

Securities and Exchange Commission
Bangladesh

SECURITIES AND EXCHANGE COMMISSION
Quarterly Review
October-December 2009

A Publication of the SEC

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C O N T E N T S

TOPIC	PAGE
1. Capital Market News	
2. Corporate Finance	
3. Capital Issue	
4. SEC Surveillance	
5. Registration	
6. Mutual Fund and Special Purpose Vehicle	
7. Supervision and Regulation of Markets and Issuer Companies	
8. Supervision and Regulation of Intermediaries	
9. Central Depository	
10. SEC Enforcement Actions	
11. Law	
12. MIS	
13. Research & Development	
14. New Acts/ Rules/ Regulations/ Amendments/ Orders/ Notifications	
15. Market Performance	
16. DSE and CSE Scenario	
17. Bangladesh Capital Market Summary	

CAPITAL MARKET NEWS

Securities and Exchange Commission (SEC)

Securities and Exchange Commission, the capital market regulator, was established in June 1993 through enactment of the Securities and Exchange Commission Act, 1993. The missions of the Commission are:

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

Major Events/Developments

During October-December 2009, major activities of the Securities and Exchange Commission (SEC) are furnished below:

Directives/Orders Regarding Margin Loans:

On October 1, 2009 the Commission issued the order that no margin loan shall be allowed by merchant bankers for purchase of newly listed security and securities having categories changed from one to another from the first trading day to 30th trading day. On the same day by a separate directive stock brokers were directed through stock exchanges to take similar measures as above. By the same directive stock exchanges were directed not to entertain “Z” category securities and securities of those companies which have failed to submit the updated accounts and will have failed to join CDBL within December 31, 2009, as “marginable securities”. On October 5, 2009 merchant bankers were given similar order regarding ‘Z’ category securities and for securities of companies, which have failed to submit updated accounts and will have failed to join CDBL within December 31, 2009. On October 20, 2009 merchant bankers were ordered not to provide margin loan against paper securities and stock exchanges (by a separate directive) were directed not to entertain paper securities as “marginable securities”.

In a separate order dated October 20, 2009, the Commission ceased merchant bankers margin loan to non-demated securities. In a directive dated October 20, 2009 to the stock exchanges, the Commission stopped brokers margin loan to non-demated securities. On October 21, 2009 the Commission directed securities of named 27 issuer companies to be not “marginable securities”. Through a directive on December 9, 2009, the Commission halted margin loan on shares whose PE ratio go above 75. Again on December 17, 2009, the Commission ceased margin loan on unit funds whose market price go above 7.5% of the last published net asset value (NAV).

De-listing of Suspended/Halted Z Category Securities:

Through a directive on October 1, 2009, under Securities and Exchange Ordinance 1969, the Commission directed the exchanges to de-list the Z category securities, whose trade had already been suspended or halted, and also directed to provide them with facilities of transaction in the Over-the-Counter market. On 4 October 2009, the Commission issued a directive related to settlement of dematerialized securities in the OTC market, which should be in accordance to existing mechanism and procedures followed for listed securities.

Deposit of Refund Money Directly into Applicants' Bank Account:

For the benefits of the investors, the Commission issued a notification on October 1, 2009, under Securities and Exchange Ordinance, 1969, to deposit the unsuccessful IPO applicants' refund money into their bank account provided in the application.

Book Closure and AGM:

On October 5, 2009, the Commission issued a notification, under Securities and Exchange Ordinance, 1969, to set record date or commence of book closer period within 15 working days from the date of Board declaration of corporate entitlement, and to hold AGM within 45 working days from the date of record date or completion of book closure.

General Criteria for De-listing of Listed Security:

On October 20, 2009, the Commission issued a directive to exchanges, under the Securities and Exchange Ordinance, 1969, directing not to suspend trade instantly upon closure of operation of the company, rather to disseminate message to trading monitor announcing if the situation of the companies failed to hold AGM, issue annual report and the operation remains closed simultaneously for more than six months, and the situation is not improved within the next six months from the 1st date of dissemination, the stock exchange should de-list the security upon completion of the six months of dissemination.

Stock Broker Branch Opening:

On October 20, 2009, the Commission issued a directive to exchanges, under the Securities and Exchange Ordinance, 1969, directing that a stock broker can open maximum 15 branches, and offices within 1 kilometer periphery of the main office should be deemed as extension of the main office replacing previous directives in this regard.

Amendment of Credit Rating Rules:

Through a notification dated 17 November 2009, the Commission amended the Credit Rating Companies Rules, 1996.

Annual Fee Payment by DPs in Financial Year Instead of Calendar Year:

Through an order dated 7 December 2009, the Commission instructed the Central Depository Bangladesh Ltd(CDBL) to the change the payment of DPs fees in financial year, July-June, instead of calendar year January-December.

Investors' Education Program:

SEC conducts two-day long Investors' Education Program on regular basis (twice a month) at SEC premise throughout the year to create awareness among the general investors about securities market. During October-December 2009, a total of 212 investors participated in the said programs. Senior SEC officials made presentation on different topics related to capital market in the said programs and responded to the queries of the participants.

Training Program for Authorized Representatives:

In order to educate and train market participants, the Commission, in association with Dhaka and Chittagong Stock Exchange Ltd., arranged training for authorized representatives of the members of Dhaka Stock Exchange Ltd., on 21-22 and 27-28 October, 15-16 and 22-23 November, and 20-21 and 23-24 December 2009 at DSE where total 245 to be authorized representatives participated. Senior officials of SEC, DSE and CSE conducted aforesaid programs highlighting securities laws, particularly issuance, trading and settlement of securities transaction on stock exchanges.

CORPORATE FINANCE (CF)

CFD's activities for the quarter: October-December, 2009

Sl. No.	Particulars	Action taken	No. of Company
01.	Qualified audit report and/or CFD's observation on the audited financial statements.	Explanation sought from the companies	18
		Referred to Enforcement Department for necessary action against the companies as their clarification regarding auditors' qualified report and/or Commission's observations were not satisfactory.	07
		Companies referred to SRMIC Department for appropriate action since there was significant doubt about their ability to continue as going concern.	08
		Explanation sought from the statutory auditors.	06
02.	Commission's clearance for retention of statutory auditors for the consecutive period exceeding three years.	Referred to Enforcement Department for retention of statutory auditors for a consecutive period exceeding three years without the clearance of the Commission.	04

03.	Time extension for submission of audited financial statements for the year ended on June 30, 2009.	Time extended.	02
		Time not extended.	13
04.	Non-submission of audited financial statements.	Referred to Enforcement Department for non-submission of audited financial statements for the year ended on June 30, 2009.	22

CAPITAL ISSUE

Capital Raising:

During October-December, 2009, the Commission accorded consent to the following private limited companies and public limited companies to raise capital for the amount stated in the table below:

Private Limited Company:

Sl. No.	Name of the Company	Applied for	Consent Letter Issued on	Amount in Tk.
1	EBL Investment Limited	Ordinary Shares of Tk.30,000000/-	24.12.2009	30,000000.00
2	Banglalion Communicatons Ltd.	Ordinary Shares of Tk.37,50,00000/-	31.12.2009	385,000000.00
3	Premier Leasing Securities Ltd.	Ordinary Shares of Tk. 12,50,00000/-	02.12.2009	125,000,000.00
4	Active Fine Chemicals Ltd.	Ordinary Shares of TK. 10,40,00,000/-	09.11.2009	200,000,000.00
5	Alliance Holdings Ltd.	Ordinary Shares of Tk. 90,00,00,000/-	04.11.2009	1,000,000,000.00
6	Jamuna Future Park Ltd	Ordinary Shares of Tk.99,90,00,000/-	01.11.2009	1,000,000,000.00
7	Eastcompeace Smart Card (Bangladesh) Ltd	Ordinary Shares of Tk.16,08,62,500.00	07.11.2009	160,862,500.00
8	Tettly ACI (Bangladesh) Ltd	Ordinary Shares of Tk.2,00,00,000.00/-	07.10.2009	110,000,000.00
9	Energy prima Ltd.	Ordinary Shares ofTk.30,00,00,000.00	09.11.2009	600,000,000.00

10	EverSmart (Bangladesh) Ltd	Ordinary Shares ofTk.10,00,00,000/-	25.11.2009	190,000,000.00
11	Amigo (Bangladesh) Ltd	Ordinary Shares ofTk. 39,00,00,000/-	26.10.2009	390,000,000.00
12	Fiber@ Homes Ltd.	Ordinary Shares ofTk. 10,00,00,000/-	10.11.2009	200,000,000.00
13	Kingstone (Bangladesh) Ltd	Ordinary Shares ofTk. 30,00,00,000/-	18.11.2009	390,000,000.00
14	Rahimafroz Globatt Ltd.	Ordinary Shares ofTk. 29,53,00,000/-	24.08.2009	295,400,000.00
15	The ACME Specialized Pharmaceuticals Ltd.	Ordinary Shares ofTk. 40,00,00,000/-	16.09.2009	500,000,000.00
16	Modern Polly Industries Ltd.	Ordinary Shares ofTk. 49,50,00,000/-	25.11.2009	504,000,000.00
17	Westec Ltd.	Ordinary Shares ofTk. 628,18,900.00	22.11.2009	162,818,900.00
18	BSRM Iron & Steel Co.Ltd.	Ordinary Shares ofTk. 20,00,00,000	07.11.2009	20,00,00,000.00
19	Build trade color Ltd	Ordinary Shares ofTk. 15,00,00,000/--	06.08.2009	250,000,000.00
20	American & Efried (Bangladesh) Ltd	Ordinary Shares ofTk. 7,14,24,600.00	23.11.2009	7,24,24,600.00
21	Confidence Salt Ltd.	Ordinary Shares ofTk. 5,00,00,000.00	21.10.2009	5,00,00,000.00
	Total			6,763,081,400.00

Public Limited Company:

Sl. No.	Name of the Company	Applied for	Consent Letter Issued on	Amount (BDT)
1	GSP Finance Co.(BD) Ltd.	Bonus Shares of Tk. 1,02,85,000/-	11.11.2009	10285000.00
2	Oman Bangladesh leasing & Finance) Ltd	Ordinary Shares of Tk. 5,00,00,000/-	20.10.2009	157,500,000.00
3	Bexmco Pharmaceuticals Ltd.	Preference Shares of Tk..410,00,00,000/-	22.10.2009	410,00,00,000.00
4	ICB Capital Management Ltd.	Bonus Shares of Tk..13,50,00,000/-	26.11.2009	13,50,00,000.00
5	Orascom Telecom Bangladesh Ltd.	Bond of Tk.425,00,00,000/-	19.11.2009	425,00,00,000.00
6	RAK Ceramic (Bangladesh) Ltd.	Ordinary Shares of Tk.10,00,00,000/-	07.10.2009	10,00,00,000.00
7	Bangladesh Mutual Securities Ltd.	Ordinary Shares of Tk.14,00,00,000/-	21.12.2009	14,00,00,000.00
8	Dun & Breadstreet Rating Agency of (Bangladesh) Ltd	Ordinary Shares of Tk.4,39,97,500/-	26.11.2009	4,39,97,500.00
9	Dun & Breadstreet Rating Agency of (Bangladesh) Ltd	Ordinary Shares of Tk.3,40,00,000/-	1.11.2009	3,40,00,000.00
10	Al-Amin Chemical Industries Ltd.	Ordinary Shares of Tk.1,00,00,000/-	04.10.2009	50,000,000.00
11	Express Insurance Ltd.	Ordinary Shares of Tk.75,60,000/-	03.12.2009	70,560,000.00
12	Impulse Health Service & Research Center Ltd.	Ordinary Shares of Tk.6,79,57,500/-	11.11.2009	150,000,000.00
13	Therapeutics (Bangladesh) Ltd	Ordinary Shares of Tk.12,27,50,400/-	19.10.2009	137,750.400.00
14	Bangladesh Development Bank	Ordinary Shares of Tk.400,00,00,000/-	02.11.2009	400,00,00,000.00

	Ltd.			
15	Becon Pharmaceuticals Ltd	Ordinary Shares of Tk.30,00,00,000/-	25.10.2009	1,900,000,000.00
16	Western Marine Shipyard Ltd.	Ordinary Shares of Tk.40,00,00,000/-	23.12.2009	405,519,000.00
17	Prime Bank Ltd.	Subordinated Debt of Tk..250,00,00,000/-	14.11.2009	3,554,700,000.00
18	Ispahani Foods Ltd.	Ordinary Shares of Tk.4,60,00,000/-	09.11.2009	50,000,000.00
19	Delta Pharma Limited	Ordinary Shares of Tk.14,62,00,000/-	25.11.2009	14,62,00,000.00
20	Ispahani Agro Ltd.(Proposed)	Ordinary Shares of Tk.5,00,00,000/-	24.12.2009	5,00,00,000.00
21	Deshbandhu Polymer Ltd.	Ordinary Shares of Tk.6,00,00,000/-	31.12.2009	160,000,000.00
22	Belhasa Accom & Associates Ltd.	Preference Shares of Tk.600,00,00,000/-	29.12.2009	7,000,000,000.00
	Total			13508564000.00

Status Report of Right Issue for October-December-2009

Sl. No.	Name of the Company	Status	Number of Shares	Total Amount (BDT)
1	S.Alam Cold Rolled Steels Ltd.	Approved on 10.12.2009	Approval of right issue of 26,67,240 ordinary shares of Tk.100.00 each at par totaling Tk. 26,67,24,000.00 at a ratio of 1:2	26,67,24,000.00
2	Delta Spinners Ltd.	Approved on 23.12.2009	Approval of right issue of 15,28,760 ordinary shares of Tk.100.00 each at par totaling Tk. 15,28,76,000.00at	15,28,76,000.00

			a ratio of 1:1	
3	Karnaphuli Insurance Ltd.	Approved on 23.12.2009	Approval of right issue of 13,37,670 ordinary shares of Tk.100.00 each at an issue price of Tk.200.00 per share (including premium of Tk.100.00 each) totaling Tk.26,75,34,000.00 at a ratio of 1:1	26,75,34,000.00
	Total			687134000.00

Surveillance

Daily Market Surveillance: As part of daily market surveillance, the surveillance officials watch and analyze the trading activities in both the stock exchanges through non trading on-line surveillance system in order to find out suspicious trading regarding irregularities and market misconducts, if any. At the end of trading, a daily trade report, at the end of week, weekly trade report & at the end of month, monthly trade report is prepared by pointing out market conditions and submitted to the Chairman, the Members and the EDs of the Commission.

Investigation and Enquiry: In connection to fair-trading and confidence of investors in the securities market it is necessary to ensure proper compliance of securities related laws, rules and regulations through inspection & investigation in suspicious and manipulative cases. In this regard, the following stock-brokers/stock-dealers' activities have been investigated by SEC, Dhaka Stock Exchange, Chittagong Stock Exchange during the referred period.

Nature of Enquiry & Investigation	Investigation & Enquiry Against	Inspection & Enquiry By	Date of Commencement
Enquiry on certain unusual trading in shares of Marico Bangladesh Ltd. in the stock exchanges.	Major involved stock broker/dealer of DSE and CSE.	1. Mr. Mohammad Rezaul Karim, Director, SEC 2. Mr. Mohammad Rakibur Rahman, AD, SEC 3. Mr. Md. Iqbal Hossain AD, SEC	1 st October 2009
Inspection regarding share trading of Imam Button Industries Limited in stock exchange	1. Banco Securities Limited 2. Al-Haj Securities & Stocks Ltd.	1. Mr. Mohammad Rezaul Karim, Director, SEC 2. Mr. Mohammad Rakibur Rahman, AD, SEC	11 th October 2009
To inspect the books of	Shahjalal Islami Bank	1. Mr. Mohammad Abul Hasan,	

accounts, records and documents of Shahjalal Islami Bank Limited, being a registered dealer/broker	Limited	DD, SEC 2. Mr. Sheikh Mahbub Ur Rahman, DD, SEC	13 th October 2009
To review the inspection report on unusual shares trading of Al-Amin Chemicals Industries Ltd., Meghna Shrimp Culture Limited, Aziz Pipes Ltd., Shyampur Sugar Mills Ltd., Meghna Pet Industries Ltd., submitted by Dhaka Stock Exchange Ltd. and other material facts thereto and to cause an enquiry in this regard.	Major involved stock broker/dealer of DSE	1. Mr. Mohammad Rezaul Karim, Director, SEC 2. Mr. Mohammad Rakibur Rahman, AD, SEC 3. Mr. Md. Iqbal Hossain, AD, SEC	3 rd December 2009

REGISTRATION

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

During October-December 2009, the Commission issued 4(four) Stock broker/Stock dealer registration certificates in favor of different members of Dhaka Stock Exchange Ltd. and under নিম্নলিখিত উপস্থাপিত তথ্যের উপস্থাপনায়, ২০০৯ সালের অক্টোবর-ডিসেম্বর মাসের মধ্যে ৪(চার) স্টক ব্রোকার/স্টক ডিলার নিবন্ধন প্রমাণপত্র ইস্যু করা হয়েছে।

Dhaka Stock Exchange Limited:

Sl. No.	Name & Address of the Stock dealer/ Stock broker	Category	Membership No.	Registration Certificate No. & Issue Date
1	Premier Bank Ltd. 42, Kemal Ataturk Avenue(4 th Floor), Banani, Dhaka.	Stock broker and Stock dealer	DSE-236	Reg-3.1/DSE-236/2009/364 Date: 13.10.2009 & Reg-3.1/DSE-236/2009/365 Date: 13.10.2009
2	ACE Capital Management Services Ltd. Room # 611, Dhaka Stock Exchange Building 9/F Motijheel C/A Dhaka-1000	Stock broker	DSE-16	Reg-3.1/DSE-16/2009/366 Date: 02.11.2009
3	Thea Securities Ltd. Room # 707, Dhaka Stock Exchange Building 9/F Motijheel C/A	Stock dealer and Stock broker	DSE-130	Reg-3.1/DSE-130/2009/367 Date: 23.12..2009 and Reg-3.1/DSE-130/2009/368

	Dhaka-1000			Date: 23.12..2009
4	Moshihor Securities Ltd. Dilkusha Center (14 th ,15 th Floor), Suit No. 1304,1401.28,Dilkusha C/A, Dhaka	Stock broker (Duplicate)	DSE-23	Reg-3.1/DSE-134/2007/161 Date: 15.12.2009

Moreover, the Commission renewed 63(sixty three) stock broker/stock dealer registration certificates of Dhaka Stock Exchange Ltd. and 7 (seven) Stock broker/Stock dealer registration certificates of Chittagong Stock Exchange Ltd. respectively during the said period.

Branch Opening Permission to the Stock Brokers:

During the said Quarter, the Commission approved opening of 17(thirty) new branches of different Stock brokers of Dhaka Stock Exchange Limited and accorded approval of 9(nine) existing branch offices of different stock brokers of Dhaka Stock Exchange Limited. The Commission also approved opening of 10(ten) new branches of different Stock brokers and accorded approval of 1(one) existing branch offices of different Stock brokers of Chittagong Stock Exchange Limited.

Issuance and Renewal of Authorized Representative Registration Certificates:

During the said period, the Commission issued 245(two hundred & forty five) authorized representatives registration certificates of Dhaka Stock Exchange Ltd. and 62(Sixty Two) authorized representatives registration certificates of Chittagong Stock Exchange Ltd. under $\text{ৱৱৱKDwi ৱJR I G. \text{†P\AA} K\text{igkb} (\text{\text{-}K ৱWj vi, \text{\text{-}K te\text{t}Kvi I Ab\text{t}gwi\text{~} Z c\text{a}Z\text{nbna)} ৱewagvj v, 2000.}$

Issuance and Renewal of Depository Participant Registration Certificate:

During the Quarter, the Commission issued the following 04(four) depository participants registration certificates under $\text{ৱৱc\text{w}RUwi (e\text{~}enwi K) c\text{e}avbgvj v, 2003}$ and renewed 53(fifty-three) depository participant registration certificates.

DP NO	Name, Address & Contacts of the DP	Membership No.	Category	Certificate No. & Issue Date
1	City BankNA, Bangladesh 209, Gulshan Avenue. Dhaka-1212	-	Custody	SEC/Reg./CDBL-DP-12 Date: 30.12.2009
2	BRAC Bank Ltd. 1, Gulshan Avenue. Gulshan -1, Dhaka	-	Custody	SEC/Reg./CDBL-DP-21 Date: 15.12.2009

3	Premier Bank Ltd. 42, Kemal Ataturk Avenue(5 th Floor)	DSE # 236	Full Service	SEC/Reg./CDBL-DP-84 Date: 11.11.2009
4	Fidelity Assets and Securities Co. Ltd. Subastu Imam Square(5 th Floor), 65 Gulshan Avenue Gulshan ,Dhaka	-	Custody	SEC/Reg./CDBL-DP-300 Date: 04.11.2009

Issuance of Registration Certificate for Merchant Banking Operation and approval of opening new branch office of Merchant Bank:

During the quarter, The Commission accorded approval to open 2(two) new branch offices of Uttara Finance Limited, 1(one) new branch offices of E C Securities Limited i.e. total 3(three) new branch offices of 2(two) Merchant Bank. to perform the merchant banking activities under the Securities and Exchange Act, 1996.

Issuance of Security Custodian Registration Certificate in favor of A B Bank Ltd.:

During the quarter the Commission has approved Issuance of a Security Custodian depository (mutual fund) Registration Certificate in favor of The AB Bank Ltd. under the Securities and Exchange Act, 1996 (mutual fund) (Securities and Exchange Act, 1996), 2003 on 25.10. 2009.

Issuance of Asset Management Company Registration Certificate:

During the quarter the Commission has approved Issuance of 3(three) Asset Management Company Registration Certificate in favor of Alif Asset Management Company Ltd., National Asset Management Company Ltd., Invest Asia Capital and Asset Management Ltd. Under the Securities and Exchange Act, 1996 (Asset Management Company) (Securities and Exchange Act, 1996), 2001 on 11.11. 2009.

Issuance of Trustee Registration Certificate:

During the quarter the Commission has approved Issuance of 2(two) Trustee Registration Certificate in favor of Sandhani Life Insurance Company Limited on 25.11.2009 and Alif Asset Management Ltd. on 11.11.2009. And also the Commission approved the Orascom Telecom trustee to place as Amortized Secured Bond under the $\text{wmiKDwi wJR I G} \cdot \text{\$PÄ Kugkb (ugDPizqvj dvÜ), newagvj v, 20}$

MUTUAL FUND & SPECIAL PURPOSE VEHICLE (MF & SPV)

During October-December 2009, Mutual Fund and SPV Department has performed the following duties and responsibilities:

- Completed the formalities for approval of prospectus, its abridge version and conduction of lottery of ICB Employees Provident Mutual Fund One-Scheme One and Trust bank First Mutual Fund (Closed –End).
- Completed the formalities for approval of deployment of Fund of ICB AMCL Second Mutual Fund.
- Completed the formalities relating approval of prospectus and abridge version of Prime Bank First ICB AMCL Mutual Fund/ (Closed –End) and DBH First Mutual Fund (Closed –End).
- Completed the formalities relating to registration of fund and approval of opening of an Escrow Account of ICB AMCL 3rd NRB Mutual Fund (Closed –End)
- Also completed the formalities of approval of a Standard Trust Deed for Single Scheme (Closed – End) Mutual Fund and forwarded the same to the registered Asset management Companies and advised them to prepare Trust Deed as per the approved Standard Trust Deed

SUPERVISION AND REGULATION OF MARKETS AND ISSUER COMPANIES (SRMIC)

During October –December 2009, the following companies held AGM. Information on AGM and dividend is shown in the following table:

BANKS & NBFIs SECTOR					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Rupali Bank Ltd.	200812	05/10/2009	Nil	-
2	IFIC	200812	28/10/2009	-	30%B
3	Delta Brac Housing	200906	23/11/2009	17.00	15%B
4	MIDAS Financing Ltd.	200906	29/12/2009	2.50	15%B
INVESTMENT SECTOR					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
1	ICB	200906	21/11/2009	5.00	100%B
ENGINEERING SECTOR					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Aftab Automobiles	200908	06/12/2009	10.00	40%B
2	Atlas Bangladesh	200906	24/12/2009	75.00	1B:3
3	Bangladesh Autocars	200906	24/12/2009	3.00	-
4	National Tube	200906	26/12/2009	30.00	10%B
5	Quasem Drycell	200906	29/12/2009	15.00	-
6	Renwick Jajneswar	200906	05/12/2009	10.00	-
7	National Polymar	200906	05/11/2009	18.00	-
8	Olympic Industries	200906	17/12/2009	10.00	20%B
FOOD & ALLIED SECTOR					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Fu-Wang Food	200906	15/11/2009	-	10%B
2	Rahima Food	200906	19/11/2009	5	-
3	Alpha Tobacco	200809	24/12/2009	Nil	-
4	AMCL (Pran)	200906	24/12/2009	29.00	-

5	Bangas	200906	20/12/2009	15.00	-
6	Bionic Seafood Exports Ltd.	200812	29/12/2009	Nil	-
7	BLTC	200812	30/12/2009	Nil	-
8	Chittagaon Vegetable	200906	22/12/2009	Nil	-
9	Dhaka Fishries	200906	17/12/2009	Nil	-
10	Fine Foods	200906	14/12/2009	-	15%B
11	Gemini Sea Food	200909	12/12/2009	15.00	-
12	Gulf Food	200906	12/12/2009	Nil	-
13	Meghna Condensed Milk	200906	24/12/2009	5.00	-
14	Shyampur Suger	200906	12/12/2009	Nil	-
15	Yousuf Flour	200906	22/12/2009	3.00	-
16	Zeal Bangla Suger	200906	26/12/2009	Nil	-
17	Bangladesh Plantation	200906	24/12/2009	10.00	-
18	Hill Plantation	200906	24/12/2009	10.00	-
19	Meghna Pet	200906	24/12/2009	Nil	-
PAPER & JUTE SECTOR					
SI.No. Name					
Year End					
Date of AGM					
% of Dividend					
cash stock					
1	Hakkani Pulp & Paper	200906	13/12/2009	10.00	-
2	Jute Spinners	200906	19/12/2009	20.00	-
3	Monno Jutex	200906	24/12/2009	10.00	-
4	Northern Jute	200906	30/12/2009	Nil	-
5	Sonali Aansh	200906	27/12/2009	15.00	-
TEXTILE SECTOR					
SI.No. Name					
Year End					
Date of AGM					
% of Dividend					
cash stock					
1	Rahim Textile	200906	08/10/2009	17.50	-
2	CMC Kamal Textile Mills Ltd.	200712, 200812	26/10/2009	Nil	-
3	Al-Haj Textile	200906	24/12/2009	-	10%B
4	Alltex Ind	200906	30/12/2009	Nil	-
5	Anlima Yarn	200906	23/12/2009	5.00	-
6	Apex Weaving	200906	27/12/2009	Nil	-
7	Delta Spinners	200906	20/12/2009	10.00	-
8	Desh Garments	200906	27/12/2009	4.00	-
9	Dulamia Cotton	200906	26/12/2009	2.00	-
10	Jute Spinners	200906	19/12/2009	20.00	-
11	Metro Spinning	200906	28/12/2009	-	25%B
12	Mithun Knitting	200906	20/12/2009	10.00	-
13	Modern Dyeing	200906	24/12/2009	4.00	-
14	Saiham Textile	200906	29/12/2009	10.00	-
15	Tallu Spinning	200906	20/12/2009	Nil	-
16	Prime Textile	200906	26/12/2009	10.00	-
17	Dandy dye	200812	24/11/2009	Nil	-
SERVICE AND REAL ESTATE SECTOR					

SI.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Eastern Housing Ltd.	200907	07/12/2009	15.00	-
CEMENT SECTOR					
SI.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Niloy Cement	200906	24/12/2009	Nil	-
IT SECTOR					
SI.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	BDCOM Online	200906	01/10/2009	10.00	1R:1
2	Agni System	200906	10/12/2009	-	12.50%B
3	Dafodil Computer	200906	24/12/2009	-	12%B
TANNERY SECTOR					
SI.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Samata Leather	200906	29/12/2009	Nil	-
CERAMICS SECTOR					
SI.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Fu-Wang Ceramic	200906	27/12/2009	-	10%B
2	Monno Ceramics	200906	23/12/2009	10.00	-
3	Standard Ceramic	200906	29/12/2009	-	5%B
INSURANCE SECTOR					
SI.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Sonar Bangla Insurance Ltd.	200812	15/10/2009	-	10%B
2	Janata Insurance Co. Ltd.	200812	20/10/2009	-	10%B
MISCELLANEOUS SECTOR					
SI.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Miracle Industries Ltd.	200906	30/12/2009	2.00	-
2	The Engineers	200908	29/12/2009	10.00	-
3	Usmania Glass	200906	18/12/2009	40.00	-

PHARMACEUTICALS & CHEMICALS SECTOR

SI.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Imam Button Ind. Ltd.	200906	15/12/2009	5.00	-
2	Keya Cosmetics	200906	25/12/2009	15.00	-

3	Keya Detergent	200906	25/12/2009	10.00	-
4	Kohinoor Chemicals	200906	17/12/2009	40.00	-
5	Libra Infusion	200906	17/12/2009	15.00	-
6	Bangla Process	200906	31/12/2009	6.00	-
7	Orion Infusion	200906	10/12/2009	12.50	-
8	Pharma Aids	200906	24/12/2009	30.00	-
PRINTING SECTOR					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Azadi Printers	200906	26/12/2009	15.00	-
FUEL & POWER SECTOR					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Titas Gas Trans. & Dist. Co. Ltd.	200906	26/12/2009	27.00	-

Complaint against listed companies

Nature of Complaint	No. of Complaints Received	Under process	Referred for Enforcement Action	Resolved
Non payment or delay in payment of dividend	4	1	-	3
Non payment of debenture installment	2	2	-	-
Regarding transfer of shares	9	3	-	6
Non receipt of letter of rights share offering	1	-	-	1
Non receipt of annual report	2	-	-	2
Refund warrant	15	8	-	7
Non demat of shares	1	-	-	1
Miscellaneous	14	3	2	9
Total	48	17	2	29

SUPERVISION AND REGULATION OF INTERMEDIARIES (SRI)

The function of SRI Department are supervision of performing activities of stock-dealers/stock brokers, depository participants, security custodian banks, merchant bankers, security lenders and borrowers and other market intermediaries. The regular inspection of stock brokers/dealers and DP's on the monthly basis is conducted by this department. Mentionable that, this department has started its operation from May 2009. During October -December 2009, the following complaints were lodged with the department and necessary actions have been taken which are as follows:

Complaints against Stock Broker/Stock Dealer/Depository Participants:

Nature of Complaints	No. of Complaints Received	Under Process	Referred for Enforcement Action	Referred to DSE/CSE for Action	Resolved
Unauthorized debit of share	4	-	-		4
Non transfer of share	4	-	-	2	2
Non-payment of sales proceeds	1	-	-	-	1
Financial loss due to non-transfer of share	-	-	-	-	-
Delay in settlement	-	-	-		-
Non-receipt of share	-	-	-	-	-
Corruption of Broker /Dealer	2	-	-	-	2
Others	3				3
Total	14	-	-	2	12

Inspection of Stock Broker/Stock Dealer/Depository Participants:

Nature of Inspection	Broker/Dealer/DP/Merchant Bank under Inspection	Send to DSE/CSE for regularization	Referred to Enforcement for action	Remarks
Special Inspection	MAH Securities Ltd. (DSE Member no.13)	-	√	-
Special Inspection	Trend set Securities Ltd. (CSE Member no.121077)	-	-	Report under Process
Monthly regular inspection for the month of October,,200	Dynamic Securities Consultants Limited DSE Member no.126	√	-	-

9				
Monthly regular inspection for the month of October,,2009	Mona Financial Consultancy & Securities Ltd. DSE Member no.164	√		-
Monthly regular inspection for the month of October,,2009	Reliance Securities Consultants Limited (CSE Member no.121059)		√	-
Monthly regular inspection for the month of October,,2009	International Securities Co. Limited. CSE Member no(121096)	-	-	No action was required.
Monthly regular inspection for the month of Nov,2009	Al Arafa Islami bank Limited DSE Member no.234	-	-	No action was required.
Monthly regular inspection for the month of Nov,2009	Sharp Securities Limited DSE Member no.216	√	-	
Monthly regular inspection for the month of Nov,2009	CMSL Securities Limited CSE Member no.121061	√		
Monthly regular inspection for the month of Nov,2009	D.N. Securities Limited (CSE Member no.121089)	√		
Monthly regular inspection for the month of Dec ,2009	Murshed Securities Limited (DSE Member no.116)			Report under Process

Monthly regular inspection for the month of Dec ,2009	Harun Securities Limited (DSE Member no.05)			Report under Process
Monthly regular inspection for the month of Dec ,2009	Western Security Investment Management Limited (CSE Member no.121120)			Report under Process
Monthly regular inspection for the month of Dec ,2009	Intraco Shares & Securities Limited (CSE Member no.121067)			Report under Process

CENTRAL DEPOSITORY

During October -December 2009 the following companies joined the CDS under Central Depository Bangladesh Ltd. (CDBL). At the end of this period, the total number of companies under CDBL was 11(Eleven)

Sl. No.	Name of the company	Joining Date
1	ICB AMCL Second Mutual Fund (IPO)	28.10.2009
2	Islami Insurance BD Limited	28.10.2009
3	Dacca Dying & Manufacturing Ltd. (IPO)	28.10.2009
4	Aziz Pipes Ltd.	29.10.2009
5	Rahim Textiles Milles Limited	29.10.2009
6	Grameen Phone Ltd (IPO)	16.11.2009
7	Dulamia Cotton Spining mills Limited	24.11.2009
8	Apex Spinning & Knitting Mills Limited	24.11.2009
9	Stylecraft Limited	24.11.2009
10	Fu wang Foods Ltd.	24.12.2009
11	Apex Foods Limited	24.12.2009

SEC ENFORCEMENT ACTIONS

During October -December 2009 the following enforcement actions against registered Issuer Companies, Chartered Accountants, Stock-Brokers, Stock-Dealers and Authorized Representative were taken by the Commission for non-compliance of the securities laws:

Against Issuer Company:

Violation	No. of Issuer Companies	Nature of Action
Failure to submit the audited financial statements	8	Penalty
Failure to submit the half- yearly financial statements	6	Penalty
Failure to comply with securities related laws regarding audited financial statements.	3	Penalty
Non-holding of AGM	11	Penalty
Failure to comply with securities related law	3	Penalty
Failure to submit the half- yearly financial statements	1	Warning
Failure to comply with securities related laws regarding audited financial statements	10	Warning
Failure to comply with securities related laws	4	Warning

Against Chartered Accountant Firm:

Violation	No. of Chartered Accountant Firm:	Nature of Action
Failure to comply with securities related laws regarding audited financial statements of the issuers.	-	-

Against Stock Broker/ Stock Dealer:

Violation	No. of Stock Broker	Nature of Action
Non-compliance with securities related laws	1	Penalty

Against Authorized Representative:

Violation	No. of Authorized Representative	Nature of Action
Non-compliance with securities related laws	1	Penalty
Non-compliance with securities related laws	8	Warning

Against Authorized Representative (AR):

Violation	No. of AR	Nature of Action
-	-	-

Against Depository Participants (DP):

Violation	No. of DP	Nature of Action
-	-	-

Against Merchant Banker:

Violation	No. of Merchant Banker:	Nature of Action
-	-	-

Against Others:**Against Merchant Banker:**

Violation	No.	Nature of Action
Non-compliance with securities related laws in connection with violation of SEC/SRMID/2002-953/313/Admin-06	1	Warning
Non-compliance with securities related laws in connection with spreading rumor of share of Maq Enterprise Ltd.	1	Penalty

LAW

Total 274 cases filed by or against SEC are pending in different courts. Name of the courts are given below along with number of pending cases:

Sl. No.	Name of the Court	Number of Cases
1	Supreme Court of Bangladesh	9
	Appellate Division High Court Division	99
2	Metropolitan Session Judge Court, Dhaka.	06
3	1 st Asst. Metropolitan Session Judge Court, Dhaka	01

4	4 th Joint District Judge Court, Dhaka	01
5	5 th Joint Dist. Judge Court, Dhaka.	08
6	4 th Asst. Judge Court, Dhaka.	01
7	8 th Asst. Judge Court, Dhaka	01
8	9 th Asst. Judge (Savar) Court, Dhaka	01
9	Chief Metropolitan Magistrate Court, Dhaka.	09
10	General Certificate Court, Dhaka.	138
Total Cases :		274

- Out of total 15 share scam cases of 1996, 2 cases are now pending before the Appellate Division, 9 cases before the High Court Division of Bangladesh Supreme Court and rest 4 cases are pending before the Metropolitan Session Judge Court, Dhaka.
- 11(eleven)certificate cases were filed against the directors of relevant 9 companies to recover the penalty imposed by the Commission for violation of securities laws during the period October -December 2009 under Public Demands Recovery Act, 1913

MIS

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

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 use of its different departments. Officers of SEC can use broadband internet connection from their workstation through connected LAN. SEC's website (www.sec bd.org) is enriched with various information like securities laws, IPO prospectus, eligible securities, depository participants, enforcement actions, reports etc, which are updated regularly and many users visit the website. MIS department works on development, modification and maintenance of the mentioned systems.

July-September 2009 - Important Web Uploads and Website Visits:

Works	Number
IPO Prospectus/ Right offer document Upload	8
Enforcement Actions Upload	49
Other Order/Notification/Directive etc Upload	21
Eligible Securities/DP List etc Update	11
Quarterly Report Upload	1

Annual Report Upload	-
Proposed Draft Rule Upload for Comments	-
No. of Website Visitors(As Per Web Counter)	35,000(approx)

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, furnishes various reports and information to the Government and other institutions including Ministry of Finance and different regulatory authorities and makes paper clipping from most of the daily news papers (20 dailies) and circulate it to the Commission and executives. The department also deals the training program of the authorized representatives jointly with the stock exchanges.

During October-December 2009, Research and Development Department has carried out regular activities mentioned in the table below:

October-December 2009:

S/N	Name of Work	Quantity
1	Training Program for General Investors (Two-days program)	7 programs 212 participants
2	Training for Authorized Representatives (Two-days program)	DSE- 6 programs 245 participants
3	Annual Report 2008-2009 (Bangla draft finalization)	1
4	Quarterly Report	1
5	Parikrama	1
6	Monthly Work Plan to MOF	3
7	Monthly Progress Report to MOF	3
8	Quarterly and Annual Manpower Report to MOF	1 Quarterly

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1	GmBim/wmGgAvi Avi wmw/2001-50/167 A±vei 01, 2009	gvfPw e'vsKvi KZR gwRb FY c0vb msμvst	Avt`k
2	SEC/CMRRCD/2001-16/168 October 01, 2009	Related to transaction of securities of Z-category companies.	Directive
3	SEC/CMRRCD/2001-43/169 October 01, 2009	Related to loan facility to purchase of newly Listed Companies.	Directive
4	SEC/CMRRCD/2008-183/Admin/03-35 October 01, 2009	Related to refund warrant of Initial Public Offer (IPO).	Notification
5	SEC/CMRRCD/2001-16/170 October 04, 2009	Related to settlement of delisted securities transaction of Over-the-Counter Market.	Directive
6	GmBim/wmGgAvi Avi wmw/2001-50/174 A±vei 05, 2009	gvfPw e'vsKvi KZR wRw0 K'vUMixf³ tkv±úwmbmg±ni wmwKDwi wJ μtqi Rb` gwRb FY c0vb msμvst	Avt`k
7	SEC/CMRRCD/2008-183/Admin/03-36 October 05, 2009	Related to record date and AGM of listed companies.	Notification
8	SEC/CMRRCD/2001-12/177 October 06, 2009	Amendment of Settlement of Stock Exchange Transactions Regulations, 1998, DSE	Order
9	SEC/CMRRCD/2001-12/178 October 06, 2009	Amendment of guideline to the "Settlement of Chittagong Stock Exchange Transactions Regulations, 2005.	Order
10	SEC/CMRRCD/2008-187/188 October 20, 2009	Related to Branch opening of Stock-broker.	Directive
11	SEC/CMRRCD/2001-43/189 October 20, 2009	Related to Related to loan facility to purchase of paper securities.	Directive
12	SEC/CMRRCD/2001-07/190 October 20, 2009	Related to transaction of public shares in trading of ----	Directive
13	SEC/CMRRCD/2001-23/191 October 20, 2009	Chittagong Stock Exchange Trading related Regulations.	Directive
14	GmBim/wmGgAvi Avi wmw/2001-43/192 A±vei 20, 2009	Kv, tR wmwKDwi wJ μtqi t¶t¶ gwRb FY c0vb msμvst	Avt`k
15	SEC/CMRRCD/2001-43/198 October 21, 2009	Margin loan related	Directive
16	SEC/CMRRCD/2001-43/199 October 21, 2009	Margin loan related	Directive

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17	SEC/CMRRCD/2001-43/203 October 26, 2009	Related to Margin loan to purchase of units of Mutual Funds.	Directive
18	SEC/CMRRCD/2001-43/204 October 24, 2009	Related to Margin loan to purchase of units of Mutual Funds.	Directive
19	SEC/CMRRCD/2001-43/205 October 26, 2009	Related to Margin loan facilities of Aftab Automobiles Ltd.	Directive
20	SEC/CMRRCD/2001-43/206 October 26, 2009	Related to Margin loan facilities of Aftab Automobiles Ltd.	Directive
21	SEC/CMRRCD/2001-43/207 October 27, 2009	Rescinds the Directive No. SEC/CMRRCD/2001-43/206 dated October 26, 2009	Directive
22	SEC/CMRRCD/2001-43/208 October 27, 2009	Rescinds the Directive No. SEC/CMRRCD/2001-43/205 dated October 26, 2009	Directive
23	SEC/CMRRCD/2001-49/221 November 15, 2009	DSE and CSE Members' Margin Regulations, 2000	Order
24	SEC/CMRRCD/2001-27/01/Admin/01/40 November 17, 2009	Amendments of Credit Rating Companies Rules, 1996	Notification
25	GmBim/imGgAvi Avi imwW/2004-140/02 wW†m† 07, 2009	wW†m† MY KZ† evrmwi K wd cw††kva msp†vŠ†	Av† k
26	SEC/CMRRCD/2001-43/03 December 09, 2009	Related to Margin loan.	Directive
27	SEC/CMRRCD/2001-43/04 December 09, 2009	Related to Margin loan.	Directive
28	SEC/CMRRCD/2001-43/05 December 17, 2009	Related to Margin loan.	Directive
29	SEC/CMRRCD/2001-43/06 December 17, 2009	Related to Margin loan.	Directive
30	SEC/CMRRCD/2001-27/07/Admin December 24, 2009	Related to rule 30 of the Credit Rating Companies Rules, 1996	Order
31	SEC/CMRRCD/2006-161/08 December 31, 2009	Amendments of Chittagong Stock Exchange Ltd. (Direct Listing) Regulations, 2006	Order

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AZGe, tm₁nZ₁ Kwgkb, D³ wewagvj vi Zdimj Gi Aaxb gw₁R₁ FY c₁0 vb ms₁μvš₁-w₁b₁t₁ Rbv bs 14 t₁Z c₁0 E q₁lgZvetj gv₁p₁ e₁vsKvi t₁ i c₁0 Z GZ₁0 vi v w₁b₁æi₁fc Av₁ k c₁0 vb Kwi j , h₁-vt-

- 1| ÷ K G. pÄ bZb Zwj Kv₁f₁³ tKvb wmwKDwi wJ μ₁t₁qi Rb₁ Dnv Zwj Kv₁f₁³ i ci c₁0 g tU₁w₁s w₁ em nB₁t₁Z w₁ kZg tU₁w₁s w₁ em ch₁s-tKvb gw₁R₁ FY c₁0 vb Kiv hvB₁te bv;
- 2| ÷ K G. pÄ Zwj Kv₁f₁³ tKvb wmwKDwi wJi K₁vU₁vi x₁t₁Z cwi eZ₁bi t₁q₁t₁ cwi ewZ₁ K₁vU₁vi x₁t₁Z c₁0 g tU₁w₁s w₁ em nB₁t₁Z w₁ kZg tU₁w₁s w₁ em ch₁s-D³ wmwKDwi wJ μ₁t₁qi Rb₁ tKvb gw₁R₁ FY c₁0 vb Kiv hvB₁te bv|

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DIRECTIVE

In exercise of the power conferred by section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd.; -

1. To delist the securities of the issuer companies under Z-category from the respective Exchange, trading of which is under suspension or has been halted;
2. To provide facilities for transaction of the said securities on the Over-the-Counter (OTC) under the Securities and Exchange Commission (Over-the-Counter) Rules, 2001, subsequent to delisting until further order.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

DIRECTIVE

In exercise of the power conferred by section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. that; -

1. The stock exchanges shall not entertain the securities of the issuer companies under 'Z'-category and the securities of those companies which have failed to submit the updated accounts and will have failed to join the Central Depository System within December 31, 2009, as "marginable securities" under clause (d) of sub-rule (12) of rule 3 of the Margin Rules, 1999;
2. The stock brokers shall not provide loan facilities-
 - a) to purchase any newly listed security in between 1st to 30th trading day after listing of the said security;
 - b) to purchase any existing listed security in between 1st to 30th trading day after change of categorization of the said security.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

NOTIFICATION

October 01, 2009

No. SEC/CMRRCD/2008-183/Admin/03-35 :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 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 to the public offer of securities for sale, namely:-

The issuer shall refund application money to the bank of the unsuccessful applicant of the public offer for onward deposit of the refund money into the applicant's account as provided in the respective application form for subscription.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

DIRECTIVE

Further to the Directive No. SEC/CMRRCD/2001-16/168 dated October 01, 2009, the Securities and Exchange Commission in exercise of the power conferred by section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969), hereby directs the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. to the effect that: -

Settlement of dematerialized securities transacted on Over-the-Counter (OTC) under the Securities and Exchange Commission (Over-the-Counter) Rules, 2001, shall be in accordance with the existing mechanism and procedures followed by the exchanges for listed dematerialized securities.

By order of the Securities and Exchange Commission

Mansur Alam
Chairman (In-charge).

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AZGe, thfnZi Kwgkb, D³ weagvj vi Zdmj Gi Aaxb gwRw FY c0vb mpmvš-wbft`Rbv bs 14 tZ c0E tlgZvetj GZ0viv wæifc Avf`k c0vb Kwij, h_vt-

tKvb gvfPw e`vsKvi KZK ÷K G. tPÄ 'Z' K`vUvMxf³ Bmjqvi tKv`vwbmgfni wmwKDwi wJR Ges thB mKj tKv`vwb nvj bVw` Aw`K weeiYx `wLj KwitZ e`nBqftQ I thB mKj tKv`vwb wWtmft 31, 2009 Gi gta` tmUthj wWcwRUwi wmt÷g (CDS) G thvM`vb KwitZ e`nBte tmB mKj tKv`vwb wmwKDwi wJR mftqi Rb` tKvb gwRw FY c0vb Kiv hvBte bv|

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NOTIFICATION

October 05, 2009

No. SEC/CMRRCD/2008-183/Admin/-----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 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 to the public offer of securities for sale, namely:-

- a) The record date or commencement of book closure period of the listed security issuers will be within 15(fifteen) working days from the date of Board declaration for corporate entitlement; and
- b) Annual General Meeting (AGM) shall be held by the listed security issuers within 45 (forty-five) working days from the record date or completion of book closure period, as the case may be.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Mansur Alam
Chairman (In-charge).

No. SEC/CMRRCD/2001-12/177

October 06, 2009

ORDER

Whereas, the Securities and Exchange Commission considers it to be expedient in the interest of the capital market, and the investors in securities as well, that the settlement and clearance period of 'Z' category securities should be revised;

Now, therefore, in exercise of power conferred by sub-section (4) of section 34 of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Dhaka Stock Exchange Limited to amend its "Settlement of Stock Exchange Transactions Regulations, 1998" in the following manner, namely: -

1. Sub-regulation (e) of regulation 2 shall be substituted by the following-

"(e) 'Settlement day' means the day on which transactions that were carried out by the members on a trading day are settled by them through delivery of securities and/or cheque/pay order/demand draft to the clearing house of DSE, and which shall be the first day subsequent to the trading day, i.e. T+1 for all category of securities."

2. Regulation 8 shall be substituted by the following-

"8. **Clearing by delivery of securities and issue of cheque by DSE.**-The clearing house shall deliver securities and make payment by account payee cheque issued to a member on the third day subsequent to the trading day, i.e. T+3, in respect of the transactions carried out for A, B, G & N category securities, and on the ninth day subsequent to the trading day, i.e. T+9, for Z category securities."

These shall be effective from the trading day of October 11, 2009.

Mansur Alam
Chairman (In-charge).

No. SEC/CMRRCD/2001-12/178

October 06, 2009

ORDER

Whereas, the Securities and Exchange Commission considers it to be expedient in the interest of the capital market, and the investors in securities as well, that the settlement and clearance period of 'Z' category securities should be revised;

Now, therefore, in exercise of power conferred by sub-section (4) of section 34 of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Chittagong Stock Exchange Limited to amend its "Guidelines to the Settlement of Chittagong Stock Exchange Transactions Regulations, 2005" in the following manner, namely: -

Sub-clause 2.1 and 2.2 of clause 2 shall be substituted by the following-

"2.1 Pay in day

The Pay in day for 'A', 'B', 'N', 'G' and 'Z' category securities shall be the first day subsequent to the Trading day, i.e. T+1, and the Trading day, i.e. T+0, for spot order transactions.

2.2 Pay out day

The Pay out day for 'A', 'B', 'N' and 'G' category securities shall be the second day subsequent to the Pay in day, i.e. T+3, the eighth day subsequent to the Pay in day, i.e. T+9 for Z- category securities, and the first day subsequent to the Trading day, i.e. T+1, for spot order transactions of all category of securities."

These shall be effective from the trading day of October 11, 2009.

By Order of the Securities and Exchange Commission

Mansur Alam
Chairman (In-charge).

No. SEC/CMRRCD/2008-187/188

October 20, 2009

DIRECTIVE

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 the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. and its stock brokers to comply with the following, namely:-

The second proviso in the sub-clause (b) of clause 2 of the Directive No. SEC/CMRRCD/2002-90/34 dated July 29, 2008, read with the Directive No. SEC/CMRRCD/2008-187/128 dated May 27, 2009, shall be replaced by the following new proviso:-

“Provided further that a stock broker may open a maximum of 15 (fifteen) branch offices. Any office connected to the main office through LAN facility within 1 (one) kilometer of the broker’s main office shall be deemed as extension of the main office.”.

This Directive shall supercede the Commission’s instruction in the letters No. SEC/Registration/DSE/2009/105 dated March 09, 2009 and SEC/Registration/CSE/2009/106 dated March 09, 2009 and shall have immediate effect.

By Order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker

Chairman.

No. SEC/CMRRCD/2001-07/190

October 20, 2009

DIRECTIVE

In exercise of the power conferred by section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969) and in supersession of the Commission's Directive No. SEC/CMRRCD/2001-07/139 dated June 24, 2009, the Securities and Exchange Commission hereby directs the Dhaka Stock Exchange Limited and the Chittagong Stock Exchange Limited, which shall have immediate effect, :-

1. To carry out transactions of physical shares in the spot market only during one complete cycle immediate prior to the book-closure date and also to keep transactions of such shares suspended on the day immediate prior to the starting date of book-closure.
2. Instead of suspending trade of a listed security instantly upon closure of operation of the listed company, the stock exchanges shall regularly disseminate on the trading monitor to the effect that if the situation of the company which failed to hold its Annual General Meeting(s) and issue Annual Report(s), and simultaneously the operation of the company remains closed for more than six months, is not improved within the next six months from the 1st date of such dissemination, the stock exchanges shall de-list the security upon completion of the said six months of dissemination.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker

Chairman.

DIRECTIVE

In exercise of the power conferred by section 34(4) of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Chittagong Stock Exchange Ltd. to insert the following provision in its trading related Regulations, namely; -

“No broker shall be allowed to carry out transactions in the odd lot market by breaking market lot from any of the securities, and none should be allowed to place buy order of odd lot securities in excess of the number of securities sufficient enough to render his possession of odd lot securities into market lot. Violation of this shall be punishable as follows;-

- (1) the concerned broker shall be imposed with a fine of Tk. 5000/= if the contravention occurs for the first time in a month; and
- (2) the concerned broker shall be imposed with a fine of Tk. 10,000/= if the contravention occurs for the second time and successive times in a month.”.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

Avt`k

thtnZi wmwKDwi wJR I G. tPA Kwgkb GB gtgmsb nBqvQ th, wmwKDwi wJR I G. tPA Kwgkb (gvfPw e'vsKvi I tcvUwuj I g'vfbRvi) wewagj v, 1996 Gi wewa 36 G Dwj wZ gvfPw e'vsKvi KZR gwRw FY c0vbi ttt, Rb`t, KwZcq AwKZi wElq wqsy Kiv c0qvRb;

AZGe, tmtnZi Kwgkb, D3 wewagj vi Zdimj Gi Aaxb gwRw FY c0vb msms-wbt` Rbv bs 14 tZ c0 E tlgZvetj GZ0viv wbaifc Avt`k c0vb Kwij, h_vt-

tKvb gvfPw e'vsKvi KZR ÷K G. tPA Zwj Kvfs Bmjvimgfni Kv_tR wmwKDwi wJR mtqi Rb` tKvb gwRw FY c0vb Kiv hvBte bv|

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DIRECTIVE

In exercise of the power conferred by section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. that; -

The stock exchanges shall not entertain the paper securities of the issuers, as "marginable securities" under clause (d) of sub-rule (12) of rule 3 of the Margin Rules, 1999.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

DIRECTIVE

In exercise of the power conferred by section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. that; -

The stock exchanges shall not entertain the securities of the following issuer companies as "marginable securities" under clause (d) of sub-rule (12) of rule 3 of the Margin Rules, 1999 and the stock dealers/brokers shall not provide loan facilities in favor of these securities until further order:

1. Beach Hatchery Limited
2. Legacy Footwear Limited
3. Ambee Pharmaceuticals Limited

4. Bangladesh Autocars Limited
5. Bangas Limited
6. Al-Haj Textiles Limited
7. Purabi General Insurance Limited
8. InTech Online Limited
9. Daffodil Computers Limited
10. Beximco Synthetics Limited
11. First BSRS Mutual Fund
12. Miracle Industries Limited
13. Sonar Bangla Insurance Limited
14. Monno Ceramic Industries Limited
15. Alltex Industries Limited
16. Desh Garments Limited
17. Gulf Foods Limited
18. Eastern Lubricants Blenders Limited
19. Aramit Cement Limited
20. Key and Que (Bangladesh) Limited
21. Modern Dyeing and Screen Printing Industries Limited
22. GQ Ball Pen Industries Limited
23. Bangladesh Shipping Corporation
24. Bangladesh Welding Electrodes Limited
25. Bangla process Industries Limited
26. Fine Foods Limited
27. Anlima Yarn Dyeing Limited
28. Marico Bangladesh Limited.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

DIRECTIVE

The Securities and Exchange Commission, in exercise of the power conferred on it under section 20A of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), read with নির্দেশনা নং- ১৪ of বিধি ৩৬ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬, hereby directs the merchant bankers, including the portfolio managers, registered under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬ to immediately stop providing or disbursing of any further margin loan or credit facilities to their clients under the said বিধিমালা, in favor of the securities of the following issuer companies until further order:

1. Beach Hatchery Limited
2. Legacy Footwear Limited
3. Ambee Pharmaceuticals Limited
4. Bangladesh Autocars Limited
5. Bangas Limited
6. Al-Haj Textiles Limited
7. Purabi General Insurance Limited
8. InTech Online Limited
9. Daffodil Computers Limited
10. Beximco Synthetics Limited
11. First BSRS Mutual Fund
12. Miracle Industries Limited
13. Sonar Bangla Insurance Limited
14. Monno Ceramic Industries Limited
15. Alltex Industries Limited
16. Desh Garments Limited
17. Gulf Foods Limited
18. Eastern Lubricants Blenders Limited
19. Aramit Cement Limited
20. Key and Que (Bangladesh) Limited
21. Modern Dyeing and Screen Printing Industries Limited
22. GQ Ball Pen Industries Limited
23. Bangladesh Shipping Corporation
24. Bangladesh Welding Electrodes Limited

25. Bangla process Industries Limited
26. Fine Foods Limited
27. Anlima Yarn Dyeing Limited
28. Marico Bangladesh Limited.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

No. SEC/CMRRCD/2001-43/203

October 26, 2009

DIRECTIVE

The Securities and Exchange Commission, in exercise of the power conferred on it under section 20A of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), read with নির্দেশনা নং- ১৪ of বিধি ৩৬ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬, hereby directs the merchant bankers, including the portfolio managers, registered under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬ to immediately stop providing or disbursing of any further margin loan or credit facilities to their clients under the said বিধিমালা, to purchase the units of all listed Mutual Funds until further order.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

DIRECTIVE

The Securities and Exchange Commission, in exercise of the power conferred on it under section 20A of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), hereby directs the stock dealers/stock brokers of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited to immediately stop providing or disbursing of any further loan or credit facilities to their clients under Margin Rules, 1999, to purchase the units of all listed Mutual Funds until further order.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

DIRECTIVE

The Securities and Exchange Commission, in exercise of the power conferred on it under section 20A of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), read with নির্দেশনা নং- ১৪ of বিধি ৩৬ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬, hereby directs the merchant bankers, including the portfolio managers, registered under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬ to immediately stop providing or disbursing of any further margin loan or credit facilities to their clients under the said বিধিমালা, to purchase the securities of Aftab Automobiles Limited until further order.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

No.SEC/CMRRCD/2001-43/206

October 26, 2009

DIRECTIVE

In exercise of the power conferred by section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. that; -

The stock exchanges shall not entertain the securities of Aftab Automobiles Limited as "marginable securities" under clause (d) of sub-rule (12) of rule 3 of the Margin Rules, 1999 and the stock dealers/brokers shall not provide loan facilities to their clients to purchase the securities of this company until further order.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

No. SEC/CMRRCD/2001-43/207

October 27, 2009

DIRECTIVE

The Securities and Exchange Commission issued Directive No. SEC/CMRRCD/2001-43/206 dated October 26, 2009 to the stock exchanges for not to entertain the securities of Aftab Automobiles Limited as "marginable securities" and to the stock dealers/brokers for not to provide loan facilities to their clients to purchase the securities of this company. Now, in exercise of the power under section 20A of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), the Commission hereby rescinds the said Directive.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Muhammad Yasin Ali

Member

No. SEC/CMRRCD/2001-43/208

October 27, 2009

DIRECTIVE

The Securities and Exchange Commission issued Directive No. SEC/CMRRCD/2001-43/205 dated October 26, 2009 to the merchant bankers, including the portfolio managers for not to provide loan facilities to their clients to purchase the securities of Aftab Automobiles Limited. Now, in exercise of the power under section 20A of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), read with নির্দেশনা নং-৯৪ of বিধি ৩৬ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার)

বিধিমানা, ১৯৯৬, the Commission hereby rescinds the said Directive.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Muhammad Yasin Ali

Member

No. SEC/CMRRCD/2001-49/221

November 15, 2009

ORDER

Whereas, the Securities and Exchange Commission considers it to be expedient, in the interest of the capital market and the investors in securities, to further review and revise the Regulations concerning the members' margin deposit;

Now, therefore, in exercise of power conferred by sub-section (4) of section 34 of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited to amend regulation 3 of the Dhaka Stock Exchange (Members' Margin) Regulations, 2000 and Chittagong Stock Exchange (Members' Margin) Regulations, 2000 respectively in the following manner, namely:-

"3. **Free Limit.**- The free limit shall be taka five crore only in respect of the stock exchange members' margin deposit with the stock exchange on each trading day based on the total buy exposure, without linking to the capital requirements;

Provided that there shall remain no unsettled sale exposure at the end of respective trading day (i.e., pay in will be done on T+0)."

This Order shall supersede the Commission's direction in the Order No.-SEC/CMRRCD/2001-49/163 dated September 03, 2009 and shall have immediate effect.

Mohammad Abdul Hannan Zoarder
Executive Director

NOTIFICATION

November 17, 2009

No. SEC/CMRRCD/2001-27/01/Admin/01/40 In exercise of power conferred by section 32 of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), the Securities and Exchange Commission makes, after prior circulation, the following further amendments to the Credit Rating Companies Rules, 1996, namely:-

In the aforesaid Rules, after CHAPTER II, the following new CHAPTER-III and CHAPTER-IV and after FORM-II in THE SCHEDULE, the following new FORM-III, FORM-IV, FORM-V, FORM-VI, FORM-VII shall be inserted, namely:-

CHAPTER-III

Operation Procedures of Credit Rating Companies

9. A credit rating company (CRC) shall adopt, publish and shall adhere to the Code of Conduct containing the following measures, namely:-

(1) Quality of the Rating Process:

- (a) The CRC shall establish rating methodologies based on standards and procedures to meet the rating requirements for each industry or each type of financial instrument and shall disclose the methodologies on its public website which shall immediately be updated after any subsequent modification thereof. Each credit rating report shall have reference to the particular methodology that has been followed. All analysts shall use the methodology established by the CRC. The Rating Committee of CRC shall review the rating criteria, methodology and models at least once in every year and shall amend the rating methodology if necessary. The review shall be made

keeping in view the outcomes of internal and external research and best practices, historical experience and also on the basis of necessity of ratings for new products.

- (b) The CRC shall prepare written procedures for obtaining ratings according to its rating methodology and shall disclose the procedures on its public website.
- (c) The CRC shall have a Rating Committee comprised of five members including two senior analysts having appropriate knowledge and experience. The Rating Committee shall have adequate access to information and the authority to make independent decisions.
- (d) Credit ratings shall be assigned by the Rating Committee and not by any individual analyst. The Rating Committee shall examine and review the analysts' proposed rating thoroughly and shall announce final rating.
- (e) The CRC shall maintain internal records including workings of the analysts and proceedings of the Rating Committee meetings concerning its rating decisions for a period of at least five years after expiry of validity of the concerned rating.
- (f) The CRC shall ensure that it has and devotes sufficient number of rating analysts having sufficient and appropriate knowledge, skill, experience and access to sufficient quality information. If any rating involves a type of financial product with limited historical data, the CRC shall disclose clearly the limitations in the rating report.
- (g) The CRC shall structure its rating teams composed of at least two analysts in order to make objective assessment with different viewpoints. A rating analyst shall be assigned to a certain area or industry for a minimum period of time as determined by the CRC, in order to promote consistency in the rating evaluation. However, an analyst may be assigned to more than one area or industry simultaneously. Rating team shall be composed of persons who have appropriate knowledge, skill, experience on relevant field.
- (h) In order to avoid issuing ratings on the basis of analysis or reports that contain misrepresentations or are otherwise misleading, an Internal Review Committee (IRC) comprising of appropriate professionals shall double-check the documents and information on which the analysts make ratings. In this regard it may also be mentioned that the CRC and its analysts should take steps to

avoid issuing any credit analyses or reports that contain misrepresentations or are otherwise misleading as to the general creditworthiness of an issuer or obligation.

(2)

Monitoring and updating:

- (a) The CRC shall prepare standard agreement(s) for each type of rating. The standard agreement shall contain among others, terms and conditions of the rating, rights and obligations of the parties, validity of the agreement, termination and settlement, surveillance rating, mode of payment etc.
- (b) The agreement shall clearly mention the events for which any of the parties can terminate it along with a minimum period within which it cannot be terminated. If an agreement for entity rating is executed with a CRC, it shall perform surveillance rating at least for the next three years after the initial rating. For an issue or instrument rating, the CRC shall perform continuous surveillance rating for the lifetime of the instrument after the initial rating, including yearly rating. Once an agreement is executed, it cannot be terminated before performing the initial rating and three continuous surveillance rating. If any party, however, wants to terminate the agreement prior to completion of the contract period, such party shall apply to the Commission, stating the reason therefor, and if the Commission considers the reason provided in this behalf is acceptable, it may, after giving the other party an opportunity of being heard, dispose of the matter with instruction, if any.
- (c) Once a rating is assigned and announced, the CRC shall monitor on an ongoing basis any changes in the issuer's creditworthiness. The monitoring shall consist of a half-yearly survey in case of ratings of institutions. In case of instruments, the monitoring shall be performed on quarterly basis. The CRC may conduct review of ratings at its discretion, if it feels such a review is warranted. When a CRC makes a rating available to the public, the CRC shall announce, on its public website, the initial rating, monitoring reports and periodical surveillance ratings.
- (d) Where a rating is provided only to its subscribers, the CRC shall inform to its subscribers the results of aforementioned review rating. In both cases, publications of the CRC shall indicate the date when the discontinued rating was last updated or the fact that the rating is no longer being updated.

(3) Integrity of the Rating Process:

- (a) The CRC shall at all times exercise due diligence, ensure proper care and exercise independent professional judgment in order to achieve and maintain objectivity and independence in the rating process. The CRC and its employees shall comply with all the applicable laws, regulations and guidelines as time to time make applicable for them by the Commission.
 - (b) In implementing its rating process, CRC and its employees shall act fairly, neutrally and honestly with the investors, issuers, other market participants and the public. The CRC shall employ, as rating analysts, only those individuals with appropriate knowledge, related experience and high standards of integrity. The CRC shall establish an ethical standard and code of conduct for its employees and shall disclose it on its public website.
 - (c) The CRC shall conduct seminars and training programs to enhance the capabilities of its rating analysts.
 - (d) The CRC and its employees shall not, either implicitly or explicitly, give any assurance or guarantee of a particular rating prior to the final rating assessment. This does not preclude a CRC from assigning target ratings used in structured finance and similar transactions. However, a CRC shall prohibit itself and its analysts from making the design of structured finance products that the CRC rates.
 - (e) Upon becoming aware that another employee or entity under common control with the CRC is or has engaged in any conduct that is illegal, unethical or contrary to the laws, guidelines and internal and external standards and code of conducts etc., a CRC employee shall report such information immediately to the Compliance Officer. CRC management shall prohibit retaliation by other CRC staff or by the CRC itself or by any of its directors against any employee who, in good faith, makes such reports.
- (4) CRC Independence and Avoidance Of Conflicts Of Interest:
- (a) The Rating Committee shall be independent in its rating decision-making and shall disregard any internal or external pressure or interference. The Rating Committee shall not consider any positive or negative potential effects of its rating decisions on issuers, investors, the CRC itself or other stakeholders. The directors/shareholders of the CRC shall not interfere in or influence over the activities and decisions of the Rating Committee.
 - (b) The CRC and its analysts shall use care and professional judgment to maintain independence and objectivity. The credit rating division of the CRC shall be independent from all other divisions in terms of information control and organization management.

- (c) The CRC, members of the Rating Committee and the rating analysts shall not engage themselves in any business, which may create conflict of interest; particularly, the CRC shall not perform the rating of any entity or issue, which has any relation with CRC or its directors.
- (d) The determination of a credit rating shall not be influenced by such factors, which are not relevant to the credit assessment, such as the existence of or potential of a business relationship between the CRC (or its affiliates) and the issuer (or its affiliates) or any other party, or the non-existence of such a relationship.
- (d) For avoidance of conflict of interest and to ensure independence as described in the above clauses (a), (b), (c) and (d); at the time of credit rating activity, the CRC shall take the following undertaking/declaration from each member of the Board of Directors and officials related to rating activities:
 - (i) Undertaking/Declaration in Form-III to be made by the member of Board of Directors on election and assumption of the position as the member of the Board of Directors.
 - (ii) Affidavit in Form-IV to be sworn in by the employee/official at the time of joining the service.
 - (iii) Undertaking/Declaration in Form-V by the employee/official to be made at the time of engagement in the Credit Rating Assessment for a particular entity.
 - (iv) Letter of Withdrawal in Form-VI to be made by an employee/official if he/she faces any conflict of interest or pressure during performing his/her duties.
 - (v) Undertaking/Declaration in Form-VII to be made by the employees/officials after the Credit Rating Assessment is completed.

Provided that on the basis of the above mentioned undertaking/ declaration, the Chief Executive Officer (CEO) of the CRC shall certify that the rating is done independently, free from any conflict of interest, and economic, social, political or any other pressures:

Also provided that if an employee/official is found to have conflict of interest with a particular entity, the CEO of the CRC shall ensure that the concerned official/employee is not engaged with that rating activity:

Provided further that if a member of the Board of Directors (BOD) of a CRC is found to be a member of the BOD of another entity, the CRC should refrain itself from any type of rating activity to that particular entity.

- (5) CRC Procedures and Policies:
- (a) The CRC shall adopt written internal procedures and code of conduct to identify, eliminate and disclose any actual or potential conflicts of interest that may influence the opinions and analysis.
 - (b) The CRC shall disclose, in the rating agreement, the type of its compensation arrangements with the rated entities/clients. It shall not receive from a rated entity any compensation unrelated to its ratings services. However, for private ratings, where rating is done for private use, the CRC is not required to disclose its type of compensation arrangements.
 - (c) A CRC shall publicly disclose if it receives 10 percent or more of its annual revenue from a single entity or a group.
 - (d) A CRC shall disclose publicly all such cases where an organization has provided the CRC with final data and information to obtain a preliminary rating of an entity or issue, but: (1) does not contract with the CRC for a final rating and does contract with another CRC for a final rating of the same product/entity; or (2) contracts with the CRC for a final rating and does not publish the CRC's final rating, but does publish the ratings of another CRC for the same product/entity.
- (6) CRC Analyst and Employee Independence:
- (a) Compensation of the CRC analysts shall not be based upon the amount of revenue that CRC derives from those clients the analyst rates.
 - (b) Employees of the CRC shall not share any revenue of the CRC other than service benefits. Performance evaluation of the analysts shall base upon the quality of analysis, degree of clarity and understandability of the analysts' reports, fairness and integrity of their jobs.
 - (c) The CRC shall conduct formal and periodic review of compensation policies and practices for CRC employees to ensure that these policies and practices do not compromise the rating process.
 - (d) The rating analysts shall not be involved in marketing, negotiation of rating fees with or receipts of service payments, gifts or any beneficial services from the clients.
 - (e) A CRC or any of its analyst/employee shall not buy or sell or engage in any transaction in any listed security or derivative other than holdings in diversified collective investment schemes.
 - (f) If the CRC or any of its analyst/employee already have any holding of listed security or

forthcoming listed security at the time of issuance of these rules, they shall submit a written report thereof simultaneously to the Securities and Exchange Commission and the Stock Exchanges within one month of publication of this notification in the Bangladesh Gazette. In case of selling or otherwise disposal of all or part of such securities by any of the holder of such securities, the holder shall submit to SEC and Stock Exchanges its/his/her intention in writing at least seven working days prior to placing order with the concerned stockbroker mentioning the followings:

- (i) Name of the security/company
 - (ii) Quantity of securities to be sold/disposed off
 - (iii) Name of designated stock-broker and the stock exchange
 - (iv) Details of disposal, if disposal would be made through means other than the trading system
- (g) The above requirement of submission of prior report shall also be applicable to the directors of CRCs in case of its/his/her intention to buy, sale, disposal or otherwise acquire any listed security.
- (h) In case the CRC has entered into a rating agreement with a company, securities of which are held by the CRC in its portfolio of investment, the CRC shall disclose to the Securities and Exchange Commission and the stock exchanges the fact that it has holding of such securities along with the respective holding position within three working days of signing of such agreement.
- (i) The directors of CRC shall disclose the respective holding position of securities as well as trading in listed securities by each of them on a half-yearly basis on its public website, simultaneously with a copy to the Securities and Exchange Commission.

(7) CRC Responsibilities to the Investing Public And Issuers

A. Transparency and Timeliness of Ratings Disclosure:

- (a) The CRC shall publish the rating in its public website when it issues or updates a final rating or discontinue with a rating, except for private rating where there is contractual agreement with the issuer not to do so.
- (b) If the CRC rates or updates a rating or discontinue with a rating of a publicly listed company or any instrument of such a company, it shall disseminate the information through a news

release to the Commission and the stock exchanges within 1(one) hour of such decision. The CRC shall indicate with each of its ratings when the rating was last updated.

- (i) The CRC shall disclose all information about its rating procedures, methodologies, standards and assumptions.
 - (ii) Where a CRC rates a structured finance product, it shall provide investors and/or subscribers (depending on the CRC's business model) with sufficient financial information so that an investor allowed to invest in the product can understand the basis for the CRC's rating.
 - (iii) While rating an asset-backed security, the CRC shall disclose the quantity and quality of the originator's total assets and the assigned assets for the issue and shall also clearly disclose the risks of reduction of quality assets from the portfolio of the originator.
 - (iv) The CRC shall disclose whether it uses a separate set of symbols when rating structured finance products, and their reasons for doing so or not doing so. In any case, a CRC shall clearly define a given rating symbol and apply it in a consistent manner for all types of securities to which that symbol is assigned.
- (c) The CRC shall assist investors in developing a greater understanding of what a credit rating is, and the limits to which credit ratings can be put to use vis-à-vis a particular type of financial product that the CRC rates. A CRC shall clearly indicate the attributes and limitations of each credit opinion, and the limits to which the CRC verifies information provided to it by the issuer or originator of a rated security.
- (d) When issuing or revising a rating, the CRC shall explain in its press releases and reports the key elements underlying the rating opinion.
- (e) Where feasible and appropriate, prior to issuing or revising a rating, the CRC shall inform the issuer of the critical information and principal considerations upon which a rating will be based. The CRC shall also provide the issuer an opportunity to clarify any likely factual misperceptions or other matters that the CRC would wish to make the issuer aware of carrying out an accurate rating. The CRC will duly evaluate the response. Where in particular circumstances the CRC has not informed the issuer prior to issuing or revising a rating, the CRC shall inform the issuer as soon as practical thereafter and, generally, shall explain the reason for the delay.

- (f) In order to promote transparency and to enable the market to best judge the performance of the ratings, the CRC, where possible, should publish sufficient information about the historical default rates of CRC rating categories and whether the default rates of these categories have changed over time along with the methodology used for calculating default rates, so that interested parties can understand the historical performance of each category and if and how rating categories have changed, and be able to draw quality comparison among ratings given by different CRCs. If the nature of the rating or other circumstances makes a historical default rate inappropriate, statistically invalid, or otherwise likely to mislead the users of the rating, the CRC should explain this. This information should include verifiable, quantifiable historical information about the performance of its rating opinions, organized and structure, and where possible, standardized in such a way to assist investors in drawing performance comparisons between different CRCs.
- (g) For each rating, the CRC shall disclose whether the issuer participated in the rating process. For each rating not initiated at the request of the issuer, the CRC shall disclose whether the issuer participated in the rating process. The CRC shall also disclose its policies and procedures regarding unsolicited ratings.
- (h) The CRC shall fully and publicly disclose any material modification to its methodologies and significant practices, procedures, and processes. Where feasible and appropriate, disclosure of such material modifications shall be made prior to their going into effect. The CRC shall carefully consider the various uses of credit ratings before modifying its methodologies, practices, procedures and processes.

B. Treatment of Confidential Information:

- (a) A CRC shall adopt procedures and mechanisms to protect the confidential nature of information shared with them by issuers under the terms of a confidentiality agreement or otherwise under a mutual understanding that the information is shared confidentially. Unless otherwise permitted by the confidentiality agreement and consistent with applicable laws or regulations, the CRC and its employees shall not disclose confidential information in press releases, through research conferences, to future employers, or in conversations with investors, other issuers, other persons, or otherwise.
- (b) A CRC shall use confidential information only for purposes related to its rating activities or otherwise in accordance with any confidentiality agreements with the issuer.

- (c) CRC employees shall take all reasonable measures to protect all property and records belonging to or in possession of the CRC from fraud, theft or misuse.
- (d) CRC employees shall not disclose any non-public information about rating opinions or possible future rating actions of the CRC. CRC employees shall not use or share confidential information for any purpose excepting the conduct of rating.

(8) Disclosure of these rules:

(a) The CRC shall establish a function within its organization charged with communicating with market participants and the public about any questions, concerns or complaints that the CRC may receive. The objective of this function shall be to help ensure that the CRC's officers and management are informed of those issues that the CRC's officers and management would want to be made aware of when setting the organization's policies.

(b) The CRC shall include the following declarations in its every rating report furnished to the Securities and Exchange Commission and stock exchanges, which shall form an integral part of the report:

“We,(name of the CRC) while assigning this rating to the entity/issue/instrument rating of(name of the rated entity/issue/instrument) hereby solemnly declare that:

(i) We(name of the CRC) as well as the analysts of the rating have examined, prepared, finalized and issued this report without compromising with the matters of our conflict of interest, if there be any; and

(ii) We have complied with all the requirements, policy and procedures of these rules as prescribed by the Securities and Exchange Commission videdatedin respect of this rating.

Signature with date

Name of the CEO

Name of the CRC

CHAPTER IV

INSPECTION AND INVESTIGATION OF CRC

10. Commission's right to inspect or investigate:

- (1) The Commission may appoint one or more persons as inspecting or investigating officers, to undertake inspection or investigation of the books of account, records and documents of the credit rating companies, for any of the purposes specified in sub-rule (2).
- (2) The purposes referred to in sub-rule (1) shall be the following, namely:-
 - (a) to ascertain whether the books of account, records and documents are being maintained properly;
 - (b) to ascertain whether the provisions of the Ordinance and these Rules are being complied with;
 - (c) to investigate into complaints received from investors, clients or any other person on any matter having a bearing on activities of the credit rating company;
 - (d) in the interest of the securities market or in the interest of investors.
- (3) The inspection or investigation ordered by the Commission under sub-rule (1) shall not ordinarily go into an examination of the appropriateness or the assigned ratings on the merits.
- (4) Inspection or investigation to judge in appropriateness of the ratings may be ordered by the Commission only in case of complaints, which are serious in nature, or deems it appropriate by the Commission.
- (5) Inspection or investigation referred to in sub-rule (4) shall be carried out either by the officer of the Commission or independent expert with relevant experience or combination of both.

11. Notice before inspection or investigation:

- (1) Before ordering an inspection or investigation under rule 10, the Commission shall give not less than three days written notice to the credit rating company for the purpose.
- (2) Notwithstanding anything contained in sub-rule (1), where the Commission is satisfied that in the interest of the investors, no such notice should be given, it may, by an order in writing,

direct that the inspection or investigation of the affairs of the credit rating company be taken up without such notice.

- (3) During the course of an inspection or investigation, the credit rating company against whom the inspection or investigation is being carried out shall be bound to discharge all its obligations as contained in the Rules.

12. Obligations of credit rating company on inspection or investigation by the Commission:

- (1) It shall be the duty of every credit rating company whose affairs are being inspected or investigated, and of every director, officer or employee thereof, to produce to the custody or control and furnish him with such statements and information relating to its rating activities, as the inspecting or investigating officer may require within such reasonable period as may be specified by the said officer.

- (2) The credit rating company shall-

- (a) allow the inspecting or investigating officer to have reasonable access to the premises occupied by such credit rating company or by any other person its behalf;
- (b) extend to the inspecting or investigating officer reasonable facility for examining any books, records, documents and computer data in the possession of the credit rating company; and
- (c) provide copies of documents or other materials which, in the opinion of the inspecting or investigating officer, are relevant for the purposes of the inspection or investigation, as the case may be.

13. The inspecting officer, in the course of inspection or investigation, shall be entitled to examine, or record the statements of any officer, director or employee of the credit rating company for the purposes connected with the inspection or investigation.

14. Every director, officer or employee of the credit rating company shall be bound to render to the inspecting officer all assistance in connection with the inspection or investigation, which the inspecting officer may reasonably require.

15. Submission on inspection or investigation report.-

The inspecting or investigating officer shall, as soon as possible, on completion of the inspection or investigation, submit a report to the Commission:

Provided that if directed to do so by the Commission, he may submit an interim report.

16. Action on inspection or investigation report.-

The Commission, after consideration of inspection or investigation report, may take such action as may deem fit and appropriate including action under the Securities and Exchange Ordinance, 1969.

FORM-III

[See CHAPTER-III, rule 9(4)(e)(i)]

UNDERTAKING/DECLARATION

To be made by the member of the Board of Directors

(On election and assumption of the position of the member of the Board of Directors)

I.....(Name).....Son of.....TIN No.....
Address.....

As a member of the Board of Director of.....

1. I will ensure complete independence of the rating process and at no time I shall influence the Rating Committee and Analysis Team of our organization, while carrying out the rating assessment so that the exercise of their sense of judgment is partially or wholly impaired by any means.
2. In this connection, I am enclosing a list of institutions wherein I and/or any member of my family have the Directorship / Ownership/ interest in the organization. I shall submit the update information to the company immediately if there are any changes in the enclosed list.

I further declare that I will abide by the Code of Conduct of the company to the extent applicable as Director of the company.

To the best of my knowledge and belief, the above statements are correct.

Signature:.....

Name:.....

Designation:.....

Address:.....

[See CHAPTER-III, rule 9(4)(e)(ii)]

AFFIDAVIT

(To be sworn in by the employee/officials at the time of joining the service)

I.....(Name).....Son of.....
Address.....Aged about.....years by
nationality..... by faith..... do hereby solemnly declare, affirm and say as follows:

1. Throughout the duration of my service with....., I shall discharge all my duties/responsibilities relating to rating assessment with utmost care, diligence, sense of proportion and honesty.
2. While carrying out the duties, I shall exercise my sense of judgment independently, free from my political, social, and economical pressure.
3. Besides strictly following the rules, regulation and guidelines of the regulatory authorities concerned relating to rating agency; I shall be bound to abide by the Credit Rating Companies Rules, 1996, the Service Rules and Code of Conduct of the organization. For any violation of the provisions of the said rules, regulations, and guidelines as well as the service rules and Code of Conduct, necessary disciplinary action or other appropriate action may be executed against me.

That the statements made hereinabove are true to my knowledge and belief, in witness whereof, I sign this Affidavit on this.....th day of.....,20.... before the Notary Public at Dhaka, Bangladesh.

Deponent

The deponent is known to me and he/she has signed the affidavit in my presence

.....

Advocate

FORM-V

[See CHAPTER-III, rule 9(4)(e)(iii)]

UNDERTAKING/DECLARATION

(To be made by the employees/officials at the time of engagement for Credit Rating Assessment for a particular entity)

I,..... (Name & Designation)..... do hereby declare that I have been appointed as a member of the Assessment Team/Rating Committee to perform the rating activities of (Name of the Client institution).....

I confirm that I have no relation with the client at any form that may cause or may be perceived as causing a conflict of interest.

During the rating assessment, I shall keep myself free from any political, social and economic pressure. I do not have any intention to take any employment with the above rating entity in force able future.

If under any circumstances, the question of conflict of interest arises at any stage of the assessment, or I encounter any problem in carrying out my duties independently due to undue influence/ pressure from any quarter, I shall duly inform the same to the management of our organization and shall express written intention in the prescribed form for being withdrawn/retired from the rating assessment of the client institution.

Signature:.....

Name:.....

Designation:.....

Address:.....

FORM-VI

[See CHAPTER-III, rule 9(4)(e)(iv)]

LETTER OF WITHDRAWAL

(To be made by an employee/ official if he/she faces any Conflicts of interest or pressure during performing his/her duties)

Managing Director/CEO

.....
.....

Dear Sir,

Withdrawal from the Analysis Team/Rating Committee

I would like to withdraw/retire myself from carrying out assigned duties at..... (Name of the client institution)....., as I am facing..... (political, social and economic)..... pressure which may obstruct the independence of rating activity. Or, my activity may raise conflict of interest as one of my relative or friend has substantial interest in the said institution.

You will be kind enough to consider my withdrawal.

Yours Sincerely,

Signature:.....

Name:.....

Designation:.....

Address:.....

FORM-VII

[See CHAPTER-III, rule 9(4)(e)(v)]

UNDERTAKING/DECLARATION

(To be made by the employees/officials after the Credit Rating Assessment is completed)

I,..... (Name & Designation)..... do hereby declare that I had been appointed as a member of the Assessment Team/Rating Committee to perform the rating activities..... (Name of the Client institution).....

The assignment/job entrusted upon me has now been duly completed. I have not accepted any gift/company product that may influence my assigned activity. I have not bound by any written/unwritten contract to accept any assignment of the client.

I declare that during the rating assessment activities, I kept myself completely free from any political, social, and economic pressure.

I also declare that no question of conflict of interest arose at any stage of the assessment or I did not encounter any problem in carrying out my duties due to undue influence/pressure from any quarter.

Signature:.....

Name:.....

Designation:.....

Address:.....

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

Avf`k

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No. SEC/CMRRCD/2001-43/03

December 09, 2009

DIRECTIVE

In exercise of the power conferred by section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. that; -

The stock exchanges shall not entertain the equity securities with price-earning ratio of above 75 (seventy five) as “marginable securities” under clause (d) of sub-rule (12) of rule 3 of the Margin Rules, 1999 and the stock brokers shall not provide loan facilities to their clients to purchase the said securities until further order.

This Directive shall supersede the previous Directive No. SEC/CMRRCD/2001-43/199 dated October 21, 2009.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

No. SEC/CMRRCD/2001-43/04

December 09, 2009

DIRECTIVE

The Securities and Exchange Commission, in exercise of the power conferred on it under section 20A of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), read with নির্দেশনা নং- ৯৪ of বিধি ৩৬ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬, hereby directs the merchant bankers, including the portfolio managers, registered under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬ to immediately stop providing or disbursing of any further margin loan or credit facilities to their clients to purchase the equity securities with price-earning ratio of above 75 (seventy five) until further order.

This Directive shall supersede the previous Directive No. SEC/CMRRCD/2001-43/198 dated October 21, 2009.

This shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

DIRECTIVE

The Securities and Exchange Commission, in exercise of the power conferred on it under section 20A of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), hereby directs the stock brokers of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited to immediately stop providing or disbursing of any further loan or credit facilities to their clients to purchase or accept as “marginable securities” under clause (d) of sub-rule (12) of rule 3 of the Margin Rules, 1999, the units of all listed Mutual Funds, the current market price of which exceeds 7.5% (seven and a half percent) of the latest disclosed Net Asset Value (NAV) based on market price.

This Directive shall supersede the previous Directive No. SEC/CMRRCD/2001-43/204 dated October 26, 2009.

This Directive shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

DIRECTIVE

The Securities and Exchange Commission, in exercise of the power conferred on it under section 20A of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), read with নির্দেশনা নং- ৯৪ of বিধি ৩৬ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬, hereby directs the merchant bankers, including the portfolio managers, registered under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬ to immediately stop providing or disbursing of any further margin loan or credit facilities to their clients to purchase or accept as marginable securities the units of all listed Mutual Funds, the current market price of which exceeds 7.5% (seven and a half percent) of the latest disclosed Net Asset Value (NAV) based on market price.

This Directive shall supersede the previous Directive No. SEC/CMRRCD/2001-43/203 dated October 26, 2009.

This Directive shall have immediate effect.

By order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

ORDER

December 24, 2009

No. SEC/CMRRCD/2001-27/07/Admin/-----Whereas, the Securities and Exchange Commission deems it appropriate to exempt issuance of certain debt security from the requirements of the Credit Rating Companies Rules, 1996, in the interest of the capital market;

“Now, therefore, the Securities and Exchange Commission, pursuant to the proviso of rule 3 of the Credit Rating Companies Rules, 1996, hereby grants exemption to the issue of debt security upto Tk. 5 (five) crore through private placement from the requirements of the said Rules.”.

By Order of the Securities and Exchange Commission

Md. Ziaul Haque Khondker
Chairman.

ORDER

Whereas, the Securities and Exchange Commission considers it to be expedient in the interest of the capital market and the investors in securities as well that the direct listing should be allowed only for public limited companies fully owned by the government;

Now, therefore, in exercise of power conferred by sub-section (4) of section 34 of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Securities and Exchange Commission hereby directs the Chittagong Stock Exchange Limited to amend the Chittagong Stock Exchange Limited (Direct Listing) Regulations, 2006 in the following manner, namely: -

In sub-regulation (2) of regulation 1, after the word "companies", the words "fully owned by the government", shall be inserted.

By Order of the Securities and Exchange Commission

(Mohammad Abdul Hannan Zoarder)
Executive Director

MARKET PERFORMANCE

Dhaka Stock Exchange:

At the end of October-December, 2009 period, total issued capital of all listed securities including treasury bond with the Dhaka Stock Exchange Ltd was Tk. 522,099.00 million, compared to Tk. 463,334.00 million as on 30 September, 2009, registering an increase of 12.68%. The market capitalization of all listed securities of Dhaka Stock Exchange Ltd. stood at Tk. 1,887,177.00 million on 31st December, 2009 which was Tk. 1,382,991.00 million on 30 September, 2009. The total turnover in Dhaka Stock Exchange was 2420 million securities amounting to Tk. 569,586.85 million during October-December, 2009.

Chittagong Stock Exchange:

At the end of October-December, 2009 period, total issued capital of all listed securities with the Chittagong Stock Exchange Ltd was Tk. 155,124.91 million, compared to Tk. 143,628.91 million as on 30 September, 2009 registering an increase of 8 %. The market capitalization of all listed securities of Chittagong Stock Exchange Ltd stood at Tk. 1,470,807.05 million during the quarter ended on 31st December, 2009, which was Tk. 1,032,307 million on 30 September, 2009.. The total turnover in Chittagong Stock Exchange was 346.25 million securities amounting to Tk. 48910.73 million during October-December, 2009.

Major Events of Dhaka Stock Exchange Ltd (DSE)

DSE Delegation Meet the President on October 25, 2009:

A DSE delegation led by its president Md. Rakibur Rahman met the Hon'ble President of the Government of the People's Republic of Bangladesh, Md. Zillur Rahman on October 25, 2009. The President urged the DSE authorities to take necessary initiatives to attract new investors along with steps to protect interest of small investors. He also told the authority to be always alert against spreading of wrong information by vested quarters to influence or destabilize the market. DSE Chief informed the President of their reform activities and the present scenario of the capital market amid ongoing global recession. He informed that presently around Tk 1000 crore of daily transactions are taking place in the capital market as the non-resident Bangladeshis (NRBs) and other financial sectors are playing vital role in strengthening the market. He also told the President that the govt could collect fund for its different sectors, including power and energy through floating shares in the capital market.

DSE to Introduce Internet-Based Trading Within Next 6 Months:

DSE hopes to introduce internet-based trading system within next 6 months to facilitate buy/sell of securities listed with it. DSE President floats this hope to reporters after a meeting with the US Ambassador James F. Moriarty at the bourse's auditorium on November 03, 2009.

Presentation on Book Building Method:

DSE organized a presentation on book building method for IPO share price discovery at Hotel Sheraton on November 7, 2009. SEC Chairman Md. Ziaul Hoque Khondker spoke on the occasion as the chief guest. Members of the Commission were also present at the occasion. Mohammad Abdul Hannan Zoarder, Executive Director, SEC made the presentation before a big audience, including entrepreneurs, corporate high officials, professors, professional, investors and journalists. The presentation raised various features of book building method that settles issue price of IPO shares based on market demand and supply situation, which is attractive for companies with good fundamentals.

Investor's Awareness Program for Women:

DSE has organized a special investor's awareness-training program for the women investors on December 6, 2009.

Major Events of Chittagong Stock Exchange Ltd (CSE)

CSE Organized 3rd Capital Market Fair:

CSE organized 3rd Capital Market Fair at Engineers Institute, Chittagong on 27-28 October 2009. 30 reputed financial institutes like Bank, Insurance, Leasing companies and many companies listed with CSE from Dhaka and Chittagong have participated the fair. The fair facilitated opportunity to know how to invest in share, how to balance risk with return, how to open BO account, how to apply in IPO and many others related to capital market. Simultaneously several number of seminars took place on related areas.

DSE & CSE SCENARIO

Capital Market:

As of 31st December, 2009 the total issued capital of all listed securities including treasury bonds of Dhaka Stock Exchange was Tk.522,099.00 million (US\$ 7548.06 million) which was Tk. 463,334.00million (US\$ 6,709.00 million) on 30 September, 2009. In Chittagong Stock Exchange the total issued capital on 31st December, 2009 was Tk.155, 124.91 million (US\$2,216.07million) which was Tk.143, 628.91 million (US\$2,081.58 million) on 30 September, 2009.

Stock Market Operation:

During October-December, 2009 the total turnover in Dhaka Stock Exchange was 2,420 million securities while the total amount traded on Dhaka Stock Exchange during the same period was Tk. 569,586.85 million

In the same period, the total turnover in Chittagong Stock Exchange was 346.25 million securities while the total amount traded on Chittagong Stock Exchange during the same period was Tk. 48,910.73 million.

Market Capitalization:

Total market capitalization of all securities including treasury bonds listed on the Dhaka Stock Exchange was Tk. 1,887,177.00 million (US\$27,283.00 million) as on 31st December, 2009 compared to Tk. 1,382,991.00 million (US\$20,026.00 million) as on 30 September, 2009.

In the Chittagong Stock Exchange, total market capitalization of all listed securities was Tk. 1,470,807.05 million (US\$ 21,011.53 million) as on 31st December, 2009 compared to Tk. 1,032,307 (US\$ 14,960.97 million) as on 30 September, 2009.

Share Price Index:

DSE all share price index stood at 3747.53 on 31st December, 2009 compared to 2592.38 on 30 September, 2009 .The CSE all share price index stood at 13,181.3755 on 31st December, 2009 while it was 10,650.6446 on 30 September, 2009. The index bases are 100 and 1000 for DSE and CSE respectively.

(1 US\$ =Tk.69.00 For October-December, 2009 quarter)

Bangladesh Capital Market Summary

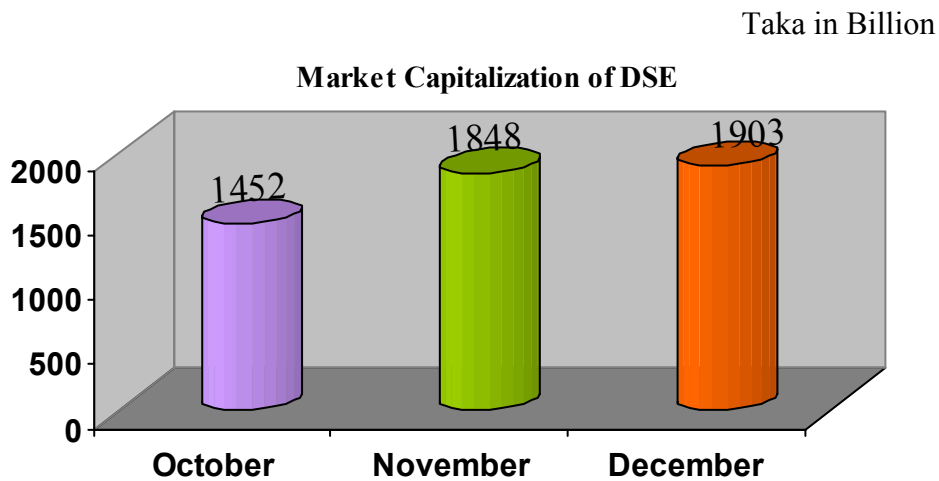
As on 31st December, 2009

Indicators		Dhaka Stock Exchange	Chittagong Stock Exchange
No. of companies		236	197
No. of mutual funds		19	19
No. of debentures		8	1
No. of treasury bonds		151	-
No. of corporate bonds		1	-
<i>Total No. of Listed Securities</i>		415	217
Figures in million			
No. of shares of all listed companies		4167	4,030.99
No. of certificates of all listed mutual funds		450	450.27
No. of debentures of all listed debentures		0.41	3.00
No. of all listed govt. T-bonds		3.56	-
No. of all listed corporate bonds		3.00	-
<i>Total No. of Tradable Securities</i>		4624	4,484.26
Figures in million			
Issued capital of all companies	TK.	156,831.00	147,309.41
	US\$	2,267.00	2,104.42
Issued capital of all mutual funds	TK.	4,816.00	4,815.50
	US\$	70.00	68.79
Issued debentures	TK.	140.00	3,000.00
	US\$	2.00	42.86
Total issued capital	TK.	522,099.00	155,124.91
	US\$	7,548.00	2,216.07
Figures in million			
Total Market Capitalization	TK.	1,887,177.00	1,470,807.05
	US\$	27,283.00	21,011.53
All Share Price Index		3747.53	13,181.3755

DSE OPERATIONAL STATISTICS
October-December, 2009

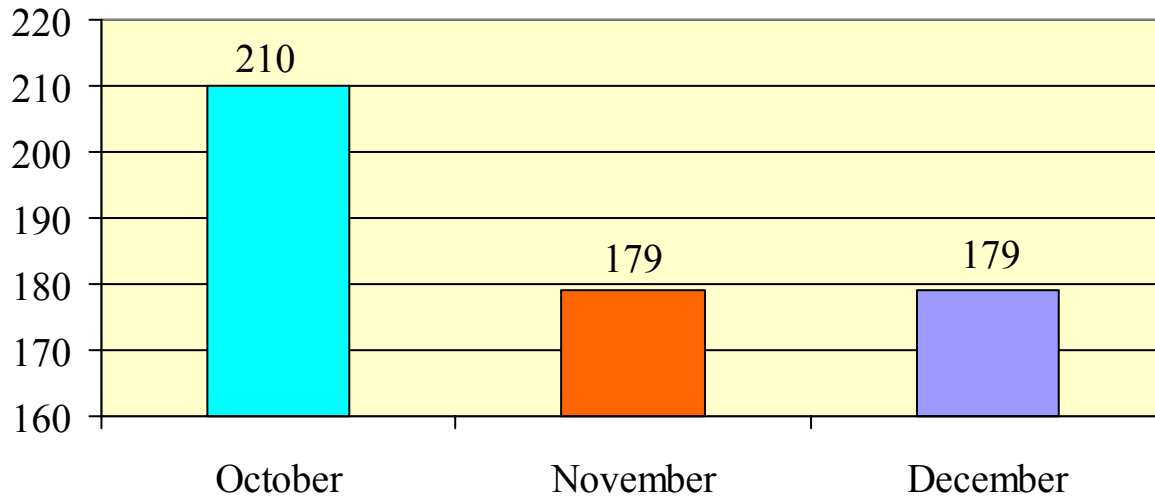
Trading Month	All Share Price Index	Market Capitalization in Million	No. of Trading Days	Turnover of Securities in Million (No.)		Traded Amount in Million	
				Monthly	Daily Average	Monthly	Daily Average
October	2,816.26	1,452,470	21	1171	56	210,506.03	10,024.10
November	3,632.40	1,848,756	20	657	33	179,817.56	8,990.88
December	3,747.53	1,903,228	20	591	30	179,263.26	8,963.16
Total	-	-	61	2420	40	569,586.85	9,337.49

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



Taka in Billion

Turnover of Securities (Value)



Taka in Billion

CSE OPERATIONAL STATISTICS

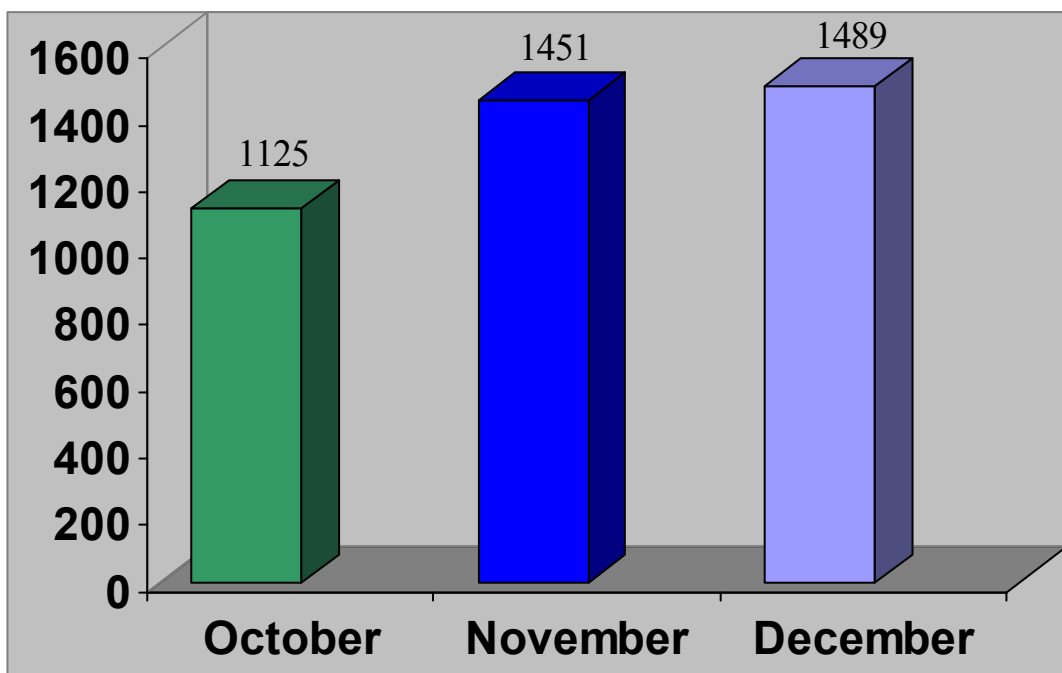
October-December, 2009

Trading Month	All Share Price Index	Market Capitalization in Million	No. of Trading Days	Turnover of Securities in Million (No.)		Traded Amount in Million	
				Monthly	Daily Average	Monthly	Daily Average
October	11586.9596	Tk. 1,125,605.67	21	167.44	7.97	Tk.20,451.12	Tk.973.86
November	12768.5097	Tk. 1,451,518.68	20	100.01	5.00	Tk. 15,234.56	Tk. 761.73
December	13181.3755	Tk. 1,489,249.08	20	78.80	3.94	Tk. 13,225.05	Tk. 661.25
Total			61	346.25	5.68	Tk. 48,910.73	Tk. 801.82

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

Taka in Billion

Market Capitalization of CSE



Turnover of Securities (value)

Taka in Billion

