

## **ORDER**

July 27, 2011

No. SEC/CMRRCD/2009-193/104/Admin/-----: Whereas, the Securities and Exchange Commission (hereinafter 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 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 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 be 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 or 7.50% on the net-worth whichever is higher 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.

- (c) The issuer shall make continuous and uninterrupted audio visual recording of the entire proceedings 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 supersede the Commission's Order No. SEC/CFD-71/2001/Admin/02/05 dated the 3<sup>rd</sup> January, 2002 and all previous order(s) on the same matter.

By order of the Securities and Exchange Commission

Prof. Dr. M. Khairul Hossain  
Chairman.