

Bangladesh Securities and Exchange Commission

No. SEC/SRMIC/2022-244/430

Dated: 12 October 2022

Managing Director

Dhaka Stock Exchange Ltd.
Stock Exchange Building
9/F Motijheel C/A, Dhaka.

Managing Director

Chittagong Stock Exchange Limited
CSE Building, 1080, SK. Mujib Road
Agrabad, Chittagong.

Subject: Regarding dematerialization of the shares trading under the OTC platform with Stock Exchanges.

This refers to Commission's Notification No. BSEC/SRMIC/94-231/Part-6/225 and BSEC/SRMIC/94-231/Part-6/226, dated September 16, 2021 regarding above.

In this connection, the Commission's instruction with regard to above is quoted bellow:

“All the companies whose shares are trading in the OTC market of stock exchange(s) or to be traded at Small Capital Platform and Alternative Trading Board shall complete the dematerialized process within 1 (one) month of issuance of this notification;”

However, most of the shares of OTC companies are still remaining in paper format.

At this stage, both the stock exchanges are instructed to take the following steps within 3 (three) working days of issuance of this letter:

1. Publish advertisement in at least 3 renewed newspapers notifying the investor(s) to demate their paper shares of OTC listed companies within 01 month as per securities laws;
2. After exhaust of aforesaid time, in case of lost/destroyed shares, issuer companies may initiate to demate those shares by re-issuing in favor of beneficiaries as per their records/Share Register following the provision of Company Act as well as securities laws;
3. Stock Exchanges shall submit a detailed report on shareholding position all investors of all OTC listed companies with their recommendation;
4. For the purpose of reconstitution of the Board of Directors to bring the company in operation, existing sponsors, directors and institutions may transfer/sell their shares to potential investors subject to prior approval of the Commission.

For Bangladesh Securities and Exchange Commission

Ratan

12.10.22

Mohammad Ratan Miah
Deputy Director
Email: ratan@sec.gov.bd

Copy to:

1. Managing Director, CDBL.
2. Chairman's Office, BSEC.