Islami Bank Ltd.	201212	20/04/2013	-	10%B	28.03.2013	18.03.2013
131	99638	Berger Paints	201212	21/04/2013	180.00	-	31.03.2013	18.03.2013
132	11117	Southeast Bank	201212	21/04/2013	15.00	-	28.03.2013	18.03.2013
133	17454	Generation Next Fashions Ltd.	201212	22/04/2013	-	20%B	06.03.2013	25.02.2013
134	18454	Glaxo SmithKline	201212	23/04/2013	150.00	-	18.03.2013	27.02.2013
135	17456	Argon Denims Limited	201212	23/04/2013	-	20%B	07.04.2013	17.03.2013
136	25711	Rupali Insurance	201212	24/04/2013	-	20%B	28.03.2013	14.03.2013
137	11133	Islamic Finance & Investment	201212	24/04/2013	-	10%B	20.03.2013	28.02.2013
138	11146	FAS Finance & Investment Limited	201212	25/04/2013	-	6%B	07.03.2013	26.02.2013
139	11137	Industrial Promotion & Development com. Of Bd.Ltd	201212	25/04/2013	10.00	-	11.03.2013	28.02.2013
140	11128	Mercantile Bank	201212	27/04/2013	7.00	8%B	28.03.2013	14.03.2013
141	25714	Reliance Insurance	201212	27/04/2013	15.00	10%B	03.04.2013	24.03.2013
142	15306	Summit Power Ltd.	201212	28/04/2013	-	20%B	28.03.2013	18.03.2013
143	15316	Summit Purbanchol Power Co. Ltd.	201212	28/04/2013	-	30%B	28.03.2013	18.03.2013
144	11121	Dutch-Bangla Bank	201212	28/04/2013	40.00	-	03.04.2013	24.03.2013
145	11123	Mutual Trust Bank Ltd.	201212	29/04/2013	-	10%B	09.04.2013	31.03.2013
146	13227	BSRM Steels Limited	201212	30/04/2013	10.00	5%B	12.03.2013	03.03.2013
147	11124	First Lease Finance and Investment Ltd.	201212	30/04/2013	-	25%B	08.04.2013	28.03.2013
148	14293	Rangpur Dairy & Food Products Limited	201212	04/05/2013	-	10%B	17.04.2013	07.04.2013
149	11140	Premier Bank Ltd.	201212	06/05/2013	-	10%B	18.04.2013	10.04.2013
150	25735	Continental Insurance Ltd.	201212	07/05/2013	10.00	-	15.04.2013	28.03.2013
151	99604	BSC	201206	08/05/2013	10.00	-	06.03.2013	14.02.2013
152	13211	Singer Bangladesh	201212	08/05/2013	125.00	25%B	01.04.2013	20.03.2013
153	25701	BGIC	201212	08/05/2013	16.00	-	02.04.2013	20.03.2013
154	99635	Sinobangla Industries	201210	09/05/2013	11.00	-	07.03.2013	20.02.2013
155	25703	United Insurance	201212	09/05/2013	7.50	10.19%B	14.03.2013	03.03.2013
156	11138	BRAC Bank Ltd.	201212	09/05/2013	-	15%B	07.04.2013	27.03.2013

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157	23619	Apex Adelchi Footwear Ltd.	201212	09/05/2013	50.00	-	15.04.2013	31.03.2013
158	11103	IFIC Bank	201212	12/05/2013	-	10%B	11.04.2013	31.03.2013
159	13204	Bangladesh Lamps	201212	12/05/2013	20.00	-	17.04.2013	07.04.2013
160	11115	Al-Arafah Islami Bank	201212	14/05/2013	-	17%B	18.04.2013	07.04.2013
161	25717	Pragati Insurance	201212	15/05/2013	7.50	7.50%B	24.04.2013	15.04.2013
162	15301	Linde Bangladesh Limited	201212	16/05/2013	310.00	-	28.03.2013	18.03.2013
163	11143	International Leasing and Financial Services Ltd.	201212	16/05/2013	5.00	-	11.04.2013	02.04.2013
164	20622	Summit Alliance Port Limited	201212	19/05/2013	10.00	10%B	22.04.2013	09.04.2013
165	11104	Islami Bank Bd Ltd	201212	22/05/2013	8.00	17%B	11.04.2013	31.03.2013
166	26001	IBBL Mudaraba Perpetual Bond	201212	23/05/2013	13.58 (Profit)		11.04.2013	31.03.2013
167	11107	Rupali Bank	201212	25/05/2013	-	10%B	09.05.2013	29.04.2013
168	11114	Uttara Finance	201212	27/05/2013	20.00	10%B	11.04.2013	13.03.2013
169	11119	NCC Bank Ltd.	201212	27/05/2013	-	10%B	30.04.2013	21.04.2013
170	11148	Bay Leasing & Investment Ltd.	201212	27/05/2013	15.00	-	06.05.2013	24.04.2013
171	21614	Heidelberg Cement Bd.	201212	29/05/2013	50.00	-	24.04.2013	15.04.2013
172	18451	Ambee Pharma	201212	30/05/2013	33.00	-	14.05.2013	25.04.2013
173	25738	Northern General Insurance Co.Ltd.	201212	01/06/2013	-	12%B	28.03.2013	07.03.2013
174	20623	National Housing Finance and Investment Ltd	201212	01/06/2013	-	5%B	09.05.2013	28.04.2013
175	21622	Meghna Cement	201212	02/06/2013	25.00	-	12.05.2013	29.04.2013
176	11139	Shahjalal Islami Bank	201212	04/06/2013	-	20%B	09.05.2013	29.04.2013
177	18484	Salvo Chemical Industry Limited	201212	05/06/2013	-	5%B	09.05.2013	28.04.2013
178	11145	Trust Bank Ltd.	201212	06/06/2013	-	10%B	09.04.2013	25.03.2013
179	11134	Jamuna Bank	201212	06/06/2013	14.00	-	20.05.2013	29.04.2013
180	11108	UCBL	201212	06/06/2013	10.00	-	13.05.2013	02.05.2013
181	25723	Global Insurance Co. Ltd.	201212	08/06/2013	-	12%B	21.04.2013	07.04.2013
182	11149	GSP Finance Company	201212	08/06/2013	-	15%B	15.05.2013	30.04.2013
183	18464	The Ibn Sina	201212	08/06/2013	15.00	20%B	08.05.2013	21.04.2013
184	13206	Eastern Cables	201206	08/06/2013	10.00	-	14.05.2013	05.05.2013
185	21643	Lafarge Surma Cement	201212	08/06/2013	-	Nil	09.04.2013	18.03.2013
186	11105	National Bank	201212	09/06/2013	6.00	-	14.05.2013	30.04.2013
187	25727	Nitol Insurance	201212	11/06/2013	10.00	6%B	30.04.2013	21.04.2013
188	25710	Karnaphuli Insurance	201212	11/06/2013	12.50	-	09.05.2013	28.04.2013
189	18455	ACI Limited.	201212	11/06/2013	80.00	20%B	12.05.2013	02.05.2013
190	18480	ACI Formulations Ltd.	201212	11/06/2013	25.00	-	12.05.2013	02.05.2013
191	25707	Phoenix Insurance	201212	12/06/2013	-	25%B	07.05.2013	21.04.2013
192	18460	Reckitt Benckiser(Bd.)Ltd.	201212	12/06/2013	150.00	-	06.05.2013	24.04.2013
193	25733	Paramount Insurance Co. Ltd.	201212	12/06/2013	5.00	5%B	09.05.2013	29.04.2013
194	13222	Kay & Que	201212	12/06/2013	-	Nil	16.05.2013	06.05.2013
195	11144	Phoenix Finance and Investments Ltd.	201212	13/06/2013	-	20%B	18.04.2013	02.04.2013
196	11126	One Bank Limited	201212	13/06/2013	5.00	15%B	22.04.2013	10.04.2013
197	17446	Square Textile	201212	13/06/2013	18.00	15%B	12.05.2013	28.04.2013
198	15314	MJL Bangladesh Limited	201212	15/06/2013	25.00	-	17.04.2013	27.03.2013
199	25736	Takaful Islami Insurance Ltd.	201212	15/06/2013	-	15%B	30.04.2013	15.04.2013
200	13219	Bd.Thai Aluminium	201212	15/06/2013	-	5%B	26.05.2013	28.04.2013
201	21633	Aramit Cement	201212	15/06/2013	10.00	-	08.05.2013	29.04.2013
202	99602	Aramit	201212	15/06/2013	50.00	-	08.05.2013	29.04.2013

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203	15305	Bd. Welding Electrodes	201212	15/06/2013	-	5%B	15.05.2013	30.04.2013
204	11102	City Bank	201212	16/06/2013	-	10%B	29.04.2013	18.04.2013
205	11109	Uttara Bank	201212	16/06/2013	15.00	10%B	13.05.2013	30.04.2013
206	17444	CMC Kamal	201212	16/06/2013	-	15%B	22.05.2013	02.05.2013
207	25720	Pioneer Insurance	201212	17/06/2013	10.00	20%B	15.05.2013	30.04.2013
208	25734	City General Insurance Co. Ltd.	201212	18/06/2013	-	10%B	29.04.2013	18.04.2013
209	23603	Bata Shoe	201212	19/06/2013	275.00	-	08.05.2013	25.04.2013
210	15312	Khulna Power Company Ltd.	201212	19/06/2013	12.50	12.50%B	14.05.2013	30.04.2013
211	25709	Central Insurance	201212	20/06/2013	-	12%B	30.04.2013	21.04.2013
212	25744	Dhaka Insurance Co. Ltd.	201212	20/06/2013	20.00	-	05.05.2012	21.04.2013
213	22641	Information Services Network	201212	20/06/2013	-	5%B	16.05.2013	30.04.2013
214	21621	Confidence Cement	201212	20/06/2013	20.00	-	12.05.2013	30.04.2013
215	18457	Renata Ltd.	201212	22/06/2013	60.00	25%B	13.05.2013	02.05.2013
216	17445	Safko Spinnings	201212	22/06/2013	-	10%B	15.05.2013	30.04.2013
217	25740	Asia Insurance Co. Ltd.	201212	22/06/2013	10.00	5%B	20.05.2013	09.05.2013
218	11120	Social Islami Bank	201212	22/06/2013	5.00	10%B	22.05.2013	12.05.2013
219	17430	Sonargaon Textiles	201212	22/06/2013	-	5%B	26.05.2013	14.05.2013
220	25737	Standard Insurance Ltd.	201212	23/06/2013	-	15%B	14.05.2013	28.04.2013
221	25722	Agrani Insurance Co Ltd.	201212	23/06/2013	-	10%B	08.05.2013	28.04.2013
222	13202	Aziz Pipes	201212	23/06/2013	-	Nil	20.05.2013	02.05.2013
223	11142	Bangladesh Finance and Investment Co. Ltd.	201212	24/06/2013	-	10%B	15.05.2013	29.04.2013
224	29002	Unique Hotels & Resorts Ltd.	201212	24/06/2013	25.00	-	20.05.2013	30.04.2013
225	11132	Premier Leasing & Finance Ltd.	201212	24/06/2013	-	Nil	14.05.2013	30.04.2013
226	18486	Orion Pharma Ltd.	201212	24/06/2013	20.00	20%B	26.05.2013	25.05.2013
227	25721	Mercantile Insurance	201212	26/06/2013	-	12%B	08.05.2013	25.04.2013
228	25739	Republic Insurance Company Ltd.	201212	26/06/2013	-	12%B	22.05.2013	02.05.2013
229	25704	Peoples Insurance	201212	27/06/2013	15.00	-	12.05.2013	21.04.2013
230	11110	ICB Islamic Bank Ltd	201212	27/06/2013	-	Nil	15.05.2013	23.04.2013
231	18485	Global Heavy Chemicals Limited	201212	27/06/2013	15.00	-	16.05.2013	28.04.2013
232	99605	GQ Ball Pen	201212	27/06/2013	-	20%B	12.05.2013	28.04.2013
233	11130	People's Leasing	201212	27/06/2013	-	12.50%B	12.05.2013	29.04.2013
234	13224	Rangpur Foundry	201212	27/06/2013	21.00	-	16.05.2013	29.04.2013
235	22644	In Tech Online Ltd.	201212	27/06/2013	-	10%B	16.05.2013	30.04.2013
236	13226	Golden Son Limited	201212	27/06/2013	5.00	15%B	16.05.2013	02.05.2013
237	13209	Monno Jute Stafflers Ltd.	201212	27/06/2013	10.00	-	13.05.2013	02.05.2013
238	25713	Federal Insurance	201212	29/06/2013		12%B	15.05.2013	28.04.2013
239	99613	BEXIMCO	201212	29/06/2013	-	15%B	20.05.2013	30.04.2013
240	18453	Beximco Pharma	201212	29/06/2013	-	15%B	20.05.2013	30.04.2013
241	18470	Beximco Synthetics	201212	29/06/2013	-	10%B	20.05.2013	02.05.2013
242	24633	Shinepukur Ceramics Ltd.	201212	29/06/2013	-	15%B	20.05.2013	02.05.2013
243	23636	Legacy Footwear	201212	29/06/2013	-	5%B	12.05.2013	02.05.2013
244	25715	Purabi Gen. Insurance	201212	29/06/2013	-	10%B	21.05.2013	12.05.2013
245	25718	Sandhani Life Insurance	201212	29/06/2013	-	30%B	11.06.2013	02.06.2013
246	25742	Islami Insurance BD. Ltd.	201212	30/06/2013	-	12%B	08.05.2013	25.04.2013
247	25743	Provati Insurance ltd.	201212	30/06/2013	-	12%B	13.05.2013	29.04.2013
248	25730	Sonar Bangla Insurance	201212	30/06/2013	-	12%B	21.05.2013	08.05.2013
249	14291	Beach Hatchery Ltd.	201212	30/06/2013	-	10%B	10.06.2013	26.05.2013
250	25712	National Life Insurance	201212	30/06/2013	30.00	30%B	09.06.2013	29.05.2013

Complaint against listed companies: (July 2012 to June 2013)

Nature of Complaint	No. of Complaints	Under Process	Resolved	Irrelevant
Non payment or delay in payment of dividend	22	4	16	
Non payment of debenture installment	2		1	
Regarding transfer of shares	1	1		
Non receipt of letter of rights share offering	5	3	2	
Non receipt of annual report	2	1	1	
Refund warrant	7		7	
Non demat of shares				
Miscellaneous	17	3	11	
Total	**56**	**12**	**38**	**6**

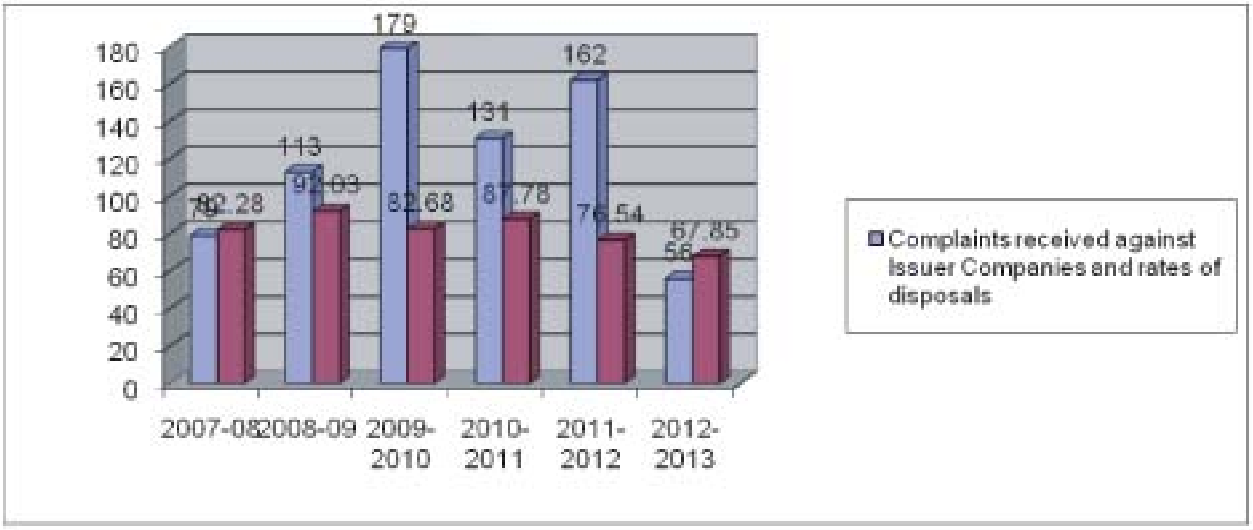
All the complaints are settled by DSE, CSE and CDBL, and report to the Commission as per the above format under the BSEC Notification No. SEC/SRMIC/94-231/271 dated October 12, 2011.

Rate of Complaints Resolved during the Last Few Years:

FY	No. of complaints	Rate of Disposal (%)
2007-08	79	82.28
2008-09	113	92.03
2009-2010	179	82.68
2010-2011	131	87.78
2011-2012	162	76.54
2012-2013	56	67.85

* No pending issues are with the Commission and the whole issues are closely monitored by the Commission.

Graphical presentation demonstrating complaints received against listed companies and rates of disposals during the last few years are shown in the graph below:



Information on Dividend Declared by the Listed Companies:

During the FY 2012-2013, 203 companies held Annual General Meeting (AGM)/ Extra Ordinary General Meeting (EGM), out of which 122 companies declared dividend. Break-up of the companies based on their declaration of dividend are given below:

Rate of dividend	No. of Companies
10% and above	103
Less than 10%	19
Total	122

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, market makers, security lenders and borrowers and other market intermediaries. SRI department conducts the regular inspection of stock brokers/dealers, depository participants and merchant banks 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 July 2012 to June 2013 the following activities were performed by this department:

i) Complaints received 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 2012 to June 2013	Previous	Total				
Lost of shares	-	-	-	-	-	-	-
Unauthorized sales of share	11	12	23	2	7	7	7
Non-transfer of share	9	-	9	1	-	4	4
Non-payment of sales proceeds	5	-	5	1	-	2	2
Force sale /Margin Related	13	4	17	-	6	4	7
Financial loss due to non-transfer of share	-	1	1	-	1	-	-
Delay in settlement	2	11	13	-	12	-	1
Non-receipt of share	3	-	3	1	-	2	-
Corruptions of Broker/ Dealer and Others	13	-	13	2	2	4	5
Cash/Cheque/Dividend/ Bonus related	5	7	12	2	-	3	7
Others	10	-	10	1	-	1	8
Total	**71**	**35**	**106**	**10**	**28**	**27**	**41**

ii) Inspections conducted (July, 2012 to June, 2013):

Sl. No.	Type of Market Intermediaries	Type of Inspection	Number of Inspection conducted	Referred to Enforc. Dept. for Action	Resolved	Under Process
1.	Stock Broker/ Stock Dealer	Monthly regular Inspection	103	62	25	16
		Special Inspection	2	-	-	2
2.	Merchant Bank	Monthly regular Inspection	-	-	-	-
Total			105	62	25	18

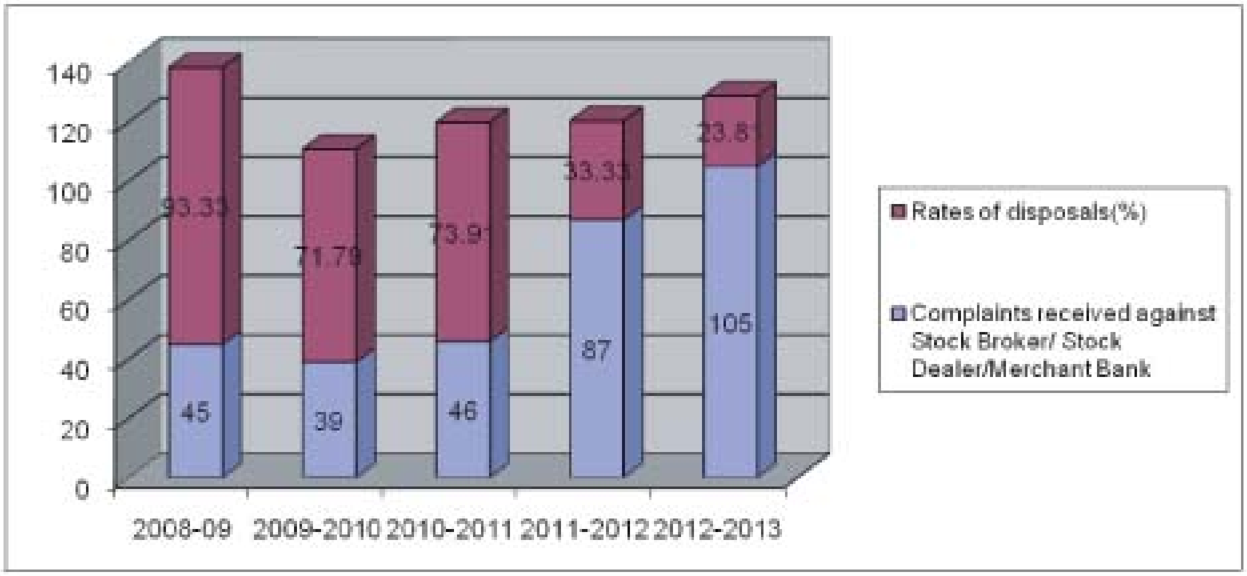
Complaints against Issuer and Stock broker/Stock Dealer/Merchant Bank:

Financial Year	Complaints received	Resolved (%)
2004- 2005	105	48.57
2005-2006	84	84.52
2006-2007	118	80.51
2007-2008	94	81.91
2008-2009	158	92.40
2009-2010	218	77.23
2010-2011	177	84.18
2011-2012	245	62.44
2012-2013	106	38.68

Complaints against Stock broker/Stock Dealer/Merchant Bank:

Financial Year	Complaints received	Resolved (%)
2005-2006	13	69.23
2006-2007	15	86.67
2007-2008	15	80.00
2008-2009	45	93.33
2009-2010	39	71.79
2010-2011	46	73.91
2011-2012	87	33.33
2012-2013	105	23.81

Graphical presentation demonstrating complaints received against Stock Broker/ Stock Dealer/Merchant Bank and rates of disposals during the last few years are shown in the graph below:



Central Depository System (CDS)

CDS Department oversights the functions and activities of Central Depository Bangladesh Ltd(CDBL) and Depository Participants (DP) as well as conversion of physical share certificates of listed companies into dematerialized form, supervision of the issuance of securities, transfer of shares, supervision of BO accounts, and issuance of directives/orders in these connections under the Depository Act, 1999. As a result of introducing depository system, transparency in securities issuance, trading and settlement has increased significantly and settlement period of securities transactions has also reduced.

During the FY 2012-2013, the depository system included 354568 new BO accounts, 16 securities i.e 15 companies and 01 mutual fund. Up to June 2013 the number of existing BO accounts in CDBL stood at 2,645,335 and the number of securities under CDS was 308. At present, transaction of most of the securities and their transfer are taking place in dematerialized form through automated system. Besides, 100% of market capital of Dhaka Stock Exchange Ltd has been dematerialized during the period.

During the FY CDBL has increased its system capacity by upgrading its hardware and software. Besides, they have also improved their Disaster Recovery System. Now the investors can get stock trading information debit and credit balance of their BO account through internet-based services and mobile SMS-based services.

The list of the companies and mutual funds, which joined the CDS during FY 2012-2013, is furnished in the **Annexure -10.**

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 financial year 2012-2013, 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 furnished in the **Annuxere-11.**

Law

The Legal Services Department looks after the formalities to assist the lawyers appointed by the Commission to defend the court cases filed by BSEC or against BSEC, gives legal opinion on different issues sent by other departments of the Commission, files and conducts certificate cases to recover penalty imposed by the Commission.

A total of 429 cases filed by BSEC or against BSEC are pending in different Courts. In this financial year 02 cases filed by BSEC and 21 cases filed against BSEC .The status of the cases in different Courts is furnished in the **Annuxere-12.**

Management Information Systems (MIS)

MIS Department is responsible for assisting different departments of BSEC through development of automation in their activities, development of capital market monitoring system based on computerized data analysis, informing all about securities laws and other related matters through website and thus enabling the Commission with modern information technology capacity. At present all officers of SEC use computers in their daily activities. All computers are connected through local area network (LAN). Different modules of integrated Securities and Exchange Commission Automated System (SECAS) have been developed at SEC for different department's use. Officers of SEC can use broadband internet connection from their workstation through connected LAN. SEC's website (www.secbd.org) is enriched with various information like securities laws, IPO prospectus, eligible securities, depository participants, enforcement actions, annual and quarterly reports, investors information etc, which are updated regularly and many users visit the website. During July 2012-June 2013, 19 prospectuses, 135 enforcement actions, 20 other order/notification/directives etc, 02 quarterly reviews, 44 press releases, 02 proposed draft rules were uploaded and other lists were updated as per information received.

List of Different Software Systems Developed:

Surveillance Module
CFD module
Registration module
Enforcement module
Personnel module
Issuer module
Document Tracking module
Reception Desk Module
Random Inspection Selection System
Lottery Verification System
Digital Paper Clipping System

MIS Department conducts development, modification and maintenance of the systems mentioned above.

Research and Development

Research and Development Department of the Commission conducts investors' education program for the general investors, impart capital market related seminar for various government and non-government organization, prepare and publishes Commission's various publications regularly and furnishes various reports and information to the Government and other institutions including Ministry of Finance and other regulatory authorities.

During FY 2012-2013, Research and Development Department has completed the following activities:

Publications:

Annual Report (Bangla & English)	:	2011-2012
Quarterly Review (Nos 4)	:	September 2012 -June 2013
SEC Parikrama (Bangla Newsletter) (Nos. 4)	:	September 2012 -June 2013

Education Program:

During the FY 2012-2013, the Bangladesh Securities and Exchange Commission continued conduction of 2-day long Investors Education Program twice a month for the general investors as per registration on regular basis. General investors participated in the investor education programs where high officials of BSEC delivered lectures on various topics like the capital market related laws/rules/regulations, investment in primary and secondary market, surveillance system, depository system, rights of shareholders etc.

The Commission arranged a number of training programs jointly with Dhaka Stock Exchange and Chittagong Stock Exchange in order to enhance knowledge and skills of the market intermediaries and authorized representatives of the exchange members. Authorized representatives of the members of Dhaka Stock Exchange and Chittagong Stock Exchange participated in the said programs. Besides, the Commission published booklets for development of investment related basic ideas among general investors.

Future Planning

In respect of global financial system the Bangladesh capital market is considered as an emerging market. By utilization of the inherent potential of capital market, it is possible to render economic growth through industrialization, infrastructural development and employment generation. The government and BSEC have taken several initiatives regarding financing to our development initiatives through capital market specially for infrastructural development. In this connection long term 10- years master plan is mentionable. The 10 -years Master Plan of BSEC is presented in **Annexure - 18**

Financial Statements of the Commission

Bangladesh Securities and Exchange Commission is a statutory organization. All under the revenue budget of the Government. All of its current expenditures are met from the revenue budget approved by the Government. In terms of section 12 of the Bangladesh Securities and Exchange Commission Act, 1993, the Commission maintains a fund which consists of the Govt. allocation and revenue generated by the Commission itself. Receipts of the Commission includes registration and renewal fees, fees received in connection with application and consent for raising of the companies' capital, recovery of penalty, B.O. Accounts maintenance fees etc. Govt. fund is released in accordance with the budget allocation net of the income generated by the BSEC.

The Commission has generated considerable receipts during last few years. It has been meeting of its total annual expenses from own receipts generation since the fiscal year 2007-2008. In the current fiscal year (2012-2013), the Commission's own receipts stands at Tk. 189.92 million and last year's unspent balance is Tk. 1087.84 million, i.e., in total Tk. 1277.76 million, from which the Commission is able to meet its all expenses of the said year. On the other hand, the Commission's total receipts was Tk. 1175.07 million in the year 2012-2013. Revenue and capital expenditure of the Commission during the fiscal year 2012-2013 altogether stands at Tk.111.64 million, which was Tk. 87.23 million in the previous fiscal year 2011-2012 **(Annexure 13 & 14).**

Annexures

Annexure-1

BANGLADESH CAPITAL MARKET

As on June 30, 2013

Indicators (Listed)	Dhaka Stock Exchange	Chittagong Stock Exchange
No. of companies	251	220
No. of mutual funds	42	42
No. of debentures	8	--
No. of treasury Bonds	221	--
No. of corporate bonds	3	3
Total No. of Listed Securities	525	265

Figures in million

No. of shares of all listed companies	38,430.7	37973.2
No. of certificates of all listed mutual funds	3,843.7	3843.6
No. of debentures of all listed debentures	0.4	
No. of all listed govt. T-bonds	5.5	
No. of all listed corporate bonds	6.5	6.5
Total No. of Tradable Securities	42,286.7	41823.4

Figures in million Tk

Issued capital of all companies (Share)	983594.2	383593.3
Issued capital of all mutual funds	38436.7	38436.7
Issued debentures	140.3	--
Total Issued Capital	983594.2	428564.3
Total Market Capitalization	2530246.0	1919890.7

Share Price Index	4385.77 (All Share Price Index)	12738.23 (All Share Price Index)

Annexure-2

DSE COMPARATIVE STATEMENT

Indicators (Listed)		As on June 30, 2013	As on June 30, 2012	%Change
No. of companies		251	238	5.46
No. of mutual funds		42	41	2.44
No. of debentures		8	8	-
No. of Treasury Bond		221	221	-
No. of corporate bond		3	3	-
Total No. of Listed Securities		525	511	2.74
No. of shares of all listed companies		3,843.07	3,358.68	14.42
No. of certificates of all listed mutual funds		384.37	374.37	2.67
No. of debentures		40.90	40.90	-
No. of all listed govt. T-bonds		548.46	548.46	-
No. of all listed corporate bonds		653.43	680.15	(3.93)
Total No. of Tradable Securities		4,228.68	3,734.32	13.24
Annual Total Turnover (volume) in crore		297	284	4.58
Annual Total Turnover (value)	Tk. in crore	85,708.97	117,145.14	(26.84)
Issued govt. T-bonds	Tk in crore	54,938.10	54,938.10	-
Issued corporate bonds	Tk in crore	653.43	680.15	(3.93)
Total issued capital	Tk in crore	98,359.42	93,362.96	5.35
Total Market Capitalization	Tk in crore	253,024.60	249,161.29	1.55
All Share Price Index		4385.77 (All Share Price Index)	4572.88 (All Share Price Index)	(4.09)

Annexure-3

CSE COMPARATIVE STATEMENT

Indicators (Listed)	As on June 30, 2013	As on June 30, 2012	% Change
No. of companies	220	207	6.28
No. of mutual funds	42	41	2.43
No. of debentures /Corporate Bonds	3	3	0
Total No. of Listed Securities	265	251	5.97
			In crore
No. of shares of all listed companies	3797.32	3270.65	16.10
No. of certificates of all listed mutual funds	384.36	374.36	2.67
No. of debentures of all listed debentures / Corporate Bonds	0.65	0.68	-4.41
Total No. of Tradable Securities	4182.34	3645.71	12.83
Annual Total Turnover (Volume)	276.22	252.35	9.45
Annual Total Turnover (Value) Tk	10198.71(crore)	13485.48(crore)	-24.37
Issued corporate bonds	653.43 (crore)	685.49 (crore)	-4.67
Total Issued Capital Tk	42856.43 (crore)	37522.02(crore)	14.21
Total Market Capitalization Tk	191989.07 (crore)	187153.29(crore)	2.58
All Share Price Index	12738.23 (All Share Price Index)	13736.42 (All Share Price Index)	-7.26

Annexure-4

DSE OPERATIONAL STATISTICS
July 2012--June 2013

Trading	Index	Turnover of Securities (Crore)		Traded Amount in Crore Tk.		Market Capitalization	
Month	Price Index (All share price index)	Monthly	Daily Average	Monthly	Daily Average	(Crore Tk.)	% Change with Previous Month
July-2012	4,159.17	93.43	4.45	4,056.41	193.16	235,591.34	(5.45)
August	4,446.87	129.04	9.22	5,727.66	409.12	247,025.37	4.85
September	4,544.41	416.72	19.84	18,761.51	893.41	253,079.01	2.45
October	4,493.92	268.19	14.12	10,649.53	560.50	250,879.73	(0.87)
November	4,210.58	149.71	7.49	5,538.07	276.90	238,430.69	(4.96)
December	4,219.31	114.36	6.02	4,073.11	214.37	240,355.56	0.81
January 2013	4,230.69	119.12	5.18	3,895.78	169.38	240,367.30	0.00
February	4,047.23	178.21	9.38	7,211.70	379.56	233,577.19	(2.82)
March	3,722.41	83.21	4.62	3,330.57	185.03	221,170.87	(5.31)
April	3,618.49	104.10	4.96	3,226.42	153.64	216,657.73	(2.04)
May	4,100.51	182.50	9.13	6,001.59	300.08	238,408.93	10.04
June 2013	4,385.77	317.01	15.85	13,236.62	661.83	253,024.60	6.13
Total 2012-2013		**2,155.60**	**10.26**	**85,708.97**	**4,396.98**		

** Market Capitalization of the last trading day of the month has been taken into account.*

Annexure-5

CSE OPERATIONAL STATISTICS
July 2012--June 2013

Trading Month	Index (All share price index)	Turnover of Securities (Crore)		Traded Amount in Crore Tk.		Market Capitalization	
		Monthly	Daily Average	Monthly	Daily Average	Crore Tk.	% Change with Previous Month
July' 12	12,657.00	15.74	0.73	579.93	26.80	1749755.9	(6.50)
August	13,416.37	16.88	1.20	644.20	46.01	1851285.3	5.80
September	13,848.61	50.42	2.40	2008.69	95.65	1916742.6	3.53
October	13,731.67	32.41	1.70	1185.89	62.42	1903673.5	(0.68)
November	12,817.17	19.59	0.97	659.88	32.99	1776850.1	(6.66)
December	12,854.80	18.91	0.99	721.10	37.95	1784461.8	0.42
January 2013	12,920.75	16.10	0.70	475.32	20.67	1793242.1	0.49
February	12,410.79	22.07	1.16	894.56	47.08	1723392.9	(3.89)
March	11,180.76	12.16	0.67	469.27	26.07	1607813.00	(6.70)
April	10,660.61	14.63	0.69	414.96	19.76	1561160.1	(2.90)
May	12,039.59	23.43	1.17	675.36	33.77	1773607.5	13.60
June 2013	12,738.23	33.84	1.69	1469.35	73.47	1919890.7	8.25
Total 2012-2013		276.18	1.17	10198.51	43.40		

** Market Capitalization of the last trading day of the month has been taken into account.*

Annexure-6

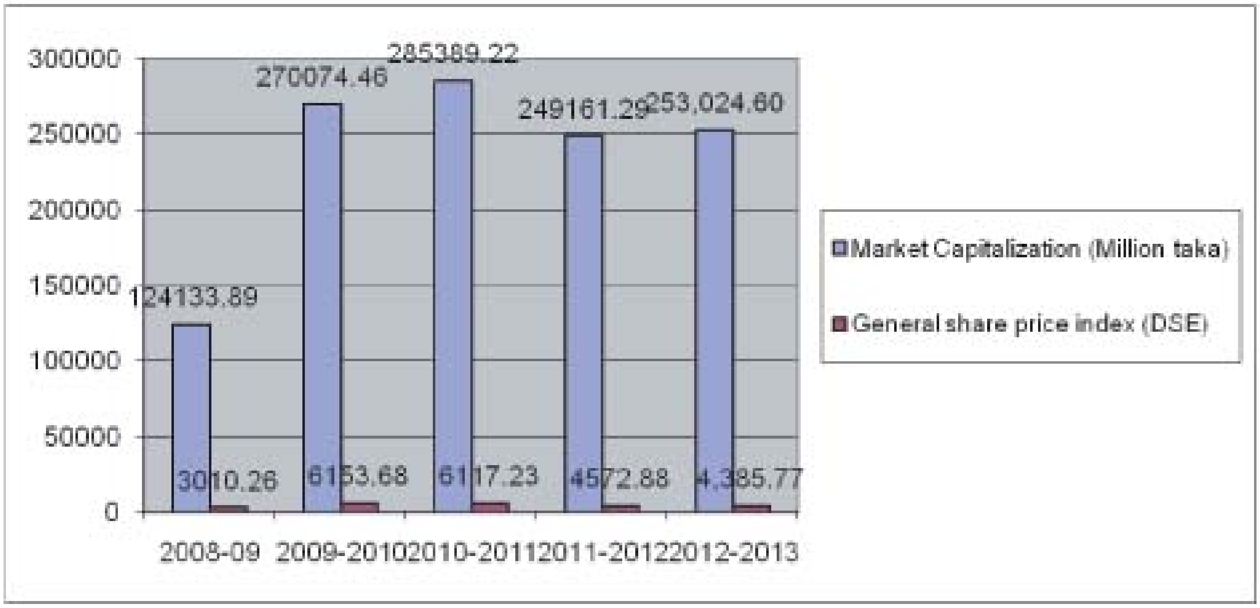
OPERATIONAL STATISTICS OF DSE DURING THE LAST FIVE YEARS

July 2008 - June 2013

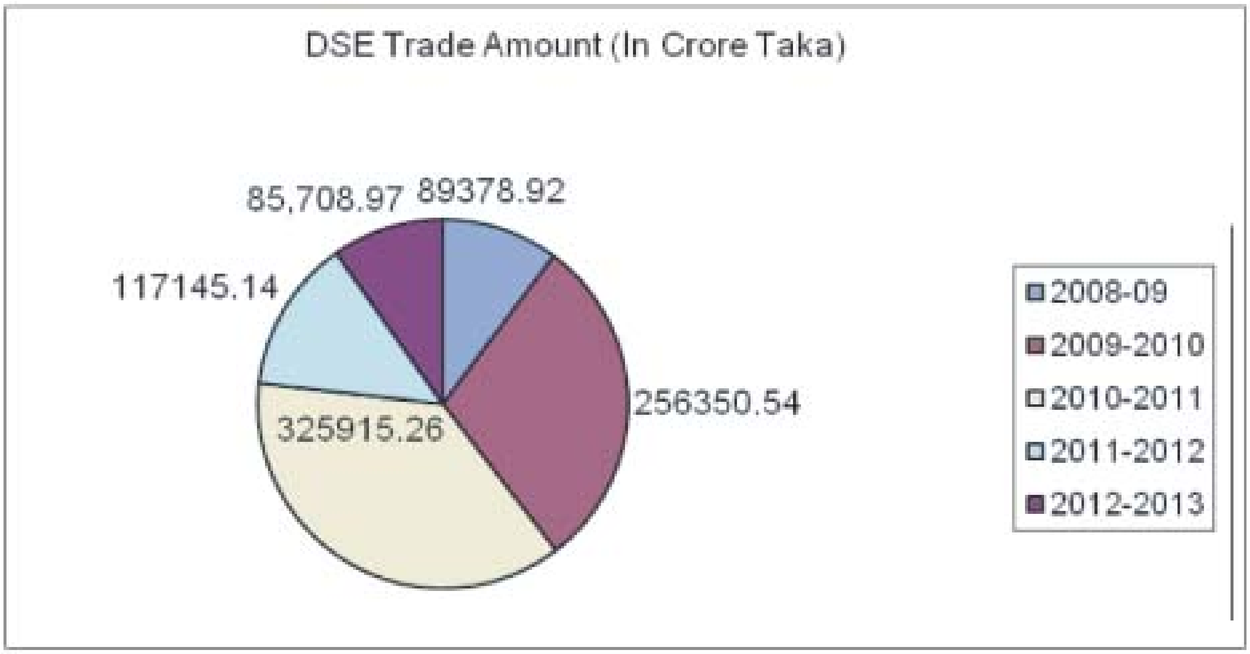
Time	Index	Turnover of Securities (Million)	Traded Amount		Market Capitalization	
	(General share price index)		Million Tk.	% Change with Previous Year	Million Tk.	% Change with Previous Year
July 2008-June 2009	3010.26	5757.9	893789.2	64.51	1241338.9	33.33
July 2009-June 2010	6153.68	10133.4	2563505.4	186.81	2700744.6	117.56
July 2010-June 2011	6117.23	19695.2	3259152.6	27.14	2853892.2	5.67
July 2011-June 2012	4572.88	18580	1171451.4	(64.06)	2491612.9	(12.69)
July 2012-June 2013	4385.77	21556	857089.7	(26.84)	2530246	1.55

* *Market Capitalization and Share Price Index of the last trading day of the month have been taken into account.*

Graphical presentation of DSE's market capitalization and General Share Price Index during July 2008-June 2013 is shown in the graph below:



Graphical presentation of DSE's turnover of securities (value) during the last five years (in mill taka) is shown in the graph below:



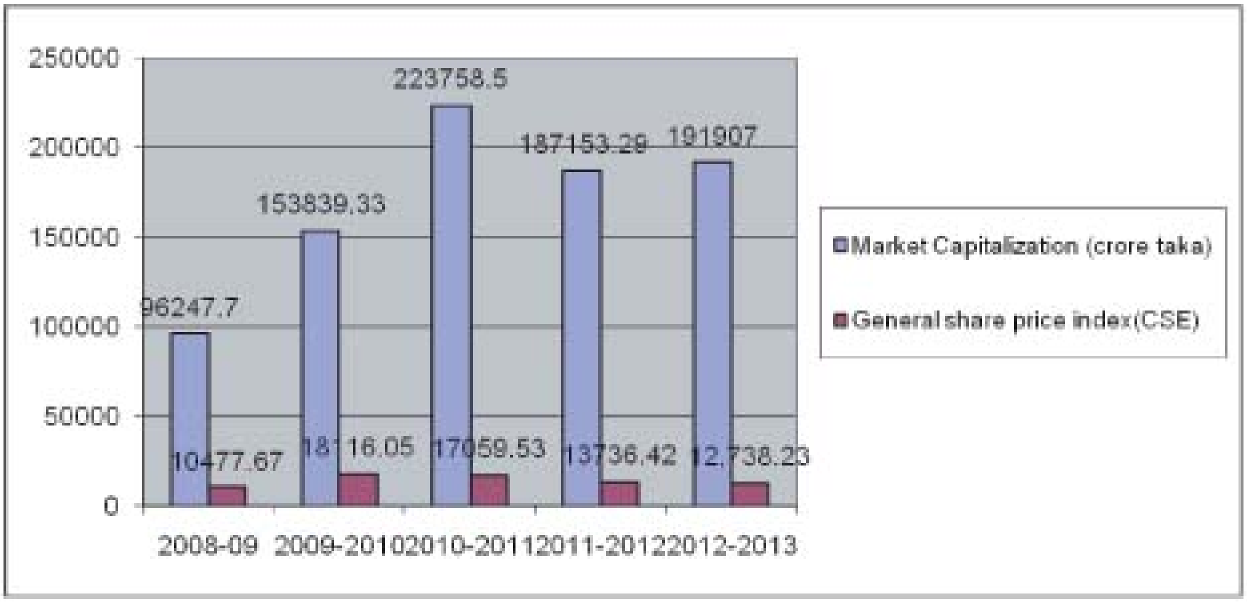
Annexure-7

OPERATIONAL STATISTICS OF CSE DURING THE LAST FIVE YEARS
July 2008 - June 2013

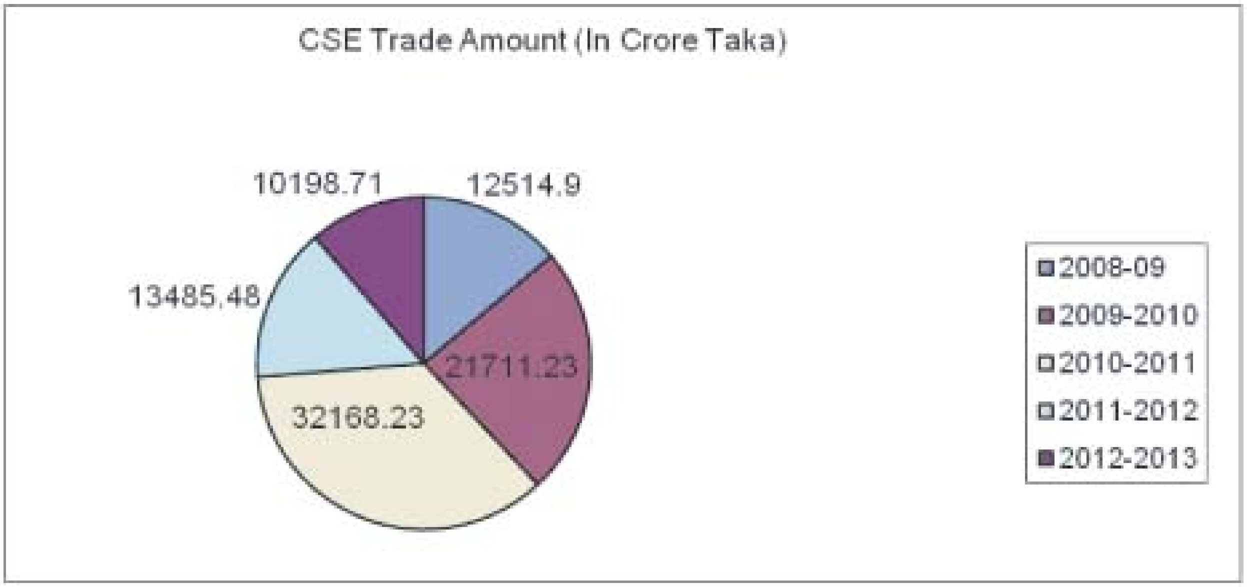
Time	Index	Turnover of Securities (Million)	Traded Amount		Market Capitalization	
	(All share price index)		Million Tk.	% Change with Previous Year	Million Tk.	% Change with Previous Year
July 2008-June 2009	10477.67	1182.0	125149.0	57.90	962477.0	23.75
July 2009-June 2010	18116.05	1395.2	217112.3	73.48	1538393.3	163.32
July 2010-June 2011	17059.5302	2720.92	321764.09	48.20	2237585.00	45.44
July-2011-June 2012	13,736.42	2523.57	134854.88	-58.09	1871532.90	-16.36
July-2012-June 2013	12738.23	2762.2	10198710.4	-24.37	1919070.3	2.2

** Market Capitalization and Share Price Index of the last trading day of the month have been taken into account.*

Graphical presentation of CSE's market capitalization and General Share Price Index during July 2007-June 2012 is shown in the graph below:-



Graphical presentation of CSE's turnover of securities (value) in million Tk. during the last five years is shown below:-



Annexure-8

List of the approved Companies for DSE OTC market
(As on 30 June 2012)

Sl. No.	Name of the Company
1	Al-amin Chemical Industeries Ltd.
2	Alpha Tobacco Manufacturing Co. Ltd.
3	Amam Sea Food Ind. Ltd.
4	Apex Weaving And Finishing Mills Ltd.
5	Arbee Textile Mills Ltd.
6	Ashraf Textile Mills Ltd.
7	Azadi Printers Ltd.
8	Bangla Process Industries Ltd.
9	Bangladesh Chemical Industries Ltd.
10	Bangladesh Dyeing & Finishing Ind. Ltd.
11	Bangladesh Electricity Meter Co. Ltd.
12	Bangladesh Hotels Ltd.
13	Bangladesh Leaf Tobacco Co. Ltd.
14	Bangladesh Luggage Industries Ltd.
15	Bangladesh Plantation Ltd.
16	Bangladesh Zipper Industries Ltd.
17	Bd. Monospool Paper Manufacturing Ltd.
18	Bengal Biscuits Ltd.
19	Bengal Fine Ceramics Ltd.
20	Bionic Seafood Exports Ltd.
21	Chic Tex Limited
22	Dandy Dyeing Ltd.
23	Dhaka Fisheries Ltd.
24	Dynamic Textile Industries Ltd.
25	Eagle Star Textile Mills Ltd.
26	Excelsior Shoes Ltd.
27	Gachi Hata Aquaculture Farms Ltd.
28	German Bangla J. V. Food Ltd.
29	Gulf Foods Ltd.
30	Hill Plantation Ltd.
31	Himadri Ltd.
32	Lexco Ltd.

Sl. No.	Name of the Company
33	M. Hossain Garments Washing & Dying Ltd.
34	Maq Enterprises Ltd.
35	Maq Paper Industries Ltd.
36	Meghna Shrimp Culture Ltd.
37	Metalex Corporation Ltd.
38	Mita Textiles Ltd.
39	Modern Cement Ltd.
40	Modern Industries Ltd.
41	Mona Food Products Ltd.
42	Monno Fabrics Ltd.
43	Niloy Cement Ind. Ltd.
44	Padma Cement Ltd.
45	Padma Printers & Color Ltd.
46	Paper Processing & Packaging Ltd.
47	Perfume Chemical Industries Ltd.
48	Petro Synthetic Products Ltd.
49	Pharmaco International Ltd.
50	Phoenix Leather Complex Ltd.
51	Quasem Silk Mills Ltd.
52	Quasem Textile Mills Ltd.
53	Rahman Chemicals Ltd.
54	Rangamati Food Products Ltd.
55	Raspit Data Management & Telecommunicati
56	Raspit Inc. Bd Ltd.
57	Rose Heavern Ball Pen Ltd.
58	Sajib Knitwear & Garments Ltd.
59	Saleh Carpet Mills Ltd.
60	Sonali Paper & Board Mills Ltd.
61	Sreepur Textile Mills Ltd.
62	Tamijuddin Textile Mills Ltd.
63	The Engineers Ltd.
64	Therapeutics (bangladesh) Ltd.
65	Tulip Dairy & Food Products Ltd.
66	Wata Chemicals Ltd.
67	Wonderland Toys Ltd.
68	Yousuf Flour Mills Ltd.

List of Securities Placed in CSE OTC Market

Sl. No.	Company Name
1	National Oxygen Ltd.
2	Paragon Leather & Footwear Ind. Ltd.
3	Excelsior Shoes Ltd.
4	Padma Printers & Color Ltd.
5	Sonali Papers & Board Mills Ltd.
6	Gem Knitwear Fabrics Company Ltd.
7	Rupon Oil & Feeds Ltd.
8	JH Chemical Industries Ltd
9	Meghna Vegetable Oil Industries Ltd.
10	Mark Bangladesh Shilpa & Engi. Ltd.
11	GMG Industrial Corporation Limited
12	M Hossain Garments Washing & Dyeing Ltd.
13	Sajib Knitwear & Garments Ltd.
14	Chictex Limited
15	Sreepur Textile Mills Limited
16	BD Dyeing & Finishing Inds Ltd
17	Dynamic Textile Industries Ltd
18	Ashraf Textile Mills Limited
19	Mita Textiles Limited
20	Tamijuddin Textile Mills Ltd
21	Bangladesh Chemical Inds Ltd
22	Perfume Chemical Inds Ltd
23	Wata Chemicals Limited
24	Al-Amin Chemical Inds Limited
25	Raspit Inc(BD) Limited
26	Bengal Biscuits Limited
27	Meghna Shrimp Culture Ltd
28	Mona Food Industry Limited
29	Gachihata Aquaculture Farm Ltd
30	Rangamati Food Products Ltd
31	German Bangla J.V Food Limited
32	Modern Cement Limited
33	Bangladesh Zipper Inds Limited
34	Wonderland Toys Limited

Sl. No.	Company Name
35	BD. Luggage Inds. Limited
36	MAQ Paper Industries Limited
37	MAQ Enterprises Limited
38	Raspit Data Management & Telecommunications Ltd
39	Rose Heaven Ball Pen Ltd
40	Khaza Mosaic Tiles & Stone Inds Ltd
41	BD Monospool Paper Manufacturing Co. Ltd
42	Bengal Fine Ceramic Ltd
43	Eagle Star Textile Mills Ltd
44	Lexco Limited
45	Therapeutics (Bangladesh) Ltd.
46	Gulf Foods Ltd.
47	Niloy Cement Industries Ltd.
48	Alpha Tobacco MFG.CO.Ltd.
49	JAGO Corporation Ltd.
50	Apex Weaving & Finishing Mills Ltd.
51	Dhaka Fisheries Ltd.
52	Monno Fabrics Ltd.
53	Padma Cement Ltd.

Annexure-9

Particulars of the issues for which Commission accorded consent for publication of Prospectus during July 2012 to June 2013

SL No	Name of the Co	Name of the Issue Manager	Date of Approval	Face value Per share	Total Capital (In Tk.) (9+13)	Sponsors Equity (Excluding premium, In Tk.)			Public Equity (Excluding premium, In Tk.)			Total (10+11+12)	Remarks	Subscribed amount Ref Col No 10	Date of Subscription Opens: Closes:
						Local	Foreign	Total	General Public	Foreign placement	Local placement				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	17
1.	Generation Next Fashions Limited	BRAC EPL Investments Limited	08/08/12	10.00	117.165 crore	84.8217 crore	2.3433 crore	87.165 crore	30.00 crore	-	-	30.00 crore	Issue price of Tk.10.00 per share (At a par)	516.424 crore	16.09.12 to 20.09.12
2.	Sunlife Insurance Co. Ltd.	Banco Finance and Investment Limited	01/10/12	10.00	30.00 crore	18.00 crore	-	18.00 crore	12.00 crore	-	-	12.00 crore	At par	771.9165 crore	04-11-12 to 08-11-12
3.	Premier Cement Mills Ltd.	Alliance Financial Services Ltd.	02/10/12	10.00	105.45 crore	93.45 crore	-	93.45 crore	12.00 crore	-	-	12.00 crore	Issue price of Tk. 22.00 per share total Tk. 26.40 crore	559.916984 crore	17-12-12 to 23-12--12
4.	Global Heavy Chemicals Ltd.	AFC Capital Management Ltd.and BMSL Investment Ltd.	07/10/12	10.00	72.00 crore	60.00 crore	-	60.00 crore	12.00 crore	-	-	12.00 crore	Issue price of Tk. 20.00 per share total Tk. 24.00crore	466.8862 crore	09.02.12 to 13.12.12
5.	Summit Purbanchol Power Co. Ltd.	Prime Finance Capital Management Ltd.	11/10/12	10.00	106.280 213 crore	76.280213 crore	-	76.280 213 crore	30.00 crore	-	-	30.00 crore	Issue price of Tk. 40.00 per share total Tk. 120.00 crore	135.3252 crore	11.11.12 to 15.11.12
6.	Orion Pharma Ltd.	ICB Capital Management Ltd.	16/10/12	10.00	195.00 crore	155.00 crore	-	155.00 crore	40..00 crore	-	-	40..00 crore	Issue price of Tk. 60.00 per share total Tk. 240.00 crore	-	06.01.13 to 10.01.13

Sl. No	Name of the Co	Name of the Issue Manager	Date of Approval	Face value Per share	Total Capital (In Tk.) (9+13)	Sponsors Equity (Excluding premium, In Tk.)			Public Equity (Excluding premium, In Tk.)			Total (10+11+12)	Remarks	Subscribed amount Ref Col No 10	Date of Subscription Opens: Closes:
						Local	Foreign	Total	General Public	Foreign placement	Local placement				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	17
7.	Bengal Windsor Termoplastic Ltd.	ICB Capital Management Ltd	17/10/12	10.00	70.00 crore	54.00 crore	-	54.00 crore	16.00 crore	-	-	16.00 crore	Issue price of Tk. 25.00 per share total Tk. 40.00 crore	-	27.01.13 to 31.01.13
8.	Golden Harvest Agro Industries Ltd.	Banco Finance and Investment Limited and Royal Green Capital Market Ltd.	22/10/12	10.00	65.00 crore	35.00 crore	-	35.00 crore	30.00 crore	-	-	35.00 crore	Issue price of Tk. 25.00 per share total Tk. 75.00 crore	-	23.12.12 to 30.12.12
9.	Argon Denims Ltd.	Lankabengla Investment Ltd.	25/10/12	10.00	60.00 crore	30.00 crore	-	30.00 crore	30.00 crore	-	-	30.00 crore'	Issue price of Tk. 35.00 per share total Tk. 105.00 crore	-	26.11.12 to 02.12.12
10.	Familytex (BD) Ltd..	Banco Finance and Investment Limited	31/01/13	10.00	139.0623 crore	105.0623 crore	-	105.0623 crore	34.00 crore	-	-	34.00 crore	At par		07-04-13 to 11-04-13
11.	Central Pharmaceuticals Ltd.	Janata Capital & Investment Ltd.	18/04/13	10.00	62.00 crore	48.00 crore	-	48.00 crore	14.00 crore	-	-	14.00 crore	At par	620.58 crore	26-05-13 to 30-05-13
12.	Fareast Finance and Investment Ltd.	Grameen Capital Management Ltd.	11/06/13	10.00	160.06 crore	115.06 crore	-	115.06 crore	45.00 crore	-	-	45.00 crore	At par	-	14-07-13 to 18-07-13
13.	Bangladesh Building Systems Ltd.	Janata Capital & Investment Ltd.	23/06/13	10.00	64.00 crore	50.00 crore	-	50.00 crore	14.00 crore	-	-	14.00 crore	At par	-	21-07-13 to 25-07-13

Annexure-10

Name of companies enter into CDBL during Jul 2011- Jun 2012:

S.I	Name of the Company	Enter into CDBL Date
1	aamra technologies limited	04.07.2012
2	Alfa Tobacco manufacturing Ltd.	30.08.2012
3	GMI syringe and medical services Ltd.	01.11.2012
4	Generation Next Fashions Limited	05.12.2012
5	Envoy Textiles Limited	09.12.2012
6	Sunlife Insurance Company Limited	31.01.2013
7	Summit Purbanchol Power Co. Ltd.	04.02.2013
8	Argon Denims Limited	19.02.2013
9	Premier Cement Mills Limited	03.03.2013
10	Golden Harvest Agro Industries Limited	04.03.2013
11	Global Heavy Chemicals Limited	06.03.2013
12	Orion Pharma Limited (50%Pre)	20.03.2013
13	Sonali paper and board	02.04.2013
	Bengal Windsor Thermoplastics Limited	16.04.2013
14	Familytex (BD) Limited	18.06.2013

Name of Mutual Fund enter into CDBL during Jul 2011- Jun 2012:

S.I	Name of the Mutual Fund	Enter into CDBL Date
1	ICB AMCL Sonali Bank Limited 1st Mutual Fund	12.06.2013

Annexure-11

During July 2012 to June 2013, the following enforcement actions were taken against Issuer Companies, Stock-Brokers/Stock-Dealers and Others by the Commission for non-compliance of the securities related laws:

Against Issuer Company:

Violation	No. of Issuer Companies	Nature of Action
Accurate and transparent information not reflected in the audited financial statements	1	Penalty
Failure to submit the audited financial statements	11	Penalty
Failure to submit the audited financial statements	1	Warning
Failure to submit the half-yearly financial statements	2	Warning
Failure to submit the quarterly (Q 1) financial statements	2	Warning
Failure to submit the quarterly (Q 3) financial statements	4	Warning
Failure to comply with securities related laws	2	Penalty
Failure to comply with securities related laws	6	Warning
Non-compliance of Directive/Notification/Order	1	Warning
Total	**30**	

Against Stock Broker/ Stock Dealer:

Violation	No. of Stock Broker/Stock-Dealer	Nature of Action
Non-compliance of securities related laws	26	Penalty
Non-compliance of securities related laws	15	Warning
Total	**41**	

Against Authorized Representative (AR):

Violation	No. of AR	Nature of Action
Non-compliance of securities related laws	1	Penalty
Total	**1**	

Against Issue Manager:

Violation	No. of. Issue Manager	Nature of Action
Non-compliance with securities related laws	1	Penalty
Non-compliance with securities related laws	1	Warning
Total	**2**	

Against Others:

Violation	No.	Nature of Action
Non-compliance of section 17 (e) (ii) and 17 (e) (v) of the Securities and Exchange Ordinance, 1969 (XVII) of 1969) in connection with trading in shares of Fu-Wang Foods Limited.	**3**	Penalty
Non-compliance of section 17 (e) (ii) and 17 (e) (v) of the Securities and Exchange Ordinance, 1969 (XVII) of 1969) in connection with trading in shares of Fu-Wang Foods Limited.	**1**	Warning
Non-compliance of section 17 (e) (v) of the Securities and Exchange Ordinance, 1969 (XVII) of 1969) in connection with trading in shares of RN Spinning Mills Limited.	**1**	Penalty
Non-compliance of section 17 (e) (v) of the Securities and Exchange Ordinance, 1969 (XVII) of 1969) in connection with trading in shares of Legacy Footwaer Limited.	**2**	Penalty
Non-compliance of section 17 (e) (v) of the Securities and Exchange Ordinance, 1969 (XVII) of 1969) in connection with trading in shares of Dutch Bangla Bank Limited.	**1**	Warning
Violation of বিধি-৪(১) of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ) বিধিমালা, ১৯৯৫.	**1**	Warning
Non-compliance of section 17 (e) (v) of the Securities and Exchange Ordinance, 1969 (XVII) of 1969) in connection with trading in shares of All Tex Industries Limited.	**1**	Warning
Non-compliance of securities related laws.	**1**	Warning
Non-compliance of section 17 (e) (v) of the Securities and Exchange Ordinance, 1969 (XVII) of 1969) in connection with trading in shares of Paramount Insurance Company Limited.	**5**	Warning
Non-compliance of section 17 (e) (v) of the Securities and Exchange Ordinance, 1969 (XVII) of 1969) in connection with trading in shares of GQ BALL PEN.	**1**	Warning
Total	**17**	

Grand Total : 30+41+1+2+17= 91

Annexure-12

Court cases of BSEC

Total 429 cases filed by or against BSEC are pending in different courts. Name of the courts are given below along with number of pending cases with each:

Sl. No.	Name of the Court		Number of Cases
01.	Supreme Court of Bangladesh	Appellate Division	15
		High Court Division	178
02.	Special Judge Court and Paribesh Appeal Adalat, Dhaka		01
03.	Additional District Judge 3rd Court, Dhaka		02
04.	Metropolitan Sessions Judge Court, Dhaka.		02
05.	Additional Metropolitan Sessions Judge 1st Court, Dhaka.		02
06.	Additional Metropolitan Sessions Judge 5th Court, Dhaka.		03
07.	Metropolitan Asst. Sessions Judge 1st Court, Dhaka		01
08.	4th Joint Dist. Judge Court, Dhaka		01
09.	5th Joint Dist. Judge Court, Dhaka.		09
10.	4th Asst. Judge Court, Dhaka.		01
11.	Nababgonj Assistant Judge Court, Dhaka		01
12.	Chief Metropolitan Magistrate Court, Dhaka.		07
13.	General Certificate Court, Dhaka.		205
14.	Labour Court, Dhaka		01
Total Cases :			**429**

Cases filed by or against BSEC are pending in different courts during the financial year 2012-2013:

Cases filed by or against BSEC	Number of cases	Brief description
Cases filed by BSEC	02	2 (Two) Certificate cases were filed in order to recover the penalty imposed by the Commission under PDR Act,1913 for violation of securities laws.
Cases filed against BSEC	21	21 (twenty one) Writ Petitions filed in the High court Division challenging Securities laws and penalty order of the Commission.

Annexure-13

Financial Statement

30 June, 2013 (Provisional)

Particulars	FY 2012-2013		FY 2011-2012
	Budget allocation	**Actual receipt/ expenditure**	**Actual receipt/ expenditure**
Government Grant:	0.010		
Opening balance (unspent balance.)		**108.784**	**83.977**
Govt. grant released	0.010	0.00	0.00
Total Govt. Grant	**0.010**	**0.00**	**0.00**
Commission's miscellaneous **receipts**	15.184	18.992	33.53
Total Budget/Receipts	**15.194**	**127.776**	**117.507**
Payment/Expenditure	Head wise Budget allocation	Actual expenditure	Actual expenditure
Revenue expenditure	12.142	10.198	8.208
Capital expenditure	2.562	0.936	0.455
Loan/Advance disbursed	0.290	0.029	0.060
Works expenditure	**0.200**	**0.001**	**0.00**
Total	**15.194**	11.164	**8.723**
Closing balance (unspent fund)		**116.612**	**108.784**

Annexure-14

Miscellaneous Receipts

30 June, 2013

SL. No.	Particulars	Amount in Taka
	Receipts	
1	Stock Dealer/Broker Registration Fee	5,924,000.00
2	Merchant Bank Registration Fee	2,876,000.00
3	Mutual Fund Registration Fee	29,226,783.36
4	Authorized Representative Registration Fee	638,900.00
5	IPO, Application, filing, Right issue & Consent fee	47,090,014.45
6	Recovery of Penalty	13,757,620.00
7	Sale of publication (Quarterly Review & Law Book)	-
8	Sale of Tender Schedule	29,500.00
9	Sale of Scrap Materials	51,469.00
10	Depository Participant & Security Custodial fee	3,881,500.00
11	CDBL (B O A/C Registration Fee)	39,082,925.00
12	Credit Rating Co. Registration Fee	25,000.00
13	Notice pay	-
14	Bank Interest On Deposit Money	46,007,078.00
15	Others Receipts	1,326,274.00
	Total	**189,917,063.81**

Annexure-15

List of foreign training of the Commission's officer's (2012-2013) is given Below:

Sl. No.	Name and designation	Subject of Training	Country	Date	Days	Sponsors
01	Professor .Dr. M. Khairul Hossain, Chairman	Study Tour	Spain, Uk & France	Aug-22 to 01 September, 2012	11	ICMG Project, BSEC
		Asia- Pacific Regional Committee (APRC) Meeting I Seminar	India	April 29- May 01, 2013	3	BSEC
02	Professor. Md. Helal Uddin Nizami, Commissioner	2012 IOSCO Seminar Training Program	Spain	23-26 October 2012	04	BSEC
		SROCC Mid year Meeting and 6th Annual Training Seminar of the IOSCO.	Canada	21-23 May, 2013	3	BSEC
03	Mr. Md. Amzad Hossain Commissioner	International Institute for Securities Market Development	USA	15-25, April 2013	11	BSEC
04	Mr. Arif Khan Commissioner	Study Tour	Spain, Uk & France	Aug-22 to 01 September, 2012	7	ICMG Project, SEC
		Goldman Sachs Asset Management Growth Market Summit	USA	23-24 April, 13	2	BSEC
05	Mr. Md. Abdul Salam Sikder Commissioner	2012 AMF Fall Seminar	France	01-02 October 2012	2	BSEC
		International Institute for Securities Market Development	USA	15-25, April 2013	11	BSEC
06.	Mr. Farhad Ahmed, Executive Director	Asian Roundtable on Corporate Governance	Japan	24-25 October 2012	2	OECD& SEC
		Task Force on Enforcement and Asian Roundtable on Corporate Governance	Malaysia	4-6 June 2013	2	OECD& BSEC
07	Mr. Md. Anowarul Islam Executive Director	FSA Annual International Seminar 2012	UK	27-29 Nov. 2012	3	BSEC

Sl. No.	Name and designation	Subject of Training	Country	Date	Days	Sponsors
08	Mr. Md. Saifur Rahman Executive Director	Market Surveillance System	Sweden	Sep.30-Oct 04 2012	5	Sweden
		APEC Financial Regulator Training : Regional Seminal on Market Surveillance Development Market..	Malaysia	05-09 Nov. 2012	5	ICMGP, SEC
		7th Leadership Programme for Securities Regulators"	Singapore	12-17 May 2013	6	BSEC
09	Mr. Md. Ashraful Islam Executive Director	Market Surveillance System	Sweden	Sep.30-Oct 04 2012	5	Sweden
10	Mr. Md. Mahabubul Alam, Director	"Small Business Capital Formation"	Turkey	16-17 Oct. 2012	2	BSEC
		Asia- Pacific Regional Committee (APRC) Meeting I Seminar	India	April 29-May 01, 2013	3	BSEC
11	Mr. Md. Mahbuber Rhaman Chow. Director	Regional Seminar and Cross Border Supervision and Enf.	Thailand	27-31 August 2012	5	ICMG PROJECT, BSEC
12	Mr. Kamrul Anam Khan, Director	Regional Seminar and Cross Border Supervision and Enf.	Thailand	27-31 August 2012	5	ICMG PROJECT, BSEC
13	Mr. Mohammad Rezaul Karim Diretor	Regional Seminar on Financial Reporting & Disclosure	Philippines	25-29 June 2012	5	BSEC
14	Mr. Mohammad Safiul Azam, Director	Market Surveillance System	Sweden	Sep.30-Oct 04 2012	5	Sweden
15	Mr. Mir Mosharraf Hossain Chowdhury, Director	6th Regional Leadership program for securities Regulators Program	Singapore	16-22 June, 2012	7	BSEC
16	Mr. Ripon Kumar Debnath, Director	Enforcement Training Programm	Dubi	4-7 March, 13	4	BSEC
17	Md. Jahangir Alam, Director	SROCC Mid year Meeting and 6th Annual Training Seminar of the IOSCO.	Canada	21-23 May, 2013	3	BSEC

Sl. No.	Name and designation	Subject of Training	Country	Date	Days	Sponsors
18	Mr. Md. Mansur Rahman, Director	APEC FRTI Regional Seminar on Enforcement including Cross-Border Transactions	Thailand	June 16-21, 2013	6	BSEC
19	Mr. Md. Abul Kalam, Director	15th Tokyo Seminar on Securities Market Regulations 2013	Japan	4-8 March 2013	5	Japan & BSEC
20	Mr. Sheikh Mahbub Ur Rahmab, Director	Regional Seminar and Cross Border Supervision and Enf.	Thailand	27-31 August 2012	5	ICMG PROJECT, BSEC
21	Mr. Muhammad Ziaur Rahman, DD	15th Tokyo Seminar on Securities Market Regulations 2013	Japan	4-8 March 2013	5	Japan & BSEC
22.	Md. Shamsur Rahman Deputy Director	APEC Financial Regulator Training : Regional Seminal on Market Surveillance Development Market..	Malaysia	05-09 Nov. 2012	5	ICMGP, BSEC
23.	Md. Hossain Khan, Deputy Director	Regional Seminar and Cross Border Supervision and Enf.	Thailand	27-31 August 2012	5	ICMG PROJECT, BSEC
24.	Md. Ohidul Islam, Deputy Director	Regional Seminar and Cross Border Supervision and Enf.	Thailand	27-31 August 2012	5	ICMG PROJECT, BSEC
25.	Md. Shakhawat Hossain Deputy Director	APEC Financial Regulator Training : Regional Seminal on Market Surveillance Development Market.	Malaysia	05-09 Nov. 2012	5	ICMGP, BSEC
26.	Mohammad Rakibur Rahman, Assistant Director	Market Surveillance System	Sweden	Sep.30-Oct 04 2012	5	Sweden
27.	Mrs Anu Dey Assistant Director	Enforcement Training Programm	Dubi	4-7 March, 13	4	BSEC
28.	Md. Iqbal Hossain Assistant Director	APEC Financial Regulator Training : Regional Seminal on Market Surveillance Development Market.	Malaysia	05-09 Nov. 2012	5	ICMGP, BSEC
29.	Md. Saiful Islam, Assistant Director	7th Leadership Programme for Securities Regulators"	Singapore	12-17 May 2013	6	BSEC

Sl. No.	Name and designation	Subject of Training	Country	Date	Days	Sponsors
30.	Mohd.Zahirul Haque, Assistant Director	APEC FRTI Regional Seminar on Enforcement including Cross-Border Transactions	Thailand	June 16-21, 2013	6	BSEC
31.	Syed Mohd. Golam Mowla, Assistant Director	APEC FRTI Regional Seminary on Enforcement including Cross-Border Transactions	Thailand	June 16-21, 2013	6	BSEC
32.	Mrs. Sultana Parveen, Assistant Director	APEC FRTI Regional Seminar on Enforcement including Cross-Border Transactions	Thailand	June 16-21, 2013	6	BSEC
33.	Ms. Mahmuda Shireen Assistant Director	Market Surveillance System	Sweden	Sep.30-Oct 04 2012	5	Sweden
34.	Md. Rashidul Alam, PS to Chairman,	APEC FRTI Regional Seminar on Enforcement including Cross-Border Transactions	Thailand	June 16-21, 2013	6	BSEC

Annexure-16

Abbribiation:

BSEC: Bangladesh Securities and Exchange Commission.
BICM: Bangladesh Institute of Capital Market.
DSE: Dhaka Stock Exchange Ltd.
CSE: Chittagong Stock Exchange Ltd.
ICAB: Institute of Chartered Accountants of Bangladesh.
IAS: International Accounting Standards.
IFRS: International Financial Reporting Standards.
BAS: Bangladesh Accounting Standards.
Crore: Ten Million

Annexure-17

রেজিস্টার্ড নং ডি এ-১

বাংলাদেশ গেজেট

অতিরিক্ত সংখ্যা

কর্তৃপক্ষ কর্তৃক প্রকাশিত

বৃহস্পতিবার, আগস্ট ৩০, ২০১২

[বেসরকারি ব্যক্তি এবং কর্পোরেশন কর্তৃক অর্থের বিনিময়ে জারীকৃত বিজ্ঞাপন ও নোটিশসমূহ]

SECURITIES AND EXCHANGE COMMISSION

NOTIFICATION

07 August 2012

No. SEC/CMRRCD/2006-158/134/Admin/44:—Whereas, the Securities and Exchange Commission (herein after referred to as the "Commission") deems it fit that the consent already accorded by the Commission, or deemed to have been accorded by it, or to be accorded by it in future, to the issue of capital by the companies listed with any stock exchange in Bangladesh, shall be subject to certain further conditions, on 'comply' basis, in order to enhance corporate governance in the interest of investors and the capital market;

Now, therefore, in exercise of the power conferred by section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Commission hereby supersedes its earlier Notification No. SEC/ CMRRCD/2006-158/ Admin/ 02-08 dated 20th February, 2006 and imposes the following further conditions to the consent already accorded by it, or deemed to have been accorded by it, or to be accorded by it in future, to the issue of capital by the companies listed with any stock exchange in Bangladesh;

Provided, however, that these conditions are imposed on 'comply' basis. The companies listed with any stock exchange in Bangladesh shall comply with these conditions in accordance with the condition No. 7.

(১৩২৯৭৭)

মূল্য : টাকা ২০.০০

The Conditions:

1. BOARD OF DIRECTORS :

1.1 Board's Size

The number of the board members of the company shall not be less than 5(five) and more than 20 (twenty) :

Provided, however, that in case of banks and non-bank financial institutions, insurance companies and statutory bodies for which separate primary regulators like Bangladesh Bank, Insurance Development and Regulatory Authority, etc, exist, the Boards of those companies shall be constituted as may be prescribed by such primary regulators in so far as those prescriptions are not inconsistent with the aforesaid condition.

1.2 Independent Directors

All companies shall encourage effective representation of independent directors on their Board of Directors so that the Board, as a group, includes core competencies considered relevant in the context of each company. For this purpose, the companies shall comply with the following :—

(i) At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.

(ii) For the purpose of this clause "independent director" means a director—

(a) Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;

(b) who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company :

Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;

(c) Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/ associated companies;

(d) Who is not a member, director or officer of any stock exchange;

(e) Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;

(f) Who is not a partner or an executive or was not a Partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;

(g) Who shall not be an independent director in more than 3 (three) listed companies;

(h) Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);

(i) Who has not been convicted for a criminal offence involving moral turpitude.

(iii) The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).

(iv) The post of independent director(s) can not remain vacant for more than 90(ninety) days.

(v) The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.

(vi) The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only.

1.3 Qualification of Independent Director (ID)

(i) Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.

(ii) The person should be a Business Leader/Corporate Leader/ Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have a least 12(twelve) years of corporate management /professional experiences.

(iii) In special cases the above qualifications may be relaxed subject to prior approval of the Commission.

1.4 Chairman of the Board and Chief Executive Officer

The positions of the Chairman of the Board and the Chief executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.

1.5 The Director's Report to shareholders

The directors of the companies shall include the following additional statements in the Director's Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994) :—

(i) Industry outlook and possible future developments in the industry.

(ii) Segment-wise or product-wise performance.

(iii) Risks and concerns.

(iv) A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.

(v) Discussion on continuity of any Extra-Ordinary gain or loss.

(vi) Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report.

(vii) Utilization of proceeds from public issues, rights issues and/or through any others instruments.

(viii) An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Offer, Direct Listing, etc.

(ix) If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.

(x) Remuneration to directors including independent directors.

(xi) The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

(xii) Proper books of account of the issuer company have been maintained.

(xiii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

(xiv) International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standard (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.

(xv) The system of internal control is sound in design and has been effectively implemented and monitored.

(xvi) There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.

(xvii) Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.

(xviii) Key operating and financial data of at least preceding 5 (five) years shall be summarized.

(xix) If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.

(xx) The number of Board meetings held during the year and attendance by each director shall be disclosed.

(xxi) The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by :—

(a) Parent/Subsidiary/Associated Companies and other related parties (name wise details);

(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);

(c) Executives;

(d) Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).

Explanation : For the purpose of this clause, the expression "Executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.

(xxii) In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders :—

(a) a brief resume of the director;

(b) nature of his/her expertise in specific functional areas;

(c) names of companies in which the person also holds the directorship and the membership of committees of the board.

2. **CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS) :**

2.1 Appointment

The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.

2.2 Requirement to attend the Board Meetings

The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.

3. **AUDIT COMMITTEE :**

(i) The company shall have an Audit Committee as a sub-committee of the Board of Directors.

(ii) The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.

(iii) The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.

3.1 **Constitution of the Audit Committee :**

(i) The Audit Committee shall be composed of at least 3 (three) members.

(ii) The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.

(iii) All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.

Explanation : The term "financially literate" means the ability to read and understand the financial statements like Balance Sheet, Income Statement and Cash Flow Statement and a person will be considered to have accounting or related financial management expertise if (s)he possesses professional qualification or Accounting/Finance graduate with at least 12 (twelve) years of corporate management/professional experiences.

(iv) When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.

(v) The company secretary shall act as the secretary of the Committee.

(vi) The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.

3.2 **Chairman of the Audit Committee :**

(i) The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.

(ii) Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).

3.3 **Role of the Audit Committee :**

Role of audit committee shall include the following :—

(i) Oversee the financial reporting process.

(ii) Monitor choice of accounting policies and principles.

(iii) Monitor Internal Control Risk management process.

(iv) Oversee hiring and performance of external auditors.

(v) Review along with the management, the annual financial statements before submission to the board for approval.

(vi) Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.

(vii) Review the adequancy of internal audit function.

(viii) Review statement of significant related party transactions submitted by the management.

(ix) Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.

(x) When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.

3.4 **Reporting of the Audit Committee**

3.4.1 Reporting to the Board of Directors

(i) The Audit Committee shall report on its activities to the Board of Directors.

(ii) The Audit Committee shall immediately report to the Board of Directors on the following findings, if any :—

(a) report on conflicts of interests;

(b) suspected or presumed fraud or irregularity or material defect in the internal control system;

(c) suspected infringement of laws, including securities related laws, rules and regulations;

(d) any other matter which shall be disclosed to the Board of Directors immediately.

3.4.2 **Reporting to the Authorities**

If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.

3.5 **Reporting to the Shareholders and General Investors**

Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.

4. EXTERNAL/STATUTORY AUDITORS :

The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely:—

(i) Appraisal or valuation services or fairness opinions.

(ii) Financial information systems design and implementation.

(iii) Book-keeping or other services related to the accounting records or financial statements.

(iv) Broker-dealer services.

(v) Actuarial services.

(vi) Internal audit services.

(vii) Any other service that the Audit Committee determines.

(viii) No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.

5. SUBSIDIARY COMPANY:

(i) Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.

(ii) At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.

(iii) The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.

(iv) The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.

(v) The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.

6. DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) :

The CEO and CFO shall certify to the Board that :—

(i) They have reviewed financial statements for the year and that to the best of their knowledge and belief :

(a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

7. **REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE :**

(i) The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.

Explanation : Chartered Accountant means Chartered Accountant as defined in the Chartered Accountants Act, 1949 (Act No. XXXVIII of 1949); Cost and Management Accountant means Cost and Management Accountant as defined in the Cost and Management Accountants Ordinance, 1977 (Ordinance No. LIII of 1977); Chartered Secretary means Chartered Secretary as defined in the চার্টার্ড সেক্রেটারীজ আইন, ২০১০ (২০১০ সনের ২৫ নং আইন).

(ii) The directors of the company shall state, in accordance with the **Annexure** attached, in the directors' report whether the company has complied with these conditions.

Annexure

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No.7.00)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.1				
1.2 (i)				
1.2 (ii) a)				
1.2 (ii) b)				
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1.2 (v)				
1.2 (vi)				
1.3 (i)				
1.3 (ii)				
1.3 (iii)				
1.4				
1.5 (i)				
1.5 (ii)				
1.5 (iii)				
1.5(iv)				
1.5 (v)				

১৩২৯৯০ বাংলাদেশ গেজেট, অতিরিক্ত, আগস্ট ৩০, ২০১২

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5 (vi)				
1.5 (vii)				
1.5 (viii)				
1.5 (ix)				
1.5 (x)				
1.5 (xi)				
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1.5 (xiv)				
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1.5 (xvii)				
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1.5 (xxi) a)				
1.5 (xxi) b)				
1.5 (xxi) c)				
1.5(xxi) d)				
1.5 (xxii) a)				
1.5 (xxii) b)				
1.5 (xxii) c)				
2.1				
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3(i)				
3(ii)				
3(iii)				
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3.1(iii)				
3.1(iv)				
3.1(v)				

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3.1 (vi)				
3.2 (i)				
3.2 (ii)				
3.3 (i)				
3.3 (ii)				
3.3 (iii)				
3.3 (iv)				
3.3 (v)				
3.3 (vi)				
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3.3 (x)				
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3.4.1 (ii) a)				
3.4.1 (ii) b)				
3.4.1 (ii) c)				
3.4.1 (ii) d)				
3.4.2				
3.5				
4 (i)				
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4 (v)				
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4 (viii)				
5 (i)				
5 (ii)				
5 (iii)				
5(iv)				

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (v)				
6 (i) a)				
6 (i) b)				
6 (ii)				
7 (i)				
7 (ii)				

This Notification shall be complied within 31 December 2012.

By order of the Securities and Exchange Commission

Prof. DR. M. KHAIRUL HOSSAIN
Chairman.

মোঃ আব্দুল বারিক (উপ-সচিব), উপ-পরিচালক, বাংলাদেশ সরকারি মুদ্রণালয়, ঢাকা কর্তৃক মুদ্রিত।
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রেজিস্টার্ড নং ডি এ-১

বাংলাদেশ গেজেট

অতিরিক্ত সংখ্যা

কর্তৃপক্ষ কর্তৃক প্রকাশিত

সোমবার, ডিসেম্বর ১০, ২০১২

বাংলাদেশ জাতীয় সংসদ

ঢাকা, ১০ ডিসেম্বর, ২০১২/২৬ অগ্রহায়ণ, ১৪১৯

সংসদ কর্তৃক গৃহীত নিম্নলিখিত আইনটি ১০ ডিসেম্বর, ২০১২/ ২৬ অগ্রহায়ণ, ১৪১৯ তারিখে রাষ্ট্রপতির সম্মতি লাভ করিয়াছে এবং এতদ্‌দ্বারা এই আইনটি সর্বসাধারণের অবগতির জন্য প্রকাশ করা যাইতেছে ঃ—

২০১২ সনের ৪৫ নং আইন

সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ এর অধিকতর সংশোধনকল্পে প্রণীত আইন

যেহেতু নিম্নবর্ণিত উদ্দেশ্যসমূহ পূরণকল্পে, সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) এর অধিকতর সংশোধন সমীচীন ও প্রয়োজনীয়;

সেহেতু এতদ্‌দ্বারা নিম্নরূপ আইন করা হইল :—

১। **সংক্ষিপ্ত শিরোনামা ও প্রবর্তন**।—(১) এই আইন সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সংশোধন) আইন, ২০১২ নামে অভিহিত হইবে।

(২) ইহা অবিলম্বে কার্যকর হইবে।

২। **১৯৯৩ সনের ১৫ নং আইনের পূর্ণাঙ্গ শিরোনামা সংশোধন**।—সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন), অতঃপর উক্ত আইন বলিয়া উল্লিখিত, এর পূর্ণাঙ্গ শিরোনামায় উল্লিখিত "সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন" শব্দগুলির পরিবর্তে "বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন" শব্দগুলি প্রতিস্থাপিত হইবে।

মূল্য ঃ টাকা ৮.০০

৩। **১৯৯৩ সনের ১৫ নং আইনের প্রস্তাবনা সংশোধন।**—উক্ত আইনের প্রস্তাবনায় উল্লিখিত "সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন" শব্দগুলির পরিবর্তে "বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন" শব্দগুলি প্রতিস্থাপিত হইবে।

৪। **১৯৯৩ সনের ১৫ নং আইন সংশোধন।**—উক্ত আইনের সর্বত্র, যথাক্রমে, "সদস্য" শব্দের পরিবর্তে "কমিশনার", "সদস্যগণ" শব্দের পরিবর্তে "কমিশনারগণ", "সদস্যকে" শব্দের পরিবর্তে "কমিশনারকে", "সদস্যবৃন্দ" শব্দের পরিবর্তে "কমিশনারবৃন্দ", এবং "সদস্যপদে" শব্দের পরিবর্তে "কমিশনারপদে", শব্দ প্রতিস্থাপিত হইবে।

৫। **১৯৯৩ সনের ১৫ নং আইনের ধারা ১ এর সংশোধন।**—উক্ত আইনের ধারা ১ এর উপ-ধারা (১) এ উল্লিখিত "সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন" শব্দগুলির পরিবর্তে "বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন" শব্দগুলি প্রতিস্থাপিত হইবে।

৬। **১৯৯৩ সনের ১৫ নং আইনের ধারা ২ এর সংশোধন।**—উক্ত আইনের ধারা ২ এর উপ-ধারা (১) এর—

(ক) দফা (ক) এ উল্লিখিত "সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন" শব্দগুলির পরিবর্তে "বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন" শব্দগুলি প্রতিস্থাপিত হইবে;

(খ) দফা (ক) এর পর নিম্নরূপ দফা (কক) সন্নিবেশিত হইবে, যথা:—

"(কক) "কমিশনার" অর্থ কমিশনের কমিশনার;";

(গ) দফা (গ) এ উল্লিখিত "সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন" শব্দগুলির পরিবর্তে "কমিশনের" শব্দ প্রতিস্থাপিত হইবে;

(ঘ) দফা (চ) বিলুপ্ত হইবে।

৭। **১৯৯৩ সনের ১৫ নং আইনের ধারা ৩ এর সংশোধন।**—উক্ত আইনের ধারা ৩ এর উপ-ধারা (১) এ উল্লিখিত "সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন" শব্দগুলির পরিবর্তে "বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন" শব্দগুলি প্রতিস্থাপিত হইবে।

৮। **১৯৯৩ সনের ১৫ নং আইনের ধারা ৫ এর সংশোধন।**—উক্ত আইনের ধারা ৫ এর উপ-ধারা (৬) এ উল্লিখিত "তিন বৎসর" শব্দগুলির পরিবর্তে "চার বৎসর" শব্দগুলি প্রতিস্থাপিত হইবে।

৯। **১৯৯৩ সনের ১৫ নং আইনের ধারা ৮ এর সংশোধন।**—উক্ত আইনের ধারা ৮ এর উপ-ধারা (২) এর—

(ক) দফা (ঝ) এর পর নিম্নরূপ দুইটি নূতন দফা (ঝঝ) ও (ঝঝঝ) সংযোজিত হইবে, যথাঃ—

"(ঝঝ) আপাততঃ বলবৎ অন্য কোন আইনে যাহা কিছু থাকুক না কেন, বাংলাদেশ ব্যাংককে অবহিতক্রমে, কোন ব্যাংক, বীমা ও আর্থিক প্রতিষ্ঠান, সংবিধিবদ্ধ সংস্থা বা অন্যান্য কর্তৃপক্ষ হইতে সিকিউরিটিজ লেনদেন সম্পর্কিত তদন্তাধীন ব্যাংক হিসাব সংক্রান্ত তথ্য ও রেকর্ড তলব;

(কখখ) সরকারের পূর্বানুমোদনক্রমে, দেশী ও বিদেশী কর্তৃপক্ষ বা সংস্থার সহিত সিকিউরিটিজ সম্পর্কিত সহযোগিতা ও তথ্য বিনিময় চুক্তি সম্পাদন;";

(খ) দফা (ঠ) এর পর নিম্নরূপ দফা (ঠঠ) সংযোজিত হইবে, যথাঃ—

"(ঠঠ) ডেরিভেটিভসহ সিকিউরিটিজ লেনদেন সংক্রান্ত সেটেলমেন্টের জন্য স্থাপিত ক্লিয়ারিং কর্পোরেশনের কার্য নিয়ন্ত্রণ;"।

১০। **১৯৯৩ সনের ১৫ নং আইনের ধারা ৯ এর সংশোধন।**—উক্ত আইনের ধারা ৯ এর—

(ক) উপ-ধারা (১) এ উল্লিখিত "সময় সময় প্রদত্ত নির্দেশাবলী সাপেক্ষে" শব্দগুলির পরিবর্তে "অনুমোদিত সাংগঠনিক কাঠামোর ভিত্তিতে" শব্দগুলি প্রতিস্থাপিত হইবে;

(খ) উপ-ধারা (২) এর পর নিম্নরূপ নূতন উপ-ধারা (৩) সংযোজিত হইবে, যথা ঃ—

"(৩) বাংলাদেশ ব্যাংকের কর্মকর্তা ও কর্মচারীগণকে প্রদেয় বেতন, ভাতা ও অন্যান্য সুবিধাদির সহিত সামঞ্জস্যপূর্ণ করিয়া উপ-ধারা (২) এর অধীন কমিশনের কর্মকর্তা ও কর্মচারীদের বেতন, ভাতা ও অন্যান্য সুবিধাদি সম্পর্কিত চাকুরীর শর্তাবলী নির্ধারণ করা যাইবে।"।

১১। **১৯৯৩ সনের ১৫ নং আইনে নূতন ধারা ৯ক এর সন্নিবেশ।**—উক্ত আইনের ধারা ৯ এর পর নিম্নরূপ নূতন ধারা ৯ক সন্নিবেশিত হইবে, যথাঃ—

"**৯ক। পরামর্শক বা উপদেষ্টা নিয়োগ।**—কমিশন, সরকারের পূর্বানুমোদনক্রমে, তদকর্তৃক নির্ধারিত শর্ত ও মেয়াদে, প্রয়োজনীয় সংখ্যক পরামর্শক বা উপদেষ্টা নিয়োগ করিতে পারিবে।"।

১২। **১৯৯৩ সনের ১৫ নং আইনের ধারা ১২ এর সংশোধন।**—উক্ত আইনের ধারা ১২ এর—

(ক) উপ-ধারা (১) এ উল্লিখিত "সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন" শব্দগুলির পরিবর্তে "বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন" শব্দগুলি প্রতিস্থাপিত হইবে;

(খ) উপ-ধারা (৩) এর পর নিম্নরূপ উপ-ধারা (৪) সংযোজিত হইবে, যথা ঃ—

"(৪) উপ-ধারা (৩) এ যাহা কিছুই থাকুক না কেন, উপ-ধারা (১) এর অধীন সরকারি, স্থানীয় কর্তৃপক্ষ বা অন্য কোন প্রতিষ্ঠান হইতে প্রাপ্ত অনুদান ব্যতীত কমিশন কর্তৃক প্রাপ্ত অর্থ কমিশন স্বীয় প্রয়োজনে ব্যয় করিতে পারিবে।"।

১৩। **১৯৯৩ সনের ১৫ নং আইনের ধারা ১৬ এর সংশোধন।**—উক্ত আইনের ধারা ১৬ এ উল্লিখিত "বিশেষ নির্দেশ" শব্দগুলির পরিবর্তে "নীতিগত বিষয়ে বিশেষ সময় সময় নির্দেশ" শব্দগুলি প্রতিস্থাপিত হইবে।

১৪। **১৯৯৩ সনের ১৫ নং আইনের ধারা ১৮ এর সংশোধন।**— উক্ত আইনের ধারা ১৮ এর উপ-ধারা (২) এর পর নিম্নরূপ দুইটি নূতন উপ-ধারা (২ক) ও (২খ) সন্নিবেশিত হইবে, যথা :—

"(২ক) অন্য কোন আইনে যাহা কিছুই থাকুক না কেন, এই আইন বা তদধীন প্রণীত বিধির অধীন কমিশন কর্তৃক আরোপিত অর্থদণ্ডের ১৫ (পনের) শতাংশ অর্থ কমিশন কর্তৃক নির্ধারিত ব্যাংক হিসাবে জমা প্রদান না করিয়া উক্তরূপ দণ্ডাদেশের বিরুদ্ধে ধারা ২১ এর উপ-ধারা (১) এর অধীন আপীল বা উপ-ধারা (৫) এর অধীন পুনর্বিবেচনা বা কোন আদালতে কোন মামলা বা আইনগত কার্যধারা দায়ের করা যাইবে না।

(২খ) এই আইনের অধীনে কমিশন কর্তৃক আরোপিত অর্থদণ্ড অনাদায়ী হইলে উহা বকেয়া ভূমি রাজস্ব হিসাবে আদায়যোগ্য হইবে।"।

১৫। **১৯৯৩ সনের ১৫ নং আইনে নূতন ধারা ২৬ক এর সন্নিবেশ।**—উক্ত আইনের ধারা ২৬ এর পর নিম্নরূপ নূতন ধারা ২৬ক সন্নিবেশিত হইবে, যথা :—

"**২৬ক। ইংরেজিতে অনূদিত পাঠ প্রকাশ, ইত্যাদি।**—(১) সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সংশোধন) আইন, ২০১২ কার্যকর হইবার পর সরকার, প্রয়োজনে, সরকারি গেজেটে প্রজ্ঞাপন দ্বারা, এই আইনের ইংরেজিতে অনূদিত একটি নির্ভরযোগ্য পাঠ (Authentic English Text) প্রকাশ করিতে পারিবে।

(২) এই আইনের বাংলা ও ইংরেজি পাঠের মধ্যে বিরোধের ক্ষেত্রে বাংলা পাঠ প্রাধান্য পাইবে।"।

মোঃ মাহ্‌বুবুর রহমান
ভারপ্রাপ্ত সচিব।

মোঃ আব্দুল বারিক (উপ-সচিব), উপ-পরিচালক, বাংলাদেশ সরকারি মুদ্রণালয়, ঢাকা কর্তৃক মুদ্রিত।
আবদুর রশিদ (উপ-সচিব), উপ-পরিচালক, বাংলাদেশ ফরম ও প্রকাশনা অফিস,
তেজগাঁও, ঢাকা কর্তৃক প্রকাশিত। web site: www.bgpress.gov.bd

রেজিস্টার্ড নং ডি এ-১

বাংলাদেশ গেজেট

অতিরিক্ত সংখ্যা
কর্তৃপক্ষ কর্তৃক প্রকাশিত

সোমবার, ডিসেম্বর ১০, ২০১২

বাংলাদেশ জাতীয় সংসদ

ঢাকা, ১০ ডিসেম্বর, ২০১২/২৬ অগ্রহায়ণ, ১৪১৯

সংসদ কর্তৃক গৃহীত নিম্নলিখিত আইনটি ১০ ডিসেম্বর, ২০১২/২৬ অগ্রহায়ণ, ১৪১৯ তারিখে রাষ্ট্রপতির সম্মতি লাভ করিয়াছে এবং এতদ্বারা এই আইনটি সর্বসাধারণের অবগতির জন্য প্রকাশ করা যাইতেছে ঃ—

২০১২ সনের ৪৬ নং আইন

Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর অধিকতর সংশোধনকল্পে প্রণীত আইন

যেহেতু নিম্নবর্ণিত উদ্দেশ্যসমূহ পূরণকল্পে Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর অধিকতর সংশোধন সমীচীন ও প্রয়োজনীয়;

সেহেতু, এতদ্বারা নিম্নরূপ আইন করা হইল :—

১। **সংক্ষিপ্ত শিরোনাম ও প্রবর্তন**।—(১) এই আইন Securities and Exchange (Amendment) Act, 2012 নামে অভিহিত হইবে।

(২) ইহা অবিলম্বে কার্যকর হইবে।

২। **Ordinance No. XVII of 1969 এর প্রস্তাবনার সংশোধন**।—Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), অতঃপর উক্ত Ordinance বলিয়া উল্লিখিত, এর প্রস্তাবনা অংশের দ্বিতীয় অনুচ্ছেদ বিলুপ্ত হইবে।

(১৯৮০০১)
মূল্য ঃ টাকা ৮.০০

৩। **Ordinance No. XVII of 1969 এর section 2 এর সংশোধন।**—উক্ত Ordinance এর section 2 এর—

(১) clause (b) এর পরিবর্তে নিম্নরূপ clause (b) প্রতিস্থাপিত হইবে, যথা :—

"(b) "bank" means a banking company as defined in the Banking Companies Act, 1991 (Act No. XIV of 1991);";

(২) clause (cc) এর পরিবর্তে নিম্নরূপ clause (cc) প্রতিস্থাপিত হইবে, যথা :—

"(cc) **"Commission"** means the Securities and Exchange Commission constituted under the Securities and Exchange Commission Act, 1993 (Act No. 15 of 1993)";

(৩) clause (cc) এর পর নিম্নরূপ clauses (ccc) ও (cccc) সন্নিবেশিত হইবে, যথা :—

"(ccc) **"Commodity Futures Contract"** means an agreement to purchase or sell a particular commodity for delivery or settlement in the future at a price to be determined by a contract that obligates each party to fulfill the contract at the specified price and that may be settled by delivery, cash or offset at the Commodity Exchange duly registered with the Commission and in relation to Commodity Futures the expression "commodity" includes,—

(i) agricultural, livestock, fishery, forestry, mining or energy goods, and any product that is manufactured or processed from any such goods; and

(ii) any other matter as may be notified by the Commission in the official gazette;

(cccc) **"derivative" includes**—

(i) a secutiry derived from a debt instrument, share, loan, whether secured or unsecured, risk instrument or contract for differences or any other form of security;

(ii) a contract which derives its value from the prices, or index of prices, of underlying securities;";

(৪) clause (e) এর sub-clause (iii) এ দুইবার উল্লিখিত "Jobber" শব্দটির পরিবর্তে "Jobber or dealer" শব্দগুলি প্রতিস্থাপিত হইবে;

(৫) clause (h) এ উল্লিখিত "Jobber" শব্দটির পর "or dealer" শব্দগুলি সন্নিবেশিত হইবে;

(৬) clause (1) এর sub-clause (iii) এ উল্লিখিত "investment contract" শব্দগুলির পর একটি কমা বসিবে এবং অতঃপর "derivative, commodity futures contract, options contract, exchange-traded fund" শব্দগুলি, কমাগুলি ও হাইফেন সন্নিবেশিত হইবে।

৪। **Ordinance No. XVII of 1969 এর section 2A এর সংশোধন।**—উক্ত Ordinance এর section 2A এর—

(ক) sub-section (1) এ উল্লিখিত "No company" শব্দগুলির পরিবর্তে "No issuer, or no company" শব্দগুলি ও কমা প্রতিস্থাপিত হইবে; এবং

(খ) sub-section (2) এ উল্লিখিত "No company" শব্দগুলির পরিবর্তে "No issuer, or no company" শব্দগুলি ও কমা প্রতিস্থাপিত হইবে।

৫। **Ordinance No. XVII of 1969 এর section 8 এর সংশোধন।**—উক্ত Ordinance এর section 8 এর—

(ক) sub-section (2) এর প্রান্তস্থিত ফুলস্টপের পরিবর্তে কোলন প্রতিস্থাপিত হইবে এবং অতঃপর নিম্নরূপ শর্তাংশ সন্নিবেশিত হইবে, যথা :—

"Provided that business of security which is de-listed or not listed may be transacted in such manner as the Commission may direct.";

(খ) sub-section (3) এ উল্লিখিত "dealer" শব্দটির পরিবর্তে "Jobber or dealer" শব্দগুলি প্রতিস্থাপিত হইবে; এবং

(গ) sub-section (4) এ উল্লিখিত "jobber" শব্দটির পরিবর্তে "Jobber or dealer" শব্দগুলি প্রতিস্থাপিত হইবে।

৬। **Ordinance No. XVII of 1969 এর section 9 এর সংশোধন।**—উক্ত Ordinance এর section 9 এর sub-section (8) এর দ্বিতীয় লাইনে উল্লিখিত "fourteen" শব্দটির পরিবর্তে "thirty" শব্দ এবং শেষ লাইনে উল্লিখিত "fourteen" শব্দটির পরিবর্তে "fifteen" শব্দ প্রতিস্থাপিত হইবে।

৭। **Ordinance No. XVII of 1969 এ নতুন section 19A ও 19B এর সংযোজন।**—উক্ত Ordinance এর section 19 এর পর নিম্নরূপ দুইটি নতুন sections যথাক্রমে 19A ও 19B সংযোজিত হইবে, যথা :—

"**19A. Maintenance of secrecy by the Commission, etc.**—The existing and former Chairman, Member and employee of the Commission shall not disclose or communicate to any person not legally entitled thereto any information which has been entrusted to him or which he has obtained or to which he had access in the course of the performance of any functions under this Ordinance."।

"**19B. Penalty for disclosure of information.**—(1) The disclosure of any information in contravention of section 19 or 19A for the purpose of making profit through insider trading shall be an offence.

(2) Whoever contravence sub-section (1) shall be punishable with imprisonment for a term which may extend to five years, or with fine not less than taka five lakh, or with both"।

৮। Ordinance No. XVII of 1969 এর section 20A এর সংশোধন।—উক্ত Ordinance এর section 20A এ উল্লিখিত "Where" শব্দটির পরিবর্তে "Notwithstanding anything contained in any other law for the time being in force, where" শব্দগুলি ও কমাটি প্রতিস্থাপিত হইবে।

৯। Ordinance No. XVII of 1969 এর section 21 এর সংশোধন।—উক্ত Ordinance এর section 21 এর—

(ক) sub-section (1) এর clause (b) এ উল্লিখিত "Who is directly or indirectly the beneficial owner of not less than ten per cent of a listed security" শব্দগুলি বিলুপ্ত হইবে;

(খ) sub-section (2) এর পরিবর্তে নিম্নরূপ sub-section (2) ও (2a) প্রতিস্থাপিত হইবে, যথা:—

"(2) where an enquiry under sub-section (1) has been undertaken, every member, director, manager or other officers of the Stock Exchange or the issuer to which or to whose member, director, auditor or officer of the enquiry relates, an insurance company as defined in the Insurance Act, 2010, a bank, a financial institution as defined in the Financial Institutions Act, 1993, and every other person considered by the person conducting the enquiry to be capable of providing information which is, or may be relevant to that enquiry, shall furnish such information as the person conducting the enquiry may require.

(2a) Notwithstanding anything contained in any other law for the time being in force in conducting enquiry under sub-section (1), the Commission, Keeping the Bangladesh Bank informed, may seek information regarding bank account from any bank, or any financial institution or organization, as the case may be, so far as it relates to the transaction of security."।

১০। **Ordinance No. XVII of 1969 এ নতুন section 22A এর সংযোজন।**—উক্ত Ordinance এর section 22 এর পর নিম্নরূপ নতুন section 22A সংযোজিত হইবে, যথা :—

"**22A. Restriction in respect of filing of suit.**—Notwithstanding anything contained in any other law for the time being in force, no legal proceeding before any Court can be brought challenging an order of penalty imposed by the Commission unless an amount of 15% (fifteen percent) of such penalty is deposited in the Commission."।

১১। **Ordinance No. XVII of 1969 এ নতুন section 25B এর সংযোজন।**—উক্ত Ordinance এর section 25A এর পর নিম্নরূপ নতুন section 25B সংযোজিত হইবে, যথা :—

"**25B. Power to establish Special Tribunal.**—(1) For the purpose of this Ordinance, the Government may, by notification in the official gazette, establish one or more Special Tribunal.

(2) A Special Tribunal shall consist of a Sessions Judge or Additional Sessions Judge, who shall be appointed by the Government and shall have all the powers conferred by the Code of Criminal Procedure, 1898 (Act No. V of 1898), on a Court of Sessions exercising original jurisdiction.

(3) The Court of Sessions may, of its own, or upon an application made by the Commission, transfer at any stage of the trial, any case from his Court to another Special Tribunal.

(4) The Special Tribunal shall try the case from such stage wherefrom the case was so transferred."।

১২। **Ordinance No. XVII of 1969 এ নতুন section 32A এর সংযোজন।**—উক্ত Ordinance এর section 32 এর পর নিম্নরূপ নতুন section 32A সংযোজিত হইবে, যথা :—

"**32A. Regulation of business of Commodity Futures Contract, etc.**—The business of Commodity Futures Contract or Options Contract, in the Commodity Exchange, shall be regulated in such manner and on payment of such fees and charges as may be prescribed.

Explanation : For the purpose of this section, "Commodity Exchange" means a company that provides or, proposes to provide, the physical facilities necessary for trading in Commodity Futures Contract or Options Contract."।

১৩। **Ordinance No. XVII of 1969 এর section 34 এর সংশোধন।**—উক্ত Ordinance এর section 34 এর sub-section (2) এর clause (xviii) এ উল্লিখিত "jobber" শব্দটির পরিবর্তে "jobber or dealer" শব্দগুলি প্রতিস্থাপিত হইবে।

মোঃ মাহ্‌বুবুর রহমান
ভারপ্রাপ্ত সচিব।

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রেজিস্টার্ড নং ডি এ-১

বাংলাদেশ গেজেট

অতিরিক্ত সংখ্যা
কর্তৃপক্ষ কর্তৃক প্রকাশিত

বুধবার, জানুয়ারি ৩০, ২০১৩

[বেসরকারি ব্যক্তি এবং কর্পোরেশন কর্তৃক অর্থের বিনিময়ে জারীকৃত বিজ্ঞাপন ও নোটিশসমূহ]

SECURITIES AND EXCHANGE COMMISSION

NOTIFICATION

October 29, 2012

No. SEC/CMRRCD/2009-194/138/Admin/46—In exercise of the power conferred by sub-section (1) of section 33 of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), Securities and Exchange Commission makes, after prior publication, the following rules, namely :—

1. **Short title and application.**—(1) These rules may be called the "Securities and Exchange Commission (Private Placement of Debt Securities) Rules, 2012".

(2) These rules shall be applicable for the issuance of debt securities by an issuer, unless otherwise it is either exempted by Securities and Exchange Commission or governed or regulated by the commission through any other rules or notification or order issued from time to time.

(3) These rules shall be applicable for issuance of debt securities through private placement.

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(4) No issuer shall make an offer of debt securities, or shall publish an information memorandum or offer document for issuance of debt securities unless it obtains consent of the Commission.

(5) These rules shall come into force with immediate effect.

2. **Definitions.**—(1) In these rules, unless the context otherwise requires,—

(a) **"Commission"** means the Securities and Exchange Commission (SEC) established under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন);

(b) **"debt holder"** means the person in whose name a debt is registered at Central Depository Bangladesh Limited, or if the debts are not deposited in the depository, the person shown on the records of the issuer;

(c) **"debt securities, or debt instruments"** means securities those evidence the indebtedness of the issuer to the eligible investors in the form of bond or debt, or any other instrument of indebtedness, whether secured or not;

(d) **"deed of trust"** means a deed executed by the issuer in favour of the trustees named therein for the benefit of the holders of debt securities;

(e) **"eligible investor"** means banks, insurance companies, financial institutions, mutual funds, provident funds, pension funds, corporates, primary dealers, Non-Resident Bangladeshis and individuals;

(f) **"equity"** means the aggregate amount of tangible assets of the issuer, net of total liabilities calculated on the basis of the audited financial statements of the issuer which is included in the IM;

(g) **"Information Memorandum or IM"** means any document including an electronic document described or issued as an offer document or prospectus and includes any notice, circular, advertisement or other documents inviting offers from the eligible investors for the subscription or purchase of any debt securities issued under these rules;

(h) **"issue"** means an offer of debt securities by an issuer under these rules;

(i) **"issuer"** means an entity that intends to raise or has raised long term finance by issuing debt securities which may be a company as defined in the কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) or the government or public or local authoities or development or credit institutions;

(j) **"issue size"** means the aggregate amount of face value of the debt securities to be issued;

(k) **"obligor"** means a person having any obligation upon the debts, whether as debtor, guarantor, provider of credit enhancement, issuer of conversion or warrant securities, or otherwise;

(l) **"paying agent"** means a bank appointed to pay to debt holders all payments made by the issuer and to maintain all records required to be kept by the trustee;

(m) **"premium"** means an amount over the face value;

(n) **"private placement"** means offer of securities to any person in a way other than public offering;

(o) **"promoter or sponsor"** of an entity or a proposed company means a person who, acting alone or in consert with other persons, is initiating or directing, or has within one year initiated or directed, the organization of such entity;

(p) **"rating agency"** means a Credit Rating Agency registered with the Commission under the Credit Rating Companies Rules, 1996;

(q) **"schedule"** means a schedule appended to these rules;

(r) **"secured debt instrument"** means debt securities, in which the issuer owes the holders an indebtedness and which is secured by first claims over all present and future assets of the issuer;

(s) **"trustee"** means a company as defined in the কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) or a corporation or a statutory body or any other institution, a bank as defined in the ব্যাংক কোম্পানী আইন, ১৯৯১ (১৯৯১ সনের ১৪ নম্বর আইন) or a financial institution as defined in the আর্থিক প্রতিষ্ঠান আইন, ১৯৯৩ (১৯৯৩ সনের ২৭ নম্বর আইন) registered under rule 9 of these rules to act as trustee to the issue of debt securities;

(t) **"unsecured debt instrument"** means debt securities, in which the issuer owes the holders an indebtedness and which is secured by claims over all present and future assets of the issuer subsequent to all secured lenders/eligible investors.

(2) Words and expressions used herein and not defined, but defined in the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সালের ১৫ নং আইন), ডিপজিটরি আইন, ১৯৯৯ (১৯৯৯ সনের ১১ নম্বর আইন), Insurance Act, 2010 (Act No. XIII of 2010), ব্যাংক কোম্পানী আইন, ১৯৯১ (১৯৯১ সনের ১৪ নম্বর আইন) আর্থিক প্রতিষ্ঠান আইন, ১৯৯৩ (১৯৯৩ সনের ২৭ নম্বর আইন) কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নম্বর আইন) shall have the same meanings respectively assigned to them in the said Acts and the Ordinance, and the Rules and Regulations issued hereunder.

3. **Conditions to be fulfilled prior to making an application for issuance of debt securities.**—An issuer may make an application to the Commission for issuance of debt securities, subject to fulfillment of the following :—

(1) Total debt of the issuer, including the proposed issue, does not exceed 60% (sixty percent) of its total tangible assets :

Provided that in case the debt-equity or capital adequacy ratio of an issuer is determined by its primary regulator, the issuer fulfills that requirement :

Provided further that the Commission may consider variation of the above-mentioned ratio, if it thinks fit taking into account the industry scenario of the issuer.

(2) The issuer has a good track record of profitability and liquidity or its forecasted financial position indicates a significant profitability, liquidity and ability to pay-back with reasonable basis of making such forecasts.

(3) The issue is rated by a credit rating company and its periodical surveillance rating shall be done by the said rating company up to the full and final redemption or conversion of the debt securities.

(4) The issuer has a valid enforceable interest over its assets and the right to create charges thereon in course of issuance of the debt instruments.

(5) The issuer has obtained necessary permissions or consents from its primary regulator in order to issue of debt securities, if required.

(6) The issuer has appointed a trustee for the issue.

(7) The financial statements of the issuer is prepared as per Bangladesh Accounting Standards (BAS) as applicable in Bangladesh, and audited as per Bangladesh Standards of Auditing (BSA).

(8) The issue has been approved by the Board of Directors or governing body of the issuer and in case the issuer is a listed company, by the shareholders in a general meeting.

(9) In case the issuer is a listed company, the information concerning the issue is disseminated as price sensitive information immediately upon Board decision as well as upon approval at the general meeting, in accordance with the relevant notifications issued by the Commission; there should be an explicit announcement while disseminating the information that the issue shall be subject to approval of the Commission.

(10) Trustee to the issue, if applicable, has examined all the documents including the legal and title documents and has provided a due diligence certificate as per Schedule **'D'**.

4. Application for consent to the issue of debt securities.—(1) An issuer (hereinafter also referred to as the applicant) intending to issue debt securities shall make an application for consent to the Commission as per Schedule **'A'**.

(2) The applicant shall pay an amount of taka ten thousand (non-refundable) as application fee, along with the application, by way of pay order or demand draft issued in favour of the Securities and Exchange Commission.

(3) With the said application, the applicant shall submit the following documents along with the information memorandum containing the audited financial statements within 120 (one hundred twenty) days of the end of the period for which the said financial statements is prepared, namely :—

(a) certified copy of memorandum and articles of association or such certified documents, as the case may be;

(b) certified copy of certificate of incorporation and certificate of commencement of business, where applicable;

(c) certified copy of particulars of directors or particulars of owners, as the case may be;

(d) certified copy of return of allotment of shares and annual summary of share capital, where applicable;

(e) original auditors' report with the related audited financial statements of the issuer;

(f) purpose of issuance of securities and plan to use of proceeds thereof;

(g) resolution of the board of directors or promoters resolution deciding to issue debt securities;

(h) minutes of the general meeting approving the issue, in case the issuer is a listed company;

(i) copy of disclosures of price Sensitive Information, in case the issuer is a listed company;

(j) banker's certificate, or bank statement showing deposit of an amount equivalent to the owners' stake in the issuer, or auditor's certificate in this regard attested by the Managing Director, or Chief Executive Officer;

(k) certified copy of vendor's agreement in case of capital raised in other than cash;

(l) short description of business;

(m) credit rating report of the issue;

(n) no objection certificate, or clearance from regulatory authority(s) concerned, if required;

(o) draft Information Memorandum pepared as per Schedule **'B'**;

(p) draft Deed to Trust prepared as per Schedule **'C'**;

(q) copy of registration certificate issued by the Commission to the trustee to act as trustee to the issue of debt securities, where applicable;

(r) Due diligence certificate of the Trustee as per Schedule 'D';

(s) Repayment Schedule of the debt securities in hard and electronic forms.

5. **Consideration of the application and decision thereon.**—(1) On receipt of the application under rule 4, the Commission shall examine it, and if satisfies that all the requirements of rule 4 are fulfilled, the Commission shall accord consent in writing to the issue of debt securities, as sought for, within 07 (seven) working days of receipt of the application with all required documents.

(2) If the Commission finds that the application does not fulfill all the requirement of rule 4, it may, within 15 (fifteen) days of receipt of the application, direct the applicant to fulfill the requirements within such time as the Commission may determine, and on fulfillment of such requirement the Commission shall accord the consent as prayed for, within 07 (seven) working days of such fulfillment.

(3) The Commission may call for further information, in addition to the requirements of rule 4, if it so deems necessary.

(4) If the Commission finds that the application does not fulfill all the requirements of rule 4, or where a direction to fulfill such requirements has been given under sub-rule (2) and/or (3) and the applicant has failed to fulfill such requirements, it may reject the application, stating the reasons thereof.

6. **Review.**—The applicant whose application has been rejected by the Commission under sub-rule (4) of rule 5, may apply to the Commission for review of its decision within 30 (thirty) days from the date of such rejection, and the decision of the Commission thereon shall be final.

7. **Consent Fee.**—(1) If the Commission decides to accord consent to the issue, the applicant shall pay, within 15 (fifteen) days of issuance of the letter of intent, a fee at the rate of 0.10% on the total face value of securities to be issued through a bank draft or payment order issued in favour of the Securities and Exchange Commission.

(2) If the applicant fails to pay the fee under sub-rule (1) within the specified time, the consent shall not be accorded.

8. Conditions to be fulfilled after getting consent for issuance of debt securities.—(1) Before issuance of the debt securities, the following requirements shall adhere to upon obtaining consent of the Commission, namely:—

(a) The issuer shall execute the deed of trust as approved by the Commission in favor of the trustee and register the same under the Registration Act, 1908 (XVI of 1908) and shall submit a copy of the registered trust deed attested by the Chief Executive Officers of the issuer and the trustee to the Commission;

(b) The issuer shall create charges over the assets only for issuance of secured bond, through execution of Charge Document(s) in favour of the trustee adhering due legal procedures;

(c) The issuer shall execute guarantee (s) in favour of the trustee through observation of required legal procedures;

(d) The trustee shall submit a report to the Commission to the effect that all charges and/or guarantee(s) as per the deed of trust, Subscription Agreements and IM have been executed properly;

(e) The issuer of a listed company shall place the IM and the Deed of Trust in electronic from on the websites of the issuer and the trustee up to closing of subscription.

(2) The consent for issuance of debt securities shall remain valid for one year from the date of consent or for such a period as determined by the Commission in the consent letter.

(3) The issuer shall submit a status report of the issue to the Commission within 30 (thirty) days of issue of the securities or expiry of the period mentioned in sub-rule (2), whichever comes earlier.

(4) The issuer shall submit bank statement and banker's certificate to the Commission upon completion of the subscription.

(5) The issuer shall complete audit of its financial statements and, hold its annual general meeting within such period as may be specified by the Commission at the time of according the consent.

(6) The issuer shall submit a copy of such audited financial statements and a copy of its annual report and the minutes of its annual general meeting within fourteen days of the completion of the audit or, as the case may be, holding of the annual general meeting.

(7) The Commission may, on application and on good cause shown , extend the time for auditing the financial statements or submission of the financial statements to the Commission, as the case may be.

(8) The said company shall inform the Commission any material change that affects the affairs of the company, along with the supporting documents and evidences.

(9) The issuer can sell debt instruments only to the eligible investors.

9. **Registration of Trustee.**—(1) The trustee of a debt security shall be registered by the Commission under these rules and no person shall act as trustee to an issue without such registration.

(2) The proposed trustee shall apply for registration to the Commission as per Schedule **'E'** along with required information and documents and application fee of taka five thousand only.

(3) The proposed trustee shall have the following eligibility criteria to apply for registration, namely:—

(a) Have a minimum paid up capital of taka one hundred million;

(b) Have adequate manpower and logistic support to discharge its duties as a trustee;

(c) Have appointed a compliance officer for the trust having a minimum of five years service experience in the financial market;

(d) Neither the trustee, nor any of its affiliates or directors have any relation with the issuer;

(e) The trustee shall not act as arranger of the issue and shall not pursue any eligible investor to or not to invest;

(f) Have no track record of default, negligence or non-compliance with any of the securities laws for discharging its duties, if it is in any way connected with the securities market.

(4) The trust deed shall be preserved in the trustee's office for observation of the eligible investors.

(5) The trustee shall have to perform the following duties and responsibilities in addition to those described in the deed of trust concerned, namely :—

(a) The trustee shall act on behalf and for the exclusive interest of the eligible investors;

(b) The trustee shall ensure compliance of the issuer as per the requirements of these rules;

(c) The trustee shall monitor timely payment of all dues of the issuer to the eligible investors in terms of the IM or other terms and conditions of the issue of debt securities;

(d) The trustee shall ensure creation of charges by the issuer over collateral securities and obtaining other securities or guarantees in favour of the trustee;

(e) The trustee shall enforce its rights, over the collateral securities and other securities or guarantees when it is neessary to do;

(f) The trustee shall call the eligible investors' meeting and shall enforce the decisions within such time of any default or any act of the issuer which may affect the interest of the eligible investors as specified in the deed of trust and in the IM;

(g) Delay in payment of any dues by the issuer, which is not approved by the trustee shall be treated as final default, in such a case the trustee shall enforce its rights over the collateral securities and other securities or guarantees of the issuer observing due legal process and thereafter the trustee shall dispose-off the same to pay the proceeds proportionately to the eligible investors after deduction of costs related thereto;

(h) In case the delay is approved by the trustee for a certain period upon any reasonable ground, the trustee shall ensure repayment of the dues within the approved delay period along with interest for the delay period at a rate of 2% (two percent) p.a. above the usual rate of return of the debt instrument;

(i) The trustee shall submit an annual compliance report to the Commission regarding the activities of the issuer including repayment of dues to the eligible investors;

(j) The trustee shall take adequate steps for redressal of grievances of the eligible investors within one month of the date of receipt of the complaints and he shall keep the Commission informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

(k) The trustee shall be liable to sue or to be sued on behalf of the eligible investors;

(l) The trustee may, if required, inspect or call for books of accounts, records, register of the issuers and the trust property to the extent necessary for discharging its obligation.

(6) The trust deed or appointment of the trustee can not be varied or modified without prior approval of the Commission.

(7) The Commission may, considering the appeal of two third of the securities holders or in the event of negligence of its duties or in the public interest, if it thinks fit, replace the trustee of an issue by a new trustee :

Provided that the trustee shall be given an opportunity of being heard before cancellation of its appointment.

(8) A trustee can resign with prior approval of the Commission which shall not be effective until appointment of a new trustee and handing over charges by the resigning trustee.

(9) A trustee shall cease to exist as trustee of an issue upon full and final settlement of the securities.

(10) The trustee for an issue shall be entitled to an annual trustee fee of maximum 0.25% of the outstanding amount of the debt securities.

10. **Consideration of the application of trustee and decision thereon.**—(1) On receipt of the application under rule 9, the Commission shall examine it, and if it is satisfied that all the requirements of rule 9 are fulfilled, it shall accord registration to the trustee to act as trustee to the issue, as sought for, within thirty days of receipt of the application.

(2) If the Commission finds that the application does not fulfill all the requirements of rule 10, it may, within twenty days of receipt of the application, direct the applicant to fulfill the requirements within such time as the Commission may determine, and on fulfillment of such requirements, the Commission shall accord the consent as prayed for within 30 (thirty) days of such fulfillment.

(3) The Commission may call for further information, in addition to the requirements of rule 9, if it so deems necessary.

(4) If the Commission finds that the application does not fulfill all the requirements of rule 9, or where a direction to fulfill such requirements has been given under sub-rule (2) and (3) and the applicant has failed to fulfill such requirements, it may reject the application, stating the reasons thereof.

(5) If the Commission decides to award registration to the trustee, the trustee shall pay, within fifteen days of issuance of the registration certificate, a registration fee of Tk. 50,000.00 (taka fifty thousand) only through a bank draft or payment order issued in favour of the Securities and Exchange Commission.

11. **Substitute trustee.**—(1) If the trustee resigns or fails to perform its duties under the deed of trust or these rules, the debt security holders' association shall appoint a substitute trustee.

(2) The substitute trustee shall meet the qualification requirements of rule 3 of these rules.

(3) The trustee which is replaced shall do all that is necessary to substitute the new trustee in its place.

12. **Duties of the trustee upon a default.**—(1) If an event of default as defined in the deed of trust is known to the trustee, the trustee shall mail a notice of the default within 07 (seven) days after it occurs to debt holders, each stock exchange upon which the debts are traded, and the Commission.

(2) If, within 10 (ten) days after mailing of the notice required by sub-rule (1), the officers of the debt holders' association shall inform the trustee that the debt security holders' association will meet to consider the default, the trustee shall not act until instructed in writing by the debt holders' association.

(3) If no meeting of the debt security holders' association is called within 10 (ten) days after mailing of the notice required by sub-rule (1) or the debt security holders' association issues no written instructions to the trustee within 30 (thirty) days after mailing of the notice, the trustee shall proceed as required by the deed of trust. If the debt security holders' met and issue written instructions to the trustee, the trustee shall follow those instructions.

(4) The trustee shall incur no liability if it follows the written instructions of the debt security holders' association or, if the debt security holders' association issues no written instructions the procedures required by the deed of trust.

(5) If all efforts of negotiation by the trustee fail, it can take legal action against the issuer for recovery of the outstanding including principal and interest of the debt securities as per existing laws.

13. **Fees and expenses of the trustee.**—The issuer will pay the fees and expenses of the trustee.

14. **Arbitration**—Any dispute between or among the issuer, trustee, debt security holders' association, debt security holders' advocate or any other person bound by the deed of trust shall be arbitrated according to the Arbitration Act, 2001.

15. **Powers of the Commission**—(1) The Commission shall have the power, after notice and an opportunity to be heard, to issue an order requiring any trustee under the deed of trust to comply with the provisions of these rules or an deed of trust to which it is a party. The Commission may act upon its own motion or upon the request of one or more debt security holders or any party to the deed of trust.

(2) If any issuer or trustee violates any of the provisions of these rules or furnishes false, incorrect, misleading information or suppresses any information or neglects to discharge its duties, the Securities and Exchange Commission may take appropriate action under the Securities and Exchange Ordinance, 1969 or any other securities laws.

(3) The refusal or failure of any obligor to comply with an order under sub-rule (1) shall also be a violation of these rules.

16. **Penalties for violations of these rules**—(1) Any person who violates the provisions of these rules shall be subject to civil and criminal penalties in accordance with law.

(2) No civil penalty may be imposed by the Commission nor criminal proceedings begun without notice and an opportunity to be heard. The Commission shall make a record of its proceedings.

(3) Appeals from civil penalties assessed by the decision of the Commission shall be to the Commission and then to the superior court.

Schedule " A"

(See Rule: 4)

Format and contents of the Application—

Chairman

Securities and Exchange Commission

1. Name of the issuer:
2. Legal status of the issuer:
3. Registered address and telephone number of the issuer:
4. Name, address and telephone numbers of the contact person:
5. Date of incorporation (in case of companies):
6. Date of commencement of business:
7. Authorized capital (in case of companies):
8. Paid-up capital (in case of companies):
9. Total equity of the issuer:
10. Net worth of the issuer:
11. Total amount of debt due from the issuer:
12. Type of collateral securities being offered:
13. Type of debt instruments to be issued:
14. Face value, issue price and number of securities being offered and the total issue amount:
15. Coupon rate/discount rate and YTM:
16. Tenor/Maturity:
17. Mode of redemption:
18. Rate of return:
19. Applicable tax rate:
20. Period within which securities to be issued:
21. Name of the trustee:
22. Paid-up capital of the Trustee:
23. Net worth of the Trustee:
24. Credit Rating Status of the issue:
25. Rating assigned by:
26. Date of audited accounts, which is included in the IM:

Sd/-
Chief Executive Officer
Name of the issuer

Schedule " B"
(See Rule: 4)

Format and contents of the Information Memorandum—

1. **Material Information:**

(1) In addition to the information specifically required by these rules, the IM shall contain all material information necessary to enable the eligible investors to make an informed assessment of the issue, the issuer, the trustee, the securities being offered, the rights and obligations of the eligible investors, the issuer and the trustee attaching to the debt securities being offered and full disclosure about the financial, corporate, management and other affairs of the issuer.

(2) The commission may require disclosure of additional information in the IM as it considers appropriate in a particular issue, and the issuer shall comply it.

(3) If the commission requires such information, if shall inform the issuer of the additional information in writing.

2. Information to be included in the IM—

(1) Cover Page of the IM: On the cover page of the IM, the following information shall be furnished, namely:—

(a) Name and address of the registered office of the issuer:

(b) Name of the trustee:

(c) Type of securities being offered:

(d) Face value, issue price and number of securities being offered and the total issue amount:

(e) Coupon rate/discount rate and YTM:

(f) Issue date of the IM:

(g) Credit Rating status of the issue:

(h) The following statement:

"If you have any query about this document, you may consult the issuer and the trustee".

(2) Table of contents.

(3) Report to the eligible investors.

(4) Risk Factors and Management's Perception about the Risks: All Risk Factors and Management's Perception about the same are to be clearly stated which shall include, among others, namely:—

(a) interest rate risks ;

(b) exchange rate risks ;

(c) non-repayment risks ;

(d) prepayment, call or refunding risks ;

(e) security risks ;

(f) liquidity risks ;

(g) management risks ;

(h) operational risks ;

(i) business risks ;

(j) industry risks ;

(k) market and technology-related risks ;

(l) risks related to potential or existing government regulations;

(m) risks related to potential changes in global or national policies.

(5) Details of the utilization of proceeds: if proceeds are to be utilized for project, details of the project with BEP quantity and capacity utilization at BEP (including all financial costs).

(6) Features of the debt securities to be issued, namely:—

(a) Basic Features of the instrument;

(b) Rate of return, Yield to maturity, Coupon/Discount Rate;

(c) Transferability/Liquidity ;

(d) Prepayment, Call Refunding, conversion features;

(e) Late Redemption ;

(f) Tax Features ;

(g) Costs related to the issue ;

(h) Repayment Schedule ;

(i) Enforcement of charges over securities.

(7) Description of Collateral Security and type of charges to be created against the issue.

(8) Rights and obligations of the issuer.

(9) Rights and obligations of the trustee.

(10) Rights and obligations of the eligible investors.

(11) Description of the issuer in respect of the following, namely:—

(a) Capital structure;

(b) Business;

(c) Management ;

(d) Description of encumbered and unencumbered assets with value thereof;

(e) Profile of Directors/Owners of the issuer ;

(f) Description of assets and liabilities;

(g) Description of previously issued debt or equity securities.

(12) Auditors' report along with Audited Financial Statements of the issuer made up to a date not earlier than 180 (one hundred eighty) days from the date of issue of the IM.

(13) Comparative Financial Statements of the issuer for the last 3 (three) years or for the period of its commercial operation, as the case may be. If the issuer is not in commercial operation, forecast financial statements for the next 5 (five) years.

(14) The following Ratios of the issuer for last 3 (three) accounting years or for the period of its commercial operation, as the case may be, namely:—

(a) Current Ratio ;

(b) Quick Ratio ;

(c) Times Interest Earned Ratio ;

(d) Break-Even Point (including financial costs) ;

(e) Debt to Equity Ratio (prior to and after issue of debt securities) ;

(f) Debt to Total Assets Ratio ;

(g) Accounts Receivable Turnover Ratio ;

(h) Inventory Turnover Ratio ;

(i) Asset Turnover Ratio ;

(j) Debt Service Coverage Ratio ;

(k) Gross margin Ratio ;

(l) Operating Income Ratio ;

(m) Net Income Ratio ;

(n) Return on Assets ;

(o) Return on Equity ;

(p) Earnings-Per-Share (EPS) ;

(q) Net Asset Value (NAV) per share.

(15) Credit Rating Report of the issue.

(16) Description of the Trustee.

(17) Modus Operandi of the issue including :

(a) Application procedure ;

(b) Alloment ;

(c) Transfer ;

(d) Repayment ;

Each page of the draft IM to be duly signed and stamped by the chief-executive officers of the issuer and the trustee.

Schedule "C"

(See Rule: 4)

Format and contents of the deed of trust—

1. Date of execution :
2. Name and legal status of the parties concerned :
3. Objectives of the issue :
4. Definitions :
5. Relation between the Parties :
6. Governing Laws :
7. Registered Address of the Trust :
8. Description of the Trust :
9. Description of the collateral securities to be charged with the Trustee :
10. Enforcement of charges over the collateral securities :
11. Beneficiaries of the collateral securities :
12. Commencement and Termination of the Trust :
13. Costs involved with the issue and by whom the costs are to be assumed :
14. Description of the Trustee with rights, duties and obligations :
15. Trustee fee :
16. Description of the debt securities to be issued :
17. Modus operandi of the issue :
18. Repayment, or redemption features :
19. Mode of transfer, or redemption, or conversion :
20. Rights, duties and obligations of the Trustee :
21. Rights, duties and obligations of the issuer :

22. Rights and obligations of the eligible investors :

23. Accounts and audit :

24. Term and termination of the deed of trust :

25. Retirement and substitution of the Trustee and appointment of new Trustee :

26. Meeting of holders of the debt securities with power, scope and quorum of the meeting :

27. Amendment provisions of the Trust Deed :

Each page of the draft deed of trust to be duly signed and stamped by the Chief Executive Officers of the issuer and the trustee.

Schedule "D"
(See Rule : 3)

Due Diligence Certificate of the Trustee

Chairman
Securities and Exchange Commission

Sub: Issuance of.............(number & type of the debt securities) of Tk. ....(face value each of ....(Name of the Issuer)

We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows :

1. We, while act as trustee to the above mentioned issue on behalf of the eligible investors, have examined the draft Information Memorandum, Legal and other documents and materials as relevant to our decision; and

2. On the basis of such examination and the discussions with the issuer, it's directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer;

   WE CONFIRM THAT :

   (a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft Deed of Trust and draft Subscription Agreement forwarded to the Commission has been approved by us;

   (b) we have also examined all documents of the assets to be charged with the Trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM;

   (c) while examining the above documents, we find that all the requirements of the Securities and Exchange Commission (Private Placement of Debt Securities) Rules, 2012 have been complied with;

(d) we shall act as trustee to the issue as mentioned above as per provisions of the Deed of Trust to be executed with the issuer and shall assume the duties and responsibilities as described in the Deed of Trust and in the IM;

(e) we shall also abide by the Securities and Exchange Commission (Private Placement of Debt Securities) Rules, 2012 and conditions imposed by the Commission as regards of the issue; and

(f) the above declarations are unequivocal and irrevocable.

For Trustee

Sd/-
Chief Executive Officer
(Name of the Trustee)

Schedule "E"

(See Rule : 9)

Format and contents of the application for registration of Trustee of a debt security —

Chairman
Securities and Exchange Commission

1. Information :—

(a) Name of the applicant :

(b) Legal status of the applicant :

(c) Registered address and telephone numbers of the applicant :

(d) Name, address and telephone number of the compliance officer for the issue :

(e) Date of incorporation :

(f) Date of commencement of business :

(g) Authorized capital :

(h) Paid-up capital :

(i) Net worth :

2. Annexure :—

(a) Certified copy of memorandum and articles of association;

(b) Certified copy of certificate of incorporation and certificate of commencement of business;

(c) Certified copy of particulars of directors;

(d) Certified copy of return of allotment of shares, or annual summary of share capital;

(e) Latest audited financial statements;

(f) Resolution of the board of directors deciding to act as trustee to the issue;

(g) An affidavit to the effect that neither the trustee, nor any of its affiliates or directors are any way connected with the issuer of the proposed debt securities and that it has no track record of default, negligence or non-compliance of any of the securities laws discharging its duties, if the proposed trustee is in any way connected with the securities market;

(h) Description of manpower and logistic support to discharge its duties as a trustee;

(i) Bio-data of the Chief Executive Officer and Compliance Officer;

(j) CIB undertakings, where applicable.

Sd/-
Chief Executive Officer
Name of the proposed Trustee

By order of the Securities and Exchange Commission

PROF. DR. M. KHAIRUL HOSSAIN
Chairman.

ড. মোঃ আলী আকবর (উপ সচিব), উপ পরিচালক, বাংলাদেশ সরকারি মুদ্রণালয়, তেজগাঁও, ঢাকা কর্তৃক মুদ্রিত।
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রেজিস্টার্ড নং ডি এ-১

বাংলাদেশ গেজেট

অতিরিক্ত সংখ্যা
কর্তৃপক্ষ কর্তৃক প্রকাশিত

সোমবার, মার্চ ৪ ২০১৩

[বেসরকারি ব্যক্তি এবং কর্পোরেশন কর্তৃক অর্থের বিনিময়ে জারীকৃত বিজ্ঞাপন ও নোটিশসমূহ]

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন
জীবন বীমা টাওয়ার (১৫, ১৬, ১৭ ও ২১তম তলা)
১০ দিলকুশা বা/এ, ঢাকা-১০০০, বাংলাদেশ।

প্রজ্ঞাপন

তারিখ, ৮ জানুয়ারি ২০১৩

নং **এসইসি/সিএমআরআরসিডি/২০০৬-১৫৭/১৪৩/প্রশাসন/৪৭**—বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫নং আইন) এর ধারা ২৪ এর উপ-ধারা (১) এ প্রদত্ত ক্ষমতাবলে বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন, পূর্ব প্রকাশের পর, সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা, ২০০১ এ নিম্নোক্ত সংশোধন করিল, যথা ঃ—

উপরিউক্ত বিধিমালায়,—

১। বিধি ২ এর উপ-বিধি (১) এর দফা (চ) এবং (দ) নিম্নোক্তভাবে প্রতিস্থাপিত হইবে, যথা ঃ—

"(চ) "উদ্যোক্তা" অর্থ কোন ব্যাংক, আর্থিক প্রতিষ্ঠান, কমিশন কর্তৃক নিবন্ধিত সম্পদ ব্যবস্থাপক কোম্পানি, ইন্স্যুরেন্স কোম্পানি, সংবিধিবদ্ধ সংস্থা, পাবলিক লিমিটেড কোম্পানি, স্বীকৃত তথা রেজিস্টার্ড ট্রাস্ট ফান্ড, পেনশন ফান্ড, প্রভিডেন্ট ফান্ড, সুপার এনুয়েশন ফান্ড (Super Annuation Fund), সংশ্লিষ্ট নিয়ন্ত্রণকারী কর্তৃপক্ষ কর্তৃক অনুমোদিত বৈদেশিক ফান্ড, যাহা এককভাবে বা মিলিতভাবে কোন মিউচ্যুয়াল ফান্ড গঠন করে;

(১৪৬৩)
মূল্য ঃ টাকা ৮.০০

(দ) "মেয়াদী স্কীম" (close-end) অর্থ এমন কোন স্কীম যাহার পরিপক্কতার মেয়াদ নির্ধারিত থাকে, উহার ফান্ডের আকার শুধুমাত্র পুনঃবিনিয়োগ এর মাধ্যমে পরিবর্তিত হইতে পারে;"।

২। বিধি ২ এর উপ-বিধি (১) এর দফা (ট), (ঠ), (চ) এবং (ধ) এর পর যথাক্রমে নিম্নোক্ত নতুন দফা (টট), (ঠঠ), (চচ) এবং (ধধ) ও (ধধধ) সংযোজিত হইবে, যথা ঃ—

"(টট) "পুনঃবিনিয়োগ (Reinvestment)" অর্থ সর্বশেষ NAV এর ভিত্তিতে নতুন ইউনিট ইস্যুর মাধ্যমে ফান্ডের মুনাফার বণ্টন;

(ঠঠ) "ফিক্সড ইনকাম সিকিউরিটিজ (Fixed Income Securities)" অর্থ এমন ধরনের পুঁজিবাজার সিকিউরিটিজ যাহার মেয়াদ এক বছরের বেশী, যাহা থেকে বিনিয়োগকারীগণ নির্দিষ্ট মেয়াদে সুনির্দিষ্ট পরিমাণে এক বা একাধিক আয় বা মুনাফা পেতে থাকেন, যাহার মেয়াদ শেষে বিনিয়োগকারীগণ বিনিয়োগকৃত মূল অর্থ ফেরত পান; এই ক্ষেত্রে ঐ সকল সিকিউরিটিজ অন্তর্ভুক্ত হইবে যেইগুলো সুপ্ত (Intrinsic) বা প্রকাশিত (Explicit) হারে আয় বা মুনাফা প্রদান করে;

(চচ) "বিক্রয় প্রতিনিধি (Selling Agent)" অর্থ কমিশনের নির্দেশনা পরিপালন স্বাপেক্ষে, সংশ্লিষ্ট সম্পদ ব্যবস্থাপক কোম্পানী কর্তৃক মনোনীত প্রতিষ্ঠান (ব্যাংক, আর্থিক প্রতিষ্ঠান, ইন্স্যুরেন্স কোম্পানী, মার্চেন্ট ব্যাংকার, স্টক-ব্রোকার) অথবা ব্যক্তি যিনি বাংলাদেশ ইন্সটিটিউট অব ক্যাপিটাল মার্কেট (Bangladesh Institute of Capital Market) হইতে নির্দিষ্ট কোর্সের সার্টিফিকেটধারী হইবেন;

(ধধ) "সমন্বিত বিনিয়োগ স্কীম (Collective Investment Scheme)" অর্থ কমিশন কর্তৃক সুনির্দিষ্ট নীতিমালার আলোকে গঠিত কোন বিনিয়োগ স্কীম ব্যবস্থা, যাহার মাধ্যমে বিনিয়োগকারীগণের নিকট হইতে অর্থ সংগ্রহ করিয়া বিনিয়োগ ব্যবস্থাপকের তত্ত্বাবধানে উক্ত ফান্ড আয় অথবা মুনাফা প্রাপ্তির উদ্দেশ্যে বিভিন্ন ধরনের সম্পদে বিনিয়োগ করা;

(ধধধ) "স্পেশাল পার্পাস ফান্ড (Special Purpose Fund)" অর্থ কোন বিশেষ উদ্দেশ্যে গঠিত ফান্ড যাহার গঠন প্রক্রিয়া শুরুর পূর্বেই কমিশনের অনুমোদন প্রয়োজন;"।

৩। বিধি ৪৮ এর উপ-বিধি (১) নিম্নোক্তভাবে প্রতিস্থাপিত হইবে, যথা ঃ—

"(১) সম্পদ ব্যবস্থাপক যদি বিধি ৪৬ এর অধীন ন্যূনতম অর্থ বা লক্ষ্যমাত্রার অন্যূন পঞ্চাশ শতাংশ অর্থ মেয়াদী ফান্ডের ক্ষেত্রে এবং চল্লিশ শতাংশ অর্থ বে-মেয়াদী ফান্ডের ক্ষেত্রে, যাহা অধিকতর হইবে, সংগ্রহ করিতে ব্যর্থ হয় তাহা হইলে, উহা চাঁদা প্রদানকারীগণের নিকট হইতে সংগৃহীত সমুদয় অর্থ কোন প্রকার কর্তন ছাড়াই ফেরত প্রদান করিবে ঃ

তবে শর্ত থাকে যে, কমিশন কোন বিশেষ ক্ষেত্রে লক্ষ্যমাত্রার নীচে ফান্ড গঠনের অনুমোদন দিতে পারিবে।"।

৪। বিধি ৫০খ এর পর নিম্নোক্ত নতুন বিধি ৫০গ সংযোজিত হইবে, যথা ঃ—

"৫০গ। **স্কীমের রূপান্তর (Conversion of scheme)** ।—কোন মেয়াদী ফান্ড বা স্কীমের বিশেষ সভায় উপস্থিত অন্যূন তিন-চতুর্থাংশ ইউনিট মালিকগণ স্কীমটির রূপান্তরের পক্ষে প্রস্তাব গ্রহণ করিলে কমিশনের অনুমোদন সাপেক্ষে মেয়াদী মিউচ্যুয়াল ফান্ডের স্কীম অথবা স্কীমগুলো বে-মেয়াদী স্কীমে রূপান্তরিত হইতে পারে।"।

৫। বিধি ৫৫ এর উপ-বিধি (২) নিম্নোক্তভাবে প্রতিস্থাপিত হইবে, যথা ঃ—

"(২) উপ-বিধি (১) এ উল্লিখিত অর্থের অন্ততঃ শতকরা ষাট ভাগ (৬০%) অর্থ পুঁজিবাজারে বিনিয়োগ করিতে হইবে যাহার মধ্যে অন্ততঃ অর্ধেক অর্থ স্টক এক্সচেঞ্জে তালিকাভুক্ত সিকিউরিটিজে হইতে হইবে ঃ

তবে শর্ত থাকে যে, মিউচ্যুয়াল ফান্ডের কোন অর্থ ঐ ফান্ডের কোন স্কীমে বিনিয়োগ করিতে হইলে সেই ক্ষেত্রে বিনিয়োগের পরিমাণ ও সময় উল্লেখপূর্বক বিনিয়োগের অন্ততঃ সাত দিন পূর্বে সম্পদ ব্যবস্থাপক কর্তৃক লিখিতভাবে কমিশন ও সংশ্লিষ্ট স্টক এক্সচেঞ্জকে জানাইতে হইবে ঃ

আরও শর্ত থাকে যে, পুঁজিবাজার বহির্ভূত বিনিয়োগের ফলে সৃষ্ট পত্রকোষের গঠন (Composition of Portfolio) সম্পর্কিত বিশদ প্রতিবেদন ত্রৈমাসিক ভিত্তিতে কমিশনে দাখিল করিতে হইবে।"।

৬। বিধি ৬৫ এর উপ-বিধি (২) এর দফা (ঘ) এর সবশেষে দাঁড়ি (।) এর পরিবর্তে সেমি-কোলন (;) হইবে, অতপর নিম্নোক্ত নতুন দফা (ঙ) সংযোজিত হইবে, যথা ঃ—

"(ঙ) স্পেশাল পার্পাস ফান্ড এর ক্ষেত্রে উপ-বিধি (২) এর দফা (ক), (খ), (গ) ও (ঘ) এ উল্লিখিত ফি প্রযোজ্য হইবে না, এই ক্ষেত্রে ফি নীট সম্পদের উপর শতকরা এক দশমিক পাঁচ ভাগ (১.৫%) পর্যন্ত করা যাইতে পারে ঃ

তবে শর্ত থাকে যে, কমিশন বিশেষ ক্ষেত্রে উক্ত ফি এর হার বৃদ্ধি করিতে পারিবে ঃ

আরও শর্ত থাকে যে, উল্লিখিত সকল ক্ষেত্রে পঞ্চম তফসিল [বিধি ৫৬ দ্রষ্টব্য] এ উল্লিখিত বিনিয়োগে বাধা-নিষেধ এর ক্রমিক নং ১০ পরিপালন করিতে হইবে।"।

৭। বিধি ৬৬ নিম্নোক্তভাবে প্রতিস্থাপিত হইবে, যথা ঃ—

"৬৬। **লভ্যাংশ বিতরণ ও উহার সীমা**।—প্রত্যেক মিউচ্যুয়াল ফান্ড উহার বার্ষিক হিসাব সমাপ্ত হইবার পর প্রত্যেকটি স্কীমের বিপরীতে উক্ত স্কীমের ইউনিট মালিকগণের মধ্যে এই বিধিমালার আলোকে ও ট্রাস্টির মতামত সাপেক্ষে প্রসপেক্টাস (Prospectus) অথবা অফার ডকুমেন্ট (Offer Document) এ বর্ণিত লভ্যাংশ

সংক্রান্ত ঘোষণা মোতাবেক নগদ লভ্যাংশ অথবা রি-ইনভেস্টমেন্ট অথবা উভয় অপশন বিতরণের ঘোষণা করিবে যাহার পরিমাণ উক্ত স্কীমের বার্ষিক লাভের শতকরা সত্তর ভাগ (৭০%) এর কম হইবে না ঃ

তবে শর্ত থাকে যে, যেই সকল বর্ধিষ্ণু বিনিয়োগ স্কীমের প্রকৃতি ও সম্ভাবনা সম্পর্কে শুরুতেই বিনিয়োগকারীদের সম্পূর্ণরূপে জানানো হইয়াছিল উহাদের ক্ষেত্রে উক্ত লভ্যাংশ প্রদানের হার বার্ষিক লাভের অন্ততঃ শতকরা পঞ্চাশ ভাগ (৫০%) এর কম হইবে না ঃ

আরও শর্ত থাকে যে, উক্ত লভ্যাংশ সিদ্ধান্ত গ্রহণের পঁয়তাল্লিশ দিনের মধ্যে ইউনিট মালিকগণের নিকট বিতরণপূর্বক এতদ্‌সংক্রান্ত একটি প্রতিবেদন পরবর্তী সাত দিনের মধ্যে কমিশন, ট্রাস্টি ও হেফাজতকারীর নিকট দাখিল করিতে হইবে ।"।

৮। পঞ্চম তফসিল [বিধি ৫৬ দ্রষ্টব্য] এ উল্লিখিত "বিনিয়োগে বাধা-নিষেধ" এর অনুচ্ছেদ নং ১০ নিম্নোক্তভাবে প্রতিস্থাপিত হইবে, যথা ঃ—

"১০। ১ হইতে ৯ অনুচ্ছেদের কোন বিষয় ক্ষুন্ন না করিয়া, তহবিলের প্রাথমিক ইস্যু ব্যয় ছাড়া মোট ব্যয় হিসাব বর্ষের সাপ্তাহিক গড়পড়তা নীট সম্পদের শতকরা চার ভাগ (৪%) এর বেশী চার্জ করা যাইবে না, সম্পদ ব্যবস্থাপক যদি বিক্রয় প্রতিনিধি নিয়োগ করে তবুও ব্যয় এর উক্ত সর্বোচ্চ সীমা শতকরা চার ভাগ (৪%) লংঘন করা যাইবে না।"।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন এর আদেশক্রমে

অধ্যাপক ড. এম খায়রুল হোসেন
চেয়ারম্যান।

ড. মোঃ আলী আকবর (উপ সচিব), উপ পরিচালক, বাংলাদেশ সরকারি মুদ্রণালয়, তেজগাঁও, ঢাকা কর্তৃক মুদ্রিত।
আবদুর রশিদ (উপ সচিব), উপ পরিচালক, বাংলাদেশ ফরম ও প্রকাশনা অফিস,
তেজগাঁও, ঢাকা কর্তৃক প্রকাশিত। web site: www.bgpress.gov.bd

রেজিস্টার্ড নং ডি এ-১

বাংলাদেশ গেজেট

অতিরিক্ত সংখ্যা

কর্তৃপক্ষ কর্তৃক প্রকাশিত

বৃহস্পতিবার, মে ২, ২০১৩

বাংলাদেশ জাতীয় সংসদ

ঢাকা, ০২ মে, ২০১৩/১৯ বৈশাখ, ১৪২০

সংসদ কর্তৃক গৃহীত নিম্নলিখিত আইনটি ০২ মে, ২০১৩ (১৯ বৈশাখ, ১৪২০) তারিখে রাষ্ট্রপতির সম্মতি লাভ করিয়াছে এবং এতদ্বারা এই আইনটি সর্বসাধারণের অবগতির জন্য প্রকাশ করা যাইতেছে ঃ—

২০১৩ সনের ১৫ নং আইন

বাংলাদেশের পুঁজিবাজারের উন্নয়ন ও নিয়ন্ত্রণ, এক্সচেঞ্জসমূহে কার্যকর প্রাতিষ্ঠানিক সু-শাসন প্রতিষ্ঠা, সিকিউরিটিজ এ বিনিয়োগকারীদের স্বার্থ সংরক্ষণ এবং এতদ্‌সংক্রান্ত বিষয়াবলী নিশ্চিত করিবার জন্য বিধান প্রণয়নের লক্ষ্যে প্রণীত আইন

যেহেতু, বাংলাদেশের পুঁজিবাজারের উন্নয়ন ও নিয়ন্ত্রণ, এক্সচেঞ্জসমূহে কার্যকর প্রাতিষ্ঠানিক সু-শাসন প্রতিষ্ঠা, সিকিউরিটিজ এ বিনিয়োগকারীদের স্বার্থ সংরক্ষণ এবং এতদ্‌সংক্রান্ত বিষয়াবলী নিশ্চিতকরণ সমীচীন ও প্রয়োজন;

সেহেতু এতদ্বারা নিম্নরূপ আইন করা হইল :—

প্রথম অধ্যায়

প্রারম্ভিক

১। **সংক্ষিপ্ত শিরোনাম ও প্রবর্তন**।—(১) এই আইন এক্সচেঞ্জেস ডিমিউচ্যুয়ালাইজেশন আইন, ২০১৩ নামে অভিহিত হইবে।

(২) ইহা অবিলম্বে কার্যকর হইবে।

(২৭৯৫)

মূল্য ঃ টাকা ২০.০০

২। **সংজ্ঞা**।—(১) বিষয় বা প্রসঙ্গের পরিপন্থী কোন কিছু না থাকিলে, এই আইনে—

(১) "অর্ডিন্যান্স" অর্থ Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969);

(২) "অনুমোদিত স্কীম" অর্থ কমিশন কর্তৃক অনুমোদিত কোন ডিমিউচ্যুয়ালাইজেশন স্কীম;

(৩) "এক্সচেঞ্জ" অর্থ কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) এর অধীনে নিগমিত একটি শেয়ার দ্বারা সীমিত দায় পাবলিক লিমিটেড কোম্পানী যাহা সিকিউরিটিজ ক্রয়-বিক্রয়ের জন্য একটি বাজার অথবা সিকিউরিটিজ এর ক্রেতা-বিক্রেতাদের কার্যক্রম পরিচালনায় সুবিধা প্রদান করে অথবা প্রয়োজনীয় সুবিধাদিসহ এমন একটি প্রতিষ্ঠান যাহা সাধারণভাবে একটি এক্সচেঞ্জ এর সর্বপ্রকার কার্যক্রম পরিচালনা করে;

(৪) "কমিটি" অর্থ এক্সচেঞ্জ কর্তৃক গঠিত কোন কমিটি;

(৫) "কমিশন" অর্থ বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) এর ধারা ৩ এর অধীন প্রতিষ্ঠিত **বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন**;

(৬) "কোম্পানী" অর্থ কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) এর অধীনে গঠিত এবং নিবন্ধিকৃত কোন কোম্পানী বা কোন বিদ্যমান কোম্পানী;

(৭) "কৌশলগত বিনিয়োগকারী" অর্থ কমিশন কর্তৃক অনুমোদিত দেশী বা বিদেশী কোন প্রতিষ্ঠান;

(৮) "ট্রেডিং রাইট এনটাইটেলমেন্ট সার্টিফিকেট (ট্রেক)" অর্থ এই আইন কার্যকর হইবার পর কোন এক্সচেঞ্জে তালিকাভুক্ত সিকিউরিটিজ অনুমোদিত স্কীম অনুযায়ী ব্রোকার বা ডিলার হিসাবে লেনদেন করিবার যোগ্যতা অর্জন সাপেক্ষে উক্ত এক্সচেঞ্জ কর্তৃক ইস্যুকৃত সিকিউরিটিজ লেনদেনের অধিকার সম্বলিত সনদ;

(৯) "ডিপজিটরি" অর্থ ডিপজিটরি আইন, ১৯৯৯ (১৯৯৯ সনের ৬ নং আইন) এর অধীনে প্রতিষ্ঠিত কোন ডিপজিটরি;

(১০) "ডিমিউচ্যুয়ালাইজেশন" অর্থ অনুমোদিত স্কীম অনুযায়ী যেকোন এক্সচেঞ্জ এর সিকিউরিটিজ লেনদেনের অধিকার (Trading Right) হইতে উহার মালিকানা ও ব্যবস্থাপনা পৃথকীকরণ;

(১১) "নির্ধারিত" অর্থ বিধি বা প্রবিধান দ্বারা নির্ধারিত;

(১২) "পরিচালনা পরিষদ" অর্থ কোন এক্সচেঞ্জ এর পরিচালনা পরিষদ;

(১৩) "প্রাথমিক শেয়ারহোল্ডার" অর্থ ডিমিউচ্যুয়ালাইজেশন এর তারিখে কোন এক্সচেঞ্জ এর শেয়ারের আইনগত মালিক;

(১৪) "বিদ্যমান এক্সচেঞ্জ" অর্থ কোন স্টক এক্সচেঞ্জ যাহা Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর অধীনে নিবন্ধিত অথবা নিবন্ধিত বলিয়া গণ্য এবং এই আইন কার্যকর হওয়ার তারিখে বাংলাদেশে কার্যরত;

(১৫) "ব্যক্তি" অর্থ স্বাভাবিক ব্যক্তিসহ (natural person) যে কোন কোম্পানী, অংশীদারী কারবার বা ফার্ম বা একাধিক ব্যক্তির সমিতি বা সংঘ তাহা নিবন্ধিত হউক বা না হউক;

(১৬) "ব্লকড হিসাব (blocked account)" অর্থ ধারা ৮ এর দফা (প) অনুযায়ী কোন এক্সচেঞ্জ কর্তৃক ডিপোজিটরিতে খোলা হিসাব;

(১৭) "রেজিস্ট্রার" অর্থ কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) এর অধীনে কোম্পানীসমূহ নিবন্ধনের দায়িত্ব পালনকারী রেজিস্ট্রার বা অন্য যে কোন কর্মকর্তা, তিনি যে নামেই অভিহিত হউন না কেন;

(১৮) "সদস্য" অর্থ বিদ্যমান এক্সচেঞ্জ এর কোন সদস্য;

(১৯) "সম্পর্কিত ব্যক্তি" অর্থ প্রাকৃতিক ব্যক্তিসত্ত্বার (Natural Person) ক্ষেত্রে তাহার স্বামী বা স্ত্রী, অথবা তাহার উপর নির্ভরশীল কোন ব্যক্তি, অথবা তাহার কোন অংশীদারী প্রতিষ্ঠানের অংশীদার, অথবা তাহার উল্লেখযোগ্য সংখ্যক শেয়ার রহিয়াছে বা তিনি উহার একজন পরিচালক এমন কোন কোম্পানী বা নিগমিত সংস্থা, এবং আইনানুগ ব্যক্তিসত্ত্বার ক্ষেত্রে উহার সহিত সম্পর্কিত কোন আন্ডারটেকিং, কোম্পানী বা নিগমিত সংস্থা যাহা উক্ত আইনানুগ ব্যক্তিসত্ত্বার একটি নিয়ন্ত্রণকারী (holding), অধীনস্থ (subsidiary) বা সহযোগী (associate) কোম্পানী;

(২০) "সিকিউরিটিজ" অর্থ Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 2 এর clause (1) এ সংজ্ঞায়িত "securities ";

(২১) "স্বতন্ত্র পরিচালক" অর্থ এক্সচেঞ্জ এর কোন পরিচালক, যিনি উহার ব্যবস্থাপনা, ব্যবসা, সেবা, লেনদেন এবং উহার উল্লেখযোগ্য সংখ্যক শেয়ার ধারকের সহিত সম্পর্কিত নহে।

(২) প্রসংগের প্রয়োজনে ভিন্নরূপ না হইলে, এই আইনে ব্যবহৃত যে সকল শব্দ বা অভিব্যক্তির সংজ্ঞা দেওয়া হয় নাই, সেই সকল শব্দ বা অভিব্যক্তি Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), ব্যাংক কোম্পানী আইন, ১৯৯১ (১৯৯১ সনের ১৪ নং আইন), বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন), আর্থিক প্রতিষ্ঠান আইন, ১৯৯৩ (১৯৯৩ সনের ২৭ নং আইন), কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন), ডিপজিটরি আইন, ১৯৯৯ (১৯৯৯ সনের ৬ নং আইন), বীমা আইন, ২০১০ (২০১০ সনের ১৩ নং আইন) এ যে অর্থে ব্যবহৃত হইয়াছে উক্ত শব্দ বা অভিব্যক্তি সেই অর্থ বহন করিবে।

৩। **আইনের প্রাধান্য**।—আপাততঃ বলবৎ অন্য কোন আইন, চুক্তি বা আইনগত দলিলে যাহা কিছুই থাকুক না কেন, এই আইনের বিধানাবলী প্রাধান্য পাইবে।

দ্বিতীয় অধ্যায়
ডিমিউচ্যুয়ালাইজেশন

৪। **এক্সচেঞ্জ এর ডিমিউচ্যুয়ালাইজেশন**।—(১) এই আইন কার্যকর হইবার পর ধারা ৫ অনুযায়ী স্কীম দাখিল এবং এই আইনের অন্যান্য বিধানাবলী অনুসরণ ও কমিশন কর্তৃক নির্ধারিত কার্যক্রম সম্পন্ন করিয়া বিদ্যমান এক্সচেঞ্জ এর সিকিউরিটিজ লেনদেনের অধিকার (Trading Right) উহার মালিকানা ও ব্যবস্থাপনা হইতে পৃথকীকরণের মাধ্যমে ডিমিউচ্যুয়ালাইজ করিতে হইবে।

(২) এই আইন কার্যকর হইবার পর নিম্নলিখিত শর্তাবলী পরিপালন না করিয়া কোন এক্সচেঞ্জ অথবা কোন ব্যক্তি সিকিউরিটিজ লেনদেনের উদ্দেশ্যে এক্সচেঞ্জ কর্তৃক পরিচালিত কোন কার্যক্রম পরিচালনা বা সেবা প্রদান করিতে পারিবে না, যদি না,—

(ক) উক্ত এক্সচেঞ্জ কমিশন কর্তৃক নিবন্ধিত হয়;

(খ) উহা শেয়ার দ্বারা সীমাবদ্ধ একটি পাবলিক কোম্পানী হিসাবে নিবন্ধিত হয়;

(গ) উহা ডিমিউচ্যুয়ালাইজড হয়।

৫। **ডিমিউচ্যুয়ালাইজেশন এর জন্য স্কীম দাখিল**।—এই আইন কার্যকর হইবার তারিখ হইতে ৯০ (নব্বই) দিনের মধ্যে বিদ্যমান এক্সচেঞ্জ ডিমিউচ্যুয়ালাইজেশন স্কীমসহ নিম্নলিখিত তথ্যাদি কমিশন এর নিকট দাখিল করিবে, যথা :—

(ক) উহার সংঘস্মারক ও সংঘবিধি পরিবর্তন সংক্রান্ত প্রস্তাব যাহাতে অন্যান্য বিষয়ের মধ্যে পরিচালনা পরিষদের সদস্য হইবার জন্য প্রয়োজনীয় যোগ্যতা ও অভিজ্ঞতার বিস্তারিত বিবরণ থাকিতে হইবে;

(খ) উহার প্রাথমিক শেয়ারহোল্ডারদের নামের তালিকা এবং তাহাদের প্রত্যেকের নামে নগদ অর্থের বিনিময় ব্যতিরেকে (For consideration other than cash) বরাদ্দতব্য শেয়ারের পরিমাণ;

(গ) ডিমিউচ্যুয়ালাইজেশন এর জন্য প্রাতিষ্ঠানিক পরিচালনা কাঠামো (Governance Structure) সংক্রান্ত Board and Administration Regulations, অথবা অনুরূপ বিধানাবলীর খসড়া;

(ঘ) প্রস্তাবিত প্রথম পরিচালনা পরিষদের পরিচালকদের তালিকা;

(ঙ) কমিটিসমূহের কাঠামো এবং উক্ত কমিটিসমূহে স্বতন্ত্র পরিচালকদের ভূমিকার বিস্তারিত বিবরণ;

(চ) কমিশন কর্তৃক নির্ধারিত যে কোন তারিখে এক্সচেঞ্জ এর আর্থিক মূল্যায়ন প্রতিবেদন যাহা ডিসকাউন্টেড ক্যাশ ফ্লো, ডিভিডেন্ড ডিসকাউন্ট, এন্টারপ্রাইজ ভ্যালু, সদস্যদের সম্মিলিত মূলধনের নীট সম্পদ মূল্য এবং ভবিষ্যৎ আয়ের বর্তমান মূল্য এর সংমিশ্রণে, অথবা কমিশনের নিকট গ্রহণযোগ্য যে কোন আন্তর্জাতিকভাবে স্বীকৃত পদ্ধতি অনুসরণে, কমিশন কর্তৃক নিবন্ধিত কোন মার্চেন্ট ব্যাংকার অথবা বিদেশী ইনভেস্টমেন্ট ব্যাংক কর্তৃক প্রস্তুত করিতে হইবে;

(ছ) কমিশন কর্তৃক নির্ধারিত যে কোন তারিখে তৎকর্তৃক অনুমোদিত কোন নিরীক্ষক কর্তৃক প্রস্তুতকৃত এক্সচেঞ্জ এর দায় ও সম্পদের পুনঃমূল্যনির্ধারণ (Re-valuation) এবং উহার ভিত্তিতে ১০ (দশ) টাকা অভিহিত মূল্যে (Face Value) শেয়ারের সংখ্যা নির্ধারণ;

(জ) উহার ইস্যুতব্য শেয়ারসংখ্যাসহ অনুমোদিত এবং পরিশোধিত মূলধন সংক্রান্ত প্রস্তাব;

(ঝ) সংশ্লিষ্ট যে সকল বিধানাবলীর পরিবর্তন করিতে হইবে সেইগুলির খসড়া সংশোধনী প্রস্তাব;

(ঞ) স্বার্থ-সংঘাত নিয়ন্ত্রণ এবং বিনিয়োগকারীর স্বার্থ সংরক্ষণ পদ্ধতি;

(ট) স্ব-নিয়ন্ত্রক এর দায়িত্ব হইতে ব্যবসা কার্যক্রম পৃথকীকরণের পদ্ধতি;

(ঠ) শেয়ার মালিকানা বিস্তৃতকরণ পদ্ধতি এবং উহা অর্জনের জন্য সময়সীমা;

(ড) নতুন ট্রেক-হোল্ডারদের অন্তর্ভুক্তির ক্ষেত্রে এক্সচেঞ্জ কর্তৃক যোগ্যতা, ফি নির্ধারণ, এবং অন্যান্য আনুষ্ঠানিকতা প্রতিপালনের জন্য সময়সীমা নির্দিষ্টকরণ;

(খ) অন্যূন ৩ (তিন) বৎসরের ব্যবসায় পরিকল্পনাসহ উহার লভ্যাংশ সংক্রান্ত নীতিমালা (policy on dividend), সম্ভাব্য মূলধনী ব্যয় (Capital expenditure) এবং অর্থায়নের উৎস সংক্রান্ত বিবরণী;

(গ) ডিমিউচ্যুয়ালাইজেশন এর জন্য প্রয়োজনীয় অথবা উহার সহিত সম্পর্কিত অন্য যে কোন বিষয়।

৬। **স্কীম অনুমোদন**।—(১) ধারা ৫ অনুযায়ী দাখিলকৃত স্কীম প্রাপ্তির পর অনধিক ৬০ (ষাট) দিনের মধ্যে কমিশন তৎকর্তৃক প্রয়োজনীয় বলিয়া বিবেচিত সংশোধনসহ বা সংশোধন ব্যতিরেকেই উক্ত স্কীম অনুমোদন করিবে।

(২) উপ-ধারা (১) অনুযায়ী কোন সংশোধন বা পরিবর্তন করিবার ক্ষেত্রে বিদ্যমান এক্সচেঞ্জকে শুনানীর সুযোগ প্রদান করিতে হইবে।

(৩) দাখিলকৃত স্কীম ও তথ্যাদির মধ্যে অসম্পূর্ণতা থাকিলে উহা দূরীকরণের জন্য কমিশন সময় নির্দিষ্ট করিয়া বিদ্যমান এক্সচেঞ্জকে নির্দেশনা প্রদান করিতে পারিবে।

(৪) বিদ্যমান এক্সচেঞ্জ কর্তৃক নির্দিষ্ট সময়ের মধ্যে প্রয়োজনীয় কার্যক্রম গ্রহণে ব্যর্থতার ক্ষেত্রে, কমিশন, সংশ্লিষ্ট দলিলাদি প্রস্তুত করিয়া উহার সিদ্ধান্ত বিদ্যমান এক্সচেঞ্জকে প্রতিপালনের জন্য জানাইয়া দিতে পারিবে এবং উক্ত দলিলাদি প্রস্তুতের জন্য কোন মার্চেন্ট ব্যাংকার বা কোন নিরীক্ষক নিয়োগের প্রয়োজন হইলে, উহার যাবতীয় ব্যয় সংশ্লিষ্ট বিদ্যমান এক্সচেঞ্জ বহন করিবে।

(৫) উপ-ধারা (৪) এর অধীন কমিশন কর্তৃক প্রস্তুতকৃত দলিলাদি বা গৃহীত কোন সিদ্ধান্ত চূড়ান্ত বলিয়া গণ্য হইবে এবং উহা সংশ্লিষ্ট এক্সচেঞ্জ এবং উহার সদস্যবৃন্দের জন্য বাধ্যকর হইবে।

৭। **অনুমোদিত স্কীম প্রকাশনা**।—বিদ্যমান এক্সচেঞ্জ স্কীম অনুমোদন প্রাপ্তির ৭ (সাত) দিনের মধ্যে অনুমোদিত স্কীম —

(ক) সকল সদস্যের নিকট বন্টন করিবে;

(খ) সংশ্লিষ্ট এক্সচেঞ্জের ওয়েব সাইটে প্রকাশ করিবে;

(গ) দুইটি বাংলা এবং দুইটি ইংরেজীতে প্রকাশিত বহুল প্রচারিত জাতীয় দৈনিক পত্রিকায় প্রকাশ করিবে; এবং

(ঘ) সরকারি গেজেটে প্রকাশের ব্যবস্থা গ্রহণ করিবে।

৮। **সংঘস্মারক ও সংঘবিধি পরিবর্তন, শেয়ার বরাদ্দ, ইত্যাদি**।—স্কীম অনুমোদন প্রাপ্তির ৩০ (ত্রিশ) দিনের মধ্যে, বিদ্যমান এক্সচেঞ্জ —

(ক) উহার শেয়ারহোল্ডারদের সাধারণ সভায় অনুমোদিত স্কীম, সংঘস্মারক ও সংঘবিধি পরিবর্তন এবং ডিমিউচ্যুয়ালাইজড এক্সচেঞ্জ এর প্রথম পরিচালনা পরিষদ এর পরিচালকগণের তালিকা বিশেষ সিদ্ধান্ত হিসাবে গ্রহণ (adopt) করিবে;

(খ) প্রাথমিক শেয়ারহোল্ডারগণের অনুকূলে অজড় (Dematerialized) অবস্থায় শেয়ার বরাদ্দ করিবে, যাহা কোন সময় বা কোন কারণেই জড় (Rematerialized) অবস্থায় রূপান্তর করা যাইবে না;

(গ) প্রাথমিক শেয়ারহোল্ডারগণের অনুকূলে বরাদ্দকৃত শেয়ারের অন্যূন ৬০ (ষাট) শতাংশ শেয়ার একটি ব্লকড হিসাবে ধারা ১৪ অনুযায়ী হস্তান্তরের সময় পর্যন্ত জমা রাখিবে;

(ঘ) প্রাথমিক শেয়ারহোল্ডারকে ব্লকড হিসাবে জমাকৃত উহার শেয়ারের সংখ্যা উল্লেখপূর্বক একটি করিয়া সনদ প্রদান করিবে; এবং

(ঙ) প্রাথমিক শেয়ারহোল্ডারকে একটি করিয়া ট্রেডিং রাইট এনটাইটেলমেন্ট সার্টিফিকেট (ট্রেক) প্রদান করিবে।

৯। **সংঘস্মারক ও সংঘবিধি দাখিল, ইত্যাদি**।—(১) বিদ্যমান এক্সচেঞ্জ ধারা ৮ এর দফা (ক) অনুযায়ী সংঘস্মারক ও সংঘবিধি পরিবর্তনের বিশেষ সিদ্ধান্ত গ্রহণের ৭ (সাত) দিনের মধ্যে উহা কমিশন এবং রেজিস্ট্রারের নিকট নিম্নলিখিত কাগজাদি দাখিল করিবে, যথাঃ—

(ক) গৃহীত সংঘস্মারক ও সংঘবিধি একটি অনুলিপি;

(খ) সংঘস্মারক ও সংঘবিধি পরিবর্তন সংক্রান্ত বিশেষ সিদ্ধান্তের অনুলিপি;

(গ) উহার প্রথম পরিচালনা পরিষদ এর পরিচালকদের বিবরণ (Particulars of Directors);

(ঘ) উহার শেয়ার বরাদ্দ সংক্রান্ত প্রতিবেদনের (Return of allotment of shares) অনুলিপি;

(ঙ) প্রাথমিক শেয়ারহোল্ডারের অনুকূলে অজড় অবস্থায় শেয়ার বরাদ্দ করা হইয়াছে মর্মে উহার নিরীক্ষক কর্তৃক ইস্যুকৃত প্রত্যয়নপত্র; এবং

(চ) প্রাথমিক শেয়ারহোল্ডারের অনুকূলে বরাদ্দকৃত শেয়ারের অন্যূন ৬০ (ষাট) শতাংশ ব্লকড হিসাবে জমা করা হইয়াছে মর্মে ডিপজিটরির প্রত্যয়নপত্র।

(২) উপ-ধারা (১) এ উল্লিখিত কাগজাদি দাখিল হওয়ার পর উক্ত কাগজাদি সম্পর্কে সংশ্লিষ্ট বিধি-বিধান অনুসরণের বিষয়ে সন্তুষ্ট হইলে, রেজিস্ট্রার, দাখিল হওয়ার অনধিক ১৪ (চৌদ্দ) দিনের মধ্যে —

(ক) গৃহীত সংঘস্মারক ও সংঘবিধি নিবন্ধিকৃত করিয়া নিবন্ধন প্রত্যয়নপত্র প্রদান করিবেন; এবং

(খ) গ্যারান্টি দ্বারা সীমাবদ্ধ পাবলিক কোম্পানী হইতে শেয়ার দ্বারা সীমাবদ্ধ পাবলিক কোম্পানীতে রূপান্তরের প্রমাণস্বরূপ সংশ্লিষ্ট এক্সচেঞ্জ এর অনুকূলে একটি পুনঃনিবন্ধন সনদ প্রদান করিবেন।

(৩) এই আইন দ্বারা নির্ধারিত দায়িত্ব হস্তান্তরের সময় পর্যন্ত এক্সচেঞ্জের প্রথম পরিচালনা পরিষদ উহার উপর অর্পিত দায়িত্ব পালন করিবে।

১০। **ডিমিউচ্যুয়ালাইজেশনের তারিখ।**—ধারা ৮ এর দফা (ক)-তে বর্ণিত সভা অনুষ্ঠানের তারিখ অথবা প্রযোজ্য ক্ষেত্রে, ধারা ৯ এর উপ-ধারা (২) এ বর্ণিত নিবন্ধন প্রত্যয়নপত্র প্রদানের তারিখ, এই দুইয়ের মধ্যে যেই তারিখ পরে হয়, ক্ষেত্র বিশেষে সেই তারিখ হইতে সংশ্লিষ্ট বিদ্যমান এক্সচেঞ্জ ডিমিউচ্যুয়ালাইজড বলিয়া গণ্য হইবে।

১১। **ডিমিউচ্যুয়ালাইজেশন পরবর্তী পালনীয় শর্তাদি।**—(১) বিদ্যমান অন্য কোন আইনে যাহা কিছুই থাকুক না কেন, ডিমিউচ্যুয়ালাইজড এক্সচেঞ্জ, নিম্নলিখিত শর্তাদি আবশ্যিকভাবে পালন করিবে, যথা ঃ—

(ক) ডিমিউচ্যুয়ালাইজেশন এর তারিখ হইতে ৯০ (নব্বই) দিনের মধ্যে সংঘবিধি অনুযায়ী নির্বাচন সম্পন্ন করিয়া পরিচালনা পরিষদের প্রথম সভা অনুষ্ঠান করিবে;

(খ) লেনদেনের অধিকার হইতে উহার মালিকানা ও ব্যবস্থাপনা পৃথক করিবে;

(গ) অনুমোদিত স্কীম-এ বর্ণিত যোগ্যতা ও শর্তাদি অনুযায়ী ট্রেডিং রাইট এন্টাইটেলমেন্ট সার্টিফিকেট প্রদান করিবে;

(ঘ) কমিশনের লিখিত পূর্বানুমোদন সাপেক্ষে, বিশেষ সিদ্ধান্তবলে, নতুন শেয়ার ইস্যু করিবে।

(২) ডিমিউচ্যুয়ালাইজড এক্সচেঞ্জ এর পরিচালনা পরিষদের চেয়ারম্যানসহ সংখ্যাগরিষ্ঠ সদস্য স্বতন্ত্র পরিচালক হইবেন।

(৩) ডিমিউচ্যুয়ালাইজড এক্সচেঞ্জ এর পরিচালনা পরিষদ স্বতন্ত্র পরিচালকদের মধ্য হইতে চেয়ারম্যান নির্বাচন করিবে।

তৃতীয় অধ্যায়

শেয়ার হোল্ডিং এর সীমা, ব্লকড (blocked) শেয়ার, ট্রেক লেনদেন, ইত্যাদি

১২। **শেয়ারহোল্ডিং এর সীমা, ইত্যাদি।**—(১) ডিমিউচ্যুয়ালাইজড এক্সচেঞ্জ এর ক্ষেত্রে—

(ক) ব্লকড হিসাবে প্রাথমিক শেয়ারহোল্ডারগণ কর্তৃক সামষ্টিকভাবে ধারণকৃত শেয়ার ব্যতীত, ট্রেক হোল্ডারগণ এবং তাহাদের সহিত সম্পর্কিত ব্যক্তি কর্তৃক সামষ্টিকভাবে ধারণকৃত শেয়ার উহার মোট ইস্যুকৃত শেয়ারের শতকরা ৪০ (চল্লিশ) ভাগের অধিক হইবে না;

(খ) কোন কৌশলগত বিনিয়োগকারী, কমিশনের অনুমোদন সাপেক্ষে, উহার মোট ইস্যুকৃত শেয়ারের শতকরা ২৫ (পঁচিশ) ভাগ পর্যন্ত ধারণ করিতে পারিবে :

তবে শর্ত থাকে যে, কমিশন, জনস্বার্থে, এই সীমার অধিক শেয়ার ধারণ করিবার জন্য কোন কৌশলগত বিনিয়োগকারীকে অনুমোদন প্রদান করিতে পারিবে ;

(গ) কোন ব্যক্তি, কৌশলগত বিনিয়োগকারী ব্যতীত, এককভাবে এবং তাহার সহিত সম্পর্কিত ব্যক্তির সহিত যৌথভাবে উহার মোট ইস্যুকৃত শেয়ারের শতকরা ৫ (পাঁচ) ভাগের অধিক শেয়ার ধারণ করিতে পারিবে না।

(২) যদি কোন এক্সচেঞ্জ এর এমন ধারণা পোষণ করিবার কারণ ঘটে যে, কোন ব্যক্তি উপ-ধারা (১) এর দফা (ক) বা (খ) বা (গ) লংঘন করিয়াছে, তাহা হইলে উক্ত এক্সচেঞ্জ সংশ্লিষ্ট ব্যক্তিকে শেয়ারের প্রকৃত মালিকের পরিচয় প্রকাশের জন্য নির্দেশ প্রদান করিতে পারিবে এবং এইরূপ নির্দেশ অমান্য করিলে, এক্সচেঞ্জ উক্ত নির্দেশ অমান্যকারী শেয়ারহোল্ডার কর্তৃক ধারণকৃত শেয়ার জব্দ করিতে পারিবে এবং বিষয়টি ৭ (সাত) দিনের মধ্যে কমিশনকে অবহিত করিবে।

(৩) কোন ব্যক্তি উপ-ধারা (১) এর দফা (ক) বা (খ) বা (গ) এ বর্ণিত শেয়ার হোল্ডিং সীমা লংঘন করিলে, কমিশন উক্ত ব্যক্তিকে তাহার ধারণ সীমার অতিরিক্ত শেয়ারসমূহ তৎকর্তৃক নির্ধারিত পদ্ধতিতে এবং সময়ে হস্তান্তর করিবার নির্দেশনা প্রদান করিতে পারিবে।

১৩। **ব্লকড হিসাবে ধারণকৃত শেয়ারের প্রাপ্যতা ও রক্ষণাবেক্ষণ।**—(১) ব্লকড হিসাবে সংরক্ষিত শেয়ারের প্রাপ্যতা হইবে নিম্নরূপ, যথা:—

(ক) উহাদের বিপরীতে অর্জিত লভ্যাংশ, বোনাস শেয়ার, রাইটস শেয়ার এবং বিক্রয়ের ফলে অর্জিত বিনিময়মূল্য প্রাথমিক শেয়ারহোল্ডারগণ প্রাপ্য হইবেন;

(খ) উহাদের বিপরীতে অর্জিত বোনাস শেয়ার বা রাইটস শেয়ার ব্লকড হিসাবে ধারণকৃত শেয়ারের সহিত যোগ হইবে এবং ধারা ১৪ এ উল্লিখিত উপায়ে ব্লকড হিসাবে সংরক্ষিত শেয়ারের সহিত হস্তান্তরিত হইবে।

(২) ব্লকড হিসাবে সংরক্ষিত শেয়ার রক্ষণাবেক্ষণ এবং হস্তান্তরের অধিকার পরিচালনা পরিষদের উপর বর্তাইবে।

১৪। **ব্লকড হিসাবে (blocked account) সংরক্ষিত শেয়ার হস্তান্তর।**—(১) ডিমিউচ্যুয়ালাইজেশন পরবর্তী অনধিক ৩(তিন) বৎসরের মধ্যে যে কোন সময়, কমিশন, কোন এক্সচেঞ্জকে নিম্নলিখিত কার্যাদি নির্দেশনা প্রদানের ১ (এক) বৎসরের মধ্যে সম্পাদনের জন্য নির্দেশনা প্রদান করিতে পারিবে, যথাঃ—

(ক) ব্লকড হিসাবে সংরক্ষিত শেয়ার হইতে মোট ইস্যুকৃত শেয়ারের অনধিক শতকরা ২৫ (পঁচিশ) ভাগ শেয়ার বিক্রয়ের জন্য কোন কৌশলগত বিনিয়োগকারীর সহিত ১ (এক) বৎসর মেয়াদী বা কমিশন কর্তৃক নির্ধারিত সময়ের জন্য চুক্তি সম্পাদন;

(খ) কৌশলগত বিনিয়োগকারীদের অনুকূলে বরাদ্দকৃত শেয়ার ব্যতিরেকে ব্লকড হিসাবে সংরক্ষিত অবশিষ্ট শেয়ার জনগণ বা প্রাতিষ্ঠানিক বিনিয়োগকারীদের নিকট বিক্রয়ের প্রস্তাব প্রদান করা যাইবে:

তবে শর্ত থাকে যে, সংশ্লিষ্ট এক্সচেঞ্জ উল্লিখিত সময়ের মধ্যে উক্ত নির্দেশনা প্রতিপালন করিতে না পারিবার যুক্তিসংগত কারণ উল্লেখ করিয়া আবেদন করিলে, কমিশন, উক্তরূপ প্রতিপালনের সময়সীমা বর্ধিত করিতে পারিবে।

(২) উপ-ধারা (১) এ উল্লিখিত ১(এক) বৎসর অথবা কমিশন কর্তৃক নির্ধারিত সময়সীমার মধ্যে কোন এক্সচেঞ্জ যদি বর্ণিত শেয়ার বিক্রয়ের উদ্দেশ্যে কোন কৌশলগত বিনিয়োগকারীর সহিত চুক্তি সম্পাদনে ব্যর্থ হয়, সেক্ষেত্রে উক্ত এক্সচেঞ্জ, কমিশনের অনুমোদনক্রমে, কৌশলগত বিনিয়োগকারী ব্যতীত অন্য কাহারও নিকট উহার পরিচালনা পরিষদ কর্তৃক নির্ধারিত পদ্ধতিতে উক্ত শেয়ারসমূহ হস্তান্তর করিতে পারিবে।

(৩) ব্লকড হিসাবে সংরক্ষিত শেয়ারের হস্তান্তর সম্পন্ন না হওয়া পর্যন্ত উহার বিপরীতে ভোটদানের ক্ষমতা রহিত থাকিবে।

১৫। **কৌশলগত বিনিয়োগকারী কর্তৃক শেয়ার ক্রয়-বিক্রয়।**—(১) ধারা ১৪ অনুসারে কোন কৌশলগত বিনিয়োগকারী শেয়ার অর্জন করিলে, কমিশনের অনুমোদন সাপেক্ষে, উহা কেবলমাত্র অন্য কোন কৌশলগত বিনিয়োগকারীর নিকট বিক্রয় করিতে পারিবে।

(২) কমিশন, লিখিত আদেশ দ্বারা, কৌশলগত বিনিয়োগকারীর শেয়ার ক্রয়, বিক্রয়, অর্জন, অধিগ্রহণ বা কর্তৃত্ব গ্রহণের ক্ষেত্রে এতদ্‌সংক্রান্ত বিদ্যমান বিধানাবলীর প্রযোজ্যতা হইতে অব্যাহতি প্রদান করিতে পারিবে।

১৬। **ট্রেডিং রাইট এন্টাইটেলমেন্ট সার্টিফিকেট বা ট্রেক গ্রহণ, হস্তান্তর, ইত্যাদি।**—(১) অনিবন্ধিত কোন প্রাথমিক শেয়ারহোল্ডার, যাহার অনুকূলে ট্রেক ইস্যু করা হইয়াছে, তিনি বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) বা তদধীন প্রণীত কোন বিধিমালার বিধান অনুসারে নিবন্ধিত না হইয়া থাকিলে, তাহাকে ডিমিউচ্যুয়ালাইজেশনের তারিখ হইতে ৩ (তিন) বৎসরের মধ্যে উক্ত আইন বা বিধিমালার বিধান অনুসারে নিবন্ধন সনদ গ্রহণ করিতে হইবে এবং উক্ত সনদ প্রাপ্তির ৬ (ছয়) মাসের মধ্যে ব্যবসা শুরু করিতে হইবে।

(২) ডিমিউচ্যুয়ালাইজেশনের তারিখ হইতে ৫(পাঁচ) বৎসরের মধ্যে ইস্যুকৃত ট্রেক একবার হস্তান্তর করা যাইবে।

(৩) উপ-ধারা (২) এর অধীন কোন কোম্পানী হস্তান্তরিত ট্রেক গ্রহণ করিলে, উক্তরূপ গ্রহণের ১২ (বার) মাসের মধ্যে উহাকে বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) বা তদধীন প্রণীত কোন বিধিমালার বিধান অনুসারে নিবন্ধন সনদ গ্রহণ করিতে হইবে এবং উক্ত সনদ গ্রহণের ৬(ছয়) মাসের মধ্যে ব্যবসা পরিচালনা শুরু করিতে হইবে।

(৪) ডিমিউচ্যুয়ালাইজেশনের ৫(পাঁচ) বৎসরের মধ্যে, কোন এক্সচেঞ্জ শেয়ারহোল্ডারদের সভায় বিশেষ সিদ্ধান্ত গ্রহণ পূর্বক ট্রেকের সংখ্যা বৃদ্ধি করিতে পারিবে।

(৫) ডিমিউচ্যুয়ালাইজেশনের তারিখ হইতে ৫(পাঁচ) বৎসর অতিক্রান্ত হইবার পর কোন এক্সচেঞ্জ কর্তৃক, ধারা ১১ এর দফা (গ) পরিপালন সাপেক্ষে, নির্ধারিত পদ্ধতিতে কোন আবেদনকারীর অনুকূলে ট্রেক ইস্যু করা যাইবে।

(৬) ধারা ১১ এর দফা (গ) এর অধীনে কোন কোম্পানী ট্রেক গ্রহণ করিলে, উহার ১২ (বার) মাসের মধ্যে বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) বা তদধীন প্রণীত কোন বিধিমালার বিধান অনুসারে নিবন্ধন সনদ গ্রহণ করিতে হইবে এবং নিবন্ধন সনদ গ্রহণের ৬ (ছয়) মাসের মধ্যে ব্যবসা শুরু করিতে হইবে।

(৭) ডিমিউচ্যুয়ালাইজেশনের তারিখ হইতে ৫(পাঁচ) বৎসর অতিক্রান্ত হইলে সকল ট্রেক অ-হস্তান্তরযোগ্য হইবে।

(৮) কোন কোম্পানী বা প্রাথমিক শেয়ারহোল্ডার উপ-ধারা (১) ও (৩) এর বিধান অনুযায়ী নিবন্ধন সনদ গ্রহণ এবং নির্দিষ্ট সময়ের মধ্যে ব্যবসা শুরু করিতে ব্যর্থ হইলে সংশ্লিষ্ট ট্রেক বাতিল হইয়া যাইবে।

(৯) ট্রেডিং রাইট এন্টাইটেলমেন্ট সার্টিফিকেট ধারকগণের জন্য উহার শেয়ার ধারক হইবার বাধ্যবাধকতা থাকিবে না।

(১০) ডিমিউচ্যুয়ালাইজড এক্সচেঞ্জ, বিধি দ্বারা নির্ধারিত পদ্ধতিতে, ট্রেক ইস্যু, স্থগিত ও বাতিল করিতে পারিবে।

১৭। **তালিকাভুক্তি।**—কোন এক্সচেঞ্জের শেয়ার উহার সিদ্ধান্ত ও সময় অনুযায়ী প্রবিধান দ্বারা নির্ধারিত পদ্ধতিতে যে কোন এক্সচেঞ্জে তালিকাভুক্ত হইতে পারিবে।

চতুর্থ অধ্যায়

ডিমিউচ্যুয়ালাইজেশন এর ফলাফল

১৮। **চলমান কার্যধারা, ইত্যাদি।**— ডিমিউচ্যুয়ালাইজেশন এর ফলে বিদ্যমান এক্সচেঞ্জ এর—

(ক) সকল সিকিউরিটিজ ডিমিউচ্যুয়ালাইজড এক্সচেঞ্জ এ তালিকাভুক্ত সিকিউরিটিজ হিসাবে গণ্য হইবে;

(খ) প্রবিধান বা বিধি-বিধান অনুসারে প্রদত্ত কোন আদেশ বা নির্দেশ, অনুমোদিত স্কীম এর সহিত সাংঘর্ষিক না হওয়া সাপেক্ষে, ডিমিউচ্যুয়ালাইজড এক্সচেঞ্জ এর ক্ষেত্রে প্রযোজ্য হইবে;

(গ) অর্জিত কোন অধিকার, সুবিধা, দায়-দায়িত্ব, সম্পাদিত কোন চুক্তি বা দেনা-পাওনার কোন পরিবর্তন হইবে না, বা উহার বিরুদ্ধে সূচিত কোন আইনানুগ কার্যধারা ত্রুটিপূর্ণ বলিয়া গণ্য হইবে না, এবং উহার বিরুদ্ধে কোন আইনানুগ কার্যধারা অব্যাহত থাকিলে বা উহা দ্বারা সূচিত হইয়া থাকিলে উহা চলমান ও অব্যাহত থাকিবে;

(ঘ) কোন বিধি-বিধান লংঘনের কারণে কাহারও বিরুদ্ধে সূচিত হইতে পারে, এমন কোন আইনানুগ কার্যধারা গ্রহণে বাধা হইবে না;

(ঙ) নতুন কোন আইনগত সত্তা প্রতিষ্ঠিত হইবে না বা উহার পরিচিতি বা ধারাবাহিকতায় কোন প্রকার বাধা সৃষ্টি হইবে না;

(চ) সকল সম্পদ সংশ্লিষ্ট ডিমিউচ্যুয়ালাইজড এক্সচেঞ্জ এর সম্পদ হিসাবে গণ্য হইবে;

(ছ) সকল কর্মকর্তা-কর্মচারী ডিমিউচ্যুয়ালাইজড এক্সচেঞ্জ এর কর্মকর্তা-কর্মচারী হিসাবে গণ্য হইবেন এবং তাহাদের বেতন-ভাতা, প্রভিডেন্ট ফান্ড, ছুটি, অবসর ও চাকুরীর অন্যান্য শর্তাদি একইরূপে বহাল থাকিবে;

(জ) কোন অনুমোদন, দায়িত্ব ঘোষণা, দায়মুক্তি ঘোষণা, প্রদত্ত ছাড়পত্র, অব্যাহতি, গৃহীত সিদ্ধান্ত, ব্যবস্থা, প্রদত্ত ফিস, কৃত বন্ধক, হস্তান্তর, বহি বা অন্যবিধ দলিল বা কৃত কার্যাদি বা উহাদের অনুবলে সম্পাদিত কার্যাদি পূর্বের ন্যায় বহাল ও কার্যকর থাকিবে।

১৯। **এক্সচেঞ্জ এর কার্যক্রম পরিচালনায় বাধ্যবাধকতা।**—এক্সচেঞ্জ সকল সময়,—

(ক) জনস্বার্থ তথা বিনিয়োগকারীদের স্বার্থ সংরক্ষণের জন্য কাজ করিবে; এবং

(খ) উহার স্বার্থের সহিত সাংঘর্ষিক হইলে জনস্বার্থ তথা বিনিয়োগকারীদের স্বার্থকে প্রাধান্য প্রদান করিবে।

পঞ্চম অধ্যায়

অপরাধ ও দণ্ড

২০। **অপরাধ ও দণ্ড।**—(১) কমিশনের নিকট প্রাথমিকভাবে (Prima facie) যদি প্রতীয়মান হয় যে, কোন এক্সচেঞ্জ বা বিদ্যমান এক্সচেঞ্জ বা উহার কোন পরিচালক, সদস্য, প্রধান নির্বাহী কর্মকর্তা, কর্মকর্তা-কর্মচারী, কমিটির কোন সদস্য, শেয়ারহোল্ডার বা কোন ব্যক্তি ইচ্ছাকৃতভাবে ও জ্ঞাতসারে এই আইনের কোন বিধান পালনে ব্যর্থ হইয়াছে বা লংঘন করিয়াছে, তাহা হইলে কারণ প্রদর্শনের যুক্তিসংগত সুযোগ প্রদান করিয়া উক্তরূপ ব্যর্থতা বা লংঘনের জন্য কমিশন—

(ক) সংশ্লিষ্ট এক্সচেঞ্জকে অন্যূন ১০ (দশ) লক্ষ টাকা অর্থদণ্ডে দণ্ডিত করিতে পারিবে, অথবা উক্ত এক্সচেঞ্জের নিবন্ধন সনদ স্থগিত করিতে পারিবে;

(খ) উহার কোন পরিচালক, সদস্য, প্রধান নির্বাহী কর্মকর্তা, কর্মকর্তা-কর্মচারী, কমিটির কোন সদস্য, শেয়ারহোল্ডার বা ব্যক্তিকে অন্যূন ১ (এক) লক্ষ টাকা পর্যন্ত অর্থদণ্ডে দণ্ডিত করিতে পারিবে, যাহা তাহার ব্যক্তিগত তহবিল হইতে পরিশোধ করিতে হইবে।

(২) এই আইনের অধীন কমিশন কর্তৃক আরোপিত অর্থদণ্ড অনাদায়ী হইলে উহা বকেয়া ভূমি রাজস্ব হিসাবে আদায়যোগ্য হইবে।

(৩) উপ-ধারা (১) এর বিধানের সামগ্রিকতাকে ক্ষুণ্ণ না করিয়া, কমিশন—

(ক) এক্সচেঞ্জ বা বিদ্যমান এক্সচেঞ্জ এর পরিচালনা পরিষদ অথবা কোন পরিচালক বা কর্মকর্তা-কর্মচারী ইচ্ছাকৃতভাবে ও জ্ঞাতসারে এই আইনের বিধান পালনে ব্যর্থ হইলে বা লংঘন করিলে, উক্ত পরিচালনা পরিষদ বাতিল অথবা পরিচালনা পরিষদের সংশ্লিষ্ট সিদ্ধান্ত পরিবর্তন করিতে পারিবে, অথবা সংশ্লিষ্ট পরিচালককে পরিচালনা পরিষদ হইতে অপসারণ বা তাহার সদস্যপদ সাময়িকভাবে স্থগিত, অথবা সংশ্লিষ্ট কর্মকর্তা-কর্মচারীকে সাময়িকভাবে বরখাস্ত বা অপসারণ করিতে পারিবে;

(খ) এক্সচেঞ্জ বা বিদ্যমান এক্সচেঞ্জ এর প্রধান নির্বাহী কর্মকর্তা ইচ্ছাকৃতভাবে ও জ্ঞাতসারে এই আইনের বিধান পালনে ব্যর্থ হইলে বা লংঘন করিলে, কমিশন তাহাকে সাময়িকভাবে বরখাস্ত বা অপসারণ করিতে পারিবে;

(গ) কোন কমিটি বা কোন কমিটির সদস্য ইচ্ছাকৃতভাবে ও জ্ঞাতসারে এই আইনের বিধান পালনে ব্যর্থ হইলে বা লংঘন করিলে, কমিশন উক্ত কমিটির সদস্যকে সাময়িকভাবে বরখাস্ত বা অপসারণ, বা উক্ত কমিটি বাতিল করিতে পারিবে;

(ঘ) কোন সদস্য, শেয়ারহোল্ডার হউক বা না হউক, ইচ্ছাকৃতভাবে ও জ্ঞাতসারে এই আইনের বিধান পালনে ব্যর্থ হইলে বা লংঘন করিলে, কমিশন উক্ত সদস্যের নিবন্ধন সনদ সাময়িকভাবে স্থগিত বা বাতিল করিতে পারিবে;

(ঙ) কোন এক্সচেঞ্জ বা বিদ্যমান এক্সচেঞ্জ এর পরিচালনা পরিষদ বাতিল অথবা উহার কোন পরিচালক বা কমিটির সদস্য বা কর্মকর্তা-কর্মচারীকে অপসারণ করিলে, লিখিত আদেশ দ্বারা অন্য কোন ব্যক্তি অথবা কর্তৃপক্ষকে, প্রযোজ্য ক্ষেত্রে, তাহাদের স্থলাভিষিক্ত করিতে পারিবে।

২১। **কোম্পানী কর্তৃক অপরাধ সংঘটন।**—এই আইনের কোন বিধান লংঘনকারী ব্যক্তি যদি কোম্পানী হয়, তাহা হইলে উক্ত কোম্পানীর ব্যবস্থাপনা পরিচালক, পরিচালক, ম্যানেজার, সচিব বা অন্য কোন কর্মকর্তা বা এজেন্ট বিধানটি লংঘন করিয়াছেন বলিয়া গণ্য হইবেন যদি না তিনি প্রমাণ করিতে পারেন যে, উক্ত লংঘন তাহার অজ্ঞাতসারে হইয়াছে বা উক্ত লংঘন রোধ করিবার জন্য তিনি যথাসাধ্য চেষ্টা করিয়াছেন।

ষষ্ঠ অধ্যায়

বিবিধ

২২। **বিধি প্রণয়নের ক্ষমতা।**—(১) এই আইনের উদ্দেশ্য পূরণকল্পে, কমিশন, সরকারি গেজেটে প্রজ্ঞাপন দ্বারা, উপ-ধারা (৪) এর বিধান সাপেক্ষে, বিধি প্রণয়ন করিতে পারিবে।

(২) উপ-ধারা (১) অনুযায়ী বিধি প্রণয়নের ক্ষেত্রে সংশ্লিষ্ট বিধি-বিধান অনুসরণ এবং প্রাক-প্রকাশনা করিতে হইবে।

(৩) প্রাক-প্রকাশনার ক্ষেত্রে প্রস্তাবিত বিধি, বা সংশোধনের নিমিত্ত উহার খসড়া অন্যূন ৩ (তিন) সপ্তাহের সময় প্রদানপূর্বক জনমত আহবান করিয়া সরকারি গেজেটের পাশাপাশি কমিশনের ওয়েবসাইটে প্রকাশ করিতে হইবে এবং কমপক্ষে ৩ (তিন) টি দৈনিক পত্রিকাতে উল্লিখিত ওয়েবসাইটের ঠিকানাসহ ওয়েবসাইটে প্রকাশিত বিধির প্রাক-প্রকাশনা সংক্রান্ত নোটিশ প্রকাশ করিতে হইবে।

(৪) উপ-ধারা (৩) অনুযায়ী প্রাক-প্রকাশনার পর নির্ধারিত সময়ের মধ্যে কোন মতামত, পরামর্শ বা আপত্তি, যদি কোন, পাওয়া গেলে উহা বিবেচনা করিয়া, কমিশন, খসড়া বিধি সংশোধনপূর্বক উপ-ধারা (১) এর বিধান অনুসারে চূড়ান্তভাবে সরকারি গেজেটে প্রকাশের ব্যবস্থা করিবে।

২৩। **প্রবিধান প্রণয়নের ক্ষমতা**।—(১) এই আইনের উদ্দেশ্য পূরণকল্পে, এক্সচেঞ্জ, কমিশনের পূর্বানুমতিক্রমে, সরকারি গেজেটে প্রজ্ঞাপন দ্বারা, এই আইন বা উহার অধীন প্রণীত বিধির সহিত সংগতিপূর্ণ হওয়া সাপেক্ষে প্রবিধান প্রণয়ন করিতে পারিবে।

(২) যদি কমিশনের নিকট এই মর্মে প্রতীয়মান হয় যে কোন এক্সচেঞ্জ সংক্রান্ত কোন প্রবিধান প্রণয়ন অথবা বিদ্যমান কোন প্রবিধানের সংশোধন বা বাতিল করা প্রয়োজন তাহা হইলে কমিশন উক্ত কার্য সম্পাদনের জন্য এক্সচেঞ্জকে সুনির্দিষ্ট সময় উল্লেখপূর্বক লিখিত আদেশ প্রদান করিতে পারিবে।

(৩) যদি কোন এক্সচেঞ্জ উপ-ধারা (২) এ প্রদত্ত আদেশ নির্দিষ্ট সময়ের মধ্যে পালনে ব্যর্থ হয় তাহা হইলে কমিশন উক্ত প্রবিধান প্রণয়ন, সংশোধন বা বাতিল করিতে পারিবে এবং উক্তরূপে প্রণীত, সংশোধিত বা বাতিলকৃত প্রবিধান এই ধারার অধীন এক্সচেঞ্জ কর্তৃক প্রণীত, সংশোধিত বা বাতিল হইয়াছে বলিয়া গণ্য হইবে।

২৪। **আদেশ বা নির্দেশ প্রদানে কমিশনের ক্ষমতা**।—এই আইনের উদ্দেশ্য পূরণকল্পে কোন আদেশ বা নির্দেশ প্রদান করিবার প্রয়োজন হইলে, কমিশন, কোন এক্সচেঞ্জ অথবা এক্সচেঞ্জের শেয়ারহোল্ডার অথবা ট্রেকহোল্ডার অথবা কোন কমিটি বা কমিটির সদস্যকে যথোপযুক্ত আদেশ বা নির্দেশ প্রদান করিতে পরিবে।

২৫। **গোপনীয়তা সংরক্ষণ**।—এক্সচেঞ্জ বা বিদ্যমান এক্সচেঞ্জ এর কোন পরিচালক, সদস্য, প্রধান নির্বাহী কর্মকর্তা, কর্মকর্তা-কর্মচারী, কমিটির কোন সদস্য, শেয়ারহোল্ডার বা কোন ব্যক্তি এই আইনের বিধান অনুযায়ী কোন দায়িত্ব পালনকালে অথবা অন্য কোনভাবে কোন মূল্য সংবেদনশীল তথ্য, তদন্তাধীন কোন বিষয়ের তথ্য বা বাজার নজরদারি (Market Surveillance) হইতে প্রাপ্ত কোন তথ্য অবগত হইলে উহা কমিশনের সম্মতি ব্যতীত অন্য কাহারও নিকট প্রকাশ করিতে পারিবেন না।

২৬। **জটিলতা নিরসন**।—এই আইনের বিধানাবলী কার্যকর করিবার ক্ষেত্রে এই আইনের কোন বিধানের অস্পষ্টতার কারণে কোন জটিলতা বা অসুবিধা দেখা দিলে সরকার, বিদ্যমান আইন ও বিধি-বিধানের সহিত সামঞ্জস্য রাখিয়া, স্পষ্টীকরণ বা ব্যাখ্যা প্রদানপূর্বক উক্ত বিষয়ে করণীয় সম্পর্কে সংশ্লিষ্টদের দিক-নির্দেশনা প্রদান করিতে পারিবে।

২৭। **ইংরেজীতে অনূদিত পাঠ প্রকাশ।**—এই আইন প্রবর্তনের পর সরকার, সরকারি গেজেটে প্রজ্ঞাপন দ্বারা, এই আইনের ইংরেজীতে অনূদিত একটি নির্ভরযোগ্য পাঠ (Authentic English Text) প্রকাশ করিবে :

তবে শর্ত থাকে যে, এই আইন ও ইংরেজী পাঠের মধ্যে বিরোধের ক্ষেত্রে এই আইন প্রাধান্য পাইবে।

মোঃ মাহ্‌ফুজুর রহমান
সচিব।

ড. মোঃ আলী আকবর (উপ সচিব), উপ পরিচালক, বাংলাদেশ সরকারি মুদ্রণালয়, তেজগাঁও, ঢাকা কর্তৃক মুদ্রিত।
আবদুর রশিদ (উপ সচিব), উপ পরিচালক, বাংলাদেশ ফরম ও প্রকাশনা অফিস,
তেজগাঁও, ঢাকা কর্তৃক প্রকাশিত। web site: www.bgpress.gov.bd

Annexure-18

Master plan of Capital Market

CHAPTER 1: BACKGROUND INFORMATION

1.1 Introduction

The capital market of Bangladesh is considered to be one of the emerging markets in the context of the global financial system. The market has immense potentials for country's industrialization, development of infrastructure in particular and economic growth in general. The extent of volatility in the capital market is more pronounced in Bangladesh than elsewhere in the world. The government and the Securities and Exchange Commission (SEC) have undertaken a good number of initiatives to meet Bangladesh's development financing requirements with a particular focus on developing long term infrastructure financing and strengthening financial stability through promotion of capital market. In this regard formulation of a Master Plan is of crucial importance.

Besides Planning, it is also of utmost significance to establish appropriate arrangements to ensure the successful implementation of the Master Plan for the development of Bangladesh capital market. A large number of reforms are necessary to put the capital market on a trail of sustainable growth. The implementation arrangements have to be robust so that timely and consistent implementations of policy actions can take place. It is also required to guard against policy reversal, where the implementation arrangements will come in action once more.

The arrangements must be flexible so that any unforeseen events can be properly addressed. In order to engage highly skilled knowledgeable human resources, adequate resources must be allocated. A monitoring and evaluation framework, with a feedback loop, must be at work to make the process accountable. This will allow the changes to be made to the plan when the situation demands. Trans-partisan commitment from the highest level of the government and all stakeholders is also necessary in this regard. This is a prerequisite for the successful implementation of the Master plan. Adequate technical assistance is required from time to time to support implementation and ensure consistency with international standards of best practices.

The master plan aims to achieve transparency, accountability and efficiency in the market and strengthen the Securities and Exchange Commission as a regulatory body. In this backdrop and having recognized the need for vibrant capital markets to meet the national growth targets, the Securities and Exchange Commission hereby adopts this Master Plan for Bangladesh capital market development.

1.2 Overarching Objective

To develop a balanced, stable and resilient capital markets in Bangladesh.

1.3 Five Strategic Objectives

We recognize that it is important to take an approach to the development of capital markets that addresses the problems that have surfaced during the last market cycle, accompanied by a broader plan to strengthen incentives for good behavior and against bad behavior, broaden and deepen the markets and strengthen market institutions.

This plan will have the following ***Five Strategic Objectives***:

- To rehabilitate the SEC in terms of:
  - Securing crucial (operational and financial) independence for the SEC;
  - Strengthening its organizational structure;
  - Enhancing (the quality, quantity and skills of) its staff; and
  - Strengthening its (information and internal control) systems
- To strengthen the rules and regulations pertaining to the capital markets;
- To upgrade financial market infrastructure;
- To create a fertile environment to enable the orderly and sustainable emergence of new products (e.g. corporate bonds, asset-backed securities and derivatives);
- To ensure a fertile environment to enable the orderly and sustainable expansion of institutional investors' (e.g. mutual funds, insurance companies, pension funds) participation in the capital markets;

1.4 Seven Categories of Initiatives

Bangladesh Capital Market Development Master Plan (CMDPMP), summarized in Appendix 1 consists of 70 principal initiatives, organized in the following seven categories:

- Implementation arrangements ;
- Legal and Regulatory Initiatives ;
- Bond Market Initiatives;
- Financial Market Infrastructure Initiatives;
- Institutional Investor Initiatives;
- Derivatives and Securitization Initiatives;
- Taxation Initiatives

CHAPTER 2: CAPITAL MARKET DEVELOPMENT INITIATIVES

2.1 Implementation Arrangements

The Securities and Exchange Commission will be the principal implementing agency for the Capital Markets Development Master Plan (CMDP). Initiatives 1 through 7 recognize the importance of establishing robust implementation arrangements to ensure the successful implementation of the Master Plan.

Table 1 – Implementation Initiatives

I #	Initiative	Time Frame	Responsible Party
I1	Agree on implementation structure to include authorization, organizational structure, accountability , pay structure, staffing and resource allocations	Immediate – Short Term	SEC
I2	Agree on implementation processes to include monitoring, evaluation (M&E), reporting of progress, and amending implementation plan to account for evolving circumstances	Immediate – Short Term	SEC
I3	Appoint/engage and authorize Implementation Leader and Team	Short Term	SEC
I4	Appoint Specialized/Expert Working Committees with considerable private sector/industry participation	Short Term	SEC
I5	Develop and launch implementation (public accountability) website	Short Term	SEC
I6	Monitor, evaluate and report on progress	Short Term – Long Term	SEC
I7	Re-evaluate master plan/road map and modify based on lessons learned from M&E	Short Term – Long Term	SEC

We recognize that there will be a multitude of reforms necessary to put the capital markets on a sustainable growth/development path. This is a large task to undertake and finance. The costs of implementing these reforms are likely to be significant. Implementation is likely to be a complex process requiring political will, persistence, patience, adequate resources, flexibility and significant skill in managing the competing interests of all of stakeholders in the process. The implementation arrangements will be robust to ensure the timely and consistent implementation of policy actions, and to guard against policy reversal. These implementation arrangements will include:

- Built-in Flexibility – to account for unforeseen events/circumstances;
- Adequate funding/resource allocation – to allow engagement of highly skilled and knowledgeable local and international resources required to achieve successful implementation.
- A monitoring and evaluation framework with a feedback loop – to make the process accountable and allow for changes to be made to the plan in recognition of the evolving situation;
- "Trans-partisan" commitment from highest level of government and all stakeholders to hold (the present and subsequent) governments accountable
- Adequate technical assistance – to support implementation and ensure consistency with international standards of best practice.

Leading the implementation effort will be a complex task. The people in the leadership positions will need to be well-experienced in Bangladesh's capital markets and well-respected by the industry. We recognize that it is unlikely that it would be possible to attract qualified persons to undertake such a challenging task under the government pay scale, so arrangements need to be made to provide adequate compensation in order to attract and retain qualified leadership.

2.2 Legal & Regulatory Initiatives

The preponderance (57%) of the initiatives comprising the CMDMP is in the category of Legal and Regulatory Initiatives, indicating the severity of the challenges in this area and the importance of squarely addressing them. Initiatives 8 through 47 listed below recognize the importance of implementing legal and regulatory reforms.

We recognize that the principal challenge of the supervisory regime is related to the enforcement of the laws and regulations that are already on the books. The present situation can be characterized as one of "under-enforcement". This is the result of two principal factors: First, weaknesses at the SEC have prevented effective supervision of the markets and intermediaries and have hampered effective enforcement actions. A decade-long "brain drain" coupled with the inability to recruit and train new talent has sapped the SEC's ability to effectively regulate the securities industry.

Second, the prevailing court system, in terms of time required to dispose the cases, has allowed offenders to tie up cases for lengthy periods – sometimes years, or even decades – frustrating the SEC's enforcement efforts. We are, therefore, committed to rebuilding the SEC's capacity to supervise the capital markets and to finding a solution to the challenge posed by the lengthy legal process.

2.2.1 Independence of SEC:

The ***independence*** of the SEC is crucial to its ability to fulfill its public policy mandate. We recognize that the SEC must be free from political influence from a policy-making perspective, and it must be able to manage its own affairs from an administrative perspective. It is important that the Chairman of the SEC and its Members are able to carry out their duties and responsibilities in the best interest of the investors and market. It is also important for the SEC to have financial independence, i.e. control its own operating budget.

Initiatives no. 9-12 are intended to ensure the SEC's operational and financial independence. This is an IOSCO requirement, and is also widely recognized to be a *sine qua non* for effectively-regulated capital markets – a most crucial foundational building block in the absence of which an effective legal/regulatory framework cannot be established.

While recognizing the importance of *independence,* we note that it must be counterbalanced with *accountability*. A number of arrangements are already in place to ensure the SEC's *accountability* to the Government as well as the public at large. In summary, the SEC is accountable as a result of a requirement to produce (pursuant to Section 15 of the SEC Act) an Annual Report (to the Government and, through it, to the National Assembly) and other reports that the Government may require from time to time, and because it is subject to a statutory audit by the Auditor General of Accounts under Section 128 of the Constitution.

2.2.2 SEC Staffing:

The SEC is understaffed, underpaid and undertrained. ***Staffing levels*** at the SEC are lower than in comparable regulatory agencies. We recognize that a weak and demoralized SEC is unable to effectively oversee the capital markets and that this may be one of the most important deficiencies inhibiting the orderly and sustainable development of Bangladesh's capital markets. To ***attract and retain qualified personnel***, the SEC must be able to offer compensation packages to its employees that are comparable to the private sector it regulates. With compensation levels at the regulated entities oftentimes multiple times higher, the SEC faces an uphill battle in recruiting experienced, well-qualified, knowledgeable and effective staff. To be sure, raising SEC salaries will be difficult, but a way must be found to compensate well-qualified and well-performing personnel at competitive rates.

Table 2 – Legal & Regulatory Initiatives

I #	Initiative	Time Frame	Responsible Party
I8	Develop and implement an awareness-raising program to sensitize key MOF officials to the crucial importance of SEC independence	Immediate – Short Term	SEC
I9	Amend (Parliament) section 3 of the SEC Act to enhance SEC independence*	Immediate	Parliament
I10	Amend (Parliament) section 5 of the SEC Act to enhance SEC independence*	Immediate	Parliament
I11	Amend (Parliament) section 9 of the SEC Act to empower SEC to appoint requisite number of staffs	Immediate	Parliament
I12	Institute a program and establish a forum for high level coordination of the SEC and BB*	Immediate	SEC & BB
I13	Execute MOU between SEC and BB on the collection and sharing of supervisory information	Short Term	SEC & BB
I14	Authorize SEC to enter MOUs with foreign regulators within parameters	Short Term	MoF/MoFA
I15	Activate "Joint Inspection Team" and conduct joint inspections of jointly-regulated institutions (e.g. merchant banks, etc.)	Immediate – Long Term	SEC & BB
I16	Develop uniform margin standards applicable to entire financial sector*	Immediate	SEC & BB
I17	Codify the securities laws	Short Term	SEC
I18	Present laws, rules, regulations and notifications in English as well as Bengali	Medium Term	SEC
I19	Establish an office of Chief Counsel and recruit attorneys	Short Term	SEC
I20	Undertake intensive training in stock exchange oversight	Short Term	SRMIC/SEC
I21	Begin testing Authorized Representatives' proficiency and Principals' knowledge of responsibilities as a basis for licensing	Short Term	SEC/BICM
I22	Adopt rule to hold senior management of intermediaries responsible for failure to supervise	Short Term	SEC
I23	Publish guidance/guidelines for IPO Applications	Short Term	SEC
I24	Acquire and implement an electronic data gathering and retrieval (EDGAR) system	Short - Medium Term	SEC
I25	Conduct comprehensive inspections of the exchanges	Short Term	SEC
I26	Submit plans to SEC for protecting investors given new incentive structure created by demutualization	Short Term	Exchanges
I27	Authorize SEC direct access to banking records	Medium Term	BB/MoF
I28	Increase number of non-broker inspections (e.g. merchant banks, portfolio managers, etc.)	Short –Long Term	SEC

I #	Initiative	Time Frame	Responsible Party
I29	Adopt market conduct rule for intermediaries addressing account statement, internal controls, KYC, and compliance monitoring by third parties	Short Term	SEC
I30	Begin strict enforcement of laws against insider "short swing" profits	Short Term	SEC
I31	Revisethe Takeover Rules	Medium Term	SEC
I32	Develop better-calibrated risk-based capital requirements*	Short – Medium Term	SEC
I33	Begin the transition to risk-based supervision and utilizationof early warning systems to minimize risk of failure of an intermediary	Short – Long Term	SEC
I34	Discontinue practice of disclosing investigations	Immediate	SEC
I35	Enhance investigation and enforcement capacity by recruiting and training lawyers and investigators	Short Term	SEC
I36	Establish a specialized "Capital Market Tribunal" (CMT)*	Immediate – Short Term	Parliament
I37	Adopt a Financial Reporting Act (FRA)*	Immediate – Short Term	Parliament
I38	Develop and implement a comprehensive, coordinated public information and education program	Short Term	SEC
I39	Simplify organizational structure and combine related functions into one of four departments	Short Term	SEC
I40	Transition Members/Commissioners from operational to policy focus	Medium Term	SEC
I41	Establish the Office of Chief Accountant and recruit & train accountants*	Short Term	SEC
I42	Conduct a vulnerability assessment	Short Term	SEC

It is recognized that the SEC's ability to perform the five essential functions of a regulator must be strengthened, and we are committed to undertaking a number of initiatives to enhance the SECs abilities in these five areas, namely:

- Making rules and developing legislation;
- Authorizing participants and practices;
- Monitoring and investigating market participants;
- Enforcing laws and regulations; and
- Developing the market, informing and educating

2.2.3 Making Rules and Developing Legislation

Few initiatives are intended to strengthen the SEC's ability to make rules and develop legislation.

One of the factors contributing to the market volatility of 2010/11 was the lack of coordination between the SEC and Bangladesh Bank. Several initiatives in the attached Plan of Action are designed to help improve this interagency coordination. It is expected that implementing these recommendations will result in better coordination among the financial sector regulators that will remove the scope for regulatory arbitrage and improve the supervision of jointly regulated institutions such as merchant bank subsidiaries of commercial banks and the securities market activities of non-bank financial institutions regulated under the Financial Institutions Act, 1993.

Presently, laws and regulations governing the securities industry are widely dispersed and fragmented, making it difficult for regulated entities (and just as importantly those potentially wanting to enter the various regulated businesses) other market participants, and those evaluating Bangladesh's capital markets (e.g. potential international institutional investors) to assess/evaluate compliance with the various laws and regulations (this is especially the case with respect to rules, regulations, orders and directives). Some initiatives are intended to address this problem.

We recognize that the SEC is, at its core, a law enforcement agency, yet it does not have a General Counsel, and has very few lawyers on its staff. This is a serious deficiency which significantly reduces the SEC's effectiveness, not only in making rules and developing legislation, but in conducting investigations and in enforcement. Initiative 23 is intended to rectify this problem.

2.2.4 Authorization of Participants and Practices

Given the preponderance of individual, relatively unsophisticated investors in the capital markets (indicating a low capacity to gather and analyze information), and the general lack of transparency (indicating a high cost of obtaining information), it can be argued that one of the most important functions of the SEC is to act in its capacity to authorize market participants[1] and their practices. The challenges facing the SEC in this regard range from a lack of internal capacity to oversee the stock exchanges to the lack of a complete, comprehensive and credible system of assuring the professional integrity, knowledge and proficiency of market professionals and holding them accountable for their actions.

Initiatives 18 through 24-27 are intended to address these challenges. Consumers should be able to rely on the SEC's certification and authorization process to "weed out" bad actors (i.e. those who are poorly trained, ill-informed, unprofessional and/or unethical). SEC intends to enhance the professionalism, integrity and accountability of the brokerage industry. While professionals in the brokerage industry are already required to obtain training, they are not required to demonstrate their proficiency and knowledge, and they are not held accountable in the event they (or their subordinates) fail to adhere to professional standards. We recognize that this is a standard international best practice, and that its adoption in Bangladesh will raise the standards of our capital markets.

The SEC also authorizes the issuance of securities by issuers. This process has tended to be excessively slow in Bangladesh and it has often been pointed out as a factor contributing to the stock market bubble, as it had the effect of constraining the supply of securities in the face of strong demand stimulated by excess liquidity and lax margin rules. The primary factor contributing to this delay appears to be the lack of adherence of submissions to the SEC's requirements. Initiative 28 is intended to provide a mechanism to clearly communicate and provide guidance to the issuer community on the SEC's requirements with respect to the issuance of securities, and will enhance transparency in this regard.

2.2.5 Demutualization of Exchanges:

Traditionally stock exchanges operate as a club of brokers which offers secondary securities trading services to the investing community as monopoly operator serving under a mutual governance structure. The broker community act as owner, trader and manager of the exchanges which sometimes posses serious "conflict of interest" environment. Regulator and investors at large are raising their voice to put an

[1] In this context the term "market participant" refers to market professionals, intermediaries, market operators (i.e. the stock exchanges), and securities issuers.

end to this culture. Consequently, around the globe stock exchanges are now increasing changing their business model and restructuring themselves through demutualization.

Demutualization, which separates the trading rights from the ownership and management of exchanges, is widely practiced form around the globe to improve the governance structure of the exchanges. We believe that exchanges should be subject to higher governance standards than is the norm currently practiced. The creation of a board structure with balanced representation from trading community and independent category shall bring in smooth functioning culture combing the business need as well as upholding the public interest.

The separate functioning of a chief regulatory officer within the demutualized exchange is expected to offer better investor friendly structure and at the same time shall ensure more confidence from the investing community resulting in higher business volume for the members of the exchanges. Initiative 26 is undertaken aiming to resolve the mentioned governance issue of stock exchanges.

2.2.6 Monitoring and Investigating Market Participants

Having certified that a market participant has reached a standard to qualify for an authorization, there is an implied obligation on the SEC to monitor the holder of that authorization to ensure that (s)he or it maintains those standards. *Monitoring* is the sustained and routine observation of participants and relies on information that is publicly available or voluntarily made available. Monitoring includes both off-site supervision activities (i.e. reviewing reports and documents filed with the SEC) and on-site inspection activities (i.e. inspecting the operations regulated entities). Its goals are to ensure that the protections afforded under the laws, rules and regulations are in place and are operating well.

Investigations are conducted to determine whether or not a violation of the law is, has or is about to be committed. They rely on the use of the SEC's statutory or contractual powers to obtain information that otherwise would not be available to it. A regulator's investigative capacity depends on the investigative tools available to it (i.e. ability to subpoena relevant records and documents, compel testimony under oath, etc.), its skill and expertise in conducting investigations (i.e. controlling documents, examining witnesses, etc.) and evaluating the information collected.

With inclusion of the provision of direct access to banking records, the SEC possesses adequate powers and tools for both monitoring and investigating. The challenge facing the SEC is one of a lack of capacity – the lack of knowledgeable well-trained staff in sufficient quantities, and the lack of adequate information systems to support monitoring and investigating teams in their efforts.

2.2.7 SEC Information System

At present, SEC's ***information systems*** are outdated and inadequate. As a result, it is unable to receive broker/dealer reports (for offsite supervision) or regular filings from listed companies electronically or to sufficiently perform surveillance of trading on the DSE and CSE. With assistance from ADB (ADB TA No. 2322-BAN: Improvement of Capital Markets Governance), the SEC has undertaken the acquisition of a new surveillance system, and we are committed to the immediate implementation of this system. We are also committed to implementing an electronic data gathering and retrieval system to enable the SEC to receive regular reports from brokers/dealers (for offsite supervision) and receive and disseminate regular (corporate disclosure) filings from listed companies. Initiative 29 is designed to accomplish this.

We recognize that implementing Initiative 30 and 31 in conjunction with 25 will strengthen the SEC's ability to oversee the stock exchanges. I18 is for the SEC's department responsible for monitoring the stock exchanges (SRMIC) to undergo intensive training in stock exchange oversight. SEC shall begin conducting comprehensive examinations of the two exchanges in Bangladesh for the stock exchanges to develop and submit to the SEC their plans for protecting investors in view of their new governance and incentive structures adopted as a result of their demutualization. It is expected that the implementation of these recommendations, along with the SEC's expected adoption of a comprehensive state-of-the-art surveillance system and procedures[2], and a climate of stricter enforcement resulting from the implementation of initiatives to enhance enforcement discussed below, will result in a more closely, and effectively supervised and regulated securities market; one in which the abuses of the recent past are less likely to recur.

On-site inspection of intermediaries has suffered as a result of the SEC's resource constraints. As a matter of necessity, there has been a lack of emphasis on the inspection of non-broker intermediaries. Once the SEC is staffed at higher levels it will increase its on-site inspection activities, especially with respect to non-broker market participants (e.g. merchant banks, mutual funds, issue managers, etc.).

In addition to the limited inspection capability caused by lack of resources, much needs to be done in terms of basic protections for investor when dealing with brokers. They relate to the right to periodic customer account statements; know-your-customer (KYC) suitability protections; anti-money laundering protections; internal systems and controls that are designed to ensure that a firm is properly managed and customers' interests are protected; supervisory responsibility rules that hold the officers and managers liable for failure to supervise and strengthened risk adjusted capital adequacy rules tailored to the level and type of risks to which a firm is exposed. Initiative 37-39 are designed to address these issues.

We recognize that an effective takeover regime that allows minority shareholders with legitimate grievances to discipline management and other insiders provides an important incentive to company insiders (management and controlling shareholders) to manage the company in the best interest of *all* of its shareholders. This is especially important in Bangladesh because of its weak disclosure incentives. The Takeover Rule in Bangladesh has been suspended pending a review. We are committed to completing this review and implementing an effective Takeover Rule as soon as practicable.

Direct access to banking records is a key investigative tool for a securities regulator. It is also an IOSCO requirement. Initiative 31 (Authorizing SEC direct access to banking records) is crucial to complete the SEC's investigative toolkit. The SEC has proposed an amendment to the SEC Ordinance to that effect and this amendment will be adopted by Parliament as soon as practicable.

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[2] As recommended under ADB TA No 2322-BAN: Improvement of Capital Markets Governance

A final matter with respect to investigations is the common practice of the SEC of disclosing investigations to the public before any determination of wrongdoing has been made. This practice unfairly subjects persons or firms under investigation to unwarranted and unfair publicity and can bring the subject of such an investigation into disrepute regardless of whether such investigation has any merit. We recognize that the best international practice is to only disclose an investigation after a violation has been determined, and to not disclose ongoing investigations or those that do not result in a determination of a wrongdoing.

2.2.8 Enforcing Laws and Regulations

The capital markets in any country present an abundance of opportunities for bad actors to defraud investors in securities. As mentioned earlier, the problem in Bangladesh is not so much related to the absence of laws designed to protect investors, as there are abundant laws designed to govern the capital markets and protect investors. The problem in Bangladesh is more the lack of a climate of strict enforcement in which there is zero tolerance for such behavior. Few initiatives are intended to strengthen the SECs enforcement capabilities and to promote such a climate of strict enforcement.

As a regulatory agency with a principal objective of enforcing the securities laws, the lack of lawyers and qualified investigators is likely to be hindering the SEC's enforcement capability. In recognition of this, we commit to implementing initiative 33 (I33), which is intended to address this weakness.

We recognize that one of the principal impediments to the effective enforcement of securities laws and regulations in Bangladesh is the court system itself. Cases may drag on for years and sometimes decades in the court system. There were reportedly a large number of securities cases pending in the court system as today, some of which stem from the stock market crash of 1996. Part of the problem is that ordinary court dockets are seriously overcrowded, resulting in cases not being heard for months or even years. A second part of the problem is that defendants can sabotage the enforcement process by filing endless appeals. Initiative 40 will insure the establishment of a specialized Capital Market Tribunal (CMT) that is appropriately constituted to ensure that its jurisdiction, functioning, status, the selection and training of judges, and its appeal procedures would facilitate the timely and effective adjudication of securities cases and help to improve the effectiveness of the SEC's enforcement process.

Two factors significantly impede the SEC's ability to sanction auditors who are not effectively monitoring issuers of securities. First, the SEC's efforts to discipline auditors pursuant to 12(b) (3) of the SEC 1987 Rules have been frustrated by the requirement to refer disciplinary actions against auditors to the Institute of Chartered Accountants of Bangladesh (ICAB). A Financial Reporting Act (FRA) has been under discussion for the better part of the last decade, and we recognize that its adoption is long overdue. Initiative 41 is intended to address this matter. Second, the SEC does not have an Office of Chief Accountant; an office which can monitor the performance of accountants who practice before the SEC (i.e. who prepare and audit the financial statements of issuers of securities), and sanction them for poor performance. Initiative 46 is intended to address this matter.

2.2.9 Market Development and Promoting Education & Understanding

The SEC is mandated by law and by its own policy to actively promote the development of Bangladesh's capital markets and to contribute to the education and understanding of capital markets with respect to the community it regulates as well as the broader general public. It presently does this through four principal means – through publishing an Annual Report; through its website; through its investor education programs; and through public statements such as press releases, speeches at industry events, etc. The SEC's Annual Report is informative and useful albeit lagging real-time events considerably; its website is considerably inferior to those of other regional financial regulators with respect to organization, content, ease of use, etc.; its investor education program is not well-targeted or actively promoted; and the effectiveness of its public statements in promoting understanding and education is limited.

An Initiative is planned to develop a comprehensive, well-designed, well-coordinated and well-executed public information and education program which incorporates at least two key elements: A completely revamped website with the objective of making it one of the primary vehicles for executing the SEC's mandate concerning promoting understanding and education of the securities markets; and a completely revamped investor education program, potentially with significant involvement of the Bangladesh Institute for Capital Markets (BICM).

Financial education deals with information and learning. It is essential to help people of the country to better manage their financial life and favorable choices that will contribute to increase their well-being too. Financial education should go hand-in-hand with financial inclusion. If mass people do not have financial literacy, they will not be interested to the formal financial system and if they come forward without financial literacy, there is every possibility that they will not be able to get the benefits.

Financial education should be started from the school level to make it effective. To include the financial education in our text curriculum, a national policy may be taken. Organisation for Economic Cooperation and Development (OECD) started their campaign for financial education since 2008, which has stressed to adopt 'National Policy for Financial Education' by every member country and to start financial education from school level.

2.2.10 Organizational Challenges

The SEC's present organizational structure fragments authority and responsibility, separates closely related functions that would be better coordinated if reporting to the same Member, and requires six of the seven Executive Directors to report to two different Members. As constituted, it sometimes, creates possible conflicts, does not allow the SEC to take advantage of natural synergies, and hinders coordination and consistency of policies. Initiative 14, an initiative to simplify and consolidate the organizational structure, is intended to address this problem.

A longer range organizational enhancement that would encourage the development of a strong and independent professional executive staff and further insulate the SEC from political influence is to enhance the executive role and responsibilities of the Executive Directors and to transition the role of the Members/ Commissioners to that of a policy-making, deliberative body. Under this structure, the Members/Commissioners would set policy, hear/adjudicate cases, and respond to staff initiatives and recommendations. Executive Directors, rather than Members/Commissioners would have full responsibility for the day-to-day operation of the various SEC departments.

Finally, we recognize the crucial importance of the SEC's integrity assurance programs - i.e. the measures the SEC has in place for detecting and deterring misconduct by SEC Members and staff and the actions taken to detect and deter such conduct – to the integrity of the markets and to the confidence of market participants. The business of regulating the securities markets is complex and this complexity will only increase in the future as the market develops and becomes more diverse. These changes will also create new ethical challenges for the SEC. It is absolutely necessary that the SEC have a central set of guiding principles to act as a legal and ethical compass for its staff and Members. The present SEC Code of Conduct is incomplete. Therefore, we commit to undertaking a comprehensive Vulnerability Assessment (VA) to assess where the vulnerabilities for misconduct lie and the effectiveness of existing control mechanisms. Based on this assessment, a strategic analysis of the problem will be formulated and a range of programs will be identified and implemented to address the issue of integrity in a customized and effective way (i.e. a comprehensive Integrity Assurance Program).

2.3 Bond Market Initiatives

A well-functioning domestic debt market is essential to the efficient allocation of capital to support rapid and sustainable growth. By facilitating the effective use of domestic savings, it reduces dependence on external borrowing for government and corporations. Bond financing is generally less expensive than commercial bank loans and can be structured to meet the needs of institutional investors. While this is generally recognized, the establishment of such markets has received inadequate attention in many countries, and Bangladesh is no exception.

2.3.1 Government Bond Market Initiatives

We recognize that private/corporate bond markets depend crucially upon a well-functioning government bond market. A well-developed government benchmark yield curve that accurately reflects the cost of funds at different borrowing horizons; price discovery about inflation prospects and other macroeconomic fundamentals is indispensable for pricing of private sector debt instruments. Studies have shown that in those emerging markets that do not have efficient government yield curves, the corporate bond markets are very small.

Since it is widely recognized that the development of private bond markets depends critically on the unfettered, market-driven operation of government securities markets, we will support a number of initiatives that focus on this subject and are designed to stimulate the development of a reliable risk free yield curve.

We recognize that when interest rates on government securities are suppressed, financial institutions are compelled to purchase government securities at a lower than market-determined yield, and secondary markets lack transparency, the government yield curve is not able to signal the true level of risk-free rates in the economy or accurately reflect the cost of funds at different borrowing horizons, inflation prospects and other macroeconomic fundamentals. In such a situation, pricing of corporate bonds becomes an exercise in uncertainty which significantly impedes the development of corporate bond markets. SEC is aware that Bangladesh Bank is taking measures to facilitate establishment of a reliable reference "benchmark" yield curve.

2.3.2 Corporate Bond Market Initiatives

A second set of initiatives will focus on the corporate bond markets and are designed to reduce the costs and uncertainties associated with issuing corporate bonds and to raise market awareness. We recognize that one of the significant impediments to the issuance of corporate bonds has been the high level of interest rates throughout the economy.

Another significant impediment to issuing corporate bonds has been the issuance process itself. Long delays in the approval/registration process often result in changes in market conditions, or in the needs of the issuer which lead to a withdrawal of the issuance application and a failed issuance effort. The cost of issuance is also comparatively high in Bangladesh, some of which is undoubtedly attributable to the length of time it takes for approval. Initiatives 48-49 are intended to address these problems.

Finally, as bonds are comparatively complex securities both from the perspective of issuers as well as investors, we are committing to undertake a series of "road shows", perhaps jointly sponsored by the SEC and the private sector, that may be beneficial in raising awareness of the intricacies of bonds and bond markets. Initiative 50 is intended to address this issue.

Table 3 – Bond Market Development Initiatives

I #	Initiative	Time Frame	Responsible Party
I43	Publish anonymized results of trading in T-Bills & T-Bonds	Short Term	BB
I44	Increase issuance on shorter end of maturity spectrum	Short Term	BB &MoF
I45	Reduce devolvement government debt *	Immediate – Short Term	BB &MoF
I46	Monitor effect of DOS Circular No. 02 and consider further measures to stimulate trading of government securities as required	Immediate – Short Term	BB
I47	Adopt a policy of creating liquid benchmark issues	Short Term	MoF& BB
I48	Reduce and eventually eliminate fiscal deficits	Short – Long Term	MoF
I49	Develop separate clear and comprehensive rules for issuing corporate bonds	Short – Medium Term	SEC
I50	Develop streamlined regime for "private issuance" of corporate bonds to qualified investors *	Short Term	SEC
I51	Develop and implement a market awareness-raising campaign for corporate bonds	Medium Term	SEC

2.4 Financial Market Infrastructure Initiatives

We recognize that while the current clearing, settlement and custody processes in Bangladesh's capital markets work for the current level of market development, these processes only work as a result of a number of workarounds that reduce efficiency and increase risk. We further recognize that the current infrastructure does not provide an adequate platform for future market development, and that without reform, the development of the markets will be held back. Five areas of weakness are recognized, namely:

- Duplication of clearing and settlement infrastructure at DSE and CSE;
- Lack of DVP for indirect market participants;
- The need for participants to provide cash and securities 2 days ahead of settlement date;
- The payment of cash dividends from issuers to end investors, rather than flowing through the depository, causing delay, uncertainty and inefficiency; and
- Lack of 'straight through processing' (STP), leading to manual rekeying of orders and file transmission, and increasing operational risk.

2.4.1 Duplication of clearing and settlement functions

Clearing and settlement is provided by each of Bangladesh's two exchanges, which send provisional and final securities settlement instructions to the Central Depository of Bangladesh Limited (CDBL) and manage cash transfer at the paying banks. There is, thus, duplication of systems, staffing, risk management, and cost. We recognize that fragmented clearing and settlement increases risk, holds back enhancements and prevents establishment of new services such as a central counterparty (CCP). We further recognize that the creation of a single settlement organization allows the netting of cash and securities obligations (e.g. a participant may be long on one exchange and short on another), and that this makes for more efficient use of resources and increases arbitrage opportunities, leading to more efficient markets overall. It also facilitates the eventual introduction of a central counterparty system (CCP), which effectively eliminates settlement risk, provides trading anonymity, and makes settlement operations more efficient.

2.4.2 Lack of delivery-versus-payment (DVP) for indirect market participants

The current process in Bangladesh provides a quasi-DVP between direct market participants (although it does not correspond to the BIS models). However, DVP with indirect participants is not possible. This is because custodians and other institutions are not participants in the stock exchange clearing processes, which is the only process that co-ordinates both the cash and securities elements of settlement. Therefore movements between broker and custodian can only be made on a free of payment (FOP) basis, not DVP. Under the current system, either investors (and their custodians) must take broker risk or the broker must pre-fund for 1-2 days. This makes trading more costly and puts pressure on the settlement timetable, as custodians, for example, wait for confirmation of receipt of cash before releasing securities. To achieve true DVP, cash and securities settlement need to be securely linked. We recognize that this is most easily done if settlement of cash and securities are controlled by the same entity.

2.4.3 The need for brokers to provide cash and securities two days ahead of settlement date

For purchases, the buying broker must provide cash to the stock exchange clearing house on T+1; for sales, the selling broker must ensure that securities are available at the CDBL by T+1. The need to provide cash and securities 2 days in advance of settlement date means that (i) cash is inefficiently used, and (ii) turnaround trades, where the same security is bought and sold for the same settlement date, are not possible unless there is an existing balance in that security. We recognize that both of these factors inhibit trading and hence lead to lower market liquidity and efficiency.

2.4.4 Lack of centralized cash dividend payments

At present, issuers must make all cash dividend payments directly to investors or to their agents. We recognize that it would be more efficient for the CDBL to make these dividend payments, as it would be better equipped than most issuers to process these payments in a timely manner. This would also reduce the burden on issuers who would only need to make a single payment to the CDBL for all their dematerialized shares. We further recognize that this method is overwhelmingly preferred by most market participants.

2.4.5 Lack of straight-through processing (STP)

Presently STP in trading and settlement does not exist in Bangladesh. Thus data in one system must be rekeyed into another system, or files must be manually sent from one system to another. The key objective of STP is to avoid the need for human involvement in processing, as this can be costly, time-consuming and error prone. In Bangladesh, broker orders must be manually rekeyed into the stock exchange systems. After the trading session, a file of settlement instructions must be sent manually by the exchanges to CDBL.

Initiatives 54-56 are intended to address the above-mentioned weaknesses in Bangladesh's financial market infrastructure.

In the year ended 30 June 2012, Central Depository Bangladesh Limited (CDBL) had operating income of BDT 1,995 million against operating and administrative expenses of only BDT 107 million. The big discrepancy between operating income and expenses suggests that fees may be higher than they need to be. Initiative 57 is to review and rationalize the CDBL's fees is intended to address this issue.

As the market in Bangladesh develops and more sophisticated and complex products are offered (i.e. derivatives), consideration will be given to establishing a central counterparty (CCP). The main role of a CCP is to become the legal counterparty to all qualifying trades shortly after they have been executed, allowing trading participants to settle all trades with the CCP rather than with each other. We recognize that a CCP reduces counterparty risk, provides trading anonymity, and improves the efficiency of the overall settlement process. Initiative 60 is intended to address this issue.

Table 4 – Financial Market Infrastructure Initiatives

I #	Initiative	Time Frame	Responsi-ble Party
I52	Upgrade systems to improve participant connectivity	Short Term	CDBL
I53	Centralize and improve settlement guarantee and investor protection funds	Short Term	CDBL, SEC
I54	Centralize distribution of cash dividends (at CDBL)	Short Term	CDBL
I55	Consolidate the post-trade clearing functions of the two exchanges under a separate entity	Short Term	
I56	Enhance CDBL systems to enable DVP settlement between broker and investor	Short– Medium Term	
I57	Remodel the post-trade process so that movement of cash and securities both take place on settlement date	Medium Term	
I58	Review and rationalize CDBL fees	Short Term	SEC
I59	Evaluate costs and benefits of a central counterparty (CCP) for cash equity securities and derivatives (when introduced)	Medium – Long Term	SEC, CDBL Exchanges

2.5 Initiatives to Expand the Institutional Investor Base

Institutional investor participation in Bangladesh's capital markets has been limited. We recognize the need to improve the enabling environment through the adoption of policies that stimulate the expansion of the institutional investor base specifically with respect to three types of institutional investors: mutual funds, insurance companies, and pension and provident funds.

In the case of ***mutual finds*** we recognize that the legal and regulatory framework governing these collective investment schemes (CIS) may be overly restrictive and constraining and commit to undertaking a comprehensive overhaul of the mutual fund rules to broaden participation (of investors as well as operators), increase the variety of mutual funds, improve protections for investors, and eliminate the preferential treatment of state-sponsored mutual funds to remove distortions and create a level playing field between state-owned and private sector asset management companies. We also recognize the importance of establishing a mutual fund industry association to, among other things, promote the development and professionalization of the industry.

Initiatives 61-64are intended to address the above-referenced issues.

We also recognize that a 10% tax credit for investments in ICB open-end mutual funds gives ICB an unfair competitive advantage over the other (private sector) operators of open-end mutual funds, and commit to take appropriate measure which will help to promote a level playing field between ICB and the private sector.

There are a very few ***pension and provident funds*** in existence in Bangladesh, and, to the extent they do exist, they are largely unregulated. We recognize that Bangladesh trails its peers with respect to pension reform, and that most of the countries in the region have already initiated the process of pension reform. We commit to commencing a national conversation on pension policy that includes reforming the public sector pension schemes and introducing pensions in the formal private sector, possibly in the form of defined contribution plans. Over time, this would create large pools of liquidity that would, due to the nature of the obligations, find their way to the capital markets.

One of the major impediments of our capital market is that our retail investors are not aware of the risks associated with the market. If the investors are not aware of the risks, they often involve themselves with risky speculations and rumor-based decision making. As a result, not only the retail investors incur huge losses, but it also damages the basic structure of the market, because our market is still dominated by the retail investors. So, to retain them as well as to increase their participation, both financial education and financial inclusion are required.

Financial inclusion is required to bring mass people into the formal financial markets so that they can enjoy the benefits of modern systems, safeguard themselves from deprivation and develop their savings habits to contribute to the national economy. But at the same time, they should be protected from competitions with bigger capitals, so small investors should be accommodated by institutional framework and provided with basic financial education.

Table 5 – Initiatives to Expand the Institutional Investor Base

I #	Initiative	Time Frame	Responsi-bleParty
I60	Require ICB Funds to comply with mutual fund rules concerning conflicts of interest	Short Term	SEC
I61	Adopt new legal/regulatory regime for mutual funds that broadens participation, allows introduction of different types of mutual funds, strengthens investor protections, and eliminates preferential treatment of state-sponsored mutual funds	Short - Medium Term	SEC
I62	Assist the mutual fund industry in structuring and registering a mutual fund association	Short Term	SEC
I63	Develop plan for achieving industry-wide compliance with minimum capital requirements	Short Term	IDRA
I64	Amend IDRA Act to provide for independence of IDRA	Short Term	IDRA
I65	Adopt investment (and other) regulations as required by the IDRA Act 2010 and Insurance Act 2010	Immediate - Medium Term	IDRA
I66	Acquire and implement an electronic data gathering and retrieval (EDGAR) system	Short - Medium Term	IDRA
I67	Begin a national discussion on pension policy to include reforming the public sector pension schemes and introducing pensions in the formal private sector	Short - Medium Term	MoF
I68	Adopt a national pension policy	Medium Term	MoF
I69	Determine/allocate responsibility for regulating pensions	Medium Term	MoF
I70	Undertake reform of public pension plans/schemes	Medium Term	MoF, Pension Regulator
I71	Introduce defined contribution pension plans/schemes for the private sector	Medium – Long Term	Pension-Regulator

2.6 Initiatives to Promote Derivatives and Securitization

Asset securitization has been tried in Bangladesh with limited success. The current legal framework and tax code make it difficult to achieve a "true sale" status in securitization transactions, and thus to achieve "bankruptcy remoteness", and to enable the removal of the securitized assets from the issuer's balance sheet, two of the principal objectives of asset securitization. Without these, issuers cannot achieve the full effects and benefits of asset securitization.

We recognize that because of ambiguities in the law, asset securitization remains under a cloud of uncertainty, requiring a risk premium in the pricing of such transactions that makes them less attractive. We commit to reform the legal regime for asset backed securities to allow for the "true sale" status of assets transferred in connection with a securitization, and to remove the legal ambiguities with respect to the "bankruptcy remoteness" of such transactions (Initiative 69). We also commit to revising the tax code to recognize the "pass-through" nature of such transactions, and to remove stamp duties (or substantially reduce them) on the transfer of assets from the originator to the SPV. Finally, we recognize that asset-backed securities are complex instruments and that potential issuers and investors alike need to be informed of the advantages and drawbacks of issuing and investing in them. We commit to undertaking an awareness-raising campaign, perhaps jointly between the SEC and the private sector.

While **derivatives** tend to improve the functioning of the price discovery mechanism and provide hedging and risk management tools to financial and non-financial firms, we recognize that their introduction should be undertaken only after their respective underlying cash markets have achieved a certain degree of maturity, otherwise, they are likely to have a destabilizing effect on the markets. Some of the issues that will need to be addressed for the introduction of derivatives in Bangladesh include the legal framework and regulatory structure governing derivatives markets, the types of derivatives that are likely to be successful in Bangladesh, the conditions under which their introduction would be advisable, and the actions that can be taken to prepare for their introduction. As starting point, we will commission (initiative 65) a study to measure the potential demand for three basic types of derivatives (financial, equity and commodity).

Once it is determined which types of derivatives are likely to succeed and a plan is devised to sequence their introduction, a decision will be made about regulatory structure. Some of the questions that will be considered in this regard are:

- Should there be a specialized regulator or should the task be assigned to existing regulators?
- If the task is assigned to existing regulators, should all derivatives be regulated by a single regulator or should there be multiple regulators?
- If multiple, how should the division of responsibilities be made – by instrument type, or by type of regulated entity?

Once the matter of regulatory responsibility is determined, we will ensure that the responsible regulator will undertake to develop and oversee the adoption of comprehensive, specialized dedicated legal framework to govern derivatives. We will also ensure that the tax authorities will recognize the special nature of hedging transactions and will allow for income/losses from a hedge to be offset with income/losses from the asset it was employed to protect, and that the accounting profession will be prepared for hedge accounting under IAS 39.

Table 6 – Initiatives to Promote Derivatives and Securitization

I #	Initiative	Time Frame	Responsible Party
I72	Commission study to estimate the demand for 3 basic types of derivative instruments – Financial (i.e. interest rate, currency), Equity (i.e. index, single stock), and Commodity (i.e. rice, jute, tea)	Medium Term	SEC & BB
I73	Determine regulatory structure & assign responsibility - appoint high-level commission to study the matter and make recommendations	Medium Term	SEC & BB
I74	Adopt a comprehensive, specialized, dedicated legal framework for derivatives	Medium – Long Term	Designated Regulator
I75	Adopt provisions/amendments to the tax code to address/facilitate introduction of derivatives	Medium – Long Term	NBR
I76	Conduct readiness assessment for hedge accounting in accordance with IAS/BAS 39 and develop and implement awareness campaign for accountants and auditors	Medium – Long Term	ICAB
I77	Develop and implement campaign to raise awareness of derivatives among potential users and market practitioners	Medium – Long Term	Designated Regulator
I78	Reform legal/regulatory regime for ABS to include, "true sale" status of transferred receivables, SPV as "pass-through" entity, "bankruptcy remoteness" of transaction.	Medium Term	SEC & BB
I79	Develop and implement campaign to raise awareness of ABS among potential issuers and investors	Medium Term	SEC, BB &Pvt Sector

2.7 Taxation Initiatives

We recognize that the taxation of financial instruments and institutions in Bangladesh will need to move toward best international practice. At 37.5%, the corporate tax rate in Bangladesh is one of the highest in the world. To further add to the tax burden, inter-company dividends are taxed, which may result in tax rates as high as 70%. We recognize that this creates strong incentives for companies to underreport income to evade taxes, and that the resulting inaccuracies in financial information may be the single strongest disincentive to investing in the capital markets in Bangladesh.

Financial institutions (FIs) are taxed at an even higher flat rate of 42.5% (a 5% surtax) which may be hindering financial intermediation in Bangladesh. Currently there is a 3% tax on "IPO premiums". This tax is imposed on the difference between the face value and the sale price of the IPO. This tax was introduced in the Finance Act of 2010 and is administered by the SEC.

There is also a transaction tax on securities of 0.1% (0.05% on the seller; 0.05% on the buyer). This is an ad-valorem tax and is levied as a percentage of the total value of the transaction (both on the sale and the purchase) of stocks and bonds. There are also a variety of taxes (in the form of stamp duties) that are attracted by asset securitizations which discourage the sale of assets as part of a securitization. We recognize that transactions taxes may discourage financial innovation and secondary trading of financial instruments and are not consistent with best international practice.

We are committed to the elimination of multiple taxation of corporate income/dividends , the phasing out of the 5% surtax on financial intermediation , the elimination of the 3% tax on "IPO premiums", the removal of the 0.1% ad valorem transaction tax on bonds and the elimination or substantial reduction of stamp duties on transfers of assets in connection with securitizations .

Finally, a 10% tax credit for investments in ICB open-end mutual funds gives ICB an unfair competitive advantage over the other (private sector) operators of open-end mutual funds. Initiative would be taken to ensure a level the playing field between ICB and the private sector.

Table 7 – Taxation Initiatives

I #	Initiative	Time Frame	Responsible Party
I80	Eliminate 3% tax on "IPO Premiums" *	Short Term	MoF/NBR
I81	Remove tax credit for all tax-advantaged mutual (i.e. ICB open-end) funds	Short Term	MoF/NBR
I82	Eliminate multiple taxation of income/dividends	Short – Medium Term	MoF/NBR
I83	Eliminate transaction tax on bonds *	Short Term	MoF/NBR
I84	Eliminate or substantially reduce stamp taxes on transfers of assets (e.g. receivables) in connection with asset securitizations *	Short Term	MoF/NBR
I85	Eliminate surtax on financial intermediation – reduce corporate income tax rate for FIs to general CIT level of 37.5%	Medium Term	MoF/NBR

Appendix 1 –Capital Market Development Master Plan Matrices

Matrix 1: Implementation Arrangements

I #	Working Plan of SEC	Imme-diate	Short Term		Medium Term			Long Term
		2012	2013	2014	2015	2016	2017	2018-2022
01	Implement structure to include authorization, accountability , staffing and resource allocations	√	√					
02	Implement processes to include monitoring, evaluation (M&E), reporting of progress, and amending implementation plan to account for evolving circumstances	√	√	√	√	√	√	√
03	Appoint/engage and authorize Implementation Leader and Team		√					
04	Appoint Specialized/Expert Working Committees with considerable private sector/industry participation		√					
05	Develop and launch implementation (public accountability) website		√					
06	Monitor, evaluate and report on progress		√	√	√	√	√	√
07	Re-evaluate master plan/road map and modify based on lessons learned from M&E			√	√	√	√	√

Matrix 2: Legal and Regulatory Initiatives

I #	Working Plan of SEC	Imme-diate	Short Term		Medium Term			Long Term
		2012	2013	2014	2015	2016	2017	2018-2022
08	Develop and implement (SEC) an awareness-raising program to sensitize key MOF officials to the crucial importance of SEC independence	√	√					
09	Amend (Parliament) Sections 3 of the SEC Act to Enhance SEC independence	√						
10	Amend (Parliament) Sections 5 of the SEC Act to Enhance SEC independence	√						
11	Amend (Parliament) Sections 9 of the SEC Act to Empower SEC to appoint requisite number of staffs	√						

I #	Working Plan of SEC	Imme-diate	Short Term		Medium Term			Long Term
		2012	2013	2014	2015	2016	2017	2018-2022
12	Amend (Parliament) Sections 13 of the SEC Act to Empower SEC to prepare their own budget without Ministry's approval	√						
13	Amend (Parliament) Sections 16 of the SEC Act to restrict Govt's power to give direction to SEC except policy matters	√						
14	Restructure organizational structure and pay structure at least to make equivalent to Central Bank's pay structure	√	√					
15	Institute a program (SEC & BB) and establish a forum for high level coordination of the SEC and BB *	√						
16	Execute MOU between SEC and BB on the collection and sharing of supervisory infor-mation	√						
17	Authorize (MoF/MoFA) SEC to enter MOUs with foreign regulators within parameters	√						
18	Activate (SEC & BB) "Joint Inspection Team" and con-duct joint inspections of jointly-regulated institutions (e.g. merchant banks, etc.)	√						
19	Develop (SEC & BB) uniform margin standards applicable to entire financial sector *	√						
20	Codify (SEC) the securities laws	√	√	√				
21	Present (SEC) laws, rules, regulations and notifications in English as well as Bengali	√	√	√				
22	Simplify (SEC) organizational structure and combine re-lated functions into one of four departments	√	√	√				
23	Establish (SEC) an office of Chief Counsel and recruit attorneys	√	√	√				
24	Undertake (SRMIC/SEC) in-tensive training in stock ex-change oversight	√	√					

I #	Working Plan of SEC	Immediate	Short Term		Medium Term			Long Term
		2012	2013	2014	2015	2016	2017	2018-2022
25	Begin testing (SEC/BICM) Authorized Representatives' proficiency and Principals' knowledge of responsibilities as a basis for licensing	√	√	√				
26	Demutualization of Exchanges	√	√					
27	Adopt (SEC) rule to hold senior management of intermediaries responsible for failure to supervise	√	√	√				
28	Publish (SEC) guidance/guidelines for IPO Applications	√	√					
29	Acquire (SEC) and implement an electronic data gathering and retrieval (EDGAR) system	√	√	√				
30	Conduct (SEC) comprehensive inspections of the exchanges and plans to protect t investors given new incentive structure created by demutualization	√	√	√				
31	Authorize (MoF) SEC direct access to banking records	√						
32	Increase (SEC) number of non-broker inspections (e.g. merchant banks, portfolio managers, etc.)	√	√	√				
33	Adopt (SEC) market conduct rule for intermediaries addressing account statement, internal controls, KYC, and compliance monitoring by third parties	√	√	√				
34	Begin (SEC) strict enforcement of laws against insider "short swing" profits	√						
35	Revise (SEC) the Takeover Rules	√	√					
36	Develop (SEC) better-calibrated risk-based capital requirements	√	√	√				
37	Begin the transition to risk-based supervision and utilization (SEC) of early warning systems to minimize risk of failure of an intermediary	√	√	√				
38	Discontinue (SEC) practice of disclosing investigations	√						

I #	Working Plan of SEC	Imme-diate	Short Term		Medium Term			Long Term
		2012	2013	2014	2015	2016	2017	2018-2022
39	Enhance (SEC) investigation and enforcement capacity by recruiting and training lawyers and investigators	√	√	√				
40	Establish (Parliament) a specialized "Capital Market Tribunal" (CMT) *	√						
41	Adopt (Parliament) a Financial Reporting Act (FRA) *	√	√					
42	Develop (SEC) and implement a comprehensive, coordinated public information and education program	√	√					
43	SEC proposal to the Govt. to adopt "National Policy on Financial Literacy"	√	√					
44	Introduce (MOF/MOE) financial literacy course from school/college level	√	√	√				
45	Transition (SEC) Members/Commissioners from operational to policy focus	√	√	√	√			
46	Establish (SEC) the Office of Chief Accountant and recruit & train accountants *	√	√	√				
47	Conduct (SEC) a vulnerability assessment	√	√	√				

Matrix 3: Bond Market Initiatives

I #	Working Plan of SEC	Imme-diate	Short Term		Medium Term			Long Term
		2012	2013	2014	2015	2016	2017	2018-2022
48	Develop (SEC) streamlined regime for "private issuance" of corporate bonds to qualified investors *	√						
49	Develop (SEC) separate clear and comprehensive rules for issuing corporate bonds	√	√					
50	Develop (SEC & private stakeholders) and implement a market awareness-raising campaign for corporate bonds	√	√	√	√	√		

Matrix 4: Financial Market Infrastructure Initiatives

I #	Working Plan of SEC	Imme-diate	Short Term		Medium Term			Long Term
		2012	2013	2014	2015	2016	2017	2018-2022
51	Upgrade (CDBL) systems to improve participant connectivity	√	√	√				
52	Centralize and improve settlement guarantee (CDBL) and investor protection (SEC) funds	√	√	√				
53	Centralize distribution of cash dividends (at CDBL)	√	√	√				
54	Consolidate the post-trade clearing functions of the two exchanges under a separate entity, i.e. clearing corporation	√	√					
55	Enhance CDBL systems to enable DVP settlement between broker and investor	√	√	√				
56	Remodel the post-trade process so that movement of cash and securities both take place on settlement date	√	√	√	√			
57	Review (SEC) and rationalize CDBL fees	√	√					
58	Install a state of the art surveillance software at SEC with online data feed from stock exchanges & depository	√						
59	Install state of the art surveillance software at stock exchanges		√					
60	Evaluate (SEC jointly with D/CSE & CDBL) costs and benefits of a central counterparty (CCP) for cash equity securities and derivatives (when introduced)						√	√

Matrix 5: Institutional Investors Initiatives

I #	Working Plan of SEC	Imme-diate	Short Term		Medium Term			Long Term
		2012	2013	2014	2015	2016	2017	2018-2022
61	Ensure level playing field for all AMC and Mutual Funds (for both Govt. and private sectors)	√	√	√				
62	Adopt (SEC) new legal/regulatory regime for mutual funds that broadens participation, allows introduction of different types of mutual funds, strengthens investor protections, and eliminates preferential treatment of state-sponsored mutual funds	√	√	√				
63	Assist (SEC) the mutual fund industry in structuring and registering a mutual fund association	√	√	√				
64	Chanelize retail investors into institutional means (Mutual Fund/Portfolio Investment)	√	√	√				

Matrix 6: Derivatives and Securitization Initiatives

I #	Working Plan of SEC	Imme-diate	Short Term		Medium Term			Long Term
		2012	2013	2014	2015	2016	2017	2018-2022
65	SEC & BB to study to estimate the demand for 3 basic types of derivative instruments – Financial (i.e. interest rate, currency), Equity (i.e. index, single stock), and Commodity (i.e. rice, jute, tea)	√	√	√	√			
66	Determine (SEC & BB) regulatory structure & assign responsibility - appoint high-level commission to study the matter and make recommendations	√	√	√	√			

I #	Working Plan of SEC	Immediate	Short Term		Medium Term			Long Term
		2012	2013	2014	2015	2016	2017	2018-2022
67	Adopt (regulator) a comprehensive, specialized, dedicated legal framework for derivatives	√	√	√	√	√	√	
68	Develop (designated regulator & private sector) and implement campaign to raise awareness of derivatives among potential users and market practitioners	√	√	√	√	√	√	
69	Reform (Govt.) legal/regulatory regime for ABS to include, "true sale" status of transferred receivables, SPV as "pass-through" entity, "bankruptcy remoteness" of transaction.	√	√	√	√			
70	Develop (SEC, BB & private sector) and implement campaign to raise awareness of ABS among potential issuers and investors	√	√	√	√			

List of Executives

(As on 30 June 2013)

Sl. No	Name of Officers	Designation
1.	Mr. Abdul Hannan Zoarder	Executive Director (On lien to BICM)
2.	Mr. Md. Anwarul Kabir Bhuiuan	Executive Director (OSD)
3.	Mr. Farhad Ahmed	Executive Director
4.	Ms. Ruksana Chowdhury	Executive Director
5.	Mr. A.T.M. Tariquzzaman	Executive Director
6.	Mr. Md. Anowarul Islam	Executive Director
7.	Mr. Md. Saifur Rahman	Executive Director
8.	Mr. Md. Ashraful Islam	Executive Director
9.	Mr. M. Hasan Mahmud	Executive Director
10.	Mr. Md.Mahbubul Alam	Director
11.	Mr. Md. Mahbuber Rahman Choudhury	Director
12.	Mr. Kamrul Anam Khan	Director
13.	Mr. Mohammad Rezaul Karim	Director
14.	Mr. Mohammad Shafiul Azam	Director
15.	Mr. Ripan Kumar Debnath	Director
16.	Mr. Mir Mosharraf Hossain Chowdhury	Director
17.	Mr. Mohammad Jahangir Alam	Director
18.	Mr. Md. Mahmoodul Hoque	Director
19.	Mr. Prodip Kumar Basak	Director
20.	Mr. Rajib Ahmed	Director
21.	Mr. Mansur Rahman	Director
22.	Mr. Md. Abul Kalam	Director
23.	Mr. Mohammad Abul Hasan	Director
24.	Mr.Sheikh Mahbub Ur Rahman	Director
25.	Ms. Farhana Faruqui	Deputy Director
26.	Mr. Abu Rayhan Mohammad Mutasim Billah	Deputy Director
27.	Mr. Mohammed Fakhrul Islam Mazumder	Deputy Director
28.	Mr. A.S.M. Mahmudul Hasan	Deputy Director
29	Mr. Mohammed Ziaur Rahman	Deputy Director
30	Ms. Mustari Jahan	Deputy Director
31	Mr. Mohammad Shamsur Rahman	Deputy Director
32.	Mr. Md. Yusuf Bhuiyan	Deputy Director

33.	Mr. Md. Hossain Khan	Deputy Director
34.	Mr. Md. Ohidul Islam	Deputy Director
35.	Mr. Mohammad Shakhawat Hossain Sarkar	Deputy Director
36.	Mr. Md. Kawsar Ali	Deputy Director
37	Mr. Mohammad Delowar Hossain	Deputy Director
38	Mr. Hafiz Mohammed Harunur Rasid	Deputy Director
39	Mr. Md. Faruq Hossain	Deputy Director
40	Ms. Umme Salma	Deputy Director
41	Mr. Mohammad Siddiqur Rahman	Deputy Director
42	Mr. Mollah Md. Miraz-Us-Sunnah	Deputy Director
43	Mr. Mohammad Zubair Uddin Bhuiyan	Deputy Director
44	Mr. Abul Kalam Azad	Deputy Director
45	Mr. Sk. Md. Lutful Kabir	Deputy Director
46	Mr. Mohammad Golam Kibria	Deputy Director
47	Mr. Mohammed Nazrul Islam	Deputy Director
48	Mr. Mohammad Amdadul Hoque	Deputy Director
49	Mr. Mohammad Al Masum Mirdha	Deputy Director
50	Mr. M.A Maleque	Accounts Officer
51	Mr. Rakibur Rahman	Assistant Director
52	Ms. Anu Dey	Assistant Director
53	Mr. Md. Iqbal Hossain	Assistant Director
54	Mr. Md. Saiful Islam	Assistant Director
55	Mr. Mohammad Zahirul Haque	Assistant Director
56	Mr. Syed Mohammad Golam Mowla	Assistant Director
57	Ms Sultana Parvin	Assistant Director
58	Ms Mahmuda Shireen	Assistant Director
59	Ms. Parvin Akter	Assistant Director
60	Mr. Md. Rashidul Alam	PS to Chairman
61	Mr. Jalal Uddin Ahmed	Assistant Director
62	Ms. Sahana Parvin	Assistant Director
63	Mr. Md. Ashraful Alam	Assistant Director
64	Mr. Md. Abdus Salim	Assistant Director
65	Mr. Md. Nanu Bhuiyan	Assistant Director
66	Ms. Ziaun Nahar Sharif	Assistant Director
67	Mr. Md. Mahfuzur Rahman Talukder	Assistant Director
68	Munshi Md. Enamul Haque	Assistant Director

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