



### NOTIFICATION

In order to protect the investors' interest, regulate issues and ensure proper issuance of securities by Public Limited Companies, the Commission in exercise of power conferred on it under section 2CC of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) as amended by the Securities and Exchange (Amendment) Act, 1997 (Act No. 6 of 1997), requires that the issuers must fulfil the following requirements to obtain consent to raise capital and/or approval of Prospectus from the Commission under Section 2A & 2B of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) as amended by the Securities and Exchange (Amendment) Act, 1993 (Act No. 16 of 1993);

1. (A) If directed by the Commission, the sponsors/directors shall carry out a special audit of the Company's latest financial statements by a firm of practicing Chartered Accountants from amongst the panel of auditors prepared by and available with the Securities and Exchange Commission.
- (B) The special audit, as stated in Sub-Paragraph (A) above, may also be required by the Commission in cases where auditing has already been done by one of the audit firms listed in the aforesaid panel of auditors.
2. Such audit firms shall submit a "Due Diligence Certificate" and a separate confidential report directly to Securities and Exchange Commission.

3. Special audit fee and all other expenses in relation thereto shall be borne by the Company.

The Notification will take effect from the date of its publication in the Bangladesh Gazette.

M. A. Syed  
Chairman  
Securities and Exchange Commission



conformity with the provisions of the Securities and Exchange Act, 1994 (1994 m. 18 of the Act);

- (c) no benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the holders of equity securities.
- (d) the issuer companies shall make full disclosure of all decisions, which, when disclosed, may mean price sensitive information, as defined in the Securities and Exchange Act, 1995, by publishing the same, immediately after the decisions, in two widely circulated daily newspapers, one in Bangla and the other in English.

By order of the Commission

**Manir Uddin Ahmad**  
Chairman  
Securities and Exchange Commission

স্বজ্ঞান ক্রয় বিক্রয়

১৬ মার্চ, ২০০১

[৪৯ নং- স্বজ্ঞান ক্রয় বিক্রয় আইন, ১৯৯৫-এর অধীনস্থ বিক্রয়  
বিধি-১৬]

### NOTIFICATION

Dated the 25 March, 2001

No.SEC/SRMID/2000-953/313/Admin-06- Whereas, the Securities and Exchange Commission deems it fit that the consent already accorded by the Commission, or to be accorded by it in future, to the issue of capital in Bangladesh, or public offer of securities for sale should be subject to certain further conditions 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 Securities and Exchange Commission hereby imposes the following further conditions to the consent already accorded by it, or to be accorded by it in future, to the issue of capital in Bangladesh, or public offers of securities for sale, namely:-

Every sponsor or director of a company listed with any stock exchange shall simultaneously submit a written report to the Securities and Exchange Commission and the stock exchange with which the company is listed about his intention to buy shares of the company or sell or otherwise dispose off the shares held by him in that company in the following format:

## FORMAT

Pursuant to the Securities and Exchange Commission's Notification No. SEC/SRMID/2000-953/313/Admin-06 Dated March 25, 2001, I hereby report that I intend to buy some shares of the ..... Company Ltd./sell or dispose off some shares of the ..... Company Ltd. of which I am a sponsor/director since ..... within next thirty working days from the date of receipt of this report by the Commission and the stock exchange, the full particulars of which are given below:

1. Name of the company:
2. Name and full address of the sponsor/director:
3. Folio number on the company:
4. Quantity of shares held in the company:
5. Quantity of shares to buy/sell/dispose off:
6. Name of designated stock-broker and the stock exchange:
7. Details of acquisition/disposal planned for other than through stock exchange:

## DECLARATION

I hereby declare that I have already placed the concerned share certificates/necessary fund, along with the relevant irrevocable buy/sale order with my above

named stock-broker for execution <sup>1</sup>[at prevailing market price] (ref.sl.no.6), and I shall submit details on the proposed buy/sell/transfer of the said shares to the Securities and Exchange Commission and the Stock Exchange within one week of execution of the order or transfer.

Place \_\_\_\_\_ Signature of the sponsor/director with date \_\_\_\_\_  
Signature \_\_\_\_\_ verified \_\_\_\_\_ by: \_\_\_\_\_  
\_\_\_\_\_  
(Signature with name, date & seal of the authorized officer of the company)

By order of the Commission

**Manir Uddin Ahmad**  
Chairman  
Securities and Exchange Commission

<sup>1</sup> Inserted vide Notification No. No. SEC/CMRRCD/2001-14/276 dated 20<sup>th</sup> March 2004

evsj v` k tM+RU

i weevi , GwCj 20, 2001

[8g LÜ-- temi Krix e`w³ Ges Ktc#i kb KZK At\_P weibgtq RvixKZ  
weÁvcb I tbwUkmgñ]

## SECURITIES AND EXCHANGE COMMISSION

Jiban Bima Tower  
10, Dilkusha (15<sup>th</sup> and 16<sup>th</sup> Floor)  
Dhaka-1000

### ORDER

Dated the 28<sup>th</sup> March 2001

No. SEC/CFD-71/2001/Admin/08- Whereas, the Securities and Exchange Commission deems it fit that the consent already accorded by the Commission, or to be accorded by it in future, to the issue of capital in Bangladesh, or to the public offers of securities for sale, should be subject to certain further conditions 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 Securities and Exchange Commission hereby imposes the following further conditions to the consent already accorded by it, or to be accorded by it in future, to the issues of capital in Bangladesh, or public offers of securities for sale, namely:-

“The issuer company shall not get their financial statements audited by any firm of chartered accountants

or auditor which or who is convicted for any securities or exchange related offence under any law or which or who has been declared ineligible for acting as auditor of any issuer company under sub-rule (3B) of rule 12 of the Securities and Exchange Rules, 1987.”.

By order of the Commission

**MANIR UDDIN AHMAD**

Chairman  
Securities and Exchange Commission

evsj vř` k tMřRU

i weevi, Gwċċ 29, 2001

[8g LŪ-- temi Kvi x e`w<sup>3</sup> Ges Křcři kb KZř Ař\_P weibgtq Rvi xKZ  
weÁvcb I tbwUkmgn]

**Securities and Exchange Commission**

**Jiban Bima Tower  
10, Dilkusha (15<sup>th</sup> and 16<sup>th</sup> Floor)  
Dhaka-1000**

**ORDER**

**Dated the 28<sup>th</sup> March, 2001**

No. SEC/CFD-71/2001/Admin/10 –In exercise of the power conferred by section 2D of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby grants exemption to-

- (a) all public limited companies whose total capital at any given time after making an issue of capital shall not exceed taka one crore, and
- (b) all private limited companies from the provision of section 2A(2)(a) of the said Ordinance.

By order of the Commission

**Manir Uddin Ahmad**  
Chairman  
Securities and Exchange Commission

evsj vř` k tMřRU

en`úwZevi, Ař±vei 4, 2001

[8g LŪ-- temi Kvi x e`w<sup>3</sup> Ges Křcři kb KZř Ař\_P weibgtq Rvi xKZ  
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**SECURITIES AND EXCHANGE COMMISSION**

**NOTIFICATION**

Dated the 12<sup>th</sup> September, 2001

No.SEC/SRMID/2001-1020/1055/Admin-03/01- Whereas the Securities and Exchange Commission deems it fit that in the interest of investors, securities or capital markets, direction should be issued to all persons concerned who are directly or indirectly related to or associated with the investors or the securities market or the capital market in any manner, to refrain from spreading rumor, or helping or assisting in spreading rumor, by any mode or in any form, including by way of behavior or utterance or through misleading, distorting or suppressing material information or facts, which may or is likely to affect the investors or the securities market or the capital market, as the case may be;

Now, therefore, in exercise of power conferred by section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs all person concerned who are directly or indirectly related to or associated with the investors or the securities market or the capital market in any manner, to refrain from spreading rumor or helping or assisting in

spreading rumor, by any mode or in any form, including by way or behavior or utterance or through misleading, distorting or suppressing material information or facts, which may or is likely to affect the investors or the securities market or the capital market as the case may be.

Contravention of this directive shall attract appropriate penal measures which include monetary penalty of minimum one lac taka under the aforesaid Ordinance.

By order of the Commission

**Manir Uddin Ahmad**  
Chairman  
Securities and Exchange Commission

এসজি বিট ক টিএমআর

টিমিজেবি, এপ্রিল ২২, ২০০১

[৪গ লিউ-- টেমি কবি x এ'বি<sup>৩</sup> Ges Ktç#1 kb KZK At\_# weibgtq Rvi xKZ  
weÁvcb I tbnUkmgn]

**SECURITIES AND EXCHANGE COMMISSION**  
**Jiban Bima Tower**  
**10, Dilkusha (15<sup>th</sup> and 16<sup>th</sup> Floor)**  
**Dhaka-1000**

**ORDER**

Dated the 4<sup>th</sup> October, 2001

No. SEC/CFD/2001/Admin/02-03- Whereas, the Securities and Exchange Commission deems it fit that all public limited companies whose total paid up capital exceeded taka one crore at any given time but were not required to obtain consent from the Securities and Exchange Commission due to the exemption given under section 2D of the Securities and Exchange Ordinance, 1969 (XVII of 1969), from the requirements of section 2A(2)(a) of the said Ordinance shall be subject to certain conditions in the interest of the investors and the capital market;

Now, therefore, in exercise of power conferred by section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby imposes the following further conditions to the aforesaid public limited companies, namely:-

- a. Financial statements shall be prepared in accordance with all applicable International Accounting Standards (IAS) and the audit thereof shall be conducted in accordance with the



- a. recommending or not recommending dividend for the shareholders on the basis of said financial statements; and
  - b. the shareholders who shall be entitled for such dividend, if recommended.
2. The decision about recommending or not recommending dividend and entitlement for such dividend, if recommended, cannot be changed prior to holding of the annual general meeting in terms of condition I above.

By order of the Commission

**Manir Uddin Ahman**  
Chairman  
Securities and Exchange Commission

এসজি ওফ`ক টিএমআরইউ

এপ্রেবি, গৱপ<sup>২৭</sup>, ২০০২

[৪গ লিউ-- তেমি কবি x e'w<sup>৩</sup> Ges Ktçtçi kb KZK At\_ç weibgtq Rvi xKZ  
weÁvcb I tbnUkmgn]

**ORDER**

Dated the 17<sup>th</sup> February, 2002

No. SEC/CFD-71/2001/Admin/02-06-In exercise of the power conferred by Section 2D of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby grants further exemption to all public limited companies listed with stock exchange from the provision of Section 2A(2)(a) of the said Ordinance in respect of issue of capital through bonus share.

By order of the Commission

**Manir Uddin Ahman**  
Chairman  
Securities and Exchange Commission

evsj v` k tM+RU

i weevi, W+tm+† 29, 2002

[8g LÜ-- temi Kvix e`w³ Ges Ktçf+i kb KZK At\_® weWbg†q RvixKZ  
weÁvcb I tbwUkmgñ]

## SECURITIES AND EXCHANGE COMMISSION

### NOTIFICATION

Dated, 24<sup>th</sup> November 2002

No.SEC/CMRRCD/2001-14/150/Admin/03/07-Whereas, the Securities and Exchange Commission deems it fit that the security issuers listed with the stock exchange(s) should be subject to certain further conditions 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 Securities and Exchange Commission hereby imposes, with immediate effect, the following further conditions upon the issuers of the listed securities, namely:-

- (i) If the board of directors of the security issuers recommends dividend for the shareholders, excluding the sponsors and/or directors, the board, in its same meeting, shall also declare, as price sensitive information, the quantity of shares held by the said sponsors and/or directors who will not be entitled to such recommended dividend along with the amount payable to the public shareholders as dividend;

- (ii) The said sponsor and/or directors who will not be entitled to the recommended dividend, as mentioned at (i), shall be barred from disposing off their shares through stock exchange during the period commencing from the date of concerned board meeting until the date of holding the concerned annual general meeting of the issuers.

For and on behalf of  
The Securities and Exchange Commission

**Manir Uddin Ahmad**

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এসজিএফ ক'মিশন

কমিটি, অর্ডার ২, ২০০৪

[৪g LÜ-- temi Kvix e'w³ Ges Ktçfñi kb KZK At\_φ weibgtq RvixKZ  
weÁvcb I tbwUkmgñ]

## SECURITIES AND EXCHANGE COMMISSION

### ORDER

Dated 19<sup>th</sup> August 2004

No.SEC/CMRRCD /2001-18/343/02-04- Whereas, the Securities and Exchange Commission deems it to be expedient that, in the interest of the capital market and the investors in securities certain amendments should be made in its Order No. SEC/CFD-71/2001/Admin/10 dated 28 March 2001 published in the Bangladesh Gazette on 29 April 2001.

Now, therefore, the Securities and Exchange Commission, in exercise of its power conferred by section 2D of the Securities and Exchange Ordinance, 1969 (XVII of 1969), hereby partially amends its above Order No. SEC/CFD-71/2001/Admin/10 dated 28 March 2001, published in the Bangladesh Gazette on 29 April 2001, in the following manner, namely:

“The existing exemption (b) shall be replaced by the following new exemption, namely:-

- (b) all private limited companies whose total capital at any given time after making an issue of capital shall not exceed taka ten crore”.

For and behalf of the  
Securities and Exchange Commission

**Dr. Mirza Azizul Islam**  
Chairman.



the company or who holds less than one percent (1%) shares of the total paid-up shares of the company, who is not connected with the company's promoters or directors or shareholder who holds one percent (1%) or more than one percent (1%) shares of the total paid-up shares of the company on the basis of family relationship; who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies, who is not a member, director or officer of any stock exchange, and who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.

(ii) The independent director(s) should be appointed by the elected directors.

### 1.3. **Chairman of the Board and Chief Executive**

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

### 1.4 **The Directors' Report to Shareholders**

The directors of the companies should include following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994:-

- (a) 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.
- (b) Proper books of account of the issuer company have been maintained.

- (c) 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.
- (d) International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- (e) The system of internal control is sound in design and has been effectively implemented and monitored.
- (f) 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.
- (g) Significant deviations from last year in operating results of the issuer company should be highlighted and reasons thereof should be explained.
- (h) Key operating and financial data of at least preceding three years should be summarised.
- (i) If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof should be given.
- (j) The number of Board meetings held during the year and attendance by each director should be disclosed.
- (k) The pattern of shareholding should be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-
  - (i) Parent/Subsidiary/Associated companies and other related parties (name wise details);

- (ii) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);
- (iii) Executives; and
- (iv) 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 five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.

## 2.00 **CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY:**

### 2.1. **Appointment**

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

### 2.2. **Requirement to Attend Board Meetings**

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

## 3.00 **AUDIT COMMITTEE:**

The company should have an Audit Committee as a sub-committee of the Board of Directors.

The Audit Committee should 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.

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

### 3.1. **Constitution of Audit Committee**

- (i) The Audit Committee should be composed of at least 3 (three) members.
- (ii) The Board of Directors should appoint members of the Audit Committee who should be directors of the company and should include at least one independent director.
- (iii) 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 should 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.

### **3.2. Chairman of the Audit Committee**

- (i) The Board of Directors should select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee.
- (ii) The Chairman of the audit committee should have a professional qualification or knowledge, understanding and experience in accounting or finance.

### **3.3. Reporting of the Audit Committee**

#### **3.3.1. Reporting to the Board of Directors**

- (i) The Audit Committee should report on its activities to the Board of Directors.
- (ii) The Audit Committee should 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; and
  - (d) Any other matter which should be disclosed to the Board of Directors immediately.

#### **3.3.2. 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 should 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 9 (nine) months from the date of first reporting to the Board of Directors, whichever is earlier.

### **3.4. 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 3.3.1 (ii) above during the year, should be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.

### **4.00. 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; and
- (vii) Any other service that the Audit Committee determines.

### **5.00 REPORTING THE COMPLIANCE IN THE DIRECTOR'S REPORT**

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.

# এসজিএফ কর্তৃক

আমেরিকা, ২০, ২০০৬

[৪গ লিউ-- ফেমি কবিএক এসজিএফ কর্তৃক আমেরিকা  
আমেরিকা ইনভেস্টমেন্ট]

## SECURITIES AND EXCHANGE COMMISSION

### ORDER

Dated the 30<sup>th</sup> May, 2006

No. SEC/CMMRRCD/2006-159/Admin/02/09 -Whereas, the Securities and Exchange 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 in Bangladesh, or to the public offer of securities for sale, should be subject to certain further conditions 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 Securities and Exchange Commission hereby 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 in Bangladesh, or public offers of securities for sale, namely:-

- (a) The issuer company shall, among others, specifically and clearly mention the following in its resolutions of every annual general meeting:

- (i) the reasons, if any, for partial or non-distribution of profit, as the case may be, to the shareholders as dividend; and
- (ii) the company's plan (with schedule) for utilization of the undistributed profits, if there by any;

Provided that the Board of Directors shall submit a detailed report on utilization position of (ii) above in the next annual general meeting of the company for shareholders' consideration:

Provided further that the aforesaid condition shall not apply in respect of an issuer which would recommend at least 10% dividend on the face value/paid-up capital for the relevant financial year.

- (b) The issuer company shall not appoint any firm of chartered accountants as its statutory auditors for a consecutive period exceeding three years:

Provided that this provision shall also apply in the case of auditors who will have audited consecutively for three years upon the completion of their current assignment:

Provided further that the issuer may continue with the existing statutory auditor subject to the clearance of the Commission if it recommends at least 10% dividend on the face value/paid-up capital for the year

immediately preceding the year for which the statutory auditor is appointed.

- (c) The issuer shall make continuous and uninterrupted audio visual recording of the entire proceeding of its annual general meeting and shall furnish a copy of the same in unedited form within the shortest possible time but not later than three working days from the date of holding of the said annual general meeting to the Commission and the Stock Exchange(s).
- (d) This order shall replace the earlier order of the Commission bearing No. SEC/CFD-71/2001/Admin/02/05 dated 3<sup>rd</sup> January, 2002.

By order of the Commission

**Faruq Ahmad Siddiqi**  
Chairman  
Securities and Exchange Commission

Annexure

Status of compliance with the conditions imposed by the Commission's Notification No SEC/CMRRCD/2006-158/Admin/02-08 dated 20<sup>th</sup> February, 2006 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 5.00)

Condition No.	Title	Compliance status (Put √ in the appropriate column)		Explanation for non-compliance with the condition
		Complied	Not complied	
1.1				
1.2 (i)				
1.2 (ii)				
1.3				
1.4 (a)				
1.4 (b)				
1.4 (c)				
1.4 (d)				
1.4 (e)				
1.4 (f)				
1.4 (g)				
1.4 (h)				
1.4 (i)				
1.4 (j)				
1.4 (k)				
2.1				
2.2				
3.00				
3.1 (i)				
3.1 (ii)				
3.1 (iii)				
3.2 (i)				
3.2 (ii)				

3.3.1 (i)				
3.3.1 (ii)(a)				
3.3.1 (ii) b)				
3.3.1 (ii)(c)				
3.3.1 (ii)(d)				
3.3.2				
3.4				
4.00 (i)				
4.00 (ii)				
4.00 (iii)				
4.00 (iv)				
4.00 (v)				
4.00 (vi)				
4.00 (vii)				

By order of the Securities and Exchange Commission

**Dr. Mirza Azizul Islam**  
Chairman