



Chittagong Stock Exchange Limited



ANNUAL | 2017-2018  
REPORT

# ANNUAL REPORT

2017-2018



**Chittagong Stock Exchange Limited**





## ABOUT Us

### **Vision:**

Aspire a global standard transaction place of securities and financial products.

### **Mission:**

Practice a set of core values to build competency in compliance, diversification and technology so that an accessible platform, market confidence and wealth maximization scope can be ensured.



- Increase business turnover
- Modernize trading system
- Ensure effective relationship management
- Achieve high level of Confidence & Professional
- Engage in product and market diversification
- Contribute to capital market policy development
- Dedicated and loyal team management.

# Corporate Directory

## Board of Directors

**Dr. A. K. Abdul Momen**

Chairman

### Independent

**Major General Mohammad Shamim Chowdhury nwc, psc (Retired)**

Director

**Prof. Mamtaz Uddin Ahmed FCMA**

Director

**Professor Dr. Mohammad Ayub Islam**

Director

**Dr. Moinul Islam Mahmud**

Director

**Prof. S. M. Salamat Ullah Bhuiyan**

Director

**Mr. Pradip Paul FCMA, FCA**

Director

### Share Holder

**Mr. Mirza Salman Ispahani**

Director

**Major (Retd.) Emdadul Islam**

Director

**Mr. Shahjada Mahmud Chaudhuri**

Director

**Mr. Md. Sayadur Rahman**

Director

**Mr. M. Shaifur Rahman Mazumdar FCA, FCMA**

Managing Director

Company Secretary : **Mr. Rajib Saha FCS**

### Committees

- 1 Audit and Risk Management Committee
- 2 Nomination and Remuneration Committee
- 3 Regulatory Affairs Committee
- 4 Conflict Mitigation Committee
- 5 Appeals Committee

### Auditors

Rahman Rahman Huq  
Chartered Accountants  
(A member firm of "KPMG" International)



## Bankers

<b>Sonali Bank Limited</b>	<b>Prime Bank Limited</b>
<b>United Commercial Bank Limited</b>	<b>Southeast Bank Limited</b>
<b>One Bank Limited</b>	<b>Bank Asia Limited</b>
<b>NCC Bank Limited</b>	<b>IFIC Bank Limited</b>
<b>AB Bank Limited</b>	<b>Dutch-Bangla Bank Limited</b>
<b>Al-Arafah Islami Bank Limited</b>	<b>The City Bank Limited</b>
<b>Shahjalal Islami Bank Limited</b>	<b>Pubali Bank Limited</b>
<b>State Bank of India</b>	<b>Standard Chartered Bank</b>

## CSE offices

### CSE Registered Office

CSE Building, 1080 Sk. Mujib Road,  
Agrabad, Chittagong, Bangladesh.  
Tel : 88 031-714632-3, 720871-3, 726801-5  
Fax : 88 031-714101, 726810 (CRO)  
e-mail : info@cse.com.bd

### Dhaka Regional Office

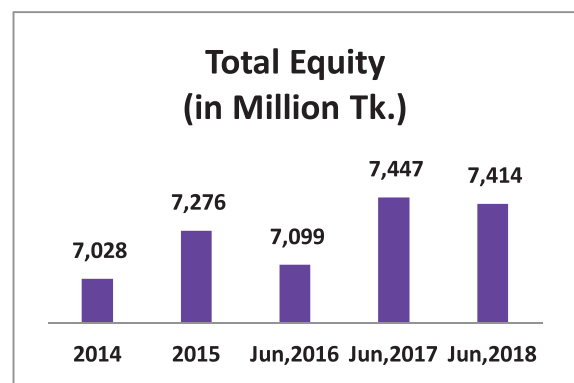
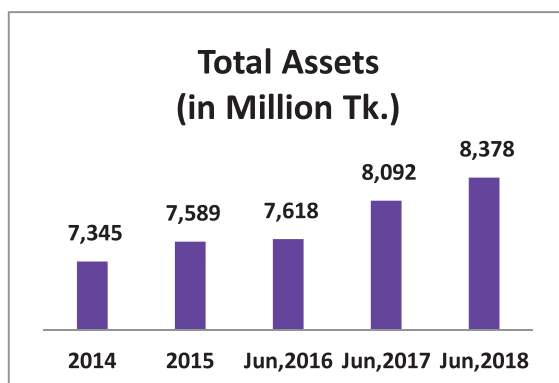
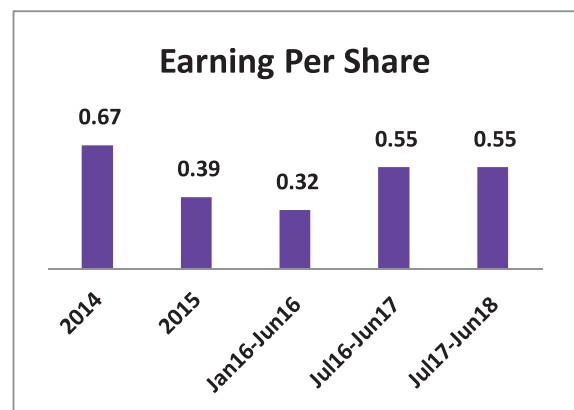
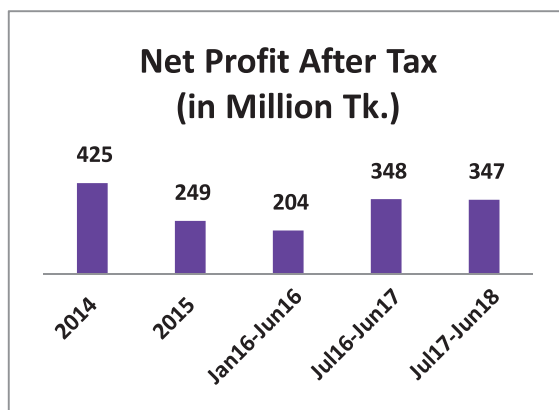
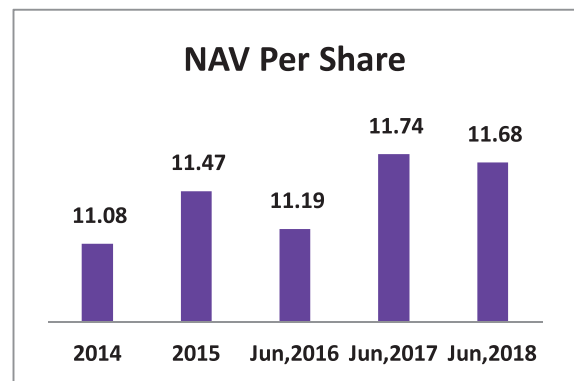
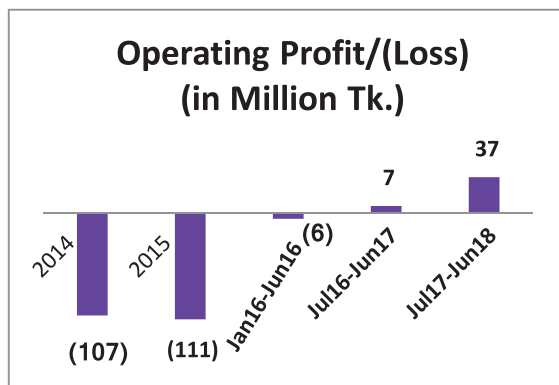
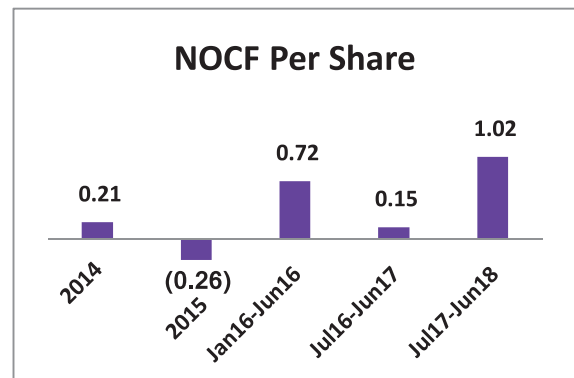
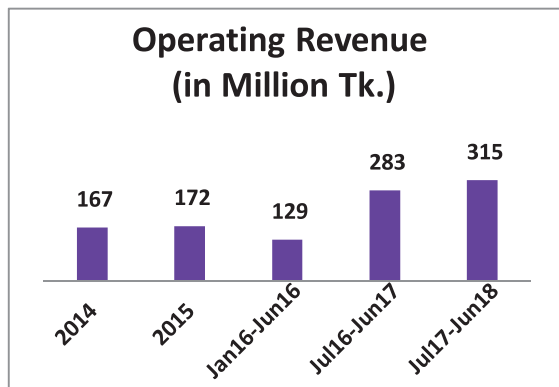
Eunoos Trade Center Ltd. (Level-15),  
52-53 Dilkusha C/A, Dhaka-1000  
Tel : 88 02-9513911-17, Fax : 88 02-9513906

### Sylhet Regional Office

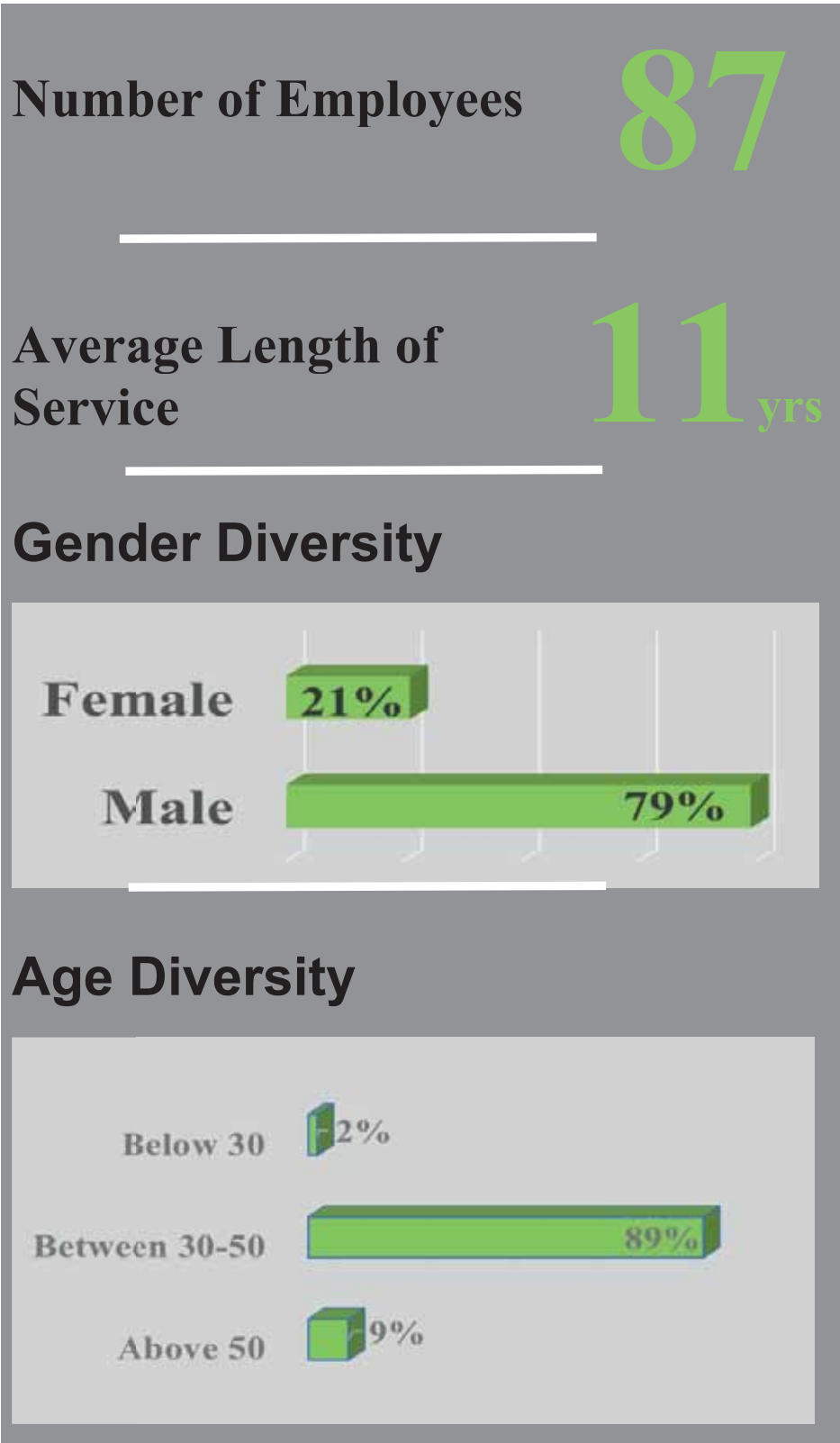
Ananda Tower (3rd Floor),  
North Dhopadhirpar, Jail Road,  
Sylhet-3100  
Tel : 88 0821 721213, 721215  
Fax : 88 0821 721214

website: [www.cse.com.bd](http://www.cse.com.bd), ITS : [www.bangladeshstockmarket.com](http://www.bangladeshstockmarket.com)

## Performance at a glance 2017-2018



## Our Organisation



## Financial Highlights

Particulars	Jul17 - Jun18 12 Months	Jul16 - Jun17 12 Months	Jan16 - Jun16 6 Months	2015 12 Months	2014 12 Months
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### Operational Results

Revenue from Operation	315,127,960	282,507,982	128,831,670	171,765,589	166,873,474
Operating Profit/(Loss)	36,524,969	6,914,327	(6,225,807)	(110,874,989)	(106,891,070)
Finance Income	387,057,933	371,102,512	211,674,576	448,980,008	494,382,572
Other Income	42,008,394	40,520,906	2,634,610	43,123,512	41,618,156
Net Profit before Tax	442,311,731	397,610,857	197,679,210	362,167,104	407,654,174
Net Profit after Tax	347,471,914	347,620,499	203,960,102	248,506,305	425,470,321

### Financial Position

Paid-up Capital	6,345,248,400	6,345,248,400	6,345,248,400	6,345,248,400	6,345,248,400
Shareholders' Equity	7,414,000,570	7,447,243,560	7,099,623,061	7,276,377,863	7,027,871,558
Total Assets	8,377,621,341	8,091,595,760	7,618,264,275	7,588,779,495	7,345,471,303
Total Liabilities	963,620,771	644,352,200	518,641,214	312,401,632	317,599,745
Current Assets	5,932,089,638	5,688,402,753	5,167,622,881	5,112,280,855	4,821,344,226
Current Liabilities	809,607,190	491,954,621	366,455,340	174,135,317	335,415,891
Non Current Assets	2,445,531,703	2,403,193,007	2,450,641,394	2,476,498,640	2,524,127,076

### Financial Ratios

Current asset to Current Liability	7.33	11.56	14.10	29.36	14.37
Operating Profit/(Loss) Margin	12%	2%	-5%	-65%	-64%
Net Profit Margin	110%	123%	158%	145%	255%
Return on Equity	4.69%	4.67%	2.87%	3.42%	6.05%
Return on Total Assets	4.15%	4.30%	2.68%	3.27%	5.79%

### Ordinary Shares Information

Ordinary Shares Outstanding	634,524,840	634,524,840	634,524,840	634,524,840	634,524,840
Face Value per Share	10.00	10.00	10.00	10.00	10.00
NAV per Share	11.68	11.74	11.19	11.47	11.08
Net Operating Cash Flow per Share	1.02	0.15	0.72	(0.26)	0.21
Earning per Share	0.55	0.55	0.32	0.39	0.67





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# Board of Directors

**Dr. A. K. Abdul Momen**  
Chairman



**Major General Mohammad Shamim Chowdhury** nwc, psc (Retired)  
Director



**Prof. Mamtaz Uddin Ahmed** FCMA  
Director



**Dr. Moinul Islam Mahmud**  
Director



**Professor Dr. Mohammad Ayub Islam**  
Director



**Prof. S. M. Salamat Ullah Bhuiyan**  
Director



**Mr. Mirza Salman Ispahani**  
Director



**Mr. Pradip Paul** FCMA, FCA  
Director



**Major (Retd.) Emdadul Islam**  
Director



**Mr. Shahjada Mahmud Chaudhuri**  
Director



**Mr. Md. Sayadur Rahman**  
Director



**Mr. M. Shaifur Rahman Mazumdar** FCA, FCMA  
Managing Director





## Dr. A. K. Abdul Momen

Chairman

Dr. A. K. Abdul Momen is the former Ambassador and Permanent Representative of Bangladesh to the United Nations. He was the President of the United Nations High-Level Committee on South-South Cooperation. He served as President of the UNICEF Executive Board at the international level. He was Vice President and Acting President of the 67th United Nations General Assembly. He was also Chair of Peace Building Commission of the UN. Prior to joining the United Nations, Dr. Momen was the Chairman of the Business Administration and Economics Department at the Framingham State University in Massachusetts. He also served as an Economic Adviser, under the Saudi Ministry of Finance and National Economy prior to the bombing in Riyadh in 2003. Dr. Momen was a faculty member in Merrimack College, the Salem State College, the Northeastern University, the University of Massachusetts, Cambridge College and the Kennedy School of Government, Harvard University and the Massachusetts School of Technology. He also worked as an economist at the World Bank, Washington D. C. Prior to coming to the Harvard University as a Ford Foundation and Mason Fellow to pursue higher education in 1978, he worked in the Bangladesh government service under different ministries. Professor Momen is a writer and an activist. He has written four books and published over 250 papers and articles. He has a PhD in economics and an MBA in Business Administration from the Northeastern University (Boston) and an MPA in Public Administration, Public Policy and International Economics from the Harvard University (Cambridge), a LLB in Law, an MA in development economics and a BA from the University of Dhaka.



**Major General Mohammad Shamim Chowdhury nwc, psc (Retired)**  
Independent Director

A commensurate military professional General Shamim retired from the Bangladesh Army in 2013, after completing almost thirty five years of distinguished service to the nation. He matured in hallmark traits like ethical leadership, strategic thinking, HRM, HRD and simultaneous attention on multiple fields. His broad variety of experience includes successful leadership to the military formations & units, national level training & educational institutions; working in international environment under UN, top leadership position in Chittagong Hill Tracts Development Board, national level projects management like preparation of electoral roll and national identity card, housing for the destitute, disaster management, national level protocol and dignitaries security, handling of counter insurgency and so on. General Shamim was effective in building coalitions in cross-cultural environment, having worked and learned from people nearly around the globe to include USA, UK, Australia, China, Sweden, the Netherlands,

Saudi Arabia, Kuwait, Qatar, Malaysia, Morocco, Haiti, Nepal, Pakistan and India. For his distinguished service to the nation and international community, the General was decorated with fourteen operational & service awards that include one from the UN Secretary General (UN Peace Medal) and the other from US Government (US Army Achievement Medal). He also proudly owns the UN Secretary General's Letter of Commendation for his outstanding performance in Haiti peacemaking. General Shamim completed his undergraduate program in Liberal Arts from Dhaka University, Master's in National Security Strategy (MS) and a diploma on North America Studies from National Defense University (NDU), USA, and a second Master's in Defense Studies from National University, Bangladesh. He is an International Fellow of NDU, USA and Senior Fellow of New Westminster College, BC, Canada. He is also graduate from Bangladesh Military Academy, Defense Services Command & Staff College, Bangladesh, National War College, USA, Federal Law Enforcement Training Center, USA, Infantry School, Pakistan and CAPSTONE graduate from National Defense College, Bangladesh. General Shamim is the active member of Dhaka Club, Chittagong Club, Cadet College Club, Kurmitola Golf Club, Bhatiyar Golf & Country Club, Bogra Golf & Country Club, Ghatail Golf & Country Club, Retired Armed Forces Officers' Welfare Association and Mirzapur Ex Cadets' Association. Currently he is engaged in software development programs with a multinational company and a national English Daily 'The Asian Age' as Director and Advisory Editor respectively.



**Prof. Mamtaz Uddin Ahmed FCMA**  
Independent Director

Professor Mamtaz Uddin Ahmed, FCMA is a senior most professor of the Department of Accounting & Information Systems, University of Dhaka. He was the Chairman of the Department of AIS from April 29, 2012 to April 28, 2015 and former Director of Master of Professional Accounting (MPA) program under same department. He has been serving as a faculty in the Department since June, 1986. He also served as a Lecturer in the Department of Accounting, University of Chittagong during the period of April, 1984 to April, 1986. Mr. Ahmed is a Fellow member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB) and was the President of the Institute for the year 2007 and 2012. He also served the Institute as the Vice-President for the years 2005 and 2006. Earlier, he was a Council Member of the 10th and the 11th National Council of ICMAB. He was also the Secretary of the DBC of ICMAB for

the year 1991. Mr. Ahmed was Board Member and Senior Fellow Member of the South Asian Federation of Accountants (SAFA). He is also appointed as member of the Board of Directors of Ashuganj Power Station Company Ltd. and Dhaka Power Distribution Company Ltd. He is also serving as member of the Board of Governance of Bangladesh Insurance Academy since 2009. He is the former Chairman of the Governing Body of Sk. Borhanuddin College. He was the member (part time) of the Salary & Pay Commission, 2014. Mr. Ahmed served as a Consultant in different World Bank and GOB (Government of Bangladesh) funded projects and acted as resource person in different training programs. He has published more than 24 articles in various recognized journals. He is a life member of Bangladesh Economic Association and United Nations Association of Bangladesh.





**Professor Dr. Mohammad Ayub Islam**  
Independent Director

Dr. Mohammad Ayub Islam is a professor of the Department of Accounting & Information Systems, University of Chittagong. He served as a Lecturer, Assistant Professor and Associate Professor during the period of October 1988 to June 1992, June 1992 to December 1999, January 2000 to May 2007 accordingly. He is a fellow member of Commonwealth Academic Staff Fellowship. He has an experience to work as a research fellow and teacher in various renowned Universities like University of Aberdeen, UK, Independent University, Bangladesh, Preston University, USA (Bangladesh Campus). He is also a member of the Editorial Board of the Chittagong University Journal of Business Administration and associates with other organizations' treasure such as treasures of Accounting Association, Academic Council of Chittagong University, Ma O Shisu

Hospital, Chittagong, Chittagong Club Limited. He has published more than 35 articles in various recognized journals. A book of him titled "Forest Resource Management" published by the VDM publishing House Limited of Germany. He acted as a resource person in different training program. He is now serving as a Chairman, Bureau of Business Research, Faculty of Business Administration, University of Chittagong.



**Dr. Moinul Islam Mahmud**  
Independent Director

Dr. Moinul Islam Mahmud, former Director of Chittagong Stock Exchange Limited again appointed as an Independent Director of CSE in line with the Exchange Demutualization Act, 2013. He started his career as a Senior Medical Officer of Meghna Petroleum Limited, Chittagong. Presently he is the Managing Director of Sensiv (Pvt) Ltd. a leading Diagnostic Laboratory in Chittagong. He is also serving as the Managing Director of Universal Refinery Limited since May, 2015. He also served as a Chairman of 138 years old Chittagong Club Limited for four (4) consecutive terms, when development era started with modern look and facilities. He is serving as a President of the Development Committee of the Chittagong Kidney Foundation. He was also a

member in the Executive Committee, Chittagong Maa-O-Shishu Hospital, BPMPA, and Chittagong Development Authority. Mr. Mahmud was Director of Chittagong Chamber of Commerce and also played the role of Treasurer-BMA Bhaban Trustee Committee. Mr. Mahmud is currently associated as a member in the organizations named Anjuman-E-Mafidul Islam, B.R.T.A. Chittagong, and Trustee Board CIDER International School, Chittagong and also serving as a Chairman of Equity Property Management Limited, equity Construction Pvt. Limited and Chittagong Cancer foundation.



### Prof. S. M. Salamat Ullah Bhuiyan

Independent Director

Prof. S. M. Salamat Ullah Bhuiyan is a professor of the Department of Marketing, University of Chittagong. He served as a Lecturer, Assistant Professor and Associate Professor during the period of October 1984 to June 1988, June 1988 to January 1995, January 1995 to February 2001 accordingly. He has an experience to work as a research fellow and teacher in various renowned institutions like Institute of Forestry under University of Chittagong, USTC, IIBT, Bangladesh Open University, Premier University and Institute of Chartered Accountants. He is also a member of the Editorial Board of the Chittagong University Journal of Business Administration and Journal of Marketing Studies, Department of Marketing, University of Chittagong. Mr. Bhuiyan also worked

as the Executive Editor for 5 Volumes of The Marketer, Department of Marketing, University of Chittagong. He is a life member of Forum'82 and Chittagong University Management Association. He is also a member of SGBS Alumni Association, Glasgow and Chittagong University Senate. He has published more than 45 articles in various recognized journals. Three books of him title "Karma Goveshana (Operations Research)", "Karbari Gonit Parichiti (Introduction to Business Mathematics)" and "Babasthapakeya Orthaniti (Managerial Economics)" were also published by different publishers. Mr. Bhuiyan achieved Commonwealth Academic Staff Scholarship for pursuing degree Leading to MBA in UK. He also received Gul Meher Gold Medal for Securing 1st class 1st position in M. Com. (Final) Examination and also being 1st class 1st in all the Faculties of the University of Chittagong. He also worked as a Resource Person for imparting training to BPC Executives, the Executives of Bangladesh Insurance Academy, entrepreneurship training at BSCIC and executives of PDB.



### Mr. Pradip Paul FCMA, FCA

Independent Director

Mr. Pradip Paul is a fellow member of both Institute of Chartered Accountants of Bangladesh (ICAB) and the Institute of Cost and Management Accountants of Bangladesh (ICMAB). He completed his Graduation and Master's in Accounting from Chittagong University. Currently he is serving as an Executive Director of Infinia Group and he is also Director Finance of Max Hospital Ltd. and Max Diagnostic Ltd. After completion of C. A. course under Hoda Vasi Chowdhury & Co, Chartered Accountants, Mr. Paul started his career with Aquamarine Limited (A well-known shipping company & Agent of Maersk Line Limited, Denmark, Gold Star Line Ltd, Hong Kong, Conti Line Ltd, UK etc.) as

Chief Accountant and later promoted as Executive Director- Finance and Accounts of the same company. He also worked as Executive Director in Sea Tex Limited CEPZ, C & A Group and BSM group of companies and CEO of Super Knitting and Dyeing Mills Ltd and Super Thread Ltd a cent percent export oriented composite Knit Textile and Sewing Thread unit. Mr. Paul also possesses the life time Membership of Chittagong Senior Club, founder Secretary of Joyesnamoyi Foundation, Chairman of RUPA Jubo Unnayan Somabai Samity and life time member of Urban Cooperative Society, Chittagong.

## **Mr. Mirza Salman Ispahani**

Director



Mr. Mirza Salman Ispahani, Chairman of M M Ispahani Limited is a former President and founder Vice President of Chittagong Stock Exchange Limited. A Barrister at Law from Lincolns Inn, Mr. Ispahani is the President of the International Cotton Association, the Chairman of the Management Committee of Ispahani Eye Hospital, the Chairman of Ispahani Public School & College, and Vice-President (Golf Wing) of Bhatiary Golf & Country Club, Chittagong. He is the immediate past Chairman of the Tea Traders Association of Bangladesh. Mr. Ispahani serves as the Honorary Consul of Italy, Chittagong.

## **Major (Retd.) Emdadul Islam**

Director



Major (Retd.) Emdadul Islam is hailed from a highly respectable Muslim family. He passed SSC and HSC with distinction in both. After completion BA (Hons) and MA in Economics he has undergone basic military training in Bangladesh Military Academy and was commissioned in Bangladesh Army. In the Army he served both in staff and instructional appointments with competency. His role in Counter-Insurgency Operation in nineties was widely commendable while he was posted at Khagrachari under 203 Brigade Headquarters. Major Emdad in his tour of duties was also posted in Headquarters, Directorate of Forces Intelligence and by virtue of that appointment he played a vital role in negotiation and implementation of the Chittagong Hill Tracts Peace Agreement. Subsequently Major Emdad was deputed to the Ministry of Foreign Affairs. Under the Ministry of Foreign Affairs he served as a head of mission in Myanmar. On successful completion of the assignment under the Ministry of

foreign Affairs he rejoined the Army. After serving in the Army for a brief period he was sent as peace keeper to the Democratic Republic of Congo, known as Heart of Darkness. After retirement from the Army Major Emdad joined the business and held the responsibility of Director of BK Capital Management Limited. Besides, he is acting as the advisor to the BSM Group of Industries, one of the leading industries and trading houses of the country. In his social and academic credential Major Emdad was the member of the first senate of Chittagong University. He is also the member of Bhatiary Golf and Country Club, Chittagong Club Limited and Boat Club. Major Emdad has earned appreciation by authoring over 100 articles in various national dailies. Eloquent speaker and critical thinker Major Emdad often participates in television talk show on different national, international and strategic issues.

## **Mr. Shahjada Mahmud Chaudhuri**

Director



Mr. Shahjada Mahmud Chaudhuri, Chairman of Peoples Insurance Company Ltd. is a former Director of Chittagong Stock Exchange Ltd. He is also the Chairman of Progati Shipping (BD) Ltd. Mr. Chaudhuri is also the Managing Director of Alpha Securities Ltd. and MNC Packages Ltd. He is the Adviser and former 1st Vice President of BGAPMEA. He is also former Executive Committee Member of Bangladesh Shipping Agents Association and Chittagong District Bar Association. Mr. Chaudhuri also possesses the life time Membership of Chittagong Club Limited and Bhatiary Golf & Country Club.



## Mr. Md. Sayadur Rahman

Director

Mr. Md. Sayadur Rahman is the Managing Director of EBL Securities Limited. Mr. Rahman is also a Director of EBL Investments Limited, a full-fledged Merchant Bank (representing Eastern Bank Limited) and the immediate past President of Bangladesh Merchant Bankers Association (BMBA). Mr. Rahman is a prominent capital market specialist of the country. He has around 33 years of professional experience in different capacities in different financial institutions like Insurance, Banking, Leasing, Merchant Banking and Brokerage etc. Mr. Rahman joined EBL in 2008 as Head of Investment Banking. In 2013, he took over as the Managing Director of EBL Securities Limited. He has completed his

M.Com., MBA and LLM from different reputed universities. He is a widely traveled person and has special skills in networking & negotiation and special interest in CSR & social help.



## Mr. M. Shaifur Rahman Mazumdar FCA, FCMA

Managing Director

Mr. M. Shaifur Rahman Mazumdar is a fellow member of two apex accounting bodies of the country the Institute of Chartered Accountants of Bangladesh (ICAB) and the Institute of Cost and Management Accountants of Bangladesh (ICMAB). He obtained B. Com (honors) and M. Com degree from the University of Chittagong. After completion of C.A. course under Rahman Rhaman Huq, Chartered Accountants, Chittagong, Mr. Mazumdar started his career with Meenhar Group as Company Secretary in the year 1996. He worked as Controller of Finance and subsequently promoted as Finance Director and Executive Director of the same organization. He was also a member of the Board of

Directors of Meenhar Group of Companies. Mr. Mazumdar presented many key note papers in different national and international seminars organized by ICAB, ICMAB and SAFA on different topics like Capital Market, Central Depository System, Crisis Management, National Budget, International Accounting Standards, Foreign Direct Investments, Industrial Compliance and Competitiveness etc. He is the former Chairman of Chittagong Regional Committee of ICAB and former Chairman of Chittagong Branch Council of ICMAB. Currently he is one of the councilors and former vice president of the Institute of Chartered Accountants of Bangladesh.



## Senior Managers



**M. Shaifur Rahman Mazumdar** FCA, FCMA  
Managing Director



**Mr. Mohammad Shamsur Rahman** FCMA  
Chief Regulatory Officer (CRO)



**Mr. Md. Ghulam Faruque**  
Deputy General Manager  
Head of Business Development  
In-Charge, Dhaka Office



**Mr. Mohammed Mazbah Uddin**  
Deputy General Manager  
Head of Information Technology Department



**Ms. Sonia Hossain**  
Deputy General Manager  
Head of Legal Affairs



**Mr. Md. Mortuza Alam**  
Deputy General Manager  
Head of Surveillance and  
Market Operations



**Mr. Mohammad Monirul Haque**  
Deputy General Manager  
Head of Clearing and Settlement,  
Listing and Prelisting



**Mr. AKM Shahroze Alam**  
Deputy General Manager  
Head of Marketing & Business Promotion



**Mr. Md. Nahidul Islam Khan**  
Deputy General Manager  
Head of TREC Marketing & Services



**Mr. Hasnain Bari**  
Deputy General Manager  
Head of IT Services



## Senior Managers



**Mr. Arif Ahmad**  
Assistant General Manager  
Head of Training and Development



**Mr. Kanan Barua**  
Assistant General Manager  
Head of Network and Technology Support



**Mr. Maksud-ur-Rahman**  
Assistant General Manager  
Head of International Relations



**Mr. Rajib Saha** FCS  
Assistant General Manager  
Company Secretary

## Message from the Chairman



### Esteemed Shareholders:

It is my pleasure to welcome you all to the 23rd Annual General Meeting of Chittagong Stock Exchange Limited (CSE). The Directors' Report together with the financial statements give details of the period 2017-18 as experienced by the Exchange. I would like to take this opportunity to focus only on some important issues.

The world economy is in the process of recovery from the great economic debacle in 2009. The global GDP growth rate stands at 3.8 per cent which is the highest since 2011. According to IMF's projection, this trend in GDP growth will continue in the medium term and the global growth rate is expected to be 3.9 per cent in 2018 and 2019. As per government estimate Bangladesh achieved GDP growth of 7.86 per cent this year. According to the International Monetary Fund (IMF), Bangladesh is now the 43rd largest economy in the world in terms of nominal GDP while our position is 32nd in terms of purchasing power parity. Bangladesh was also included in the list of top-ten fastest-growing economies in 2017. A projection by Price Waterhouse Coopers (PwC)

tells that Bangladesh will be the 28th largest economy by 2030 and 23rd largest by 2050.

Bangladesh Capital Market has achieved some significant developments during the reported period. Among others, formation of Alternative Trading Board, CCP Company and revision of Corporate Governance Code (CGC) are notable.

CSE has received a positive confirmation from Bloomberg for the full pledged unique ID access by this year after robust endeavors and successful meetings with Bloomberg officials in Dubai. We hope foreign trades will be increased significantly by this access.

### Dear Shareholders:

You are aware that as per Exchanges Demutualization Act, 2013 of Bangladesh and Demutualization Scheme, CSE has offered to and contacted a number of local and foreign institutions to become strategic investors by taking shares of CSE. Although some local as well as foreign institutions have shown their interest and

informed that they are working with the CSE's proposal, we are yet to finalize any deal. In order to solidify our Strategic Partnership, CSE representatives visited UAE, China and India and attended several meetings with potential investors. Meantime, Bangladesh Securities and Exchange Commission extended the deadline to the CSE to find strategic investor to March, 2019.

CSE aims to create sustainable markets that will be attractive to investors through initiatives that focus on support of retail investors, and on listing of attractive investment products that meet investor needs. One specific initiative is the reinforcement of promotional activities targeting retail investors by the Financial Literacy. We are also working to enhance the diversity of our listed products. In addition to the listing and promotion of new equity-related products, we will also continue to explore the possibilities for evolving into a comprehensive exchange. CSE already offers an extensive product line-up, especially in terms of equity-based products. However, we have not yet moved into commodities, a field that is expanding globally, so we will continue to explore the possibilities in this area. Moreover, we are at the final stage of introducing ETF, Netting and a separate platform for SMEs. We are basically waiting to get Green Signal from BSEC to start these newer products.

We also aim to help listed companies enhance their corporate value. We will encourage companies to disclose reports on environmental, social and governance (ESG)/sustainability issues as we have committed as a Partner Exchange of the United Nations Sustainable Stock Exchanges (SSE) Initiative as a part of achieving Sustainable Development Goals (SDGs).

### **Dividend:**

Board of Directors is continuously making efforts to uphold and protect the interest of shareholders and ensure stable growth of the company. The Board of Directors of CSE has recommended 5% cash dividend for the year ended 30 June 2018 subject to approval of shareholders in the 23rd Annual General Meeting (AGM).

### **Appreciation**

I would like to express my sincere gratitude to my fellow Board members for their commitment and valuable inputs. I would also like to take this opportunity to thank all our valued shareholders, TREC holders, Bangladesh Securities and Exchange Commission, Listed Companies, Central Depository Bangladesh Limited, both Electronic and Print Media and other Stakeholders for their continued commitment and support to CSE and development of the Bangladesh Capital Market.

On behalf of the Board, I wish to recognize the CSE management team for their hard work and concerted effort in pursuing our strategic initiatives and would like to thank all staff members of the Exchange and urge their continued commitment towards the CSE's transformational road map.

Thank you once again.



**Dr. A. K. Abdul Momen**  
Chairman





## Message from the Managing Director

# Policy support from the regulator could transform Exchange effective and sustainable

The post demutualization era introduced a new notion “profit” and a big transformation took place that denotes a mammoth alteration in the exchange’s operating objective- from a lone regulatory body to a manifold corporate objective which means pursuing as a regulator and making profit for the shareholders simultaneously.

Unavoidably, this transformation brought forward certain challenges for the internal stakeholders of the bourse.

Gradually increasing Market depth crisis has been the major barrier for CSE trade. However, this predicament has not been blown out overnight rather progressively making the problem acute due to multifarious issues like lack of participation and mutually effective business drive from the exchange and its TREC holders.

With a view to enhance market depth as well as market share, the management of the exchange tried at its level best whole of the year through utmost sincerity and effort. But to overcome the crisis it seems that manual drive and intervention in the market is not giving sustainable result for the desired visibility of the exchange.

We have analyzed the crisis thoroughly and concluded that without having separate and sustainable business model it is not possible to ensure proper participation in trading by the brokerage houses. Accordingly, we pointed out and discussed the issue in the Board in several times and repeatedly tried to draw the attention of the regulators and policy makers. We submitted all possible business propositions to the regulators for their consent. We are hopeful that due regulatory consent will be available at the earliest to make that bourse effective and sustainable.

Despite of huge limitations and obstacles, we have achieved operational and cost efficiency through our relentless effort. Operating profit for the year under review is highest during last 5-6 years tenure. IT and regulatory structure of the exchange has been functioning smoothly as per standard manner. Internal structure of the exchange is well equipped and ready to accommodate new products, features and propositions. Now, regulatory and policy support and intervention is

highly required for proper utilization of the structure.

Under the present situation, it is highly important for the exchange either to create a separate market in terms of products and features or to try to enhance intermediaries and participants heavily. In that case, Commodity Exchange, Derivatives and bond market may be good options for CSE.

With the present market participation, we are facing severe troubles to convince potential investors to come forward as strategic partner of the exchange. But still we are working with some potential investors closely and trying to showcase the potentials of the market as well as the economy of the country.

I like to extend my heartfelt thanks to the Directors, Shareholders, TREC holders and all other stakeholders for their continuous guidance and support. I also especially thank to our regulator, Bangladesh Securities and Exchange Commission for their untiring commitment and support.

Thank you all.



**M. Shaifur Rahman Mazumdar, FCA, FCMA**





## EXISTING SYSTEM

### Order Management System (OMS)

CSE integrated the products “Millennium Exchange” from Millennium IT, a member of the London Stock Exchange group and “goTX” from Polaris Lab to introduce a powerful real time online trading platform. Through NGTS project CSE introduced a very powerful matching engine capable of handling 2,500 order/sec. 1,000,000 orders/day. The system is highly scalable and can scale up to even higher order and contract rates.

MIT solution supports multiple asset class, multiple market structure and comprehensive range of order types. Multiple trading methods and trading across multiple order books are also supported. Other features include unrestricted trading or controlled trading (price bands, circuit breakers etc.), flexible order book prioritization schemes (price-time, price-capacity-time, size-time etc.), off-book trades, Real-time publication of order book and time and sales information, comprehensive range of statistics (high/low, VWAP, volume, indicative auction price etc.), flexible user permission schemes, comprehensive market operations functionality (manage orders, cancel trades, halt/resume trading extend/shorten sessions, suspend participants, manage static data etc), FIX and FAST based interfaces for order submission, trade reporting, drop copies and market data.

goTX Front End integrated with Risk Management System & hosted Back-office is a centralized system, which enables very nominal hardware requirement (Only Trader/Dealer work station) at the broker/dealer end. It is scalable according to requirement & Fault tolerant system-based on industry standard Oracle Tuxedo Middleware.

Internet Trading is a real online Internet based trading application which is directly integrated with the main trading engine. Thus the investors’ orders hit directly to the matching engine provided the investors have enough stock/cash available in their portfolio. It is very user-friendly with some configurable user interfaces and comprehensive market information. It provides both thick (EXE clients) and thin clients (browser based). It supports online cash, margin, and back office reports to both dealers and investors.

Mobile Trading is another milestone for the capital market of Bangladesh. Like many other initiatives, CSE has again played a pioneer role in introducing mobile trading in the country. The number of mobile phone users is much more than the Internet users; bearing this in mind, CSE has come up with mobile trading interface. It is expected to get huge popularity among the investors.

### **Risk Management System (RMS)**

Risk Management System provides Facility for the brokers/dealers to manage the Investors Stock, Cash, Margins and Risk parameters, Supports Collateral margins, Stock Margins, Receivable Margins etc. The solution also supports many risk products like Intraday/Delivery, Short Sell etc. It supports Auto Square off functions and Risk Square off functions. There are Mark to Market Alerts, Cash Alerts, Margin alerts and Stock Alerts. Real time Monitoring of Mark to Market and Margin Blocking & Square off Support is included in the solution.

### **Dealer/Trader Work Station (DWS)**

Dealer/Trader workstation uses state of art UI design and is highly customizable, capable of commencing trade operation from LAN & Internet also.

### **Information Technology Services Department**

Next Generation Trading System (NGTS), the highly applauded trading system of CSE, has stepped into seventh operational year successfully. Throughout this journey, many releases and patches have been applied in the system based on the feedbacks from the users and stakeholders of the system. As a result, the system is getting more efficient and stable day by day.

CSE maintains two different environments for NGTS – one is the Test environment and the other is Production. Before implementing any new release or patch in the system, the release is installed in the Test environment first. A detail process of Testing is thoroughly conducted for Quality Assurance of the new release. If the release passes the entire QA process successfully and satisfies the corresponding Business group (s) comprehensively, only then the release is installed in the Production environment.

By this way, the Information Technology Services Department of CSE is ensuring an error-free operation of the trading system of CSE without failing for a single second. All the trading participants are therefore experiencing a smooth and fast trading environment which is highly customized according to their own needs.

**Release of an Enhanced RMS** offers more flexible and customizable Risk Management System to our trading participants with the support for Trader-wise, Category-wise, Investor-wise and Scrip-wise Risk Management. It also provides multiple rules, sub-rules, and exception rules facilities for Risk Management.

**CHITRA-** the Mobile App for trading in CSE facilitates Real Time Trade in CSE from Android devices along with a customized and streaming Market Watch including Real Time Market News, Statistics with 23 different indices.

**CSE CLOUD-** the Mobile App for CSE trade information is a new mobile based software for the investors developed by Chittagong Stock Exchange by which the investors can analyze the stocks of CSE. By using this software investors can watch the details about the indices of CSE, market news, market movers etc.

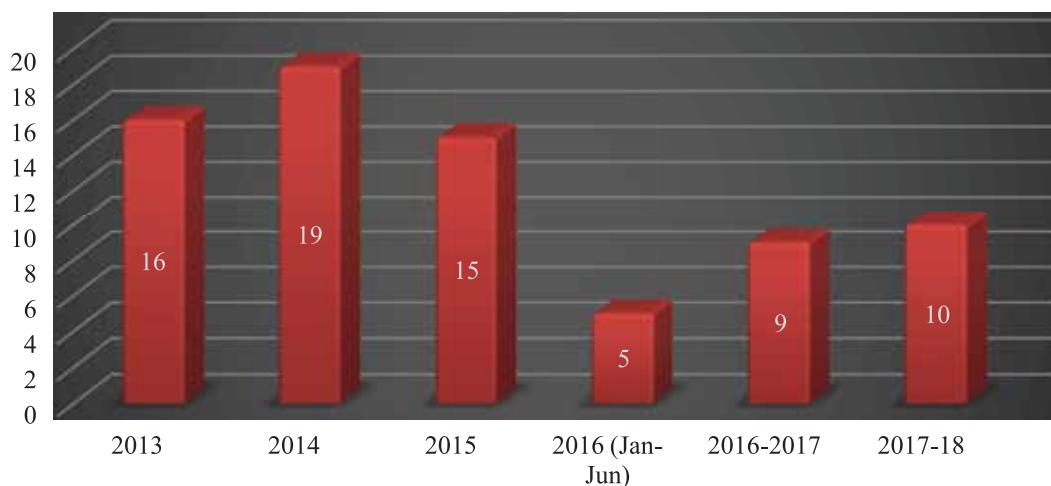
# Market Information



## CSE Trading Statistics

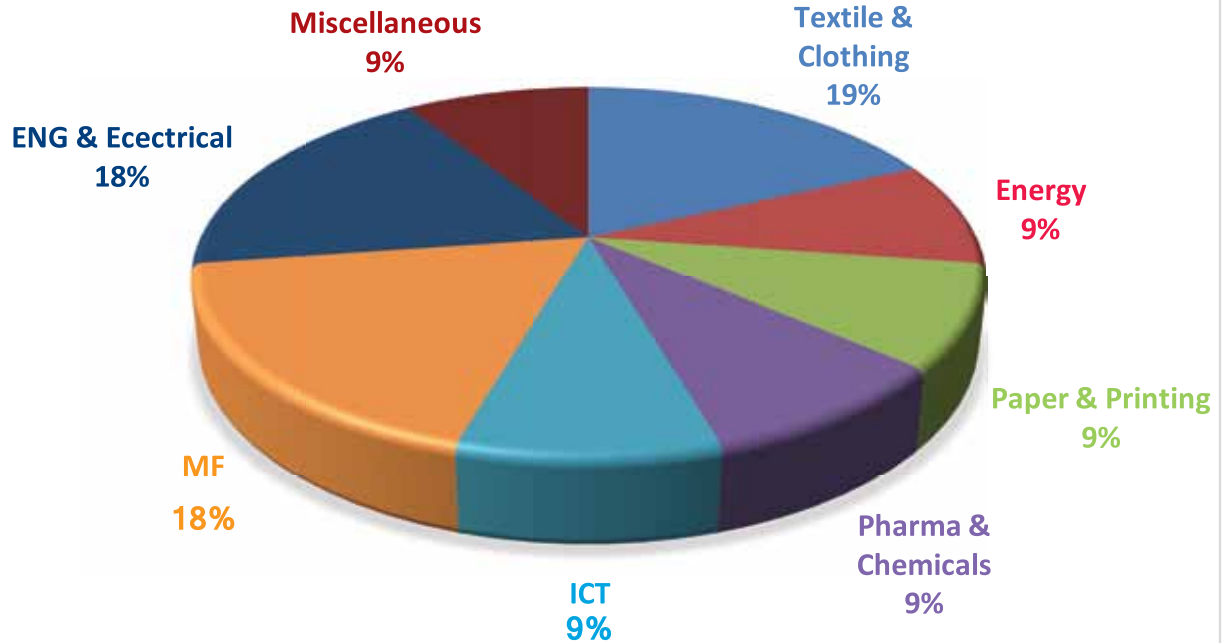
	2013	2014	2015	Jan'16- Jun'16	Jul'16- Jun'17	Jul'17- Jun'18
Listed Securities (no.)	269	287	299	298	303	312
Market Capitalization (Mn BDT.)	2,023,261	2,606,981	2,487,493	2,506,113	3,123,839	3,123,521
Volume Traded ('000 Shares)	2,763,476	2,499,314	2,575,513	1,255,327	4,032,214	3,506,210
Value Traded ('000 BDT.)	99,037,500	97,482,000	88,472,020	35,716,245	118,075,277	109,850,562
Number of Trades ('000)	3,897	3,669	3,866	1,670	3,883	2,791
Total Trading days	238	238	245	125	239	246
Average Volume of Shares traded per day ('000 Shares)	11,611	10,501	10,555	10,042	16,871	14,252
Average Volume per Trade	709	681	666	752	1,038	1256
Average Value per Trade in BDT.	25,414	26,569	22,885	21,386	30,408	39,358

## No. of New Listings





### SECTOR WISE LISTING 2017-18



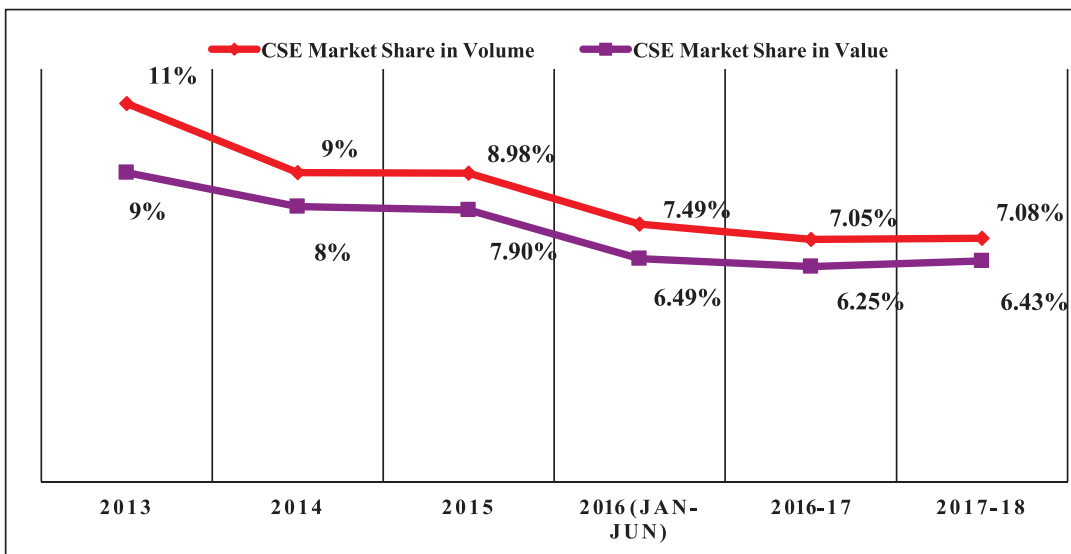
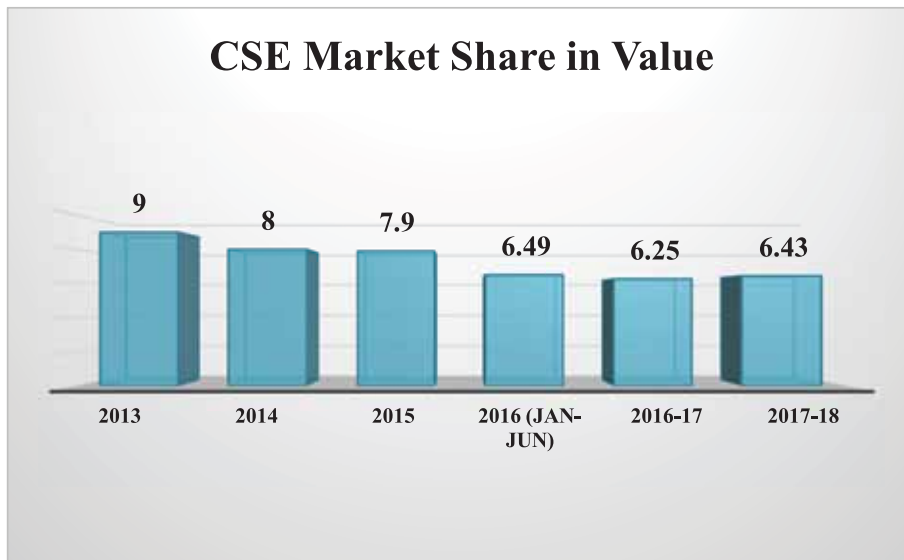
### MARKET CAPITALIZATION IN MN BDT





### AVERAGE VOLUME OF SHARES TRADED PER DAY (SHARES '000)

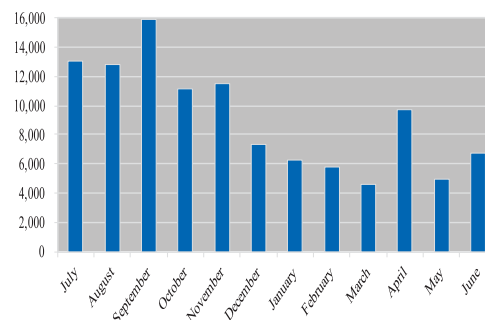




## Year Round Up : July 2017-June 2018

### Month-wise Contracts & Turnover Value: July 2017 to June 2018

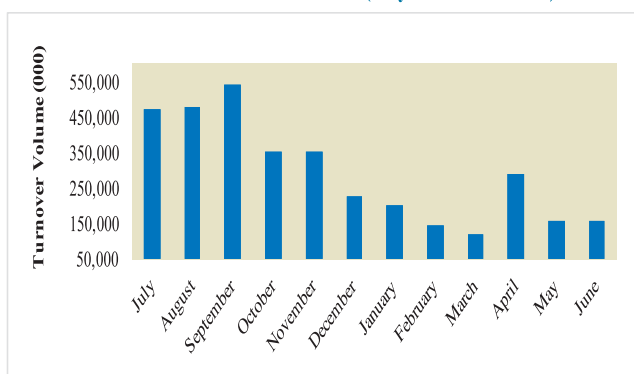
Month	No. of Trading Days	No. of Trading Days	Average Contract	Total Turnover (Mn Tk.)	Daily Average Turnover Value (Mn Tk.)	Maximum Turnover Value (Mn Tk.)	Date: Minimum Turnover	Minimum Turnover (Tk. Mn)	Date: Minimum Turnover
July	22	380,220	17,282	13042.51	592.84	908.12	31-Jul-17	254.70	23-Jul-17
August	21	337,808	16,086	12854.54	612.12	1368.52	13-Aug-17	371.24	20-Aug-17
September	19	313,984	16,525	15857.90	834.63	2926.97	28-Sep-17	397.45	4-Sep-17
October	22	282,314	12,832	11110.61	505.03	1278.95	24-Oct-17	264.23	18-Oct-17
November	22	310,485	14,112	11474.85	521.58	971.26	23-Nov-17	293.55	5-Nov-17
December	19	176,499	9,289	7348.46	386.76	1809.88	28-Dec-17	193.37	21-Dec-17
January	23	194,043	8,436	6300.35	273.93	434.43	31-Jan-18	164.49	14-Jan-18
February	19	148,572	7,819	5736.42	301.92	1204.08	1-Feb-18	150.03	26-Feb-18
March	20	125,650	6,282	4625.68	231.28	657.74	29-Mar-18	103.91	28-Mar-18
April	21	201,642	9,602	9776.95	465.57	1378.95	26-Apr-18	181.55	4-Apr-18
May	21	186,951	8,902	4937.34	235.11	514.61	17-May-18	168.46	20-May-18
June	17	133,656	7,862	6784.95	399.11	1788.53	28-Jun-18	108.56	11-Jun-18



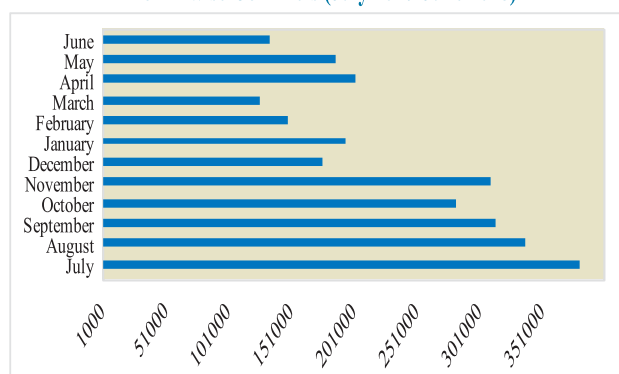
### Contracts & Turnover Volume (July 2017-June 2018)

Month	No. of Trading Days	No. of Contracts	Daily Average No. of	No. of Traded Shares (000)	Average No. of Shares	Maximum Volume (000)	Date	Minimum Volume (000)	Date
July	22	380,220	17,282	476,029.70	21,637.71	35,791.36	07/09/17	8,470.45	07/23/17
August	21	337,808	16,086	477,435.09	22,735.00	56,918.51	08/13/17	11,766.85	08/20/17
September	19	313,984	16,525	542,010.59	28,526.87	98,512.93	09/28/17	14,409.99	09/26/17
October	22	282,314	12,832	354,374.74	16,107.94	25,197.20	10/19/17	8,276.91	10/22/17
November	22	310,485	14,112	352,094.16	16,004.28	24,741.13	11/12/17	10,001.38	11/05/17
December	19	176,499	9,289	229,698.32	12,089.39	57,370.69	12/28/17	7,064.06	12/17/17
January	23	194,043	8,436	200,758.13	8,728.61	17,539.23	01/31/18	5,660.38	01/22/18
February	19	148,572	7,819	147,424.45	7,759.18	12,210.85	02/01/18	5,097.26	02/27/18
March	20	125,650	6,282	118,578.96	5,928.95	8,075.43	03/29/18	4,412.30	03/08/18
April	21	201,642	9,602	293,386.70	13,970.80	49,095.39	04/26/18	6,893.21	04/24/18
May	21	186,951	8,902	155,802.01	7,419.14	12,026.96	05/17/18	4,984.16	05/31/18
June	17	133,656	7,862	158,618.03	9,330.47	35,708.35	06/28/18	2,950.74	06/18/18

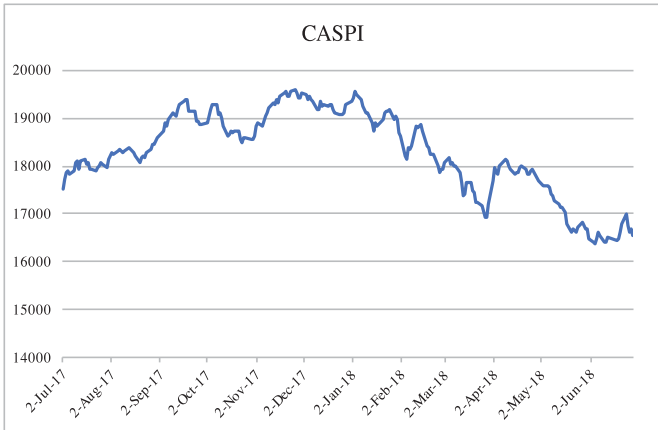
Month-wise Turnover Volume (July 2017-June 2018)



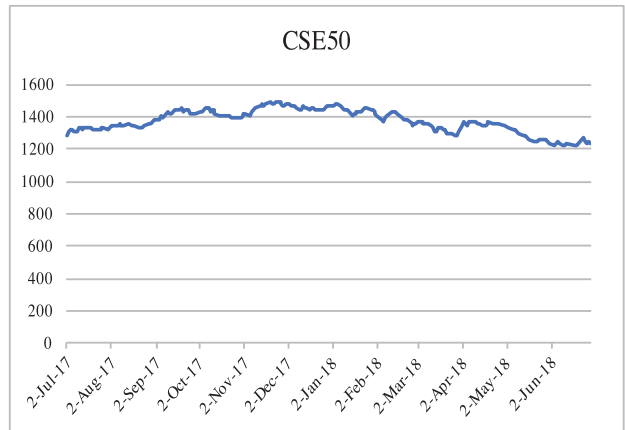
Month-wise Contracts (July 2017-June 2018)



**CASPI : July 2017-June 2018**



**CSE-50 Benchmark Index: July 2017-June 2018**



**CSE-30: July 2017-June 2018**



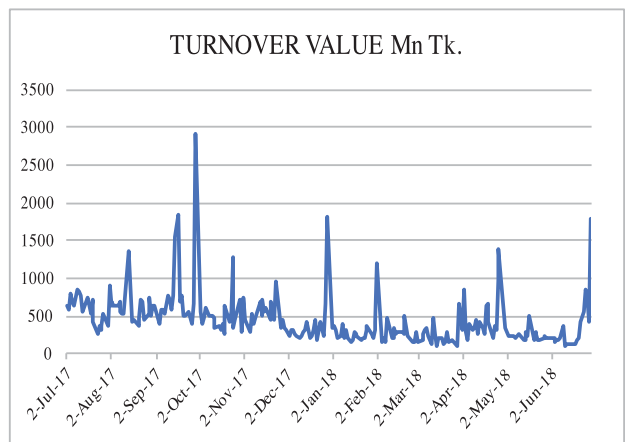
**CSE Shariah Index : July 2017-June 2018**



**CSCX Index : July 2017-June 2018**

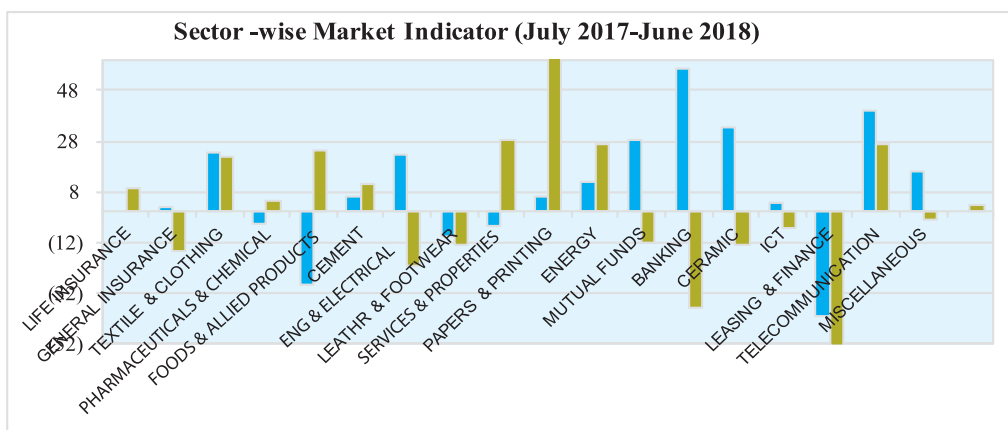


**CSE Turnover (BDT mn) : July 2017-June 2018**

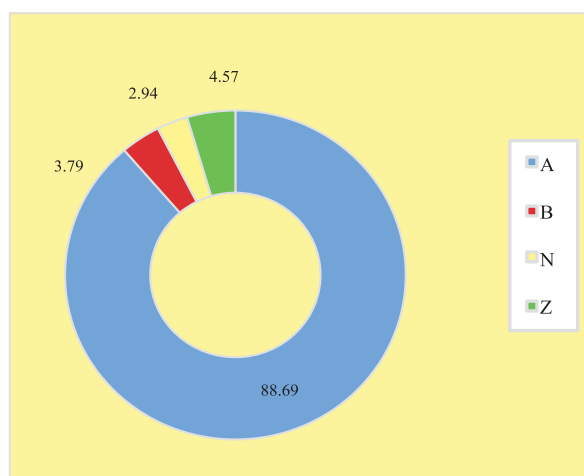


### Sector-wise Market Indicator (July 2017-June 2018)

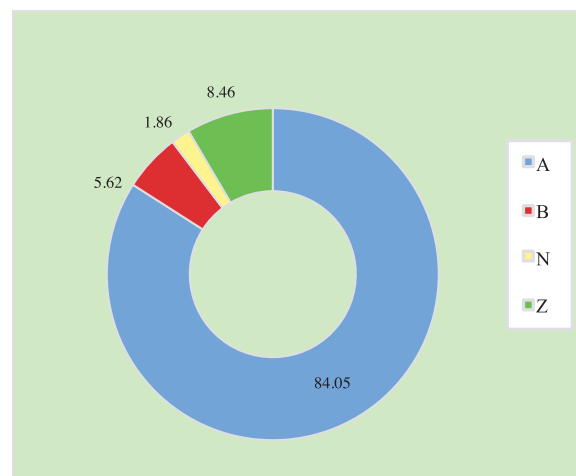
	Sector	PE Ratio			Cash Dividend Yield		
		June'18	June'17	Changes %	June'18	June'17	Changes %
1	LIFE INSURANCE	-	-	-	1.92	2.21	(13.19)
2	GENERAL INSURANCE	12.42	13.43	(7.55)	3.87	3.57	8.33
3	TEXTILE & CLOTHING	14.41	15.99	(9.87)	2.24	2.13	4.95
4	PHARMACEUTICALS & CHEMICAL	18.87	24.47	(22.88)	2.10	1.66	26.54
5	FOODS & ALLIED PRODUCTS	27.83	44.92	(38.04)	1.53	1.21	26.73
6	CEMENT	23.71	22.28	6.41	2.95	2.66	10.75
7	ENG & ELECTRICAL	22.75	22.31	1.97	2.01	1.84	9.44
8	LEATHR & FOOTWEAR	19.20	22.21	(13.56)	2.07	1.96	5.75
9	SERVICES & PROPERTIES	20.68	28.04	(26.26)	3.50	2.09	67.85
10	PAPERS & PRINTING	36.13	36.76	(1.72)	0.44	0.23	89.38
11	ENERGY	12.22	11.91	2.60	4.23	3.67	15.31
12	MUTUAL FUNDS	5.44	5.97	(8.90)	5.45	5.15	5.77
13	BANKING	8.46	9.61	(11.94)	5.11	5.12	(0.27)
14	CERAMIC	28.95	24.66	17.41	3.04	2.78	9.49
15	ICT	26.12	33.34	(21.65)	1.74	1.43	21.48
16	LEASING & FINANCE	13.16	37.76	(65.15)	1.84	2.35	(21.80)
17	TELECOMMUNICATION	23.63	24.49	(3.50)	4.41	2.39	84.27
18	MISCELLANEOUS	26.66	28.33	(5.90)	1.68	1.57	6.78
19	CORPORATE BOND	-	-	-	0.01	5.88	(99.83)



#### Category-wise Turnover Value 2017-18



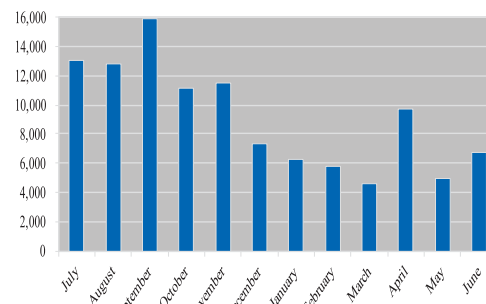
#### Category-wise Turnover Volume 2017-18



## Year Round Up : July 2017-June 2018

### Month-wise Contracts & Turnover Value: July 2017 to June 2018

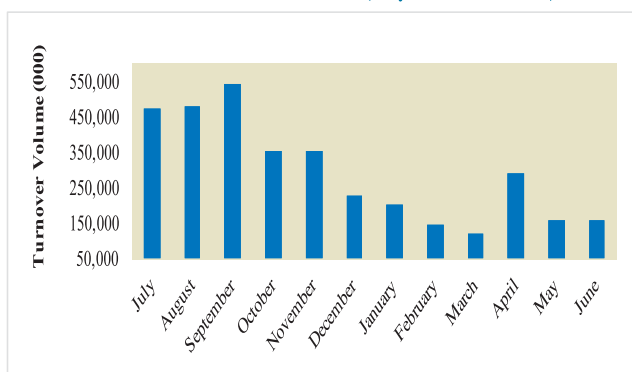
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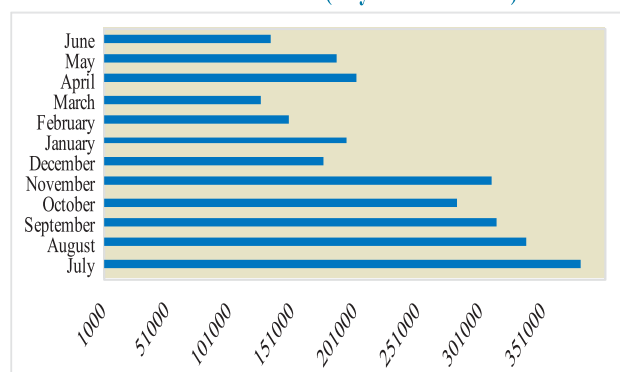
### Contracts & Turnover Volume (July 2017-June 2018)

Month	No. of Trading Days	No. of Contracts	Daily Average No. of	No. of Traded Shares (000)	Average No. of Shares	Maximum Volume (000)	Date	Minimum Volume (000)	Date
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June	17	133,656	7,862	158,618.03	9,330.47	35,708.35	06/28/18	2,950.74	06/18/18

#### Month-wise Turnover Volume (July 2017-June 2018)



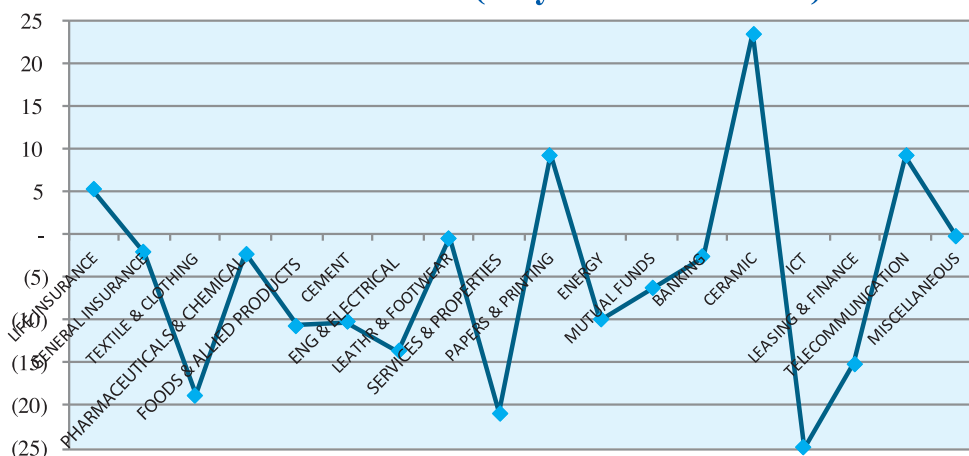
#### Month-wise Contracts (July 2017-June 2018)



### Sectoral Index (July 2017-June 2018)

	Sector	June'18	June'17	(+/-)	%
1	LIFE INSURANCE	89,496.37	84,999.94	4,496.43	5.29
2	GENERAL INSURANCE	6,665.27	6,801.62	(136.35)	(2.00)
3	TEXTILE & CLOTHING	2,118.57	2,607.92	(489.35)	(18.76)
4	PHARMACEUTICALS & CHEMICAL	36,186.26	36,976.40	(790.14)	(2.14)
5	FOODS & ALLIED PRODUCTS	16,223.02	18,142.55	(1,919.53)	(10.58)
6	CEMENT	5,468.62	6,089.21	(620.59)	(10.19)
7	ENG & ELECTRICAL	6,541.40	7,570.36	(1,028.96)	(13.59)
8	LEATHR & FOOTWEAR	6,356.71	6,383.00	(26.29)	(0.41)
9	SERVICES & PROPERTIES	1,889.22	2,389.11	(499.89)	(20.92)
10	PAPERS & PRINTING	1,145.54	1,047.13	98.41	9.40
11	ENERGY	10,110.19	11,226.44	(1,116.25)	(9.94)
12	MUTUAL FUNDS	6,281.23	6,701.29	(420.06)	(6.27)
13	BANKING	49,386.53	50,688.38	(1,301.85)	(2.57)
14	CERAMIC	775.63	627.65	147.98	23.58
15	ICT	9,046.38	12,061.68	(3,015.30)	(25.00)
16	LEASING & FINANCE	22,920.64	26,994.42	(4,073.78)	(15.09)
17	TELECOMMUNICATION	2,226.83	2,038.12	188.71	9.26
18	MISCELLANEOUS	10,119.62	10,140.45	(20.83)	(0.21)

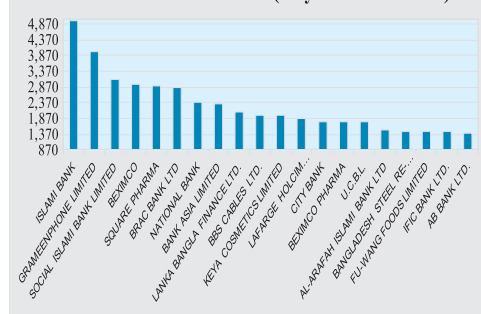
### Sectoral Index (July 2017-June 2018)



### Most Active Securities (July 2017-June 2018)

Rank	Company Name	Turnover (mn tk)	% of Turnover	Turnover (share mn)	Total Contract	Total Trading Days
1	ISLAMI BANK	4,976.41	4.53	169.40	30,919	245
2	GRAMEENPHONE LIMITED	3,993.41	3.64	8.61	16,519	243
3	SOCIAL ISLAMI BANK LIM	3,127.19	2.85	108.30	8,644	243
4	BEXIMCO	2,952.44	2.69	99.75	93,745	245
5	SQUARE PHARMA	2,923.74	2.66	9.55	23,000	245
6	BRAC BANK LTD	2,867.69	2.61	29.92	15,212	244
7	NATIONAL BANK	2,396.76	2.18	181.56	78,585	245
8	BANK ASIA LIMITED	2,332.27	2.12	106.65	9,705	236
9	LANKA BANGLA FINANCE I	2,050.16	1.87	42.86	47,159	244
10	BBS CABLES LTD.	1,967.49	1.79	18.87	65,977	224
11	KEYA COSMETICS LIMITED	1,956.41	1.78	145.54	72,030	245
12	LAFARGE HOLCIM BANGLA	1,874.05	1.71	30.19	55,589	244
13	CITY BANK	1,775.64	1.62	37.38	22,659	245
14	BEXIMCO PHARMA	1,743.38	1.59	16.97	10,710	244
15	U.C.B.L.	1,741.31	1.59	75.92	27,624	245
16	AL-ARAFAH ISLAMI BANK I	1,497.84	1.36	59.13	13,222	245
17	BANGLADESH STEEL RE-RC	1,458.60	1.33	13.40	32,339	244
18	FU-WANG FOODS LIMITED	1,452.82	1.32	65.61	55,775	245
19	IFIC BANK LTD.	1,447.68	1.32	75.81	49,131	245
20	AB BANK LTD.	1,423.90	1.30	67.00	47,305	244

### Most Active Securities (July 2017-June 2018)





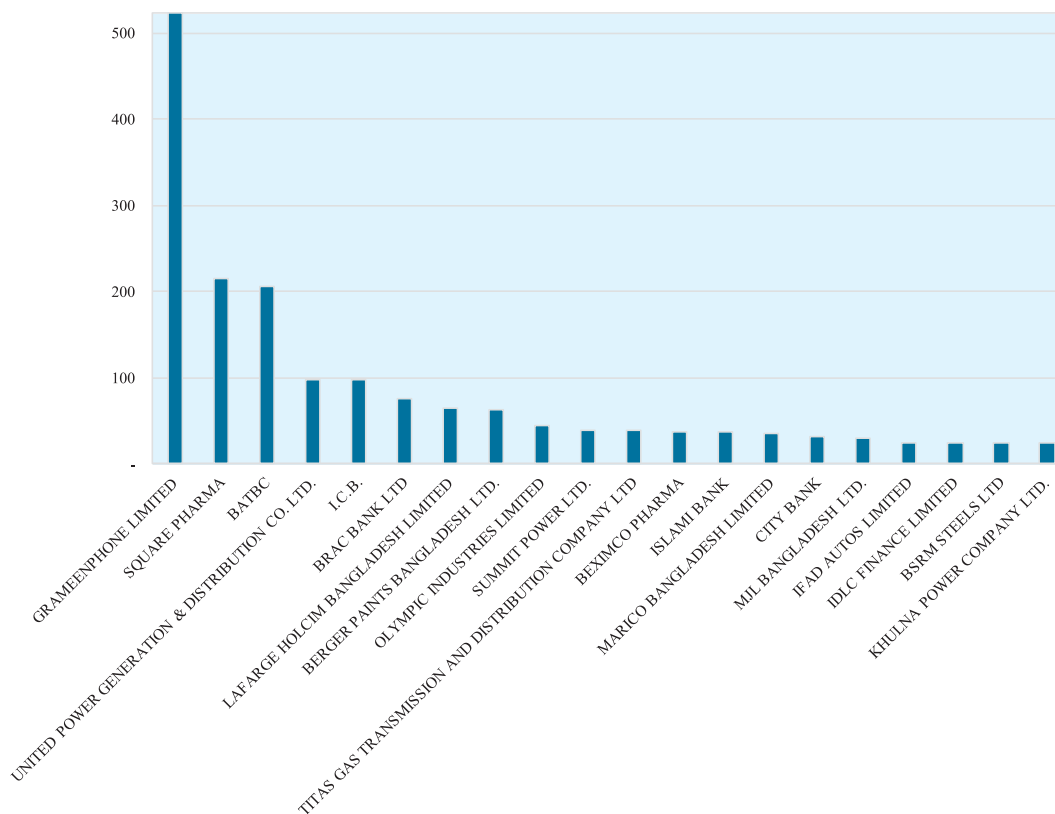
**Top TREC Holders (July 2017-June 2018)**

Rank 2017-18	TREC Holder No.	TREC Holder Name	Rank 2017-18	TREC Holder No.	TREC Holder Name	Rank 2017-18	TREC Holder No.	TREC Holder Name
1	121091	LANKABANGLA SECURITIES LTD.	93	121087	PURABI SECURITIES LTD.	93	121087	PURABI SECURITIES LTD.
2	121027	BE RICH LIMITED	94	121125	S.N. SECURITIES LIMITED	94	121125	S.N. SECURITIES LIMITED
3	121097	Multi Securities & Services Ltd.	95	121040	BASE CAPITAL LTD.	95	121040	BASE CAPITAL LTD.
4	121056	KABIR SECURITIES LIMITED	96	121145	PRIME ISLAMI SECURITIES LTD.	96	121145	PRIME ISLAMI SECURITIES LTD.
5	131071	ICB SECURITIES TRADING CO. LTD	97	121030	JIC SECURITIES LIMITED	97	121030	JIC SECURITIES LIMITED
6	121119	IDLC SECURITIES LTD.	98	121074	RAJA SECURITIES LIMITED	98	121074	RAJA SECURITIES LIMITED
7	121003	MEENHAR SECURITIES LIMITED	99	121138	FAREAST STOCKS & BONDS LTD.	99	121138	FAREAST STOCKS & BONDS LTD.
8	121021	EBL SECURITIES LIMITED	100	121094	INTER CONTINENTAL SECURITIES LTD.	100	121094	INTER CONTINENTAL SECURITIES LTD.
9	121062	PRUDENTIAL CAPITAL LIMITED	101	121001	ALPHA SECURITIES LIMITED.	101	121001	ALPHA SECURITIES LIMITED.
10	121005	ISLAND SECURITIES LIMITED	102	121007	A.K. KHAN SECURITIES LIMITED	102	121007	A.K. KHAN SECURITIES LIMITED
11	121013	BRAC EPL STOCK BROKERAGE LTD.	103	121044	3A COMPANY LIMITED	103	121044	3A COMPANY LIMITED
12	121096	INTERNATIONAL SECURITIES CO. LTD.	104	121095	PFI SECURITIES LTD.	104	121095	PFI SECURITIES LTD.
13	121133	CITY BROKERAGE LIMITED	105	121049	IMPEL SHARES & SECURITIES LTD.	105	121049	IMPEL SHARES & SECURITIES LTD.
14	121088	RELIANCE BROKERAGE SERVICES LTD.	106	121060	CHITTAGONG SHARES & SECURITIES LTD.	106	121060	CHITTAGONG SHARES & SECURITIES LTD.
15	121012	NBL SECURITIES LTD.	107	121054	HABIB SHARES & SECURITIES LTD.	107	121054	HABIB SHARES & SECURITIES LTD.
16	121038	S.R CAPITAL LIMITED	108	121109	SANMAR CAPITAL MANAGEMENT LTD.	108	121109	SANMAR CAPITAL MANAGEMENT LTD.
17	121006	CHITTAGONG CAPITAL LTD.	109	121052	E-SECURITIES LIMITED	109	121052	E-SECURITIES LIMITED
18	121058	EASTERN SHARES & SECURITIES LTD.	110	121011	FIRST CAPITAL SECURITIES LTD.	110	121011	FIRST CAPITAL SECURITIES LTD.
19	121063	ASSOCIATED CAPITAL SECURITIES LTD.	111	121010	SAYA SECURITIES LIMITED	111	121010	SAYA SECURITIES LIMITED
20	121103	MONA FINANCIAL CONSULTANCY & SECURITIES LTD.	112	121128	AMIN SECURITIES CONSULTANTS LTD.	112	121128	AMIN SECURITIES CONSULTANTS LTD.
21	121022	SALTA CAPITAL LIMITED	113	121147	JAMUNA BANK SECURITIES LIMITED	113	121147	JAMUNA BANK SECURITIES LIMITED
22	121076	SOHEL SECURITIES LIMITED	114	121098	EIC SECURITIES LIMITED	114	121098	EIC SECURITIES LIMITED
23	121019	NORTH WEST SECURITIES LIMITED	115	121110	STARPORT SECURITIES LIMITED	115	121110	STARPORT SECURITIES LIMITED
24	121043	UNITED FINANCIAL TRADING CO. LTD.	116	121131	PAROM SECURITIES LTD.	116	121131	PAROM SECURITIES LTD.
25	121042	REMONS INVESTMENT & SECURITIES LTD.	117	121104	JALALABAD SECURITIES LIMITED	117	121104	JALALABAD SECURITIES LIMITED
26	221061	CMSL SECURITIES LTD.	118	121135	POPULAR LIFE INSURANCE CO. LTD	118	121135	POPULAR LIFE INSURANCE CO. LTD
27	121084	SKYS SECURITIES LIMITED	119	121083	ABACUS SECURITIES LIMITED	119	121083	ABACUS SECURITIES LIMITED
28	121080	INTERNATIONAL LEASING SECURITIES LTD.	120	121064	PLATINUM SECURITIES LIMITED	120	121064	PLATINUM SECURITIES LIMITED
29	121082	UNICAP SECURITIES LTD.	121	121055	PRIME FINANCIAL CONSTS & EQUITIES LTD.	121	121055	PRIME FINANCIAL CONSTS & EQUITIES LTD.
30	121053	ROYAL CAPITAL LTD.	122	121065	SOLEX SECURITIES LIMITED	122	121065	SOLEX SECURITIES LIMITED
31	121059	RELIANCE SECURITIES CONSULTANTS LTD.	123	121081	DBL SECURITIES LIMITED	123	121081	DBL SECURITIES LIMITED
32	121120	WESTERN SECURITY INVESTMENT MANAGEMENT LTD.	124	121051	MKM SECURITIES LIMITED	124	121051	MKM SECURITIES LIMITED
33	121037	HILLCITY SECURITIES LIMITED	125	121124	CONFIDENCE EQUITIES LIMITED	125	121124	CONFIDENCE EQUITIES LIMITED
34	121146	ISLAMI BANK SECURITIES LTD.	126	121141	PRIME BANK SECURITIES LTD.	126	121141	PRIME BANK SECURITIES LTD.
35	121033	SYLNET SECURITIES LIMITED	127	121014	STOCK & SECURITY LINKWAY LTD.	127	121014	STOCK & SECURITY LINKWAY LTD.
36	121050	MIRPUR SECURITIES LIMITED	128	121118	SOUTHERN CAPITAL LIMITED	128	121118	SOUTHERN CAPITAL LIMITED
37	121130	GREEN DELTA SECURITIES LTD.	129	121107	N.C SECURITIES LIMITED	129	121107	N.C SECURITIES LIMITED
38	121015	UCB CAPITAL MANAGEMENT LTD.	130	121072	OASIS TURNER LIMITED	130	121072	OASIS TURNER LIMITED
39	121004	SOUTH ASIA SECURITIES LIMITED	131	121086	AM SECURITIES & FINANCIAL SERVICES LTD.	131	121086	AM SECURITIES & FINANCIAL SERVICES LTD.
40	121069	T.K SHARES & SECURITIES LTD.	132	121099	NORBAN SECURITIES LTD	132	121099	NORBAN SECURITIES LTD
41	121067	SUPER SHARES & SECURITIES LTD.	133	121126	FOREMOST SECURITIES LTD.	133	121126	FOREMOST SECURITIES LTD.
42	121148	ONE SECURITIES LIMITED	134	121143	PREMIER BANK SECURITIES LTD.	134	121143	PREMIER BANK SECURITIES LTD.
43	121101	AB SECURITIES LIMITED	135	121137	NURJAHAN SECURITIES LTD.	135	121137	NURJAHAN SECURITIES LTD.
44	121078	BDBL Securities Ltd.	136	121090	FAZLE SECURITIES LIMITED	136	121090	FAZLE SECURITIES LIMITED
45	121142	SIBL SECURITIES LTD.	137	121102	EXPRESS SECURITIES LIMITED	137	121102	EXPRESS SECURITIES LIMITED
46	121112	LOTUS SHARES & SECURITIES LTD.	92	121024	UTTARA EXCHANGE & SECURITIES LTD.	92	121024	UTTARA EXCHANGE & SECURITIES LTD.

**Top 20 Securities by Market Capitalization (July 2017-June 2018)**

Company	Market Capital (TK. BN)	% of Total	Turnover (TK. BN)	% of total	Turnover (Share MN)	Total Contracts	Total Trading Days
GRAMEENPHONE LIMITED	523.24	16.75	3.99	3.64	8.61	16,519	243
SQUARE PHARMA	215.91	6.91	2.92	2.66	9.55	23,000	245
BATBC	207.00	6.63	1.13	1.03	0.34	130	60
UNITED POWER GENERATION & DISTRIBUTION CO. LTD.	98.29	3.15	1.04	0.94	4.60	9,465	243
I.C.B.	97.67	3.13	0.31	0.28	1.92	5,254	238
BRAC BANK LTD	75.93	2.43	2.87	2.61	29.92	15,212	244
LAFARGE HOLCIM BANGLADESH LIMITED	64.92	2.08	1.87	1.71	30.19	55,589	244
BERGER PAINTS BANGLADESH LTD.	62.65	2.01	0.03	0.03	0.01	1,599	67
OLYMPIC INDUSTRIES LIMITED	45.03	1.44	0.52	0.47	1.98	3,752	225
SUMMIT POWER LTD.	40.05	1.28	0.51	0.46	12.73	13,716	244
TITAS GAS TRANSMISSION AND DISTRIBUTION COMPANY LTD	39.47	1.26	0.15	0.13	3.18	7,844	244
BEXIMCO PHARMA	38.41	1.23	1.74	1.59	16.97	10,710	244
ISLAMI BANK	38.32	1.23	4.98	4.53	169.40	30,919	245
MARICO BANGLADESH LIMITED	36.23	1.16	0.01	0.01	0.01	664	122
CITY BANK	31.75	1.02	1.78	1.62	37.38	22,659	245
MJL BANGLADESH LTD.	30.50	0.98	0.43	0.39	3.62	11,049	245
IFAD AUTOS LIMITED	25.02	0.80	0.81	0.74	5.94	13,423	243
IDLC FINANCE LIMITED	25.00	0.80	1.13	1.02	13.67	6,486	233
BSRM STEELS LTD	24.57	0.79	0.26	0.23	3.08	8,227	245
KHULNA POWER COMPANY LTD.	24.46	0.78	0.44	0.40	6.89	12,603	243

**Top 20 Securities by Market Capitalization (July 2017-June 2018)**



**New Listing in CSE Market (July 2017-June 2018)**

	Company Name	Paid-up-Capital(mn)Tk	Issued Share	IPO Offered (Share)	Market Lot	Face Value	Offer Price	Date of Listing	Trade in CSE
1	Aamra networks limited	530.41	53,041,209	15,041,209	100	Tk. 10	cutt off price Tk. 39	09/19/17	10/02/17
2	ICB AMCL First Agrani Bank Mutual Fund	981.51	98,151,000	48,151,000	500	Tk. 10	Tk. 10	09/19/17	10/08/17
3	Oimex Electrode Ltd.	458.92	45,892,000	15,000,000	500	Tk. 10	Tk. 10	10/24/17	11/06/17
4	Nahee Aluminum Composite Panel Ltd.	480.00	48,000,000	15,000,000	500	Tk. 10	Tk. 10	10/24/17	12/24/17
5	CAPM IBBL Islamic Mutual Fund	668.54	66,853,500	16,853,500	500	Tk. 10	Tk. 10	01/24/18	03/05/18
6	Queen South Textile Mills Ltd.	1,001.50	100,150,000	15,000,000	500	Tk. 10	Tk. 10	02/18/18	03/13/18
7	Advent Pharma Ltd.	686.00	68,600,000	20,000,000	500	Tk. 10	Tk. 10	03/27/18	04/12/18
8	Intraco Refueling Station Ltd.	750.00	75,000,000	30,000,000	500	Tk. 10	Tk. 10	05/06/18	05/17/18
9	Bashundhara Paper Mills Ltd.	1,737.91	173,791,441	26,041,666	100	Tk. 10	cutt off price Tk. 80	06/07/18	07/02/18
10	SK Trims & Industries Ltd.	700.00	70,000,000	30,000,000	500	Tk. 10	Tk. 10	06/27/18	07/15/18

**IPOs in CSE Market (July 2017-June 2018)**

	Company Name	IPO Offered with Premium (mn) Tk.	Subscription received from IPO(mn)Tk.	Subscription Times (Against IPO)	Subscription		Offer Price	Market Lot	Group
					Open	Close			
1	ICB AMCL First Agrani Bank Mutual Fund	500.00	482.14	0.96	08/01/17	08/10/17	Tk. 10	500	A
2	aamra networks Ltd.	562.50	3,811.76	18.07	08/06/17	08/16/17	cutt off price Tk. 39	100	N
3	Oimex Electrode Ltd.	150.00	6,219.91	41.47	09/05/17	09/13/17	Tk. 10	500	N
4	Nahee Aluminum Composite Panel Ltd.	150.00	4,748.26	31.65	09/24/17	10/03/17	Tk. 10	500	N
5	CAPM IBBL Islamic Mutual Fund	300.00	168.54	0.56	12/10/17	12/18/17	Tk. 10	500	A
6	Queen South Textile Mills Ltd.	150.00	6,516.67	43.44	01/07/18	01/15/18	Tk. 10	500	N
7	Advent Pharma Ltd.	200.00	7,035.89	35.18	02/11/18	02/19/18	Tk. 10	500	N
8	Intraco Refueling Station Ltd.	300.00	7,663.79	25.55	03/18/18	03/27/18	Tk. 10	500	N
9	Bashundhara Paper Mills Ltd.	2,000.00	6,811.52	9.08	04/30/18	05/09/18	cutt off price Tk. 80	100	N
10	SK Trims & Industries Ltd.	300.00	6,540.38	21.80	05/14/18	05/22/18	Tk. 10	500	N
11	Aman Cotton Fibrous Ltd.	800.00	3,492.48	11.64	06/03/18	06/10/18	cutt off price Tk. 40	100	N

**Declared Right-Ratio (July 2017-June 2018)**

	Company Name	Ratio	Sub.Open	Sub.Close	Record date	No. of Shares	Issue Price(Tk.)	Pemium of Tk.	Issued Cap.
1	IFAD Autos Ltd.	2R:5Ex.	19-Nov-17	14-Dec-17	18-Oct-17	62,192,000	20	10	1,243,840,000.00
2	LankaBangla Finance Ltd.	1R:2Ex.	17-Dec-17	14-Jan-18	26-Nov-17	159,125,470	10	NIL	1,591,254,700.00

## Trading Statistics 2017-2018

Scrip ID	Company	Contract	Volume	Value	Price High	Price Low	No. of Trading Days	Closing Price
<b>LIFE INSURANCE</b>								
10001	DELTA LIFE INSURAN	4,927	1,078,514	116,933,672	126.5	90	236	106.3
10002	NATIONAL LIFE INS.	457	1,648,329	286,374,702	195	150.1	117	153
10003	SANDHANI LIFE INS.	1,762	857,807	29,106,762	41	29.3	198	31.5
10004	POPULAR LIFE INSURANCE COMPANY LIMITED.	228	128,326	9,761,160	85	64	78	70.2
10005	FAREAST ISLAMI LIFE INSURANCE COMPANY LTD.	960	242,955	18,309,674	87.9	63	181	73.9
10006	MEGHNA LIFE INSURANCE CO. LTD.	857	321,056	19,889,498	70	52.1	175	58.8
10007	PROGRESSIVE LIFE INSURANCE CO. LTD.	54	14,592	905,839	78.1	54	13	76
10008	PRAGATI LIFE INSURANCE LTD.	42	3,650	396,295	133	98	28	110.7
10009	PRIME ISLAMI LIFE INSURANCE LTD	310	402,138	23,972,814	71	44.5	119	59
10010	RUPALI LIFE INSURANCE COMPANY LTD.	1,477	831,135	37,001,903	51	35.5	157	47.5
10011	PADMA ISLAMI LIFE INSURANCE LTD.	1,343	525,153	22,788,593	53.9	28	199	50
10012	SUNLIFE INSURANCE COMPANY LIMITED	974	836,140	19,172,349	27.5	20.2	184	24.5
<b>GENERAL INSURANCE</b>								
11001	RUPALI INSURANCE	1,068	633,052	13,418,685	25	16.9	167	20.6
11002	PEOPLES INSURANCE COMPANY LTD.	358	145,324	3,134,801	24.7	17.7	141	20.9
11003	GREEN DELTA INS.	301	4,015,690	243,201,138	67.5	46.8	100	62.9
11004	RELIANCE INSURANCE	50	7,368	408,579	69	41	29	57.8
11005	JANATA INSURANCE	1,067	1,308,651	16,343,173	17.1	9.5	170	15
11006	CENTRAL INSURANCE	151	163,323	3,670,315	26.2	17.5	52	21.7
11007	FEDERAL INSURANCE	7,416	7,836,226	105,740,342	16.2	10.3	247	12.8
11010	BGIC	2,035	1,056,602	22,272,878	23.7	17.3	232	20.9
11011	PRAGATI INSURANCE	80	229,870	6,967,262	36.4	26.4	46	30.1
11013	PHOENIX INS.	134	131,676	3,676,459	35.7	22	62	29.9
11014	EASTERN INSURANCE COMPANY LTD	92	28,137	846,601	36.5	26	50	31.4
11015	EASTLAND INSURANCE	332	407,000	9,907,116	27.5	20.2	100	23.5
11016	PRIME INSURANCE COMPANY LIMITED	112	143,911	2,906,638	23	17	55	19
11017	PIONEER INSURANCE COMPANY LIMITED	156	156,027	5,340,649	46	27.1	54	29
11021	NITOL INSURANCE CO. LTD.	143	82,888	2,189,713	32.8	22.2	69	32.8
11022	ASIA PACIFIC GENERAL INSURANCE CO. LTD.	220	144,206	3,299,721	26	18	96	24.2
11024	SONAR BANGLA INSURANCE LTD.	506	471,329	9,423,357	23.6	14	147	18
11027	PARAMOUNT INSURANCE CO.LTD	768	735,134	13,974,224	21.5	17	148	18
11028	CITY GENERAL INSURANCE CO.LTD	2,442	2,537,818	47,043,686	21.8	14.4	223	18.4
11029	CONTINENTAL INSURANCE LIMITED	595	419,066	9,632,207	26.5	18	155	22
11030	TAKAFUL ISLAMI INSURANCE LTD.	243	251,503	5,712,277	26	18	93	25.5
11031	STANDARD INSURANCE LTD	454	232,330	5,541,417	33	15.5	132	29.3
11032	NORTHERN GENERAL INSURANCE CO. LTD.	606	628,399	15,981,871	31	19.2	144	23
11033	REPUBLIC INSURANCE COMPANY LTD	330	213,987	6,183,072	36	21.6	102	26.6
11034	MERCANTILE INSURANCE CO. LTD	1,698	2,053,346	50,559,901	29.3	15.4	158	23.2
11035	ASIA INSURANCE LTD.	708	490,454	11,205,154	25.5	17	168	23.1
11036	ISLAMI INSURANCE BANGLADESH LIMITED	1,324	4,111,719	121,932,726	35.9	19.5	180	30.9
11037	PROVATI INSURANCE CO. LTD.	861	583,075	12,091,866	24.8	17	167	19.7
11038	DHAKA INSURANCE LIMITED	660	453,443	10,960,124	28.5	18.5	141	23.8
11039	BANGLADESH NATIONAL INSURANCE CO. LIMITED	7,978	6,330,709	130,963,251	24.7	15.7	246	19.8

## Trading Statistics 2017-2018

Scrip ID	Company	Contract	Volume	Value	Price High	Price Low	No. of Trading Days	Closing Price
<b>TEXTILE</b>								
12002	PRIME TEXTILE	2,030	1,883,083	55,404,221	36.3	20.7	174	25
12004	APEX SPINNING	1,194	184,996	23,024,453	152	102.1	160	115.3
12006	DULAMIA COTTON	-	-	-	0	0	0	10.2
12008	BEXIMCO SYNTHETICS	4,455	4,221,769	37,319,926	10.5	7.2	242	8.6
12017	ALLTEX IND.	2,978	2,735,729	35,201,299	15.5	9.9	230	12
12022	SONARGAON TEXTILE	1,167	861,443	11,429,479	16.9	10.4	176	14.5
12023	DELTA SPINNERS LTD.	33,269	58,434,824	683,187,018	13.2	9.3	247	9.4
12024	H.R. TEXTILES	2,170	1,282,232	46,496,508	44.5	29.8	194	32
12025	ANLIMA YARN	6,555	3,850,986	134,160,816	44.8	27.5	232	31.6
12030	SHAHAM TEXTILE MILLS LTD.	5,692	5,984,999	126,830,129	24.1	15.9	238	19.2
12031	SAFKO SPINNING MILLS LTD	9,421	8,634,737	148,069,953	21.2	13	232	16.8
12032	TALLU SPINNING MILLS LIMITED	2,421	2,258,027	24,909,232	12.8	9.2	221	9.9
12033	MITHUN KNITTING AND DYEING LIMITED	17,686	7,045,235	327,024,785	61.8	23	246	26.5
12034	SQUARE TEXTILES LIMITED	2,653	859,268	58,460,722	75.8	60.1	231	63.5
12035	METRO SPINNING LIMITED	4,885	5,386,892	51,679,896	13.1	7.2	244	11.5
12036	MAKSONS SPINNING MILLS LTD.	8,885	11,962,340	124,512,730	12.9	8	247	10.2
12037	DACCA DYEING & MANUFACTURING CO.	6,157	6,110,176	56,640,127	11.2	7.3	247	8.9
12038	R. N. SPINNING MILLS LTD.	45,206	41,933,774	972,520,683	35	16.5	246	16.6
12039	MALEK SPINNING MILLS LTD.	7,066	7,312,636	161,506,795	25.8	17.4	239	19.6
12040	ZAHINTEX INDUSTRIES LTD.	6,906	5,409,553	111,252,921	27	15.7	247	16.3
12041	SAHAM COTTON MILLS LTD.	9,379	12,053,331	231,372,672	22.2	16	244	17.2
12042	GENERATION NEXT FASHIONS LTD.	69,753	160,947,758	1,736,390,445	12.5	8.7	247	9.3
12043	ENVOY TEXTILES LIMITED	3,402	1,670,215	66,950,307	44	34	228	34.6
12044	ARGON DENIMS LIMITED	24,186	22,439,700	788,812,367	39.5	30.2	247	30.6
12045	FAMILYTEX (BD) LTD.	47,370	83,922,746	781,285,320	11.1	7.5	247	7.6
12046	PARAMOUNT TEXTILE LIMITED	19,256	26,146,797	872,350,600	48.4	19.9	247	43.6
12047	MOZAFFAR HOSSAIN SPINNING MILLS LTD.	11,466	11,018,883	297,073,589	32.9	18	247	19.5
12048	MATIN SPINNING MILLS LTD.	2,188	1,018,642	43,335,870	49	35.1	220	38.4
12049	HWA WELL TEXTILES (BD) LTD.	877	478,378	19,128,790	46.8	34.2	152	36
12050	FAR EAST KNITTING & DYEING INDUSTRIES LTD.	6,760	5,764,433	163,130,684	34.7	19.1	243	19.4
12051	TUNG HAI KNITTING & DYEING LIMITED	38,989	57,952,514	923,809,474	19.8	9.3	248	10.1
12052	HAMID FABRICS LTD.	16,971	21,652,796	559,592,196	29.5	21	247	25.4
12053	C & A TEXTILES LTD.	48,970	91,370,937	1,074,327,081	14.6	8	248	8.6
12054	SHASHA DENIMS LTD.	3,209	1,091,721	81,315,531	89.8	57.1	232	61
12055	ZAHEEN SPINNING LTD.	14,890	23,331,849	592,755,178	29.3	18.5	245	22.5
12056	TOSRIFA INDUSTRIES LIMITED	7,789	6,495,061	175,509,344	33.5	20	244	25.6
12057	SIMTEX INDUSTRIES LTD.	4,995	4,668,936	144,554,521	35	21.2	235	29.2
12058	REGENT TEXTILE MILLS LTD.	39,565	32,503,493	784,268,114	36.5	16.2	247	20.5
12059	DRAGON SWEATER & SPINNING LTD.	20,241	19,494,653	415,701,086	24.5	16.7	247	17
12060	EVINCE TEXTILES LIMITED	25,834	27,114,118	601,979,596	25.8	16	246	16.3
12061	PACIFIC DENIMS LIMITED	62,799	42,700,298	1,114,757,890	29.4	19.1	220	19.5
12062	SHEPHERD INDUSTRIES LIMITED	26,109	12,282,745	546,620,999	60	28.2	200	28.5
12063	NURANI DYEING & SWEATER LTD.	33,336	28,810,286	635,590,756	27.8	18.1	142	18.6
<b>PHARMACEUTICALS</b>								
13002	SQUARE PHARMA	22,833	6,300,207	1,795,028,497	319	247	247	300.6
13003	ACI LTD	7,879	960,506	487,073,256	635	388.6	245	460.4
13005	BEXIMCO PHARMA	28,280	33,152,084	3,397,142,252	120	81.2	247	102.9



## Trading Statistics 2017-2018

Scrip ID	Company	Contract	Volume	Value	Price High	Price Low	No. of Trading Days	Closing Price
13006	RECKIT BENCKISER (BD) LTD.	69	427	761,289	2250	1360	30	1850
13007	AMBEE PHARMA	1,277	52,834	21,591,202	499	360	169	395.1
13008	ORION INFUSION	8,827	3,833,950	227,894,028	68.9	52	243	55.5
13011	KOHINOOR CHEMICAL	90	4,789	2,072,880	475	362.1	36	401
13012	LIBRA INFUSIONS LIMITED	674	22,470	12,883,422	700	436	121	505
13013	IBN SINA PHARMA	1,918	374,979	95,130,613	300	200	203	240
13015	WATA CHEMICALS LTD.	1,228	142,074	27,708,648	289.9	154.1	130	262.3
13017	KEYA COSMETICS LIMITED	93,918	163,837,536	2,533,155,674	18.7	12.1	247	12.4
13020	BERGER PAINTS BANGLADESH LTD.	134	1,547	3,359,033	2360	2000	45	2142.6
13021	ACI FORMULATIONS LTD	5,832	1,429,340	285,403,633	229	150	219	170.8
13022	MARICO BANGLADESH LIMITED	1,469	16,062	16,875,921	1240	945	168	1100
13023	BEACON PHARMACEUTICALS LTD.	37,442	41,221,874	950,682,591	27.2	20.2	247	20.9
13024	ACTIVE FINE CHEMICALS LTD.	23,617	17,341,156	827,815,437	53.4	34.9	247	35
13025	SALVO CHEMICAL INDUSTRY LTD.	19,533	18,671,443	414,757,553	27.5	16.5	247	21.6
13026	GLOBAL HEAVY CHEMICALS LIMITED	3,644	1,692,577	71,045,787	47.5	37.3	228	39.6
13027	ORION PHARMA LTD.	12,860	7,483,864	372,284,667	55.7	41.5	246	48
13028	CENTRAL PHARMACEUTICALS LTD.	31,997	29,310,524	817,398,370	37	18.1	247	18.7
13029	AFC AGRO BIOTECH LTD.	10,167	6,956,049	398,232,586	67.5	44.1	244	45.2
13030	FAR CHEMICAL INDUSTRIES LTD.	35,700	56,403,681	1,404,463,344	29.5	18.7	247	19.4
13031	ACME LABORATORIES LTD.	24,351	9,123,233	1,038,640,464	122.8	99.7	247	113.3
<b>FOODS &amp; ALLIED PRODUCTS</b>								
14001	APEX FOOD	3,114	480,713	71,279,349	175	131	210	141
14005	AMCL(PRAN)	1,252	99,053	21,823,598	245	198	154	217.5
14010	NATIONAL TEA	1,540	67,107	45,924,993	875	560	175	610
14012	RAHIMA FOOD CORP. LTD	4,769	882,978	126,474,074	189	104	241	160.2
14017	FU-WANG FOODS LIMITED	51,729	61,032,993	1,323,295,039	27.5	13.7	247	19.7
14018	BANGAS LIMITED	2,492	225,838	31,107,014	195	114	192	171.4
14021	BEACH HATCHERY LIMITED	4,024	3,379,003	50,749,475	23	10	233	16.5
14022	FINE FOODS LIMITED	6,879	4,471,802	148,697,533	54.2	22.5	238	35.9
14023	RANGPUR DAIRY & FOOD PRODUCTS LTD.	23,652	25,125,078	475,122,856	22.2	15.3	247	17.4
14025	GOLDEN HARVEST AGRO INDUSTRIES LTD.	9,751	8,215,597	377,701,538	60.3	37	246	41.8
14026	OLYMPIC INDUSTRIES LIMITED	5,126	3,176,298	851,050,794	327	247	241	288.9
14027	EMERALD OIL INDUSTRIES LTD.	27,198	14,175,708	414,216,044	43	17	248	18.5
<b>CEMENT</b>								
15001	CONFIDENCE CEMENT	9,214	4,433,327	645,188,329	179.8	109.2	244	153
15002	HEIDELBERG CEMENT BANGLADESH LTD	1,590	128,247	64,334,610	570	400	205	424.8
15003	MEGHNA CEMENT	514	86,223	9,226,262	123.2	94.1	136	100.1
15005	ARAMIT CEMENT LIMITED	16,155	8,852,478	364,866,145	48.5	24.5	245	29.8
15009	LAFARGE SURMA CEMENT LIMITED	62,783	34,511,138	2,381,298,261	88.5	51.1	245	69.5
15010	M.I. CEMENT	7,951	2,872,518	275,698,476	111.7	80.7	247	83.8
15011	PREMIER CEMENT MILLS LIMITED	1,181	4,304,481	397,060,866	99.9	80.2	181	85
<b>ENGINEERING</b>								
16001	AZIZ PIPE	291	39,100	3,211,988	164.8	55.3	87	135.7
16002	QUASEM DRYCELLS	6,592	1,958,772	187,186,265	107.9	77	231	77.2
16003	ANWAR GALVANIZING	2,949	892,257	72,886,752	97.9	65.2	220	80.8
16004	AFTAB AUTO.	13,595	7,116,672	481,265,550	76.4	57	247	63
16009	BD. THAI ALLUMINIUM	34,538	31,852,276	922,576,423	33.7	20	247	28.6
16012	BD. AUTO CARS	-	-	-	0	0	0	37.6

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Scrip ID	Company	Contract	Volume	Value	Price High	Price Low	No. of Trading Days	Closing Price
16013	BD. LAMPS LTD.	1,269	120,813	22,167,296	215	160	162	187
16014	KAY & QUE (BANGLADESH) LTD	1,223	290,996	29,774,042	160	33	149	127
16015	EASTERN CABLES LTD.	2,561	296,504	52,002,509	253	132	205	197.6
16016	RANGPUR FOUNDRY LTD.	4,530	1,002,724	136,298,443	163.9	111	190	125.8
16017	BD WELDING ELECTRODES LTD	4,574	3,956,614	76,249,073	27.9	11	226	23.6
16019	SINGER BANGLADESH LIMITED	12,165	5,372,789	1,030,898,033	230.9	176.7	246	196.7
16020	S ALAM COLD ROLLED STEELS LTD.	9,433	5,086,283	196,297,479	45	31.6	241	33.5
16021	Golden Son Limited	14,726	11,459,059	221,143,232	24.2	10	247	13.1
16022	BSRM STEELS LTD	12,501	6,072,232	575,866,722	108	77	246	78.7
16023	NAVANA CNG LIMITED	4,983	2,810,693	206,402,347	82.4	61	238	67.5
16024	GPH ISPAT LTD.	25,798	22,438,118	973,668,014	50.3	34.5	247	38.8
16025	BENGAL WINDSOR THERMOPLASTICS LTD.	5,979	5,690,330	276,997,743	53.9	37.9	230	39.1
16026	BANGLADESH BUILDING SYSTEMS LTD.	32,655	23,891,976	1,224,198,413	58.8	37.6	247	38.1
16027	APPOLLO ISPAT COMPLEX LIMITED	67,724	81,122,181	1,761,994,605	25.1	16.3	247	16.5
16028	SHURWID INDUSTRIES LTD.	5,841	6,424,624	88,148,146	17.9	7.9	240	14.3
16029	RATANPUR STEEL RE-ROLLING MILLS LTD.	21,172	15,311,458	1,217,799,739	96.6	55.5	246	62.5
16030	WESTERN MARINE SHIPYARD LTD.	26,607	15,764,943	605,938,842	50	29	245	29.2
16031	IFAD AUTOS LIMITED	19,503	7,341,794	994,259,478	166	102	245	126
16032	BANGLADESH STEEL RE-ROLLING MILLS LTD.	28,367	9,771,507	1,250,291,066	149.5	96.4	245	99.7
16033	OLYMPIC ACCESSORIES LTD.	35,974	30,776,059	804,929,184	31	19.5	247	20.4
16034	KDS ACCESSORIES LTD.	9,617	2,977,532	239,948,191	94.9	65.8	246	66.9
16035	BBS CABLES LTD.	42,962	12,193,513	1,402,314,960	159	59	103	106.5
16036	OIMEX ELECTRODE LIMITED	21,600	4,800,421	452,289,303	118	63.3	37	65.1
16037	NAHEE ALUMINUM COMPOSITE PANEL LTD.	7,696	1,987,510	174,695,525	120	67.4	4	73.2
<b>LEATHER &amp; FOOTWEAR</b>								
17001	APEX TANNERY	1,383	263,558	40,210,865	167	136	171	148.3
17002	APEX FOOTWEAR LIMITED	1,740	634,559	219,191,424	372	312	187	327
17007	SAMATA LEATHER COMPLEX	836	262,932	12,460,148	72	26	132	63.5
17008	LEGACY FOOTWEAR LIMITED	5,435	2,364,269	103,063,451	66	20.4	219	56.5
17009	BATA SHOE COMPANY LTD.	722	38,895	44,996,379	1237	1050	164	1169.7
17010	FORTUNE SHOES LIMITED	29,942	18,196,360	988,685,596	63.4	38.2	247	39.7
<b>SERVICES &amp; PROPERTIES</b>								
18002	EASTERN HOUSING	9,792	6,237,277	303,678,310	56.2	40.2	235	49.3
18004	SAMORITA HOSPITAL LTD.	3,492	1,177,993	101,284,412	105.9	69	204	80.3
18005	SUMMIT ALLIANCE PORT LTD.	25,345	12,131,895	533,882,432	53.5	33.3	247	34.2
18007	UNITED AIRWAYS (BD) LTD.	38,805	79,069,219	537,469,958	8.4	5.3	248	5.5
18008	UNIQUE HOTEL & RESORTS LTD.	9,087	5,382,912	307,014,088	63.5	46.2	246	56.4
18009	PENINSULA CHITTAGONG LIMITED	29,691	21,219,642	649,421,981	41.8	21	247	23.2
18010	SAIF POWERTEC LIMITED	59,178	40,859,020	1,903,987,748	70.7	32.1	246	33.1
<b>PAPERS &amp; PRINTING</b>								
19006	SINOBANGLA INDUSTRIES LTD	2,582	1,059,306	50,792,517	69.8	27.7	233	54.8
19008	MIRACLE INDUSTRIES LTD.	14,808	7,394,375	388,084,261	68.6	39.5	234	45.4
19009	HAKKANI PULP & PAPER MILLS LIMITED	9,116	3,467,130	214,977,119	96.8	46.2	236	58.5
19010	KHULNA PRINTING & PACKAGING LTD.	5,873	6,093,453	64,711,544	14	7.2	239	11
<b>ENERGY &amp; FUEL</b>								
20002	PADMA OIL	9,821	1,585,998	380,557,707	268	181	244	235.6
20004	SUMMIT POWER LTD.	24,364	19,367,581	801,286,582	46.5	35.1	246	35.8

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Scrip ID	Company	Contract	Volume	Value	Price High	Price Low	No. of Trading Days	Closing Price
20005	DHAKA ELECTRIC SUPPLY CO. LTD.	9,774	6,220,357	327,289,250	62.2	42.6	242	45
20006	POWER GRID COMPANY OF BANGLADESH LTD	6,045	3,201,319	178,392,218	59.5	50	242	51.8
20007	JAMUNA OIL COMPANY LIMITED	7,113	1,774,594	378,723,787	235	182	246	188.8
20008	MEGHNA PETROLEUM LIMITED	6,002	1,098,137	221,883,179	218	170	243	186.1
20009	TITAS GAS TRANSMISSION AND DISTRIBUTION CO. LTD	19,748	10,014,866	518,054,499	59.5	43.4	247	44.2
20010	KHULNA POWER COMPANY LTD.	16,435	9,215,751	580,872,548	69.1	56.7	247	58
20011	BARAKATULLAH ELECTRO DY. LTD.	40,229	35,849,416	1,600,126,903	53.4	31.1	247	34.8
20012	MJL BANGLADESH LTD.	21,585	8,937,169	1,077,298,469	134	104	247	108.4
20013	LINDE BANGLADESH LIMITED	253	12,680	16,363,394	1360	1201.5	84	1290.2
20014	GBB POWER LTD.	24,457	21,923,707	517,544,623	26.4	18.4	247	18.7
20016	CVO PETROCHEMICAL REFINERY LTD.	18,899	1,826,964	403,588,917	282	143.1	245	205.8
20017	SHAHJIBAZAR POWER CO. LTD.	14,115	3,995,889	581,077,144	162.6	114.5	247	115.6
20018	UNITED POWER GENERATION & DISTRIBUTION CO. LTD.	16,792	4,219,814	694,017,187	195.7	141.1	247	178.8
20019	DOREEN POWER GENERATIONS AND SYSTEMS LIMITED	23,350	6,808,950	883,584,609	157.5	102	247	113.9
<b>MUTUAL FUND</b>								
21015	ICB AMCL SECOND NRB MUTUAL FUND	511	692,360	7,432,520	12	8.6	139	10.3
21016	GRAMEEN MUTUAL FUND ONE:SCHEME TWO	3,047	10,363,621	152,624,312	17.5	12.1	231	15.3
21017	PRIME FINANCE FIRST MUTUAL FUND	1,251	1,545,472	22,108,482	17.4	11.3	168	15.2
21018	EBL FIRST MUTUAL FUND	3,144	7,362,368	58,744,583	10.1	6.4	241	9.7
21019	ICB AMCL SECOND MUTUAL FUND	731	979,937	8,914,636	11	6	170	8.1
21020	ICB EMPLOYEES PROVIDENT MUTUAL FUND ONE: SCHEME ONE	1,446	6,447,011	53,292,707	9.3	6.6	226	7
21021	TRUST BANK FIRST MUTUAL FUND	6,226	15,685,979	112,003,132	8.3	5.9	246	6.6
21022	PRIME BANK 1ST ICB AMCL MUTUAL FUND	1,054	1,257,417	9,706,057	9.2	5.9	192	7.1
21023	DBH FIRST MUTUAL FUND	980	1,781,164	15,715,940	9.8	7.1	223	9.2
21024	IFIC BANK 1ST MUTUAL FUND	2,451	5,345,252	37,087,285	8	5.6	242	6.2
21025	PHOENIX FINANCE 1ST MUTUAL FUND	1,080	2,088,958	15,714,725	8.9	6.2	199	7.1
21026	ICB AMCL THIRD NRB MUTUAL FUND	4,447	8,597,259	62,824,287	8.6	5.8	238	6.3
21027	FIRST JANATA BANK MUTUAL FUND.	8,225	12,351,363	90,099,240	8.9	5.9	247	6.4
21028	GREEN DELTA MUTUAL FUND	1,207	1,809,033	15,922,639	9.7	6.9	230	9.1
21029	POPULAR LIFE FIRST MUTUAL FUND	5,992	16,286,218	114,773,385	8.1	5.3	246	6.2
21030	IFIL ISLAMIC MUTUAL FUND-1	1,147	1,379,723	11,534,222	9.3	7	231	7.3
21031	PHP FIRST MUTUAL FUND	14,946	32,534,772	239,285,701	8.5	5.5	246	6.4
21032	AIBL 1ST ISLAMIC MUTUAL FUND	181	239,568	1,933,218	9.9	7.3	87	7.5
21033	MBL 1ST MUTUAL FUND	270	11,277,959	93,550,238	9.8	7	108	8.8
21034	SOUTHEAST BANK 1ST MUTUAL FUND	150	196,373	2,604,518	14.7	11.4	68	13.2
21035	EBL NRB MUTUAL FUND	1,082	6,373,089	47,419,777	8.8	6.1	193	6.4
21036	1ST SCHEME OF RELIANCE INS. MF	301	1,406,584	15,639,209	12.5	8.5	76	10.5
21037	LR GLOBAL BANGLADESH MUTUAL FUND ONE	333	11,076,008	84,195,592	9.2	6.4	124	7.8
21038	AB BANK 1ST MUTUAL FUND	3,887	14,109,652	103,425,675	8.3	5.8	235	6.5
21039	NLI FIRST MUTUAL FUND	175	263,450	3,825,863	16.1	12.5	59	15
21040	FIRST BANGLADESH FIXED INCOME FUND	6,101	14,743,948	100,380,661	8	5.6	245	5.7
21041	NCCBL MUTUAL FUND-1	140	940,094	7,538,905	9.1	7	58	7.5
21042	ICB AMCL SONALI BANK LIMITED 1ST MUTUAL FUND	354	594,213	4,800,173	10	6.5	102	8.1
21043	EXIM BANK 1ST MUTUAL FUND	464	1,203,063	9,565,413	9	6.4	112	6.4
21044	ASIAN TIGER SANDHANI LIFE GROWTH FUND	1,488	3,792,428	48,405,134	14.4	9.8	161	11.6
21045	SEML LECTURE EQUITY MANAGEMENT FUND	11	4,520	40,430	10.5	7.6	7	7.6
21046	VANGUARD AML BD FINANCE MUTUAL FUND ONE	24	2,514,615	26,889,772	10.7	8.2	12	9.2
21047	VANGUARD AML RUPALI BANK BALANCED FUND	131	100,285	913,616	10.3	7.6	50	10.1

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Scrip ID	Company	Contract	Volume	Value	Price High	Price Low	No. of Trading Days	Closing Price
21048	CAPM BDBL MUTUAL FUND 01	208	219,040	2,359,263	14.9	7.1	60	8.4
21049	SEML IBBL SHARIAH FUND	78	42,000	448,870	15.5	7.2	23	7.5
21050	ICB AMCL FIRST AGRANI BANK MUTUAL FUND	4	1,505	13,144	10.9	7.3	4	7.3
<b>BANKING</b>								
22002	AB BANK LTD.	68,520	95,908,796	2,201,352,721	27.7	17.3	246	22.2
22003	NATIONAL BANK	111,137	261,791,971	3,589,984,732	16.1	10.4	247	12.9
22004	U.C.B.L.	44,649	95,328,474	2,179,334,087	26.2	16.7	247	23.5
22005	RUPALI BANK	11,702	6,941,353	365,136,214	77	23.1	225	66.4
22006	CITY BANK	33,461	68,281,557	2,823,296,200	57	26.4	247	53.2
22007	PUBALI BANK	15,839	18,933,711	532,119,341	33.1	21	247	30.1
22008	ISLAMI BANK	61,225	241,445,417	7,861,762,728	49.4	28.8	247	36.5
22010	IFIC BANK LTD.	54,735	86,454,185	1,835,544,305	32.1	15.6	246	18
22012	AL-ARAFAH ISLAMI BANK LTD	25,190	47,386,597	992,730,864	27.5	15.7	247	24.1
22013	PRIME BANK LIMITED	8,334	38,867,516	972,314,684	30.4	17.1	246	27.6
22014	DHAKA BANK LIMITED	14,470	43,248,669	953,799,848	26.3	16	247	22
22015	SOUTHEAST BANK LIMITED	18,886	35,937,066	783,357,755	24	16.1	247	22.2
22016	NATIONAL CREDIT & COMMERC BANK LTD.	26,879	59,056,491	931,401,216	19.5	11.9	247	17.7
22017	DUTCH-BANGLA BANK LIMITED	1,409	2,507,540	394,976,760	185	94.5	155	153
22018	MUTUAL TRUST BANK LIMITED	2,852	8,159,771	216,284,712	35.3	22	222	34.4
22020	STANDARD BANK LIMITED	27,987	49,459,045	701,897,110	17.3	10.3	247	15.5
22021	ONE BANK LIMITED	19,596	52,577,699	1,188,952,915	27.1	17.2	247	24.1
22022	BANK ASIA LIMITED	10,905	103,337,272	2,201,319,098	25.4	14.2	247	23.1
22023	MERCANTILE BANK LIMITED	21,126	40,762,264	911,463,187	29.6	14.5	247	26.3
22024	UTTARA BANK LIMITED	17,602	23,945,247	831,097,676	42.8	22.3	247	35.3
22025	EASTERN BANK LIMITED	4,690	32,499,026	1,253,265,629	57.9	29	240	51
22026	EXPORT IMPORT BANK OF BD. LTD.	56,175	124,769,867	1,856,681,490	19.4	9.9	247	17.2
22027	SOCIAL ISLAMI BANK LIMITED	13,859	125,364,496	3,486,947,845	35.2	17.5	247	24.3
22028	JAMUNA BANK LTD.	9,094	18,588,074	387,396,208	25.5	15.5	247	21.9
22029	BRAC BANK LTD	13,347	21,629,708	2,031,362,011	114.5	62.5	246	106.7
22030	SHAHJALAL ISLAMI BANK LTD.	17,363	36,473,383	901,105,472	36.4	14.3	247	32.6
22031	THE PREMIER BANK LTD.	45,826	91,130,429	1,252,181,831	19.6	9.7	247	15.6
22032	TRUST BANK LIMITED	10,789	18,512,392	573,881,582	47.5	22	247	42.3
22033	FIRST SECURITY ISLAMI BANK LTD	37,155	70,834,710	1,073,858,049	18.7	10.9	247	15.2
<b>CERAMICS</b>								
23001	MONNO CERAMIC	9,335	3,952,005	258,955,962	119.9	34.1	220	91.2
23003	STANDARD CERAMIC	1,147	370,001	29,125,966	123.3	48.2	153	110
23004	FU-WANG CERAMIC IND.	30,718	32,558,142	661,199,501	25.2	16.3	246	16.5
23005	SHINEPUKUR CERAMICS LTD	5,167	5,149,581	75,878,994	18.8	9.7	244	17.2
23006	R.A.K. CERAMICS (BANGLADESH) LTD.	25,917	22,341,079	1,304,420,675	74.8	52.5	247	59.7
<b>INFORMATION COMMUNICATION &amp; TECHNOLOGY</b>								
24003	INFORMATION SERVICES NETWORK LTD	998	553,400	11,378,937	29	13	180	23
24004	BDCOM ONLINE LIMITED	14,736	14,420,300	464,980,583	47.5	23.8	245	27.3
24005	INTECH LIMITED	22,787	23,330,592	415,754,371	24.3	13.3	247	17.4
24006	AGNI SYSTEMS LIMITED	21,446	22,513,143	585,944,895	29.9	21	247	21.9
24007	DAFFODIL COMPUTERS LIMITED	3,531	2,259,662	101,551,899	59.9	34.9	238	43.5
24008	AAMRA TECHNOLOGIES LTD.	16,314	12,344,939	464,096,700	43.6	30.2	247	33.2
24009	IT CONSULTANTS LIMITED	14,694	6,366,983	316,536,421	55.4	34.6	247	34.9
24010	AAMRA NETWORKS LIMITED	36,408	5,904,616	704,645,253	153.7	84.6	62	97.9

## Trading Statistics 2017-2018

Scrip ID	Company	Contract	Volume	Value	Price High	Price Low	No. of Trading Days	Closing Price
<b>LEASING &amp; FINANCE</b>								
25001	I.C.B.	7,403	1,513,362	260,620,043	214.5	105	244	159.2
25002	IDLC FINANCE LIMITED	13,042	21,731,576	1,687,831,140	95	55.1	246	86.2
25003	UTTARA FINANCE	3,033	1,059,945	72,311,985	79	53.1	219	72.1
25004	FIRST FINANCE LIMITED	1,629	2,221,541	26,849,113	15.2	8.9	190	10.8
25005	MIDAS FINANCING LIMITED	794	4,628,997	130,415,841	47	24.3	158	44.5
25006	PEOPLE'S LEASING & FINANCIAL SERVICES LTD.	8,910	11,210,137	133,386,851	15.6	8.1	247	13.7
25007	PRIME FINANCE & INVESTMENT LTD.	3,387	4,444,260	53,195,774	14.6	9	232	12.5
25008	PREMIER LEASING INTERNATIONAL LTD.	17,694	24,210,628	426,758,983	21.2	13	247	17.4
25009	ISLAMIC FINANCE AND INVESTMENT LTD.	14,463	17,057,133	408,431,375	29	18.5	246	21.6
25010	LANKA BANGLA FINANCE LTD.	58,241	57,518,617	3,241,230,324	69.8	35	245	47.9
25011	BD INDUSTRIAL FINANCE CO. LTD	837	752,716	8,039,135	12.7	8.2	175	10.4
25012	IPDC FINANCE LIMITED	5,093	5,010,651	255,647,374	63.9	37.7	233	49.5
25013	UNION CAPITAL LIMITED	10,649	11,954,370	295,494,157	33.4	15.9	246	20.2
25014	BD FINANCE AND INVESTMENT CO.	24,289	34,180,559	692,034,503	24.4	14.7	247	21.5
25015	INTERNATIONAL LEASING AND FINANCIAL SERVICES LTD	16,419	23,128,322	389,664,911	24	12.4	247	22
25016	PHOENIX FINANCE AND INVESTMENTS	3,411	6,805,237	249,125,907	41	24.3	214	37.3
25017	FAS FINANCE & INVESTMENT LTD	20,488	30,241,742	542,540,549	24.7	13	247	21.6
25018	DELTA BRAC HOUSING FINANCE CORPORATION LIMITED	8,373	2,872,781	335,776,360	145.9	103	235	135.6
25019	NATIONAL HOUSING FINANCE AND INVESTMENT LTD.	3,792	4,800,819	257,613,906	57.5	43.9	208	46.5
25020	BAY LEASING & INVESTMENT LTD.	5,053	5,787,944	165,657,883	34.4	23.1	244	27.2
25021	GSP FINANCE CO. (BANGLADESH) LTD.	7,536	8,132,706	247,029,721	38.2	23.5	242	30.3
25022	FAREAST FINANCE & INVESTMENT LTD.	20,527	30,238,317	384,245,921	16	9.5	247	11.2
<b>TELECOMMUNICATION</b>								
26001	GRAMEENPHONE LIMITED	14,626	3,679,202	1,382,361,979	506	282	244	470
26002	BANGLADESH SUBMARINE CABLE CO. LTD.	17,630	3,992,845	482,090,629	134	101	247	102.9
<b>MISCELLANEOUS</b>								
32001	USMANIA GLASS	3,305	439,900	42,216,652	117.5	84	229	89.9
32002	ARAMIT	626	31,842	11,876,953	449	320	139	322.9
32003	BEXIMCO	125,752	126,298,306	4,191,905,056	38.8	25.7	247	27
32004	BD SHIPPING CORPORATION	51,729	8,882,174	961,713,947	633	41.7	246	46.8
32005	NATIONAL POLYMER	6,300	2,015,705	198,454,037	117.5	73.9	227	85.9
32006	GQ BALL PEN	2,956	664,665	59,383,314	118.5	67.2	224	89
32007	IMAM BUTTON	2,398	1,039,095	24,227,199	42.4	13.1	204	36.4
32009	BATBC	613	1,293,416	3,579,865,505	3476	2325	110	3437.5
32017	JMI SYRINGES & MEDICAL DEVICES LTD.	4,662	816,793	156,236,891	235.5	168.1	230	180.2
32018	DESHBANDHU POLYMER LTD.	5,658	5,682,622	103,447,746	25	11.7	245	22.6
32019	KHAN BROTHERS PP WOVEN BAG INDUSTRIES LTD.	33,703	34,730,766	792,876,941	26.2	17.5	247	17.7
32020	NATIONAL FEED MILL LTD.	30,497	37,586,990	912,263,599	29.1	17.6	247	18
32021	AMAN FEED LIMITED	6,882	4,239,277	329,791,675	89	59	239	63.6
32022	YEAKIN POLYMER LIMITED	21,686	14,982,387	441,703,422	35.3	19.7	247	20.9
<b>CORPORATE BOND</b>								
40001	IBBL MUDARABA PERPETUAL BOND	534	6,195	6,056,176	1020	900	175	960
40003	SUBORDINATED 25% CONVERTIBLE BONDS OF BRAC BANK LTD.	2	25	25,450	1030	970	2	970





# Corporate Governance Practices

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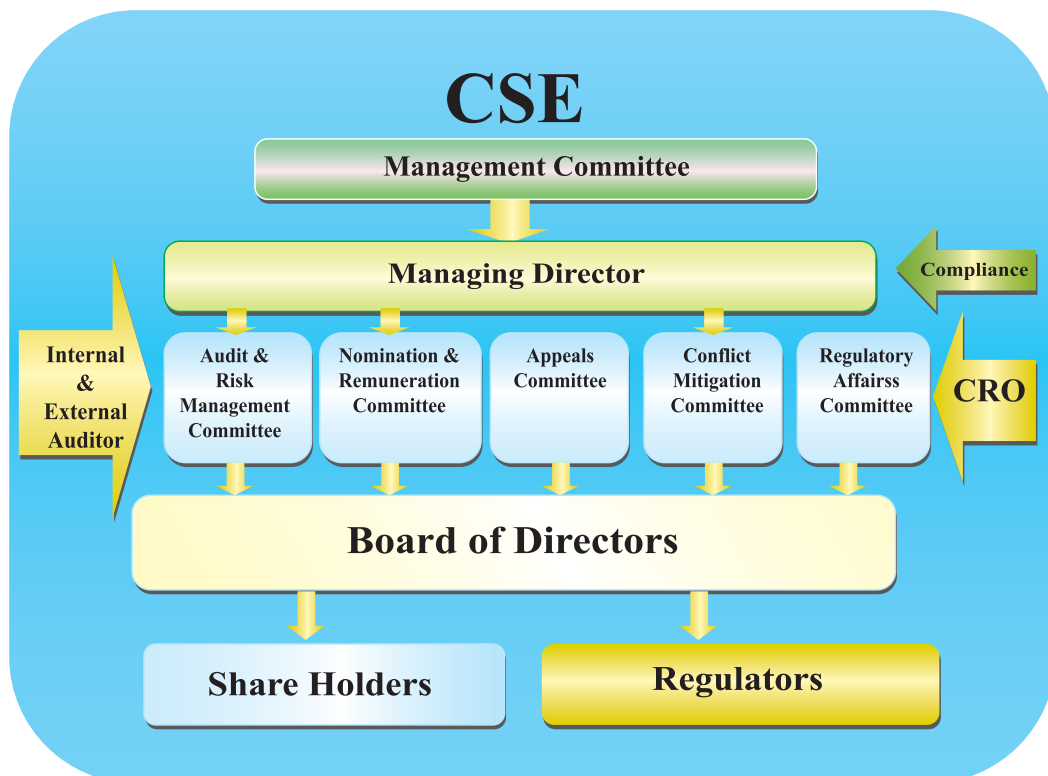




## Corporate Governance Practices

Chittagong Stock Exchange Ltd. (CSE) is committed to high Standards of corporate governance, business integrity and professionalism in all its activities. CSE's corporate governance practices confirm to and have been compliant with all the rules and regulations set by both CSE and BSEC throughout the year from July, 2017 to June, 2018.

## Corporate Governance Practices



## Self-Regulatory Organisation (SRO) Governance

This Corporate Governance Report is to be read in conjunction with the SRO Governance Report, which sets out CSE's corporate governance as a self-regulatory organization.

## Code of Ethics and Conduct

CSE is committed to conducting its business in a way that is open and accountable to shareholders and the wider marketplace. In CSE we believe our corporate governance practices as a public company are of high standard. The Code of Ethics and Conduct applies to both directors and employees of CSE.

The objective of the Code is to ensure that:

- a. High standard of corporate and individual behavior are observed by all CSE directors and employees in the context of their employment and activities with CSE;
- b. Directors and employees are aware of their responsibilities to CSE under their contract of employment; and
- c. All person dealing with CSE whether it be directors, employees, Shareholders, suppliers, customers or competitors can be guided by the stated values and policies of CSE.

## Board Matters

### The Board's conduct of its Affairs

#### Principle Duties of the Board

The Board oversees CSE's affairs and is accountable to shareholders for the management of CSE and its performance.

The principal duties of the Board include:

- a. approving the appointment of the Managing Director (MD), directors, key management personnel and succession planning process;
- b. approving board policies, strategies and objectives of CSE;
- c. approving annual budgets, major funding proposals, investment and divestment proposals;
- d. approving the adequacy of internal controls, risk management, financial reporting and compliance;
- e. approving the policy for managing and/or mitigating perceived or actual conflicts of interest between CSE's regulatory accountabilities and commercial interests;
- f. considering the sustainability of CSE's policies and proposals; and
- g. responsibility for corporate governance.

## Independent Judgment

All directors exercise due diligence and independent judgment and make decisions objectively in the best interest of CSE.

## Delegation by the Board

Board committees, namely the Nomination and Remuneration Committee (NRC), Regulatory Affairs Committee (RAC), Audit and Risk Management Committee (ARMC), Appeals Committee and Conflict Mitigation Committee, have been constituted to assist the Board in the discharge of specific responsibilities. Clear written terms of reference (TOR) set out the duties, authority and accountabilities of each committee as well as qualifications for committee membership, in line with CSE Board and Administration Regulation, 2013, where applicable.

## Key Features of Board Processes

The schedule of all Board and Board Committee meetings and the Annual General Meeting (AGM) for the calendar year is planned well in advance, in consultation with the Board. The Board meets at least four times a year at regular intervals. The Board and Board Committees may also make decisions by way of circulating resolutions. Besides the scheduled Board meetings, the Board meets on an ad-hoc basis as warranted by particular circumstances.

In the interest of allocating more time for the Board to deliberate on issues of a strategic nature and to focus on particular themes for each Board meeting, submissions which are straight forward in content as well as those that are for information only, is compiled and circulated in between Board meetings.

## Board Orientation and Training

The new director will receive a manual containing the role of directors (including directors' responsibility), Board and CSE policies relating to the disclosure of interests in securities, disclosure of conflicts of interest in transactions involving CSE, prohibition on dealings in CSE's securities and restrictions on the disclosure of price-sensitive information.

Newly appointed directors would be given a detailed and in-depth briefing and induction into CSE by the MD and senior management. The directors would undergo the induction program, with presentations by senior management to introduce them to every aspect of the CSE business.

The directors are provided with continuing briefings and updates in areas such as directors' duties and responsibilities, corporate governance, changes in financial reporting standards and issues which have a direct impact on financial statements, so as to enable them to properly discharge their duties as Board or Board Committee members. The scope of such continuous briefings and updates includes overview of industry trends and developments, governance practices and developing trends, and changes in trends in governance practices and regulatory requirements pertaining to CSE's business.

## Board Composition and Guidance Board Independence

CSE Board and Administration Regulations, 2013 provides that an independent director is one who is independent from any management and business relationship with CSE and independent from any substantial shareholder of CSE. Required qualification and experience of an Independent Director is also stated in the Regulation. As per regulation there are 7 Independent Directors in CSE Board.

## Board Composition

Composition of the Board and Board Committees are well enumerated in the Board and Administration Regulations, 2013. Each year, the Board reviews the skills and core competencies of its members to ensure an appropriate balance and diversity of skills and experience. Core competencies include banking, finance, accounting, business acumen, management experience, exchange industry knowledge, familiarity with regulatory requirements and knowledge of risk management. The directors are continually updated on

company affairs by management. The Board considers that its directors possess the necessary competencies and knowledge to lead and govern CSE effectively.

CSE Board Structure		
Independent Directors	-	7
Shareholder Directors (including 1 post reserved for Strategic Investor)	-	5
Managing Director (with voting right)	-	1
	-----	
		<b>Total 13</b>

## Board Guidance

An effective and robust Board, whose members engage in open and constructive debate and challenge management on its assumptions and proposals, is fundamental to good corporate governance. A Board should also aid in the development of Strategic proposals and oversee effective implementation by management to achieve set objectives.

For this to happen, the Board, in particular Independent Directors, must be kept well informed of CSE's businesses and be knowledgeable about the exchange industry. To ensure that Independent Directors are well supported by accurate, complete and timely information. Independent Directors also receive periodic information papers and board briefings on latest market developments and trends, and key business initiatives. Board papers are provided to directors not less than a week in advance of the meeting to afford the directors sufficient time to review the Board papers prior to the meeting. If a director is unable to attend a Board or Board Committee meeting, the director may nevertheless provide his/her comments to the Chairman or relevant Board Committee Chairman separately.

## Chairman and Managing Director

### Separation of the Role of Chairman and the Managing Director

The roles of Chairman and MD are separate to ensure a clear division of responsibilities, increased accountability and greater capacity of the Board for independent decision-making. The Chairman is not related to the MD. The division of responsibilities and functions between the two has been demarcated with the concurrence of the Board.

The Chairman manages the business of the Board and monitors the transaction of the Board's decisions and wishes into executive action. He approves the agendas for the Board meetings and ensures sufficient allocation of time for thorough discussion of each agenda item. He promotes an open environment for debate, and ensures that directors are able to speak freely and contribute effectively. He exercises control over the quality and quantity of the information as well as the timeliness of the flow of information between the Board and management. In addition, he provides close oversight, guidance, advice and leadership to the MD and management.

At the AGMs and other Shareholders' meetings, the Chairman plays a pivotal role in fostering constructive dialogue between shareholders, the Board and management.

The MD manages and develops the business of CSE and implements the Board decisions.



## Board Meeting Attendance Report for the year ended 30 June, 2018

During the year from July, 2017 to June, 2018, total eight (8) Board meetings were held and the attendance of the Directors at the meeting are as follows:

Sl. No.	Name of Director	Designation	Attendance
01	Dr. A. K. Abdul Momen	Chairman	8/8
02	Maj Gen Mohammad Shamim Chowdhury, nwc. psc (Retd.)	Director	8/8
03	Prof. Mamtaz Uddin Ahmed, FCMA	Director	5/8
04	Dr. Mohammad Ayub Islam	Director	8/8
05	Dr. Moinul Islam Mahmud	Director	7/8
06	Prof. S. M. Salamat Ullah Bhuiyan	Director	8/8
07	Mr. Pradip Paul, FCMA, FCA	Director	6/8
08	Mr. Mirza Salman Ispahani	Director	4/8
09	Mr. Md. Shamsul Islam, FCA	Director	1/3
10	Major (Retd.) Emdadul Islam	Director	8/8
11	Mr. Shahjada Mahmud Chaudhuri	Director	4/5
12	Mr. Md. Sayadur Rahman	Director	3/3
13	Mr. M. Shaifur Rahman Mazumder, FCA, FCMA	MD	8/8

## Board Evaluation Policy

The Board has implemented a process from assessing the effectiveness of the Board as a whole and for assessing the contribution by each individual director to the effectiveness of the Board.

## Access to Information

### Complete, Adequate and Timely Information

Management recognizes that the flow of complete, adequate and timely information on an on-going basis to the Board is essential to the Board's effective and efficient discharge of its duties. To allow directors sufficient time to prepare for the meetings, all scheduled Board and Board Committee papers are distributed not less than a week in advance of the meeting to directors. This enable the discussion during the meeting to focus on questions that directors may have. Any additional material or information requested by the directors is promptly furnished.

Management's proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, expected outcomes, conclusions and recommendations. Any material variance between any projections and the actual results of budgets is disclosed and explained to the Board. Employees; who can provide additional insight into matters to be discussed, will be present at the relevant time during the Board and Board Committee meetings.

## Company Secretary

Directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for among other things, ensuring that Board procedures are observed and that CSE's Memorandum and the Articles, relevant rules and regulations are complied with. The Company Secretary also assists the Chairman and the Board to implement and strengthen corporate governance practices and processes, with a view to enhancing long-term shareholder value.

The Company Secretary assists the Chairman to ensure good information flows within the Board and its committees as well as facilitating orientation and assisting with professional development as required. The

Company Secretary is responsible for training, designing and implementing a framework for management's compliance, including advising management to ensure that material information is disclosed on a prompt basis. The Company Secretary attends and prepares minutes for all Board meetings. As secretary to all the other Board Committees, the Company Secretary assists to ensure coordination and liaison between the Board, the Board Committees and management. The Company Secretary assists the Chairman, the Chairman of each Board Committee and management in the development of the agendas for the various Board and Board committee meetings.

## Internal Audit

### Internal Audit

On an annual basis, the Internal Audit function prepares and executes a robust risk-based audit plan, which complements that of the external auditor, so as to review the adequacy and effectiveness of the system of internal controls of CSE. These include operational, financial, compliance and information technology controls. In addition, the external auditor will highlight any material internal control weakness which have come to their attention in the course of their statutory audit. All audit findings and recommendations made by the internal and external auditors are reported to the Audit and Risk Management Committee. Significant issues are discussed at the meetings of the Committee. Internal Audit Unit follows up on all recommendations by the internal and external auditors to ensure management has implemented them in a timely and appropriate fashion and reports the results to the Audit and Risk Management Committee every quarter.

### Line of Reporting and Activities

Internal Audit Unit is an independent function within CSE. The Head of Internal Audit reports directly to the Audit and Risk Management Committee (ARMC) and administratively to the MD. The ARMC approves matters relating to the Internal Audit Charter, risk assessment and related audit plans and results and follows up on internal audit activities. The ARMC recommends the hiring, removal, evaluation and compensation of the Head of Internal Audit. The ARMC Chairman meets the Head of Internal Audit on a regular basis, without the presence of management. Internal Audit Unit has unfettered access to all of CSE's documents, records, properties and personnel.

## Shareholder Rights and Responsibilities

### Shareholder Rights

CSE's corporate governance practices promote the fair and equitable treatment of all shareholders. To facilitate shareholders' ownership rights, CSE ensures that all material information is disclosed on a comprehensive, accurate and timely basis.

Shareholders are entitled to attend the general meetings of shareholders and are afforded the opportunity to participate effectively in and vote at general meetings of Shareholders. Shareholders are informed of the rules, including the voting procedures that govern the general meetings of Shareholders.

## **Communication with Shareholders Disclosure of Information on a Timely Basis**

CSE is committed to disclosing to its Shareholders as much relevant information as is possible, in a timely, fair and transparent manner.

### **Corporate Website**

CSE adopts transparent, accountable and effective communication practices as a key means to enhance standards of corporate governance. We aim to provide clear and continuous disclosure of our Corporate Governance practices through efficient use of technology. CSE's website has much to offer its shareholders and other stakeholders.

### **Conduct of Shareholder Meetings**

Shareholders are informed of Shareholders' meetings through published notices and reports or circulars sent to all shareholders. The general meetings of Shareholders procedures provide shareholders the opportunity to ask questions relating to each resolution tabled for approval. Opportunities are given to Shareholders to participate, engage and openly communicate their views on matters relating to CSE to the directors. Shareholders are given the opportunity to vote at the general meetings of Shareholders. The Chairman of the Audit and Risk Management Committee, external auditor and management are also present to address Shareholders' queries.

CSE provides for separate resolutions at general meetings on each distinct issue. All the resolutions at the general meetings are single item resolutions. Detailed information on each item in the AGM agenda is in the explanatory notes to the AGM Notice in the Annual Report.

The Company Secretary prepares minutes of Shareholders' meetings which captures the essence of the comments and queries from Shareholders and responses to them from the Board and management.

## **Other Codes**

### **Code of Confidentiality**

CSE deals with confidential information on a daily basis. Protecting the confidentiality of information is of paramount importance to creating and maintaining a trusted market place. CSE has a Code of Confidentiality which provides clear guidance to its staff on the proper management, use and disclosure of the different types of confidential information.

### **Code of Conduct & Ethics for Employees**




CSE has a Code of Conduct & Ethics for Employees (Code of Conduct & Ethics) that sets the standards and ethical conduct expected of employees. The Code of Conduct & Ethics covers all aspects of the business operations of CSE such as confidentiality of information, related party transactions, gifts, gratuities or bribes and dishonest conduct. Employees are required to observe and maintain high standards of integrity, as well as compliance with laws and regulations and company policies.

## Self-Regulatory Organisation Governance Report

### Regulatory Obligations

CSE is a self-regulatory organization that has a dual role as a commercial for – profit entity and as a regulator of market participants, including listed companies and TREC holders. We employ robust systems and high standards to address conflicts between our responsibilities to shareholders and our regulatory responsibilities.

### CSE’s regulatory activities focus on:

- |  |  |   |   |
|--|--|---|---|
| <p><b>1</b> Operating a fair, orderly and transparent market</p>  | <p><b>2</b> Admitting high quality members and issuers</p>  | <p><b>3</b> Providing safe and efficient clearing and settlement facilities</p>  | <p><b>4</b> Supporting the continuous development of the financial market</p>  |
|--|--|---|---|

In order to achieve our objectives, we have stringent rules in place. We apply strict admission criteria for our TREC holders and issuers to assure their quality and safe guard the integrity of the markets and clearing houses. Issuers must ensure the timely, accurate and adequate disclosure of material information. We also impose prudent financial requirements on our TREC holders and have robust default management processes. To ensure compliance with the rules, we conduct comprehensive supervision and surveillance, taking enforcement action when necessary. We continually benchmark ourselves against developed jurisdictions and established international standards to improve our systems and processes.

### Managing Self-Regulatory Organisation (SRO) conflicts

The Bangladesh Securities and Exchange Commission (BSEC) regulates us in the discharge of our regulatory functions and our management of regulatory conflicts. We have a strong governance framework in place to manage any perceived or actual conflicts. The Regulatory Affairs Committee (RAC) assists the CSE Board with the management of SRO conflicts.

The RAC decides on conflict cases, as needed, and reviews the regulatory implications of our strategic initiatives. The RAC also ensures the adequacy of resources allocated to the regulatory function and oversees the processes for identifying and managing regulatory conflicts. The RAC reports to the BSEC.

### Engaging the Investing Public

We continue to reach out to stakeholders and be more transparent about the discharge of our regulatory functions. We began to highlight regulatory content via social media.

## BOARD COMMITTEES



For better, quicker and furnished flow of information and thereby exercising effective governance, the Board has constituted Five (5) Committees and has delegated certain responsibilities to the Board Committees to assist in the discharge of its responsibilities. The role of Board Committees is to advise and make recommendations to the Board. Each Committee operates in accordance with the Terms and Reference (TOR) approved by the Board. The Board reviews the TOR of the Committees from time to time. The Board appoints the members and the Chairman of each Committee.





## Audit and Risk Management Committee

Report for the year ended 30 June, 2018

### Purpose of Audit and Risk Management Committee

The Audit and Risk Management Committee was formed to assist the Board in discharging its supervisory responsibilities with respect to internal control, financial reporting, risk management, auditing matters and CSE's processes of monitoring compliance with applicable legal & regulatory requirements and the Codes of Conduct. The Audit and Risk Management Committee's TOR, as approved by the Board, defines the purpose, authority, composition, meetings, duties and responsibilities of the Audit and Risk Management Committee.

### Composition

The Audit and Risk Management Committee is comprised of five (5) members of the Board. The Chairman and two members of the committee are from independent Director. The jurisdiction of the committee is limited to CSE operations and business.

### Meeting Attendance

The Audit and Risk Management Committee met four times during the year from 01 July, 2017 to 30 June, 2018 and attendance of the Committee members in the meeting was as follows:

Name	Designation	Attendance
Prof. Mamtaz Uddin Ahmed, FCMA	Chairman	4/4
Mr. Pradip Paul, FCMA, FCA	Member	4/4
Dr. Mohammad Ayub Islam	Member	4/4
Major (Retd.) Emdadul Islam	Member	4/4
Mr. M. Shaifur Rahman Mazumder, FCA, FCMA	Member	4/4

Company Secretary attended all the meetings and discharged all the secretarial functions of the Committee. Head of Finance and Internal Auditors of Chittagong Stock Exchange Limited also attended all the meetings upon invitation by the Audit and Risk Management Committee. Other senior members of the management also attended the meetings as invited by the Committee time to time.

### Summary of Activities during the year from 01 July, 2017 to 30 June, 2018

During the period Audit and Risk Management Committee reviewed its terms of reference in line with the requirements of CSE Board and Administration Regulations, 2013. The Committee carried out its duties in accordance with the terms of reference of the Audit and Risk Management Committee.

During the year, the Committee carried out the following activities:

#### 1. Financial reporting

Reviewed the quarterly and periodic financial statements of CSE with the Head of Finance and Managing Director, focusing particularly on significant changes to accounting policies and practices, adjustments arising from the audits, compliance with accounting standards and other legal requirements before recommending them to the Board for approval.

## 2. Internal control and Business Risk Management

- a. Reviewed CSE's Business Risk Management Framework and assess and evaluate the existing internal control system.
- b. Reviewed the status, learning and enhancements of the identified Business Plans.
- c. Reviewed and recommended to improve the Company's internal control systems derived from the findings of the internal and external auditors.

## 3. Internal audit

- a. Reviewed internal audit plan as to its consistency with the CSE's business risk management framework used and adequacy of coverage.
- b. Reviewed the internal audit reports and corresponding actions to improve controls as agreed by management.
- c. Reviewed status reports of internal audit to ensure that appropriate actions had been taken to implement the audit recommendations.

## 4. External audit

- a. Reviewed with the external auditors, the Company's Statement of Internal Control before recommending the same for inclusion in the Company's Annual Report.
- b. Reviewed with the external auditors, the Company's annual financial statements, focusing on findings arising from audits particularly the comments and responses in management letter.
- c. Reviewed the external auditors' audit plan including its nature and scope, audit report, evaluation on internal controls and coordination with the external auditors.
- d. Recommend appointment of independent external auditor for the year 2017-2018.

## 5. Budget

- a. Reviewed the periodic as well as annual budget prepared for the period and recommended to the Board for necessary approval.
- b. Reviewed the budget variance statements on quarterly basis to ensure budgetary control and recommend the revision.



**Prof. Mamtaz Uddin Ahmed, FCMA**  
Chairman  
Audit and Risk Management Committee



**Rajib Saha, FCS**  
Secretary  
Audit and Risk Management Committee

## Nomination and Remuneration Committee

Report for the year ended 30 June, 2018

### Purpose of Nomination and Remuneration Committee

The Nomination and Remuneration Committee is to support the Board in discharging its supervisory responsibilities with respect to Company's Human Resources policy, including employees' performance, motivation, retention, succession matters, rewards and codes of conduct. The Nomination and Remuneration Committee also reviews and recommends to the Board for approval, matters concerning selection, remuneration for the Board Members, Managing Director, CRO and senior management.

### Composition

The Nomination and Remuneration Committee was established as a committee of the Board. The Committee is comprised of five members of the Board. The Chairman and two members of the Committee are from independent Director.

### Reconstitution of the Committee

On 22 November, 2017 the Committee has been reconstituted in line with the CSE Board and Administration Regulations, 2013 due to changes in the members of the Board.

### Meeting Attendance

The Nomination and Remuneration Committee met five times during the year from 01 July, 2017 to 30 June, 2018 and attendance of the Committee members in the meetings were as follows:

Name	Designation	Attendance
Dr. Moinul Islam Mahmud	Chairman	5/5
Prof. S. M. Salamat Ullah Bhuiyan	Member	5/5
Mr. Pradip Paul, FCMA, FCA	Member	4/5
Mr. Mirza Salman Ispahani	Member	2/5
Mr. M. Shaifur Rahman Mazumder, FCA, FCMA	Member	5/5

Company Secretary attended all the meetings and discharged all the secretarial functions of the Committee. Head of Human Resource also attended meetings upon invitation by the Committee. Other senior members of the management also attended the meetings as invited by the Committee time to time.

### Summary of Activities during the year from 01 July, 2017 to 30 June, 2018

During the year Nomination and Remuneration Committee reviewed its terms of reference in line with the requirements of CSE Board and Administration Regulations, 2013. The Committee carried out its duties in accordance with the terms of reference as detailed in the aforementioned Regulations.

During the year, the Committee carried out the following activities:

- a. Reviewed the remuneration and other facilities of the Directors on account of attending various committee meeting and placed recommendations to the Board.

- b. Reviewed the Human Resource Management policies, including compensation and appraisal policies of CSE.
- c. Reviewed proposed “Chittagong Stock Exchange (Employees Service) Regulations, 2017” and recommended to the Board to forward it to BSEC for final approval.
- d. Reviewed amendment of the “Human Resource Policy & Procedure Manual” as proposed by the Management and recommended to the Board for approval.
- e. Reviewed the proposal of new recruitment in Regulatory Affairs Division (RAD) and recommended to the Board for consideration.
- f. Reviewed the proposal for promotion of senior officials and recommended to the Board for consideration.



**Dr. Moinul Islam Mahmud**

Chairman

Nomination and Remuneration Committee



**Rajib Saha, FCS**

Secretary

Nomination and Remuneration Committee

## Regulatory Affairs Committee

Report for the year ended 30 June, 2018

### Purpose of Regulatory Affairs Committee

The Regulatory Affairs Committee is formed to act as the vehicle for separation of business and regulatory activities of the Exchange. Regulatory Affairs Committee ensures that the Regulatory Affairs Division functions effectively and take measures necessary to create and maintain an effective regulatory environment to improve investor confidence and market integrity.

### Composition

The Regulatory Affairs Committee comprises of three members and all of them are Independent Director as required by the Regulations. Chairman of the Regulatory Affairs Committee is not a member of other Committees in anyway. Managing Director of CSE does not hold any seat in this Committee. While the Chief Regulatory Officer (CRO) is the ex-officio member of RAC without voting right.

### Meeting Attendance

The Regulatory Affairs Committee met six times during the year from 01 July, 2017 to 30 June, 2018 and attendance of the Committee members in the meeting was as follows:

Name	Designation	Attendance
Maj Gen Mohammad Shamim Chowdhury, nwc, psc. (Retd.)	Chairman	6/6
Professor Mamtaz Uddin Ahmed, FCMA	Member	6/6
Prof. S. M. Salamat Ullah Bhuiyan	Member	6/6
Mr. Mohammad Shamsur Rahman, FCMA - CRO	Member	6/6

Company Secretary attended all the meetings and discharged all the secretarial functions of the Committee. Departmental heads under Regulatory Affairs Division also attended the meetings upon invitation by the Regulatory Affairs Committee. Other senior members of the management also attended the meetings as invited by the Committee time to time.

### Summary of Activities during the year from 01 July, 2017 to 30 June, 2018

During the period Regulatory Affairs Committee reviewed its terms of reference in line with the requirements of CSE Board and Administration Regulations, 2013. The Committee carried out its duties in accordance with the terms of reference of the Regulatory Affairs Committee.

During the year, the Committee carried out the following activities:

- Reviewed overall regulatory plans prepared by the Regulatory Affairs Division (RAD) and roles and responsibilities of each department of RAD.
- Reviewed adequacy and effectiveness of the exchange's regulatory plan and approved annual plans along with the targets for the RAD.
- Reviewed the annual report of the RAD on the activities, conclusions and recommendations of the last year.
- Reviewed and recommend required budget and staff allocation for the Regulatory Affairs Division.
- Reviewed potential conflicts of interest between commercial and regulatory functions and informed the Board regularly.
- Recommended regulatory amendments in pursuant of CSE Board and Administration Regulations, 2013.
- Recommended regulatory actions against TREC holders for violating provisions of laws, rules and regulations to protect the interest of general investors.



**Maj Gen Mohammad Shamim Chowdhury, nwc, psc. (Retd.)**  
Chairman  
Regulatory Affairs Committee



**Rajib Saha, FCS**  
Secretary  
Regulatory Affairs



## Conflict Mitigation Committee

Report for the year ended 30 June, 2018

### Purpose of Conflict Mitigation Committee

The Conflict Mitigation Committee is formed to satisfy the Board that any perceived or actual conflict of interest between the Exchange's regulatory responsibilities and commercial interest is addressed. The Committee supervise and monitor disclosures made by the Directors of the Exchange in discharge of their obligation under the Code of Conduct and Ethics. The Committee also review and report to the Board the regulatory implications and reputational risks of strategic initiatives requiring Board approval.

### Composition

The Conflict Mitigation Committee is established as a Committee of the Board and comprised of five (5) members of the Board. The Chairman and two members of the committee are from independent Director.

### Reconstitution of the Committee

On 22 November, 2017 the Committee has been reconstituted in line with the CSE Board and Administration Regulations, 2013 due to changes in the members of the Board.

### Meeting Attendance

The Conflict Mitigation Committee met four times during the year from 01 July, 2017 to 30 June, 2018 and attendance of the Committee members in the meeting was as follows:

Name	Designation	Attendance
Dr. Mohammad Ayub Islam	Chairman	4/4
Dr. Moinul Islam Mahmud	Member	4/4
Prof. S. M. Salamat Ullah Bhuiyan	Member	4/4
Mr. Shamsul Islam, FCA	Member	1/1
Mr. Shahjada Mahmud Chaudhuri	Member	2/3
Mr. M. Shaifur Rahman Mazumder, FCA, FCMA	Member	4/4

Company Secretary attended all the meetings and discharged all the secretarial functions of the Committee. Other senior members of the management also attended the meetings as invited by the Committee time to time.

### Summary of Activities during the year from 01 July, 2017 to 30 June, 2018

During the year Conflict Mitigation Committee reviewed its terms of reference in line with the requirements of CSE Board and Administration Regulations, 2013. The Committee carried out its duties in accordance with the terms of reference of the Conflict Mitigation Committee.

During the year, the Committee carried out the following activities:

- Reviewed the Code of Conduct and Ethics as set out for Directors in different rules and regulations.
- Reviewed disclosures made by the Directors of the Exchange in discharge of their obligation under the Code of Conduct and Ethics.
- Reviewed Regulations and identified probable conflicting areas in management of CSE.



**Dr. Mohammad Ayub Islam**  
Chairman  
Conflict Mitigation Committee



**Rajib Saha, FCS**  
Secretary  
Conflict Mitigation Committee

## Appeals Committee

Report for the year ended 30 June, 2018

### Purpose of Appeals Committee

The Appeals Committee have the authority to decide on any appeal against decisions to take disciplinary action against officers/employees of the Exchange. Appeals Committee also review the operations of the “Disciplinary Procedures” on a continuous basis and propose improvement/inclusions as the committee considers necessary to the Board and ensure that the Exchange’s disciplinary rules are appropriate to handle the disciplinary issues.

### Composition

The Appeals Committee is established as a Committee of the Board and comprised of five (5) members of the Board. The Chairman and three members of the committee are from independent Director.

### Reconstitution of the Committee

On 01 March, 2018 the Committee has been reconstituted in line with the CSE Board and Administration Regulations, 2013 due to change in the members of the Board.

### Meeting Attendance

The Appeals Committee met four times during the year from 01 July, 2017 to 30 June, 2018 and attendance of the Committee members in the meeting was as follows:

Name	Designation	Attendance
Mr. Pradip Paul, FCMA, FCA	Chairman	4/4
Prof. Mantaz Uddin Ahmed, FCMA	Member	3/4
Professor Dr. Mohammad Ayub Islam	Member	4/4
Dr. Moinul Islam Mahmud	Member	4/4
Major (Retd.) Emdadul Islam	Member	2/2
Mr. Md. Sayadur Rahman	Member	0/2

Company Secretary attended all the meetings and discharged all the secretarial functions of the Committee. Other senior members of the management also attended the meetings as invited by the Committee time to time.

### Summary of Activities during the year from 01 July, 2017 to 30 June, 2018

During the year Appeals Committee reviewed its terms of reference in line with the requirements of CSE Board and Administration Regulations, 2013. The Committee carried out its duties in accordance with the terms of reference of the Appeals Committee.

During the year, the Committee carried out the following activities:

- Reviewed the adequacy of existing rules as set out in the HR manual and other manual on Disciplinary issues.
- Inquired whether any disciplinary issues pending with the HR Department or any actions taken on disciplinary issues.
- During the year the Committee did not receive any appeals from employees.



**Pradip Paul FCMA, FCA**  
Chairman  
Appeals Committee



**Rajib Saha FCS**  
Secretary  
Appeals Committee

# FLASHBACK 2017-2018



CSE's 22nd AGM



CSE MD in Junior Chamber's Seminar

CSE Executives and representatives of Top Brokers have accomplished an efficacious visit to the Bursa Malaysia







CSE handed over a cheque to Bangladesh Labour Welfare Foundation



“World Investor Week 2017”



MoU Signing between CSE and LankaBangla Securities



BAPLC Seminar



CSE visits in Abu Dhabi Securities Exchange (ADX), Global Investment Bank (GIB) & Dubai Financial Market (DFM)



CSE Team visits Chinese Bourses



TREC Holders' Meeting





CSE Team visits Chinese Bourses Meeting with SSE, CFFEX



A Delegation of Shanghai Stock Exchange (SSE) visits in Bangladesh and had a meeting with CSE



Training on Clearing and DP Services Operation





CSE stands beside  
landslide-affected people  
in Rangamati



CSE delegation meets BSEC Chairman



Post Budget Press  
Conference



Training on "Financial Statement Analysis and Technical Analysis"





ADB-CSE Meeting



Congratulating new BMBA Chairman



DSE and CSE agreed to form a new Clearing House



CMI CAMLCO Conference 2018



← CSE 6th Capital Market & Investment Fair 2018







← Investors and Entrepreneurs  
Conference &  
Investment Education Fair  
2018

CSE Team visits NSE, BSE, MCX and IDAAL





## Regulatory Affairs Division

### Formation of Regulatory Affairs Division (RAD)

In pursuance of CSE's Demutualization Scheme and Chittagong Stock Exchange (Board and Administration) Regulations, 2013 CSE formed an independent Regulatory Affairs Division upon becoming demutualized. The Regulatory Affairs Division (RAD) headed by Chief Regulatory Officer (CRO) is reportable to the Regulatory Affairs Committee (RAC) with an administrative reporting to the Managing Director. The RAC acts as a vehicle for separation of regulatory functions of the bourse from the commercial functions.

CSE's Self Regulatory Organization (SRO) model through creation of independent RAD provides an effective solution towards managing perceived conflict of interest. The Regulatory Affairs Division (RAD) completed another year full of events and actions in line of its annual plan.

### Functions of RAD

While the RAD duly performed the regulatory functions of the SRO with utmost sincerity, efficiency and dedication and the RAC provided necessary guidance and support as and when it required, the RAC is also required by the Chittagong Stock Exchange (Board and Administration) Regulations, 2013 to prepare an annual report of the RAD on the activities, conclusions, recommendations of the year with special focus on the identification and mitigation of conflicts of interest, identify targets for the next year along with any other matters, for the Board of CSE and Bangladesh Securities Exchange Commission (BSEC). The functions of RAD can be outlined under the following broad heads:

- TREC Holder Affairs
- Listing and Company Affairs
- Monitoring and Surveillance of the Market
- Enforcement and Compliance
- Investors Complaints, Arbitration and Litigation
- Creating awareness among market participants through seminars, newsletters, workshops

## Activity of RAD for the year ended 30 June 2018

### TREC Holder Affairs

TREC Holder Affairs department of CSE has been entrusted with the responsibility of setting minimum admission standards and eligibility criteria for TREC Holders, formulating rules and regulations relating to proprietary and client level trading, creating awareness about the code of conduct amongst TREC Holders, processing approvals/NOCs for changes in majority shareholding of brokerage houses, formulate comprehensive guidelines for TREC Holders to meet all obligations to investors in conformity with applicable laws, develop detailed system for TREC Holders to keep proper records of all transactions and monitoring compliance of all the requirements in accordance with the securities laws and recommend enforcement actions in case of non-compliance.

During the year, following functions have been performed by TREC Holder Affairs Department:

- Total 13 (thirteen) nos. of application for Stock Dealer Registration Certificate have been forwarded to BSEC for issuance of stock dealer Registration Certificate of which 11 (eleven) TREC holders obtained Registration Certificate from the Commission and rest are waiting for the approval.
- During the year, department arranged mandatory AR training program where 53 (fifty three) AR from different TREC holder attended the program.
- After successfully completion of the training program, a total number of 40 (forty) applications of Authorized Representatives forwarded to BSEC for issuance AR Registration Certificate and BSEC issued the certificates accordingly.
- Total 1,012 (one thousand and twelve) nos. of Trader Certificate (TC) issued to the Authorized representatives during this period.
- 2 (two) applications for Market Making License of CSE TREC Holders were forwarded to BSEC.
- 14 (fourteen) nos. of TREC Holders started broker/dealer operation complying the BSEC rules and regulations.
- Stock broker/stock dealer registration certificates of total 91 (ninety one) TREC Holders were sent to the commission for renewal of them 86 (eighty six) were renewed accordingly.
- Arranged 2 (two) briefing sessions for the Compliance Authority and Authorized Representatives/Traders of Stock Brokers/Stock Dealers prior to commencement of their trading operations.
- CSE and BSEC arranged counselling program with 33 (thirty three) TREC Holders to discuss about the Audited Financial Statements.
- During the year, 16 (sixteen) nos. of TREC Holder got connectivity at different locations of the country and started operations.

- TREC Holder Affairs Department also arranged 3 nos. meeting, 6 nos. of presentation and discussion on different topics like ETF, Book Building System etc. for the CSE TREC holders on different occasions and conducted a survey on CSE GOTX trading platform on 400 (four hundred) Authorized Representatives.
- Total 60 (sixty) nos. of monthly report and 4 (four) nos. of special reports submitted to BSEC during the year.

### Listing and Company Affairs

Listing and Company Affairs Department deals with admission of new securities in CSE at its main board, sets listing standards and put efforts to upgrade the standards, monitors and ensures compliances by the companies pre and post listing as laid down in the respective rules and regulations.

### Pre-listing activities

The RAD reviewed prospectus of 22 (twenty two) companies during the period and put forward its recommendations to appropriate authority.

During the period, 14 (fourteen) new issues have been listed on CSE with a total paid up capital of Tk. 14,609.34 (nearest million taka). Details of the new listings are given in the following table:

SL	Issue Name	Paid-up-Capital (Tk. In mill)	Date of Listing
1	Aamra networks limited	530.41	19-Sep-17
2	ICB AMCL First Agrani Bank Mutual Fund	981.15	19-Sep-17
3	Oimex Electrode Ltd.	458.92	24-Oct-17
4	Nahee Aluminum Composite Panel Ltd.	480.00	24-Oct-17
5	CAPM IBBL Islamic Mutual Fund	668.54	24-Jan-18
6	Queen South Textile Mills Ltd.	1,001.50	18-Feb-18
7	Advent Pharma Ltd.	686.00	27-Mar-18
8	Intraco Refueling Station Ltd.	750.00	06-May-18
9	Bashundhara Paper Mills Ltd.	1,737.92	07-Jun-18
10	SK Trims & Industries Ltd.	700.00	27-Jun-18
Total		<b>7,994.44</b>	

## Activity of RAD for the year ended 30 June 2018

### TREC Holder Affairs

TREC Holder Affairs department of CSE has been entrusted with the responsibility of setting minimum admission standards and eligibility criteria for TREC Holders, formulating rules and regulations relating to proprietary and client level trading, creating awareness about the code of conduct amongst TREC Holders, processing approvals/NOCs for changes in majority shareholding of brokerage houses, formulate comprehensive guidelines for TREC Holders to meet all obligations to investors in conformity with applicable laws, develop detailed system for TREC Holders to keep proper records of all transactions and monitoring compliance of all the requirements in accordance with the securities laws and recommend enforcement actions in case of non-compliance.

During the year, following functions have been performed by TREC Holder Affairs Department:

- Total 13 (thirteen) nos. of application for Stock Dealer Registration Certificate have been forwarded to BSEC for issuance of stock dealer Registration Certificate of which 11 (eleven) TREC holders obtained Registration Certificate from the Commission and rest are waiting for the approval.
- During the year, department arranged mandatory AR training program where 53 (fifty three) AR from different TREC holder attended the program.
- After successfully completion of the training program, a total number of 40 (forty) applications of Authorized Representatives forwarded to BSEC for issuance AR Registration Certificate and BSEC issued the certificates accordingly.
- Total 1,012 (one thousand and twelve) nos. of Trader Certificate (TC) issued to the Authorized representatives during this period.
- 2 (two) applications for Market Making License of CSE TREC Holders were forwarded to BSEC.
- 14 (fourteen) nos. of TREC Holders started broker/dealer operation complying the BSEC rules and regulations.
- Stock broker/stock dealer registration certificates of total 91 (ninety one) TREC Holders were sent to the commission for renewal of them 86 (eighty six) were renewed accordingly.
- Arranged 2 (two) briefing sessions for the Compliance Authority and Authorized Representatives/Traders of Stock Brokers/Stock Dealers prior to commencement of their trading operations.
- CSE and BSEC arranged counselling program with 33 (thirty three) TREC Holders to discuss about the Audited Financial Statements.
- During the year, 16 (sixteen) nos. of TREC Holder got connectivity at different locations of the country and started operations.

## Pre-trade Debut Session of the Issuer

To ensure post listing continuous compliance by the listed companies and serve the interest of investors/shareholders, RAD regularly arranged the Pre-trade Debut Session of the Management with issuer companies. During the period RAD arranged 8 (eight) such programs at its Chittagong and Dhaka office.

## Corporate Finance Department

### Routine Activities

To protect investors' interest by ensuring fairness and transparency in the financial reports of the listed companies, CSE's Corporate Finance Department (CFD) performs following functions on regular basis:

- Review of Annual Reports and Annual Financial Statements of listed companies by professional accountants
- Review of Quarterly/Half yearly Financial Statements of listed companies and quarterly portfolio statements of listed mutual funds
- Review of compliance of Corporate Governance Guidelines (CGG) and other requirements of the Companies Act
- Monitoring the posting of Financial Statements in the respective website of the securities
- Monitoring the utilization of Proceeds from IPO/RPO/RI by listed companies

During the period, CSE reviewed 101 (one hundred and one) annual reports / Audited Accounts including Financial Statements, Corporate Governance Guidelines, and also the compliances regarding Companies Act, 1994 and other related laws/rules/regulation/notification prevailed in force for the listed securities. It also reviewed 903 (nine hundred and three) quarterly and half-yearly Financial Statements.

### Ensuring Transparency and accountability

To ensure the transparency and accountability by the listed companies, CSE obtains explanation from the respective listed companies on the findings/observations about the report/ Financial Statements from time to time which has significantly contributed in enhancing the quality Financial Statements of the companies and also in ensuring transparency of the statements.

CSE regularly submits monthly report to the Bangladesh Securities and Exchange Commission on the anomalies/non-compliances that has been observed upon review of financial statements, annual reports, compliance report on corporate governance of listed companies and quarterly portfolio statements of listed mutual funds.

CSE's efforts contribute significantly in bringing compliance by listed securities regarding Financial Statements including disclosures, Compliance of CGG, website posting of their respective financial reports and also the utilization of proceeds from IPO/RPO/RI. During the year, CSE reviewed 197 (one hundred and ninety seven) reports of utilization of proceeds from IPO/RPO/RI along with other financial reports of the respective companies.



## Significant improvement in Investors' Relation

CSE also takes measures like drawing attention of companies on posting of financial statements in their respective websites in case exception is noted. Due to CSE's continuous follow up and reporting to BSEC, all most all of the listed companies have already become regular in posting of financial reports in the website.

## Enforcement Actions

CSE has also been able to ensure strong enforcement actions in case of financial statement frauds/violations by listed securities with the help of BSEC. It also calls explanations from respective auditors of the companies in some cases wherever necessary. Such actions have significant impact in bringing market discipline and protecting rights and interests of the investors. In this connection, CFD has following two mentionable performance in this regard:

- The Institute of Chartered Accountants of Bangladesh (ICAB) imposed monetary penalty Tk. 50,000 (Fifty thousand) upon the auditor (the engagement partner) for the audit of Eastern Cables Limited in response to the observation on audited financial statements raised by CSE.
- The Institute of Chartered Accountants of Bangladesh (ICAB) debarred the auditor (the engagement partner) from public practice for one year and imposed monetary penalty of Tk. 100,000 (one lac) for the audit of Sylhet Metro City Securities Ltd. in response to the observation on audited financial statement raised by CSE.

## Monitoring and Surveillance of the Market

### Monitoring of listed Companies

During the year, CSE raised queries to 28 (twenty eight) no. of listed companies for unusual trend of transactions in terms of price and volume and the responses of the respective companies were duly disseminated to the market. Moreover, during the year according to the instruction of BSEC three investigations have been conducted by CSE on securities listed in CSE for unusual price & volume and other non-compliances and the reports thereon were duly sent to the BSEC for necessary action.

### Monitoring of TREC Holders

CSE surveillance department raised 36 (thirty six) numbers of queries to different TREC Holders for investigating trading irregularities and violation/contravention of securities laws, unusual/suspicious trading at high/low prices during the year. Out of these, 6(six) cases were found to be genuine violation of securities laws and the cases were reported to BSEC and the rest 30 (thirty) cases have been found to be in compliance.

Related to the above mentioned queries, CSE also issued 6 (six) letters to the different TREC Holders whose were responsible for the trading related non-compliances/violations of securities laws. CSE also reported to BSEC about the above mentioned violations and regarding the letters issued to the TREC Holders through weekly surveillance and Monthly Regulatory compliance status reports.

### Market Operations

The Market Operations (MOPs) Department mainly ensures daily trading arrangements (Instrument, TREC Holders' terminal etc.) and disseminates corporate disclosures as well as compliance issues to the market. MOPs Department takes necessary actions for trading related non-compliances. During the year, it conducted

Auction Trades on 22 (twenty two) occasions for default of TREC Holders in depositing securities. During the period, MOPs inserted 14 (fourteen) Dealer work stations and 37 (thirty seven) additional work stations in the system for 24 (twenty four) TREC Holders.

## Index

CSE reviewed once its CSE30, CSCX, CASPI and Sectoral Indices during July 2017 to June 2018 with effect from January 25, 2018. CSE also reviewed twice its CSE50 (Benchmark Index) with effect from September 24, 2017 & March 05, 2018 and twice CSI (CSE Shariah Index) with effect from October 29, 2017 & May 10, 2018. The Index Advisory Committee approved review of the indices according to the standards/methodologies and maintained oversight on the maintenance thereof with the help of the index provider.

## Enforcement and Compliance

### Clearing and Settlement

CSE provides settlement and clearing services to TREC holders through its clearing house. The clearing house provides the TREC Holders and the depository i.e. CDBL information about each TREC Holder's settlement obligations i.e. balances due to and from the counterparties on settlement date (s) after the trading period is over. It acts as a common agent of the TREC Holders by delivering and receiving their payments/securities. The Clearing House also handles settlement failure, auction settlement, spot settlement and settlement of foreign trades. As per regulation 19 of Chittagong Stock Exchange (Settlement of Transactions) Regulations, 2013, CSE furnishes a weekly report to BSEC on clearing and settlement of transactions and also as per regulation 10(4) CSE has to inform BSEC in the event of defaults in payment/delivery of securities.

Thus, CSE ensures good settlement of transactions and performs rigorous enforcement action in case of settlement failure. During the year, following actions have been taken against concerned TREC Holders for default in settlement:

Violation	TRECHs concerned	Nature of action
Pay-in shortage (non deposit of securities)	12	Concerned TREC Holders' trading operations were suspended. Following this, auction buy was conducted and applicable fine was realized as per regulations 10(1) and 18 of the CSE (Settlement of Transactions) Regulations, 2013.
Nonpayment of fund	07	Concerned TREC Holder's trade was suspended, realized applicable fine and settled as per regulation 10(2) of Chittagong Stock Exchange (Settlement of Transactions) Regulations, 2013.
Close out	03	Concerned TREC Holder's trade was suspended, realized applicable fine and settled as per regulation 10(3) of Chittagong Stock Exchange (Settlement of Transactions) Regulations, 2013.

## Compliance Monitoring

The primary objective of Inspection and Enforcement Department is to set up a system of monitoring and supervising the market activities/ business conduct of the stakeholders to ensure a fair, efficient and transparent market. The priorities of the department are:

- To create and secure a fair and orderly trading environment through effective monitoring and supervision
- To ensure protection of investors' interest
- To maintain effective working relationship with the TREC Holders
- To promote investors' education and providing training for intermediaries of the securities market

## Investigation/ Inspection at the direction of BSEC

Last year Bangladesh Securities and Exchange Commission (BSEC) forwarded 569 (five hundred and sixty nine) cases of short selling alerts, which were generated in their IWMSS, to CSE for investigation. Those all were duly completed and the reports were sent to BSEC.

Besides, the team successfully conducted the investigations of total 35 (thirty five) nos. investors' complaints and submitted reports to appropriate authority.

## Routine Inspection

During the period, the Inspection and Enforcement Department has incessantly monitored the trading activities of all its TREC Holders. The team members have conducted onsite inspection in 175 (one hundred and seventy five) head offices and branch offices of different TREC Holders all over the country. Their particular focus was on compliance of current laws and providing adequate guidance to the officials of those TREC Holders about what is permissible conduct. The team also verified whether adequate systems and procedures are in place and maintained by supervisory personnel and whether all applicable rules/regulations/procedures/directives, code of conduct and any amendments therein are strictly adhered to. After conducting inspection, the deficiencies have been communicated to the concerned house and necessary instructions have been issued to them for compliance.

## Reinforcement

During this period the department has sorted out some TREC on the basis of risk based criteria. The team worked with those brokerage houses intensively and sat with the management and operational level officers of 05 (five) TRECs on the basis of one to one approach. The consequence produced a progressive result. It has appeared that either the TREC had overcome from some major non-compliance or improved a satisfactory progress on some.

## Special Inspection

The team members investigated those trading related issues which have been originated from CSE's own surveillance and also those referred by CSE's Complaint Cell from time to time. During the year, total 44 (forty four) cases were investigated which have been referred by CSE Surveillance Department.

## Inspection in New Setups

While new branches are not being allowed at the moment, many of the TREC Holders opt to shift their Head Offices / branch offices as well as extension booths for their business considerations/ conveniences. Nonetheless, the inactive TREC Holders establish new setups for commencing their business- brokerage/ dealership. In all such cases, the team conducts onsite inspection to verify whether the proposed setup meets the applicable legal requirements. 29 (twenty nine) such offices of different TREC Holders have been inspected during the year. The following table represents the gist of the activities:

Nature of Inspection	Number
Routine Inspection	175
Head Office / Branch / Extension office (new setup)	29
Short-sale (referred by BSEC)	569
Investors' complaints (referred by BSEC)	35
Suspicious trading (referred by CSE Trading & Surveillance Dept.)	44
Reinforcement	05

## Law & Enforcement

The Law & Enforcement Department undertook enforcement proceedings and actions in relation to contravention of its rules and regulations and also initiated legal actions where necessary to give effect to the enforcement decisions and actions. This department also approaches its apex regulator i.e. BSEC where action is required to be taken by them. The following types of sanctions have been imposed to address the breaches this year by the Law & Enforcement Department:

- Show cause
- Suspension
- Fines
- Penalty
- Private reprimand

It also took remedial actions through sending observation of the routine inspection to the concerned TREC Holder and further to BSEC. During the year following actions have been taken by CSE:

Type of Action	Number
Show Cause	3
Hearing	10
Fine	15
Warning	22
Suspension of head office & branch operation	23
Private reprimand	3
Suspension of DP operation	1

## Investors' Complaints, Arbitration and Litigation

### Investors' Complaints

CSE has a dedicated Investors' Complain Cell having some defined functions and responsibilities. In pursuance of its responsibility, RAD established a dispute resolution mechanism (DRM) to ensure proper recording of cases received, tracking and monitoring of developments and ensure fair, transparent, equitable and most importantly faster resolution of investors' grievances alongside reporting to BSEC on regular basis.

During the year, ICC received 31 (thirty one) written complaints and successfully settled 19 (nineteen) of them. Most of the remaining unsettled issues were related to SMCSL. The Cell also provided one to one counseling to the investors who have visited CSE on various grievances/ issues. Apart from this, the Cell received 11 (eleven) e-mail queries and 12 (twelve) telephone complains/queries of investors at home and abroad against listed companies and/or TREC Holders and resolved those throughout the year within shortest possible time.

With a view to address investors' grievances more effectively and efficiently, the Cell also received the investors complain through "Investors' Complain" tab in the main web page of CSE. Through this tab, investors across the globe can lodge their complaints directly to the Cell against concerned parties- listed company, TREC Holder or others.

### Litigation

The litigation status is appended bellow:

➤ Trendset Securities Ltd.

Civil Rule No. 569(F.M.) of 2013

The above mentioned petitioner came to an understanding with CSE and executed a compromise deed on May 15, 2018. According to the terms of the compromise deed, the petitioner has withdrawn Other Suit no 325/12 from the Honorable 2nd Joint District Judge Court, Chittagong on May 23, 2018 and also withdrawn the Civil Rule No. 569 (F.M.) of 2013 from the Honorable High Court Division of Supreme Court on August 14, 2018.

### Monthly Report of CRO

In compliance to Regulation 16 (1) (l) of Chittagong Stock Exchange (Board and Administration) Regulations, 2013, the CRO meticulously continued to submit his report on regulatory compliance status to RAC as well as BSEC every month. The reports provided insight about the regulatory compliance status of various stakeholders including listed companies and TREC Holders and also highlighted the development initiatives of CSE in the regulatory arena.



## Recommendations for the period

Keeping in mind the regulatory obligations, mitigating conflict of interest and ensuring effective and smooth operation, the RAC made a number of recommendations in the period. Some of them are as follows:

## Regulatory amendment proposal

The Regulatory Affairs Committee recommended to the Board the proposals of necessary regulatory amendments and formulation of regulations as required by the BSEC. The followings are the proposed amendment of the rules and formulation for regulations for BSEC approval:

- a) Opinion on the Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2018;
- b) Opinion on the Corporate Governance Guidelines;
- c) Amendment of Chittagong Stock Exchange (Trading) Regulations, 2017;
- d) Amendment of Chittagong Stock Exchange (Market Maker) Regulations, 2017;
- e) Amendment of Chittagong Stock Exchange (Listing and Trading Equity/Debt Securities of Small Capital Companies) Regulations, 2017;
- f) Amendment of Regulation 7 of Chittagong Stock Exchange Trading Regulations, 1998 by incorporating new clauses for launching of Small Capital Platform;
- g) Opinion on the Bangladesh Securities and Exchange Commission (Alternative Trading Board) Rules, 2018;
- h) Re-submission of Chittagong Stock Exchange (Automated Trading) Regulations, 2018.

## Conflict management manual

The CSE Board and Administration Regulations, 2013 directs the RAC to identify and manage potential conflicts of interest between commercial and regulatory functions. In this connection, Regulatory Affairs Division (RAD) drafted the Conflict Management Manual which required further review.

## NOTICE OF THE 23<sup>RD</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 23<sup>rd</sup> Annual General Meeting (AGM) of Chittagong Stock Exchange Limited will be held on Thursday, the 08 November, 2018, at 4:00 pm at the Conference Hall at CSE Building, 1080 Sk Mujib Road, Agrabad, Chittagong for transaction of the following businesses:

1. To receive, consider and adopt the Financial Statements of the Exchange for the year ended 30 June 2018 and the Reports of the Directors and the Auditors thereon;
2. To declare dividend for the year ended 30 June, 2018;
3. To appoint Statutory Auditors for the year ending June 2019 and to fix their remuneration;
4. To elect Director of the Board of Chittagong Stock Exchange Limited.

24 October, 2018

By order of the Board



**Rajib Saha FCS**  
Company Secretary

### Notes:

- Shareholders whose names appear on the Members/Depository Register on the Record Date i.e. 09 October, 2018 shall be eligible to attend the 23<sup>rd</sup> AGM of the Exchange and to receive the Dividend.
- A Shareholder wishing to appoint a Proxy must deposit the Proxy Form, duly stamped, at the Company's Registered Office by 04:00 pm of 05 November, 2018.
- Only Shareholders or their validly appointed proxies will be allowed to have access to the registration process to attend the meeting.

## DIRECTORS' REPORT

It is a pleasure and privilege on the part of the Board of Directors to place herewith the Directors' Report and Auditors' Report together with the Financial Statements of Chittagong Stock Exchange Limited (CSE) for the year ended 30 June, 2018.

### Change in Status

Through Demutualization, CSE separated the ownership interest of the members of the Exchange from the trading rights, however broadly the process also enables the Exchange to position itself as a strong business entity following the transition to a for profit entity from non-profit.

After completion of necessary formalities, Chittagong Stock Exchange Limited started its journey as demutualized exchange from 21 November, 2013 and registered as a Public Limited Company under Companies Act, 1994. The first Board after demutualization took office from 15 February, 2014.

### Co-option of a Director

On 10 January, 2018 the Board of Directors of Chittagong Stock Exchange Ltd. (CSE) decided to appoint Mr. Md. Sayadur Rahman, corporate representative of EBL Securities Ltd. as director to fill up the vacant position in pursuant to the Section-91(c) of the Companies Act, 1994.

Mr. Rahman is the Managing Director of EBL Securities Limited. He is also a Director of EBL Investments Limited, a full-fledged Merchant Bank and the immediate past president of Bangladesh Merchant Bankers Association (BMBA). Mr. Rahman is a prominent capital market specialist of the country. He has around 33 years of professional experience in different capacities in different financial institutions like Insurance, Banking, Leasing, Merchant Banking and Brokerage etc.



CSE handed over a cheque to  
Bangladesh Labour Welfare  
Foundation



“World Investor Week 2017”



MoU Signing between CSE  
and LankaBangla Securities



BAPLC Seminar





CSE visits in Abu Dhabi Securities Exchange (ADX), Global Investment Bank (GIB) & Dubai Financial Market (DFM)



CSE Team visits Chinese Bourses



TREC Holders' Meeting



Broadly favorable global growth and trade prospects are expected to continue in FY2019. With a further strengthening of exports and remittances, GDP growth that year is expected to firm to 7.2%. A marked stepping up of budget revenue mobilization could fuel a somewhat stronger advance in investment and therefore growth.

Exports and remittances have historically served Bangladesh well by fostering rapid economic growth, but in more recent years their contributions to growth have weakened. This points to the need for new drivers of growth. Diversifying exports away from readymade garments, now accounting for over 80% of the total, would broaden the export basket, enhance resilience, and underpin continued high economic growth. Promoting labor-intensive manufacturing in general would help expand industry to meet growing demand in the domestic market.

Bangladesh has good potential in several industries: leather and footwear, light engineering, electronics, pharmaceuticals, furniture, shipbuilding, jute products, food processing, automobiles, and rubber goods. These industries could leverage the country's large supply of low-cost labor and advantageous location to garner participation in various stages of global value chains and enter new markets. Some of these products would enjoy a sizeable domestic market. Having recently experienced quick success in exporting software and other information and communication technology products, Bangladesh can expect to become a player in this fast-growing field.

### Capital Market

Bangladesh Stock Market passed a stellar 2017. The index rally that started in November 2016 has lasted more or less twelve months with a few peaks and troughs in the middle, overall moving in the anticipated upward trajectory. A year with a strong index return was overdue for the Bangladeshi equities, as the broad index return had been disappointing before this year, despite decent profit growth particularly from the large-cap stocks. The rally has been primarily powered by financial stocks, banks in particular. A multitude of factors have contributed in the sustained investor interest in the financial stocks: undervalued status in the earlier phases of the rally, strong private sector credit growth and investment income delivering handsome profit growths. Selective large-cap stocks from non-financial sectors also gave healthy price returns, as the overall multiple levels of the market underwent some upward revision and a lot of gains made in the financial stocks were stored into these dependable, non-cyclic stocks.

Bangladesh stock market has been getting more and more attention from international investors who are looking for lucrative investment opportunities in the frontier markets. Turnover in overall foreign portfolio investment registered an increase of 17.18% in the just concluded fiscal year compared to that of the previous fiscal year (2016-2017), while the net foreign portfolio investment registered an increase of 1.25% over the previous fiscal year. Net foreign direct investment (FDI) was not so impressive; it fell 4.2% to US\$ 1.46 billion in the July 2017 to April 2018 period compared to the same period of the previous year, when it was US\$ 1.52 billion.

### CSE's stance

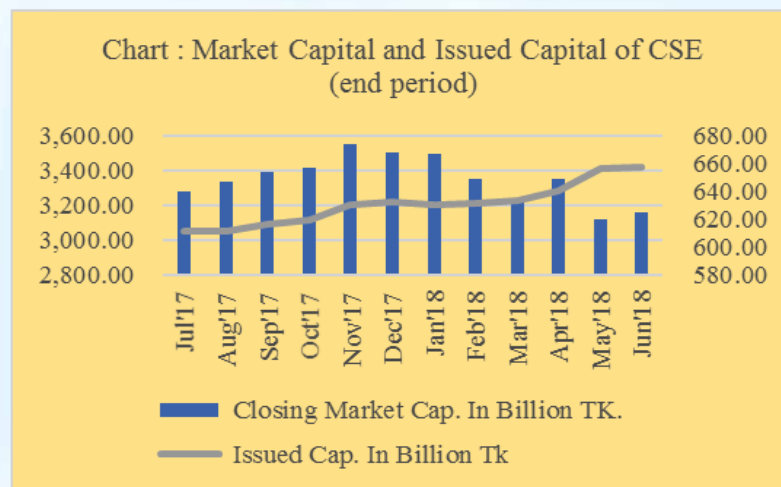
The total number of listed securities in Chittagong Stock Exchange (CSE) stood at 312 at the end of June 2018. During the period July'17-June'18, a total number of 3,506.21 million shares were traded as against 4,032.21 million shares during July'16-June'17. It was 13.04 percent lower than that of preceding year.

During July'17-June'18, the total turnover value of traded shares was Tk. 109.85 billion which was 6.97 percent lower than that of the preceding year. The market capitalization of CSE stood at Tk. 3123.52 billion at the end of the period under report, which was 0.33 percent higher than the same of period of the preceding year.

All Share Price Index of CSE stood at 16539.88 points at the end of June 2018, which was 5.56 percent lower than 17516.71 points at the end of June 2017. The CSE 30 index stood at 15073.63 points at the end of June 2018, which is 3.25 percent lower than 15580.37 points at the end of June 2017. The Shariah Compliant index CSI went down to 1119.47 points at the end of June 2018 which was 1178.39 points at the end of June 2017.



The total amount of issued capital rose to Tk. 656.86 billion at the end of June 2018 which was 8.29 percent higher than Tk.606.57 billion at the end of June 2017. At the end of June 2018, Price Earnings (P/E) ratio in CSE decreased to 14.94 from 17.05 at the end of the preceding year. In Chittagong Stock Exchange, the yield slightly increased to 3.37 at the end of June 2018 which was 2.86 at the end of June 2017.



### Formation of Alternative Trading Board

Bangladesh Securities and Exchange Commission (BSEC) took initiatives to replace the existing over-the-counter (OTC) market by the proposed Alternative Trading Board (ATB). The Stock market regulator recently sought public opinion on the draft of the Bangladesh Securities and Exchange Commission (Alternative Trading Board) Rules, 2018.

The proposed ATB would facilitate entry of new items in the stock market and stimulate trading in unlisted as well as delisted securities. The new items may include any equities, corporate bonds, derivatives and open-end mutual funds. The draft ATB rules stipulate that the issuers will apply to the stock exchanges, rather than the BSEC, for permission to trade a share on the alternative board. The issuers in this regard may appoint the merchant banks to submit application.



### **Formation of CCP Company**

The formation of a proposed company for facilitating trades in the stock market is under way. The proposed Central Counterparty Bangladesh Limited (CCBL) will be formed immediately after completion of the relevant formalities. The CCBL is expected to provide clearing and settlement service for trades in securities, options and derivative contracts with a capability of bigger scale risk management.

The initial paid-up capital of the CCBL will be Tk. 3.0 billion. Out of which DSE will hold 45 per cent shares while the CSE will hold 20 percent, banks 15 per cent and CDBL and strategic investors 10 per cent each.

### **Corporate Governance Code**

The securities regulatory in Bangladesh first issued the Corporate Governance Guideline (CGG) in 2006 for their voluntary compliance by the listed companies. The CGG was updated and revised in 2012 and issued for mandatory compliance. In June 2018, the CGG has further been revised and issued as the Corporate Governance Code (CGG) with mandatory effectiveness from the beginning of 2019.

There are significant reforms and revision in the 2018 CGG over the 2012 CGG. The regulator's expectation from these changes is to ensure four pillars of corporate governance – fairness, accountability, transparency, responsibility – in the listed companies' operations and management.

### **Stakeholder Engagement**

CSE maintains a frequent dialogue with its stakeholders and informs them about the sustainability plans and actions. Their feedback, interests and concerns help to focus on what is important in sustaining business and generating long-term value.

### **TREC Holders Awareness**

Profuse number of compliance training and scrutinized business operation instruction workshops including the ITS & Risk Management System (RMS) along with development meetings for the TREC holders and their traders have been arranged in Dhaka, Chittagong and Sylhet region throughout the year. Furthermore, TREC wise business development team has been formed in a key account system for the regular follow up of the TRECs in order to ensure their business potentials which contributed a significant value in making a good number of deceased CSE terminals alive.

### **6th Capital Market and Investment Fair**

CSE successfully organized "6th Capital Market and Investment Fair 2018" on 01-03 February, 2018 at GEC Convention Center in Chittagong. The fair was organized to create a momentum among stakeholders and build up further confidence to bring back normal trend in the stock market. The fair had also the objective to educate investors and prospective investors by giving hands on training and bringing stakeholders related to capital market in one platform.

Among others CSE TREC Holders, Listed Companies including manufacturing and Banks, Asset Management Companies, Merchant Banks, IT service providing companies and a fast food chain spontaneously participated in the fair. Considering the convenience of the participants and the business perspective, stall were categorized in three segments – 69 General Stalls, 8 Mini Pavilion and 6 Pavilion.

Approximately 27,000 people visited the fair which includes clients from different brokerages, businessmen, bankers, corporate officials, teachers and students of educational institutions and journalists. More than 8,000 people completed the computerized registration at the CSE registration point during the fair. A good number of prospective investors opened BO account with Brokerage houses.





← CSE 6th Capital Market & Investment Fair 2018



On the other hand, the net profit after tax for the year ending on 30 June, 2018 was Tk. 35 crore which was almost same as that of last year. Higher tax rate put pressure on the bottom line. Applicable tax rate for this year was raised to 21% from 14% of the last year.

At the end of the year the Earnings Per Share (EPS) remained same as of the last year which was Tk. 0.55. The Net Asset Value (NAV) slightly declined to Tk. 11.68 from Tk. 11.74 of the last year. The implication of tax is main reason for this sliding.

### **Contribution to National Exchequer**

The total contribution to the National Exchequer for the year ended 30 June, 2018 was Tk. 669 million. Out of this amount Tk. 104 million was deposited as income tax and Tk. 560 million was made on account of staff income tax, broker tax, gain tax and withholding taxes on payments and rest amounts was the withholding VAT deducted at the time of payment.

## **International Relations**

### **Meeting with CFFEX and SSE**

A delegation of CSE visited China and met senior officials of China Financial Futures Exchange (CFFEX) and Shanghai Stock Exchange (SSE). They discussed on bilateral issues and mutual co-operations between CSE and Chinese exchanges. During the visit, CSE delegation also attended a conference on development of Pakistan Capital Market in Shanghai.

### **Meeting with ADX, DFM and GIB**

During the year CSE delegation met the senior officials of Abu Dhabi Securities Exchange (ADX), Dubai Financial Market (DFM) and Global Investment Bank (GIB) in UAE. During these meetings, CSE delegates discussed on bilateral issues and mutual co-operations with the respective institutions. The delegation also had a meeting with Bloomberg officials to explore the possibility of feeding real time market data of CSE into Bloomberg system.

### **Delegation of SSE visited Bangladesh and had a meeting with CSE**

A 5(five) members delegation of Shanghai Stock Exchange (SSE) headed by its Chairman Mr. Wu King came in Bangladesh on 03 September, 2017 in an official tour. The delegation had a bilateral meeting with the CSE representatives on the same day in Dhaka. CSE Chairman Dr. A. K. Abdul Momen, Managing Director, Mr. Mirza Salman Ispahani welcomed the team. The senior representatives of CSE and SSE discussed on bilateral issues and mutual co-operations between CSE and Chinese exchanges.

### **57th General Assembly & Annual Meeting of WFE**

CSE as an affiliated member of the World Federation of Exchanges (WFE), attended the 57th General Assembly & Annual Meeting held on 06 – 08 September, 2017 in Bangkok hosted by The Stock Exchange of Thailand (SET). CSE and SET signed a memorandum of understanding (MOU) in the sideline of WFE annual assembly meetings. The purpose of the MOU is to promote knowledge and expertise sharing regarding the products and services of the Exchanges' securities markets and to encourage cooperation between the Exchanges.

### **Participation in the UN SSE Initiative's Consultative Group Calls**

As a Partner Exchange of the United Nations Sustainable Stock Exchanges (UN SSE) Initiative, CSE

participated in the Quarterly Consultative Group Calls through Webinars. During the period of 2017-2018, CSE participated in the webinars on 13 September 2017, 29 November 2017, 21 Feb 2018 and 16 May 2018. The main agendas were welcoming the new partner exchanges, regulator workstream, Environmental, Social and Governance (ESG) Guidance, exchange updates on ESG reporting guidance, new publications, studies or guidance documents, General market news, Bloomberg's Gender Equality Index, and further discussion followed regarding updates from exchanges on new developments in products and services and SSE updates.

## Key Operating and Financial Information

The key operating and financial information for the year ended 30 June, 2018 along with the preceding two years are presented below:

Financial & Operational Performance Summary Operational Results (financials in million BDT)	Jul 2017 to Jun 2018	Jul 2016 to Jun 2017	Jan 2016 to Jun 2016	2015
Revenue from operating activities	315	283	129	172
Operating Profit/(Loss)	36.52	7.05	(6.22)	(111)
Net Profit	347	348	204	249
Share Capital	6,345	6,345	6,345	6,345
EPS in BDT	0.55	0.55	0.32	0.39
No of Employees	87	89	93	95

## Dividend

Board of Directors is continuously making the effort to uphold and protect the interest of shareholders and ensure stable growth of the Company. The Board of Directors of CSE recommended 5% cash dividend for the year ended 30 June, 2018 subject to the approval of the Shareholders in the 23rd Annual General Meeting (AGM).

## Board Size

The Board, headed by elected Chairman from the Independent Directors, consists of twelve (12) members comprising seven (7) Independent Directors, four (4) shareholder Directors and Managing Director. CSE is searching for Strategic Investors in pursuance with the Exchanges Demutualization Act, 2013.

## Directors' appointment and re-appointment

With regard to the appointment, retirement and re-appointment of Directors, the Company is governed by its Articles of Association, the Companies Act, 1994 and CSE Board and Administration Regulations, 2013. Accordingly, in line with Section-91(c) Mr. Md. Sayadur Rahman will retire from the Board by rotation at the 23rd Annual General Meeting. As per Companies Act, 1994 and CSE Board and Administration Regulations, 2013 the retiring Director is eligible for re-election or re-appointment to the Board of Directors.

## Audit and Risk Management Committee

The Audit and Risk Management Committee has been constituted as Board Committee comprising five (5) members of the Board. The Committee headed by Prof. Mamtaz Uddin Ahmed, FCMA, an Independent Director, consists of three (3) Independent Directors, one (1) shareholder Director and Managing Director. The Audit and Risk Management Committee met four (4) times during the year from July, 2017 to June, 2018. Mr.



Rajib Saha, FCS, Company Secretary served as the Secretary to the Audit and Risk Management Committee. The key activities performed by the Audit and Risk Management Committee during the year were as follows:

1. Reviewed and recommended to the Board the quarterly and annual financial statements for the year ended 30 June, 2018.
2. Considered and recommended to the Board about appointment and remuneration of the statutory auditors of the Company.
3. Reviewed and appraised the performance of the internal control system.
4. Reviewed and recommended to the Board about the Internal Audit Plan and monitored the progress about the same.
5. Discussed the Internal Audit Report and findings therein with the auditors, members of Management and monitored the status of implementation of recommendations therein.
6. Reviewed the Loss and write-off report.

### Going Concern

The Directors are of the opinion that the Company is a going concern. Accordingly, Financial Statements are prepared on a going concern basis.

### The System of Internal Control

The Board of Directors assures its Shareholders that the Company has a competent risk management process to ensure that the system of internal control is sound in design and has been effectively implemented and monitored. Although it is possible that all risks to the business are not known at present, the Company takes reasonable steps to identify material risks that may hamper business results and systematically reviews these risks in light of the changing internal and external environment in order to assess that the controls in place are adequate to address these risks.

### Directors' declaration as to Financial Statements

The Directors are responsible for the governance of the Company and as part of preparation and presentation of the financial statements, the Directors also report that:

- a) The Financial Statements prepared by the Management of the Company present a true and fair view of Company's state of affairs, result of its operation, cash flows and changes in equity.
- b) Proper books of accounts are required by law have been maintained.
- c) Appropriate accounting policies have been followed in formulating the Financial Statements and Accounting estimates are reasonable and prudent.
- d) The Financial Statements were prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS).
- e) The Managing Director (MD) and Head of Finance (HoF) have certified to the Board that they have reviewed the Financial Statements and believe that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- f) The MD and HoF have certified to the Board that they have reviewed the Financial Statements and believe that these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- g) The MD and HoF have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's codes of conduct.



## Corporate Governance Compliance Statement

As part of its corporate policy, CSE always strives to maximize its shareholders' value and wealth. In doing so, the Bourse has long been committed to maintaining high standards of Corporate Governance. The CSE's Corporate Governance framework is directed towards achieving its business objectives as well as regulatory objectives in a manner which is responsible and in accordance with its high standards of honesty, reliability, transparency and accountability. The characteristic elements that define effective corporate governance in the Company are outlined in the Corporate Governance Statement which is appended in the Annual Report. The statement further expands on the broad practices in CSE. All the employees are expected to live up to these principles and guidance which are communicated regularly throughout the Exchange.

## Auditors

As per requirements of law, the current statutory auditors of Chittagong Stock Exchange Limited, M/S. Rahman Rahman Haque & Co., Chartered Accountants, a member of KPMG will retire at the 23rd Annual General Meeting. They have expressed their willingness to be re-appointed for the year ended 30 June, 2019 with a fee of Tk. 130,000. Based on suggestions of the Audit & Risk Management Committee, the Board recommends the re-appointment of M/S. Rahman Rahman Haque & Co., Chartered Accountants as the statutory auditors of the Company for the year ended 30 June, 2019 and continuation up to the next AGM at a fee of Tk. 110,000 (Taka one lac and ten thousand) only and requests the Shareholders to approve the appointment.

## Human Resource

The Exchange realizes that investment in human capital is investment for the future and increases the focus on having the right investment in human capital to take people to the next level of competence. For this reason, the Exchange continues to invest in training and development programs along with various HR initiatives. For service providing companies, HR is the core material.

## Strengthening Regulatory Function

As a self-regulatory organization, CSE is also the frontier regulator. Understandably concerns have been raised from time to time about the possibility of conflicts between CSE's commercial interests and its regulatory responsibilities. We recognize that CSE can only be successful if we have the confidence and trust of investors and listing companies. That is why in CSE we have a Conflict Mitigation Committee as one of the Board Committee. And we will continue to be strict about keeping our regulatory departments separate from the commercial departments, with separate performance criteria, and to pursue the highest regulatory standard possible.

## Investors' Service

Investor confidence is a fragile cornerstone of the Capital Market and it crumbles under the weight of uncertainty and doubt. Investor confidence rests on integrity and trust and quality information to give predictive values to investors. CSE, being a Self-Regulatory Organisation endeavors to promote and protect the interest of investors at large. CSE has taken initiatives to provide service to the investors for timely and speedy resolution of complaints of investors against the listed corporate entities and/or against TREC holders to enhance and maintain investors' confidence in capital market.

## Redressal of complaints of Investors

CSE redresses investor complaints against TREC or listed companies by taking prompt action upon receiving complaints. The investors can lodge complaints directly with the exchange through email, physical document form or through online e-complaint registration on CSE website. The complaints against TREC or listed companies are redressed through conciliation process.

## Strategic Investor

As per Exchanges Demutualization Act, 2013 of Bangladesh and Demutualization Scheme, CSE is looking for a suitable strategic investor and partner to consorting with its internal strengths and recourses for the upcoming development projects and bringing in new products and services of international standard to the capital market of Bangladesh. CSE has invited the Expression of Interest for the sale of 158,631,210 ordinary shares of BDT 10 each being 25% of the shareholding of the Exchange as reserved for the Strategic Investor at a reasonable

premium. CSE has offered to and contacted a number of local and foreign institutions to become strategic investors by taking shares of CSE. However, some local as well as foreign institutions have shown their interest and informed that they are working with the CSE's proposal. Moreover, CSE Managing Director along with Major (Retd.) Emdadul Islam, Director of CSE visited UAE and India and attended several meetings with potential investors. Meantime, Bangladesh Securities and Exchange Commission extended the deadline to the CSE to find strategic investor to March 2019.

### Looking Forward to Epitomize Further Growth

After years of uncertainty we are ready to travel a new route in 2019 as its reposition for growth. Succeeding in this new era will likely require new models and new approaches. We are working on fixing aims and sharpening strategic focus and concentrating efforts in areas where returns are most capital-efficient.

Continued product innovations shall remain the key to driving revenue growth in the competitive environment in the years ahead. We want to offer the best experience to our investors through the introduction of new product and innovative Value Added Services. We will continue our drive for re-build investors' confidence and utmost satisfaction on the capital market and at the same time we want to be the partner of progress in this country through our contributions to the economy and society.

Risk management and compliance will likely continue to be at the top of our agendas. In particular, moving towards comprehensive intra-day understanding of exposures and greater operational control in more technology-driven environments (such as trading) will likely be a key goal. Better quantifying risk and reducing disruptive operational failures can mean better integration, better governance mechanisms, and more robust data and analytics.

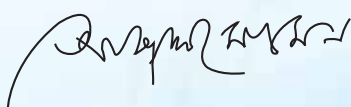
### Acknowledgements

The Board of Directors would like to extend its foremost regards and appreciation to the valued Shareholders, TREC holders and other Stakeholders of the company for their continued support and guidance to the company that led to many achievements. The Board also recognizes that its journey to attainments during the period was possible because of the cooperation, positive support, and guidance that it had received from the Government of Bangladesh, particularly the Bangladesh Securities and Exchange Commission (BSEC), Central Depository Bangladesh Limited (CDBL), Registrar of Joint Stock Companies and Firms (RJSC), National Board of Revenue (NBR), CSE's bankers, insurers & financial institutions, vendors, the Press and Media, Auditors, lawyers, business partners and all of our employees. Accordingly, the Board offers its utmost gratitude to them. The Board would also like to thank each and every investor for their continued support and for their preferred choices.

We also extend to the Management and Employees our warmest greetings and felicitation for being the essential part of CSE during the year. It was your unrelenting commitment, dedication and diligence throughout the year that led to the Company to perform in the market.

We are proud of you all and look forward to your continued support as we march ahead to take CSE further forward as a competent, transparent and vibrant market place.

On behalf of the Board of Directors.



**Dr. A. K. Abdul Momen**  
Chairman



**M. Shaifur Rahaman Mazumder FCA, FCMA**  
Managing Director

An illustration on a teal background showing a person's hands in a suit. One hand holds a magnifying glass over a document titled "Auditor's Report". The document features a bar chart, a checklist with a checked box, and a circular seal with a checkmark. The other hand holds a blue pen. A calculator is visible on the left, and a spiral notebook is on the right.

Auditor's  
Report

Independent auditor's report  
to the shareholders of Chittagong Stock Exchange Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Chittagong Stock Exchange Limited** ("the Company") which comprise the statement of financial position as at 30 June 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards.

**Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994 and Securities and Exchange Rules 1987, we also report the following:

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (c) the statement of financial position, and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- (d) the expenditure incurred was for the purposes of the company's business.



Chattogram, 13 September 2018



Chittagong Stock Exchange Limited  
Statement of financial position

<i>In Taka</i>	Note	30 June 2018	30 June 2017
<b>Asset</b>			
Property, plant and equipment	22	1,561,648,299	1,556,540,958
Automation- Equipments	23	21,514,421	30,227,515
Automation- Intangible assets	23	177,846,681	198,959,559
Investment with CDBL	24	612,564,975	612,564,975
Investment In Zero Coupon Bond-Non-current portion	25	67,207,327	-
Advance against Car Scheme (Long term)	29	4,750,000	4,900,000
<b>Non-current assets</b>		<b>2,445,531,703</b>	<b>2,403,193,007</b>
Trade receivables-clearing	26	230,475,925	99,514,648
Trade receivables-others	27	192,783,393	158,193,604
Advances, deposits and pre-payments	28	40,666,932	37,739,615
Advance Income Tax	30	81,140,181	36,414,551
Investment in FDRs	31	4,905,000,000	5,065,000,000
Investment In Zero Coupon Bond-Current portion	25	13,727,240	-
Cash and cash equivalents	32	468,295,967	291,540,335
<b>Current assets</b>		<b>5,932,089,638</b>	<b>5,688,402,753</b>
<b>Total assets</b>		<b>8,377,621,341</b>	<b>8,091,595,760</b>
<b>Equity</b>			
Share capital	33	6,345,248,400	6,345,248,400
Provision for Settlement Guarantee Fund	21	371,718,108	298,438,543
Retained earnings		697,034,062	803,556,617
<b>Total equity</b>		<b>7,414,000,570</b>	<b>7,447,243,560</b>
<b>Liabilities</b>			
Deferred tax liability	19.02	75,794,901	82,580,848
Gratuity payable	34	78,218,680	69,816,731
<b>Non-current liabilities</b>		<b>154,013,581</b>	<b>152,397,579</b>
Trade payable - clearing	35	482,981,187	276,375,597
Liabilities for expenses	36	23,899,861	26,939,698
Liabilities for other finance	37	173,762,231	118,804,065
Unclaimed Dividend	38	29,738,431	12,861,990
Liabilities for current tax	19.01	99,225,480	56,973,271
<b>Current liabilities</b>		<b>809,607,190</b>	<b>491,954,621</b>
<b>Total liabilities</b>		<b>963,620,771</b>	<b>644,352,200</b>
<b>Total equity and liabilities</b>		<b>8,377,621,341</b>	<b>8,091,595,760</b>

The annexed notes from 1 to 45 are an integral part of these financial statements.



Director



Director



Managing Director



Company Secretary

As per our annexed report of the same date.



Rahman Rahman Huq  
Chartered Accountants

Chattogram, 13 September 2018

Chittagong Stock Exchange Limited  
Statement of profit or loss and other comprehensive income

For the year ended 30 June 2018

<i>In Taka</i>	Note	July' 17-June'18	July' 16-June'17
<b>Continuing operations</b>			
<b>Revenue</b>			
Capacity charge/ transaction income	6	68,981,856	77,895,175
Listing income	7	213,126,184	184,314,104
TREC renewal income	8	7,350,000	7,350,000
Service charge and commission	9	7,508,420	5,897,263
Trader certificate and renewal income	10	18,161,500	7,051,440
		<b>315,127,960</b>	<b>282,507,982</b>
<b>Less: Operating expenditures</b>			
Human Resource cost	11	123,948,768	118,143,885
Other operating expenses	12	49,628,194	53,654,181
Information technology and communication expenses	13	96,333,191	96,875,131
Educational activities and marketing expenses	14	8,692,838	6,920,458
		<b>278,602,991</b>	<b>275,593,654</b>
<b>Operating profit</b>		<b>36,524,969</b>	<b>6,914,327</b>
Other Income	15	42,008,394	40,520,906
		<b>78,533,363</b>	<b>47,435,233</b>
Finance Income	16	391,082,164	373,133,687
Less: Finance charges	17	4,024,231	2,031,175
Net Finance income		<b>387,057,933</b>	<b>371,102,512</b>
<b>Net profit before charging Workers' Profit Participation Fund and Workers' Welfare Fund</b>		<b>465,591,296</b>	<b>418,537,745</b>
Less: Contribution to Workers' Profit Participation Fund and Workers' Welfare Fund	18	23,279,565	20,926,887
<b>Net profit before tax</b>		<b>442,311,731</b>	<b>397,610,857</b>
<b>Income tax expenses:</b>			
Current tax- prior year	19.01	2,400,284	-
Current tax- current year	19.01	99,225,480	56,973,271
Deferred tax expenses	19.02	(6,785,947)	(6,982,913)
<b>Net profit after tax</b>		<b>347,471,914</b>	<b>347,620,499</b>
Transferred to provision for Settlement Guarantee Fund		23,279,565	20,926,887
		<b>324,192,349</b>	<b>326,693,612</b>
<b>Basic earnings per share (EPS)</b>		<b>0.55</b>	<b>0.55</b>

The annexed notes from 1 to 45 are an integral part of these financial statements.



Director



Director



Managing Director



Company Secretary

As per our annexed report of the same date.



Chattogram, 13 September 2018

Rahman Rahman Huq  
Chartered Accountants

Chittagong Stock Exchange Limited  
Statement of changes in equity

For the year ended 30 June 2018

<i>In Taka</i>	Share Capital	Provision for Settlement Guarantee Fund	Retained Earnings	Total
Balance as on 01 July 2016	6,345,248,400	227,511,656	526,863,005	7,099,623,061
Total comprehensive income for the year before transfer to Settlement Guarantee Fund			347,620,499	347,620,499
Initial contribution for the Settlement Guarantee Fund of CSE	-	50,000,000	(50,000,000)	-
Regular contribution for the Settlement Guarantee Fund of CSE	-	20,926,887	(20,926,887)	-
<b>Balance as at 30 June 2017</b>	<b>6,345,248,400</b>	<b>298,438,543</b>	<b>803,556,617</b>	<b>7,447,243,560</b>
Balance as on 01 July 2017	<b>6,345,248,400</b>	<b>298,438,543</b>	<b>803,556,617</b>	<b>7,447,243,560</b>
6% dividend for the year ended 30 June 2017			<b>(380,714,904)</b>	<b>(380,714,904)</b>
Total comprehensive income for the year before transfer to Settlement Guarantee Fund	-	-	<b>347,471,914</b>	<b>347,471,914</b>
Initial contribution for the Settlement Guarantee Fund of CSE	-	<b>50,000,000</b>	<b>(50,000,000)</b>	-
Regular contribution for the Settlement Guarantee Fund of CSE	-	<b>23,279,565</b>	<b>(23,279,565)</b>	-
<b>Balance as at 30 June 2018</b>	<b>6,345,248,400</b>	<b>371,718,108</b>	<b>697,034,062</b>	<b>7,414,000,570</b>

*The annexed notes from 1 to 45 are an integral part of these financial statements.*

**Chittagong Stock Exchange Limited  
Statement of cash flows**

For the year ended 30 June 2018

<i>In Taka</i>	Note	July' 17-June'18	July' 16-June'17
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit before tax		442,311,731	397,610,857
Adjustment to reconcile net Income to net cash provided by operating activities:			
Depreciation and amortization	22 & 23	50,302,364	51,390,224
Gain on disposal of NGTS Equipments		(392,375)	(1,127,260)
Provision for gratuity	34	10,073,123	8,114,177
		502,294,843	455,987,998
<b>(Increase)/ decrease in current assets</b>			
Trade receivable - clearing	26	(130,961,277)	(6,924,302)
Trade receivable - others	27	(34,589,789)	7,754,233
Advances, deposits and pre-payments	28	(2,927,317)	3,119,564
Investment in FDRs	31	160,000,000	(410,000,000)
		(8,478,383)	(406,050,505)
<b>Increase/ (decrease) in current liabilities</b>			
Trade payable - clearing	35	206,605,590	121,321,020
Liability for expenses	36	(3,039,837)	2,510,708
Liability for other finance	37	54,958,166	(55,063,278)
Deferred revenue		-	(242,440)
		258,523,919	68,526,009
		250,045,536	(337,524,496)
Gratuity paid		(1,671,174)	(919,559)
Income tax paid		(104,099,185)	(24,482,397)
<b>Net cash flows from operating activities</b>		<b>646,570,020</b>	<b>93,061,546</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of Property, plant and equipment		(23,572,490)	(1,443,265)
Incurred for automation		(2,810,993)	-
Advance against Car Scheme (Long term)		150,000	(2,825,000)
Investment In Zero Coupon Bond		(80,934,567)	-
Disposal of NGTS Equipments/Sale of obsolete items		1,192,125	1,453,693
<b>Net cash used in investing activities</b>		<b>(105,975,925)</b>	<b>(2,814,572)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(363,838,463)	-
<b>Net cash used in financing activities</b>		<b>(363,838,463)</b>	<b>-</b>
<b>NET CASH FLOWS (A+B+C)</b>		<b>176,755,632</b>	<b>90,246,974</b>
Cash and cash equivalents at opening		291,540,335	201,293,361
Cash and cash equivalents at closing		468,295,967	291,540,335
<b>Net increase/(decrease)</b>		<b>176,755,632</b>	<b>90,246,974</b>

The annexed notes from 1 to 45 are an integral part of these financial statements.



## Notes to the financial statements

### 1.00 Reporting entity

#### Legal form of the entity

Chittagong Stock Exchange Limited was formed and registered under the Companies Act, 1994 on 01 April 1995 as a Public Company Limited by guarantee. The Exchange was a non-profit organization until 20 November 2013.

CSE became demutualized on 21 November 2013 under the Exchanges Demutualization Act, 2013 and transformed into a Public Company Limited by shares (a for-profit company) accordingly.

#### Nature of Business

The principal activities of the Exchange are to conduct, regulate and control the trade or business of buying, selling and dealing in shares, stocks, bonds, debentures, Government securities, loans and other instruments and securities of like nature. It is engaged in disseminating information to the investors through websites and publishing quarterly "Portfolio", monthly "Bazar Parikrama" and other publications and organising training programmes, seminars, workshops etc.. The Exchange is also devoted to Research and Development activities relating to capital market and maintains its own Library, Investors' Information Cell (IIC) and a Complain Cell.

### 2.00 Basis of preparation

#### 2.01 Statement of compliance

These financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs) and applicable sections of Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws in Bangladesh.

The titles and format of these financial statements follow the requirements of BFRSs which are to some extent different from the requirements of the Companies Act 1994. However, such differences are not material and in the view of management, BFRSs titles and format give better presentation to the shareholders.

#### 2.02 Regulatory Compliance

The company is required to comply with, amongst others, the following rules and regulations:

- ( i ) The Companies Act 1994
- ( ii ) The Income Tax Ordinance 1984
- ( iii ) The Income Tax Rules 1984
- ( iv ) The Value Added Tax Act 1991
- ( v ) The Value Added Tax Rules 1991
- ( vi ) The Securities and Exchange Ordinance 1969
- ( vii ) The Exchanges Demutualization Act 2013, etc.

#### 2.03 Basis of measurement

These financial statements have been prepared on a going concern basis under historical cost convention.

#### 2.04 Reporting period

These financial statements of the company covers twelve months from 01 July 2017 to 30 June 2018. Until 31 December 2015, financial year of the company was from 01 January to 31 December. Consequent to changes brought in by Finance Act 2015, the company has changed its financial year end to 30 June to comply with the Act.

#### 2.05 Comparative Information

Comparative information has been disclosed in respect of 2016-17 in accordance with BAS-1: Presentation of financial statements, for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements. Prior year's figures have been rearranged wherever considered necessary to ensure comparability with the current period.

## Notes to the financial statements (continued)

### 2.06 Going Concern

The Company has adequate resources to continue in operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

### 2.07 Authorization for issue

These financial statements have been authorized for issue by the Board of Directors on 13 September 2018.

Details of the company's accounting policies are included in Note 44-45.

### 3.00 Functional and presentation currency

These financial statements are presented in BD Taka which is the company's functional currency. All financial information presented in BD Taka has been rounded off to nearest Taka.

### 4.00 Use of estimates and judgments

The preparation of the Financial Statements in conformity with BAS and BFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

#### Judgements, Assumptions and estimation uncertainties

Information about judgements made in applying accounting policies and assumptions and estimation uncertainties that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 22.00 Property, plant and equipment
- Note 23.00 Intangible assets
- Note 27.00 Trade and other receivables
- Note 19.01 Current tax liability
- Note 19.02 Deferred tax liability
- Note 41.00 Contingent liabilities

**Notes to the financial statements (continued)**
**5.00 Related party transactions**

During the year, the company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The name of these related parties, nature and volume of transactions have been set out below in accordance with the provisions of BAS-24:

Name of Directors	Status in CSE	Nature of transactions	30 June 2018 Amount (Taka)	30 June 2017 Amount (Taka)
Dr. A. K. Abdul Momen (From 13.2.2017)	Chairman	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	80,000	40,000
		Honorarium for article in CSE publication	25,000	-
Dr. Muhammad Abdul Mazid (Retired on 12.2.2017)	Ex-Chairman	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	-	120,000
		Honorarium for article in CSE publication	-	25,000
Maj. Gen. Mohammad Shamim Chowdhury, nwc, psc (Retd.) (From 13.2.2017)	Director	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	80,000	40,000
		Committee meeting attendance fees (excluding AIT & VAT)	30,000	10,000
Prof. Mamtaz Uddin Ahmed, FCMA	Director	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	50,000	150,000
		Committee meeting attendance fees (excluding AIT & VAT)	65,000	55,000
Professor Dr. Mohammad Ayub Islam	Director	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	80,000	160,000
		Committee meeting attendance fees (excluding AIT & VAT)	60,000	75,000
Dr. Moinul Islam Mahmud	Director	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	70,000	140,000
		Committee meeting attendance fees (excluding AIT & VAT)	65,000	40,000
Prof. S. M. Salamat Ullah Bhuiyan (From 13.2.2017)	Director	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	80,000	30,000
		Committee meeting attendance fees (excluding AIT & VAT)	75,000	15,000
Mr. Pradip Paul, FCMA, FCA (From 13.2.2017)	Director	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	60,000	40,000
		Committee meeting attendance fees (excluding AIT & VAT)	60,000	30,000
Mr. Shafiul Islam (Retired on 12.02.2017)	Ex-Director	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	-	20,000
		Committee meeting attendance fees (excluding AIT & VAT)	-	15,000
Mr. Showkat Hossain, FCA (Retired on 12.02.2017)	Ex-Director	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	-	120,000
		Committee meeting attendance fees (excluding AIT & VAT)	-	50,000
Mr. Nasir Uddin Chowdhury (Retired on 12.02.2017)	Ex-Director	<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	-	80,000
		Committee meeting attendance fees (excluding AIT & VAT)	-	30,000

**Notes to the financial statements (continued)**

Name of Directors	Status in CSE	Nature of transactions	30 June 2018 Amount (Taka)	30 June 2017 Amount (Taka)
Mr. Mirza Salman Ispahani	Director	<b>Revenue:</b>		
		Turnover	437,228,962	698,140,285
		Transaction Fee	133,982	199,177
		Capacity Charge (out of Tk 400,000)	266,018	150,823
		TREC Renewal fee - Annual	50,000	50,000
		<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	40,000	60,000
		Committee meeting attendance fees (excluding AIT & VAT)	10,000	20,000
		Office Tea Expenses	78,336	70,488
		<b>Assets:</b>		
		Receivable against Capacity Charge	266,018	74,115
		Receivable against trade	-	214,737
		<b>Liabilities:</b>		
		Payable against Capacity Charge	-	28,264
Payable against trade	1,257,159	1,279,462		
Mr. Mohammad Khairul Anam Chowdhury (Retired on 27.12.2016)	Ex-Director	<b>Revenue:</b>		
		Turnover	-	18,419,512,920
		Transaction Fee	-	2,189,637
		Capacity Charge (out of Tk 1,500,000)	-	750,000
		TREC Renewal fee - Annual	-	50,000
		Other Income- Rent & Utility bill	-	1,158,359
		<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	-	80,000
		Committee meeting attendance fees (excluding AIT & VAT)	-	15,000
		<b>Assets:</b>		
		Receivable against trade	-	1,952,457
		<b>Liabilities:</b>		
		Payable against trade	-	454,005
		Major (Retd.) Emdadul Islam (From 21.05.2016)	Director	<b>Revenue:</b>
Turnover	355,923,478			77,227,877
Transaction Fee	81,271			17,759
Capacity Charge (out of Tk 400,000)	318,729			332,241
TREC Renewal fee - Annual	50,000			50,000
<b>Expenditure:</b>				
Board meeting attendance fees (excluding AIT & VAT)	80,000			150,000
Committee meeting attendance fees (excluding AIT & VAT)	30,000			30,000
<b>Assets:</b>				
Receivable against Capacity Charge	318,729			182,994
Receivable against trade	418,107			-
Receivable agst. TREC Renewal Fee	50,000			-
<b>Liabilities:</b>				
Payable against Capacity Charge	1,992			1,992
Payable against trade	-	485,907		



## Notes to the financial statements (continued)

Name of Directors	Status in CSE	Nature of transactions	30 June 2018 Amount (Taka)	30 June 2017 Amount (Taka)
Mr. Md. Shamsul Islam, FCA (Retired on 25.10. 2017)	Ex-Director	<b>Revenue:</b>		
		Turnover	10,498,238,900	13,252,686,438
		Transaction Fee	-	2,030,165
		Capacity Charge (out of Tk 1,000,000, however actual commission & contract charge-26,90,096.41)	1,000,000	750,000
		TREC Renewal fee - Annual	50,000	50,000
		<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	10,000	130,000
		Committee meeting attendance fees (excluding AIT & VAT)	5,000	10,000
		Travelling and Accommodation	2,562,986	1,459,028
		<b>Assets:</b>		
		Receivable against trade	1,052,754	6,615,813
		<b>Liabilities:</b>		
		Payable against Capacity Charge	903,633	-
		Payable against trade	1,278,597	11,080,971
Mr. Shahjada Mahmud Chaudhuri	Director	<b>Revenue:</b>		
		Turnover	196,203,989	-
		Transaction Fee	46,806	-
		Capacity Charge (out of Tk 400,000)	353,194	-
		TREC Renewal fee - Annual	50,000	-
		<b>Expenditure:</b>		
		Board meeting attendance fees (excluding AIT & VAT)	40,000	-
		Committee meeting attendance fees (excluding AIT & VAT)	10,000	-
		<b>Assets:</b>		
		Receivable against TREC	50,000	-
		Receivable against Capacity	353,194	-
		<b>Liabilities:</b>		
		Payable against trade	79,374	-
		Mr. Sayadur Rahman	Director	<b>Revenue:</b>
Turnover	7,167,011,493			-
Transaction Fee	938,734			-
TREC Renewal fee - Annual	50,000			-
<b>Expenditure:</b>				
Board meeting attendance fees (excluding AIT & VAT)	30,000			-
<b>Assets:</b>				
Receivable against trade	8,110,378			-
<b>Liabilities:</b>				
Payable against trade	307,847			-

**Notes to the financial statements (continued)**

<b>6.00</b>	<b>Capacity charge/transaction charge</b>			
	<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	Capacity charge		35,203,774	45,236,176
	CSE commission		24,443,526	23,493,117
	Contract charges		9,243,082	8,875,792
	Fees against Gift of Share		91,474	290,090
			<b>68,981,856</b>	<b>77,895,175</b>
<b>7.00</b>	<b>Listing income</b>			
	<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	Annual Listing		127,419,297	120,208,699
	Initial Listing		82,606,887	61,105,405
	IPO Application Data Transmission Income		2,000,000	1,600,000
	Draft Prospectus Scrutiny Income		1,100,000	1,400,000
			<b>213,126,184</b>	<b>184,314,104</b>
<b>8.00</b>	<b>TREC renewal income</b>			
	<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	TREC renewal income		7,350,000	7,350,000
			<b>7,350,000</b>	<b>7,350,000</b>
<b>9.00</b>	<b>Service charge and commission</b>			
	<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	Depository participant income	9.01	1,066,932	1,662,156
	Regulatory, data broadcasting and others		952,500	1,176,757
	DP operation through optical fiber		640,300	49,600
	Book building system		4,823,688	-
	API application income		25,000	-
	TREC transfer income		-	1,500,000
	Share transfer income		-	1,500,000
	Service charge on transfer of shares of TREC		-	8,750
			<b>7,508,420</b>	<b>5,897,263</b>
<b>9.01</b>	<b>Depository participant income</b>			
	<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	Beneficiary Owner (B.O.) Account opening fee		22,250	18,450
	Transaction & De-mat fee		567,918	961,312
	Account maintenance fee		623,200	661,050
	Other income		4,620	149,848
			<b>1,217,988</b>	<b>1,790,660</b>
	D.P expenses		(151,056)	(128,504)
			<b>1,066,932</b>	<b>1,662,156</b>
<b>10.00</b>	<b>Trader certificate and renewal income</b>			
	<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	Traders' Certificate income @ Tk. 10,000		6,131,500	4,210,700
	Traders' Certificate renewal income @ Tk. 5,000		12,030,000	2,595,000
	Authorized representatives @ Tk. 220		-	245,740
			<b>18,161,500</b>	<b>7,051,440</b>
<b>11.00</b>	<b>Human resource cost</b>			
	<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	Key Management's Compensation Packages	11.01	10,565,695	10,849,711
	Other Management's Compensation Packages	11.02	111,875,726	104,919,434
	Director Fees and Expenses	11.03	1,507,347	2,374,740
			<b>123,948,768</b>	<b>118,143,885</b>

Notes to the financial statements (continued)

**11.01 Key Management's Compensation Packages**

**MD's compensation package**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Basic salary	3,600,000	3,600,000
Allowances	2,850,000	2,850,000
Bonus	600,000	600,000
Final settlement of Ex- Managing Director	-	1,083,871
	<b>7,050,000</b>	<b>8,133,871</b>
<b>CRO's compensation package</b>		
Basic salary	1,176,300	745,200
Allowances	2,148,665	1,694,295
Bonus	172,100	124,200
Provident Fund Contribution	18,630	74,520
Gratuity	-	77,625
	<b>3,515,695</b>	<b>2,715,840</b>
	<b>10,565,695</b>	<b>10,849,711</b>

**11.02 Other Management's Compensation Packages**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Salaries and allowances	92,123,347	87,071,332
Gratuity	10,062,017	8,036,552
Bonus	5,854,698	5,703,185
Provident Fund Contribution	3,512,047	3,384,400
Medical expenses	323,617	723,965
	<b>111,875,726</b>	<b>104,919,434</b>

**11.03 Director Fees and Expenses**

<i>In Taka</i>	Note	July' 17-June'18	July' 16-June'17
Board meeting	11.03.01	993,349	1,896,767
Committee meeting	11.03.02	513,998	477,973
		<b>1,507,347</b>	<b>2,374,740</b>

Each director is paid Tk. 10,000 per board meeting per attendance and Tk 5,000 per committee meeting per attendance (excluding VAT & AIT).

**11.03.01 Board meeting**

Board attendance fees	894,460	1,737,808
Meeting expenses	98,889	158,959
	<b>993,349</b>	<b>1,896,767</b>

**11.03.02 Committee meeting**

Attendance fees	455,592	438,924
Meeting expenses	58,406	39,049
	<b>513,998</b>	<b>477,973</b>

**12.00 Other Operating Expenses**

<i>In Taka</i>	Note	July' 17-June'18	July' 16-June'17
Office general expenses	12.01	17,387,966	21,499,822
Electricity, fuel and water	12.02	5,431,357	5,642,657
Travelling, accommodation and conveyance	12.03	5,942,187	5,448,554
Insurance premium	12.04	2,401,535	1,667,995
Depreciation on Property, plant and equipments	22.00	18,465,149	19,395,154
		<b>49,628,194</b>	<b>53,654,181</b>

**Notes to the financial statements (continued)**
**12.01 Office general expenses**

<i>In Taka</i>	Note	July' 17-June'18	July' 16-June'17
Transportation expenses		5,550,748	5,294,315
Security and cleaning services		4,273,141	4,062,762
Repairs and maintenance		1,117,556	855,498
AGM, TREC Holders' meeting and others	12.01.01	1,742,024	1,436,134
Subscriptions	12.01.02	1,386,361	1,270,810
Legal and professional expenses	12.01.03	326,750	2,419,750
Rates and taxes	12.01.04	784,622	980,930
Vehicle expenses		991,913	1,145,608
Office expenses		482,832	335,244
Audit fee		126,500	100,000
Periodicals and newspapers		95,303	116,765
Advertisement and development		375,216	1,435,947
UPS rental for NGTS		135,000	-
Donation for people affected by landslide at Rangamati		-	500,000
Picnic expenses		-	1,546,059
		<b>17,387,966</b>	<b>21,499,822</b>

**12.01.01 AGM, TREC Holders' meeting and others**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Guest and visitors expenses	872,752	828,872
Refreshment expenses for various marketing purposes	338,900	165,398
Expenses for Journalists	78,634	69,220
TREC Holders' meeting	34,197	347,618
Refreshment expenses for foreign delegates	76,496	25,025
Annual General Meeting	341,045	-
	<b>1,742,024</b>	<b>1,436,134</b>

**12.01.02 Subscriptions**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
South Asian Federation of Exchanges (USD 10,000 p.a.)	814,476	797,556
World Federation of Exchanges (GBP 4,180 p.a.)	454,635	454,944
Chittagong Club Limited	15,600	16,710
Chittagong Chamber of Commerce and Industry	1,650	1,600
Development fee to Chittagong Club Ltd. due to change of nominee	100,000	-
	<b>1,386,361</b>	<b>1,270,810</b>

**12.01.03 Legal and professional expenses**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Income Tax consultancy - Rahman Rahman Huq	149,500	149,500
Other Legal & Professional Fee	31,500	124,000
Sylhet Metro City Sec. Ltd-2017-18:Md. Ashik Al Jalil; 2016-17: A F Hasan Ariff & Associates and others	25,000	874,000
Audit fee of CSE Employees Provident Fund - Rahman Rahman Huq	5,750	5,750
Data entry in CSE website - Rahman Rahman Huq	115,000	-
Fee for preparing indicative valuation of CSE to transfer shares to strategic investors- Rahman Rahman Huq	-	1,265,000
Value Point Capital Ltd.- Wahida Idris	-	1,500
	<b>326,750</b>	<b>2,419,750</b>



**Notes to the financial statements (continued)**
**12.01.04 Rates and taxes**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Registration fee of vehicles	<b>213,954</b>	426,014
Holding tax	<b>486,000</b>	485,999
Land development tax	<b>58,500</b>	42,377
Trade License	<b>18,500</b>	20,000
DP License	<b>4,000</b>	4,600
Filing fee of various return to RJSC	<b>2,528</b>	800
Fire License	<b>1,140</b>	1,140
	<b>784,622</b>	980,930

**12.02 Electricity, fuel and water**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Electricity	<b>4,350,239</b>	4,238,453
Water	<b>553,601</b>	491,525
Diesel (HSD) for Generator	<b>508,038</b>	897,684
Gas	<b>19,479</b>	14,995
	<b>5,431,357</b>	5,642,657

**12.03 Travelling, accommodation and conveyance**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Travelling and accommodation-Directors		
Foreign travel	<b>1,104,129</b>	563,451
Local travel	<b>728,304</b>	1,084,897
Travelling and accommodation-Executives		
Foreign travel	<b>1,442,954</b>	615,803
Local travel	<b>2,405,258</b>	2,941,548
Conveyance	<b>261,542</b>	242,856
	<b>5,942,187</b>	5,448,554

**12.04 Insurance premium**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Employees	<b>1,150,905</b>	696,666
Property	<b>1,250,630</b>	971,329
	<b>2,401,535</b>	1,667,995

**13.00 Information technology and communication expenses**

<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Annual Maintenance Charge	13.01	<b>57,535,708</b>	58,546,074
Communication Expenses	13.02	<b>6,960,268</b>	6,333,987
Depreciation/amortization on Automation	23.00	<b>31,837,215</b>	31,995,070
		<b>96,333,191</b>	96,875,131

Notes to the financial statements (continued)

**13.01 Annual Maintenance Charge**

<i>In Taka</i>		July' 17-June'18	July' 16-June'17
NGTS: Millennium IT Software Ltd.		26,811,071	26,018,674
NGTS: Intellect Design Arena Ltd. (Former Polaris Financial Technology Ltd.)		9,376,215	10,231,867
Middleware: IndigoTx Software Pvt. Ltd.		2,696,939	3,856,598
Oracle: Intellect Design Arena Pte Ltd. (Former: Polaris Software Lab Ltd.)		15,877,125	15,454,873
CSE Shariah Index & Benchmark Index: India Index Services Products Ltd.		1,403,307	1,263,480
VRTS License 2017-18: Expresser Infotech; 2016-17 : Safetech BD		1,075,614	1,044,745
Oracle Linux Support: IBCS- Primax Software (Bangladesh) Ltd.		295,437	284,445
DSE for Book Building System		-	391,392
		<b>57,535,708</b>	<b>58,546,074</b>

**13.02 Communication Expenses**

<i>In Taka</i>	Note	July' 17-June'18	July' 16-June'17
DDN Line Rent and Data Communication	13.02.01	3,273,988	3,125,055
Fax and Telephone		1,693,215	1,652,513
Postage and Courier		1,016,944	821,193
Website maintenance & hosting charge		935,217	696,000
Verisign		40,904	39,226
		<b>6,960,268</b>	<b>6,333,987</b>

**13.02.01 DDN Line Rent and Data Communication**

<i>In Taka</i>		July' 17-June'18	July' 16-June'17
BTCL		140,232	134,389
Link 3 Technologies Ltd.		863,600	831,750
Agni Systems Ltd.		634,800	647,400
Drik ICT Ltd.		180,000	172,500
Fiber @ Home Ltd.		1,143,356	1,339,016
Telnet Communication Ltd		312,000	-
		<b>3,273,988</b>	<b>3,125,055</b>

**14.00 Educational activities and marketing expenses**

<i>In Taka</i>	Note	July' 17-June'18	July' 16-June'17
Publications and stationery	14.01	2,025,866	1,229,825
Seminar & workshop, Promotion and Training	14.02	6,666,972	5,690,633
		<b>8,692,838</b>	<b>6,920,458</b>

**14.01 Publications and stationery**

<i>In Taka</i>		July' 17-June'18	July' 16-June'17
<b>Publications:</b>			
Portfolio		725,790	748,680
Bazar Parikrama		2,091,157	2,045,892
		<b>2,816,947</b>	<b>2,794,572</b>
Advertisement income		(2,417,400)	(3,281,100)
Sale of publication		(3,000)	(5,100)
		<b>396,547</b>	<b>(491,628)</b>
<b>Stationery:</b>			
General stationery		833,812	975,168
Computer stationery		540,307	421,285
Printing Expenses		255,200	325,000
		<b>1,629,319</b>	<b>1,721,453</b>
		<b>2,025,866</b>	<b>1,229,825</b>

**Notes to the financial statements (continued)**
**14.02 Seminar & workshop, Promotion and Training**

<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Seminar and workshop expenses	14.02.01	<b>4,705,371</b>	1,613,891
Promotional expenses	14.02.02	<b>1,556,851</b>	3,858,694
Training - Local		<b>404,750</b>	49,050
Training - Overseas		-	168,998
		<b>6,666,972</b>	<b>5,690,633</b>

**14.02.01 Seminar and workshop expenses**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Conference on Anti Money Laundering etc.	<b>325,640</b>	515,459
Traders /AR Training Programme	<b>305,120</b>	198,639
Meeting with TREC Holders, Merchant Banks, Asset Management Company and other marketing expenses.	<b>266,259</b>	172,147
Training program for different stakeholders on financial statement analysis, fundamental and technical analysis, IAS, IFRS, Clearing-settlement and DP service.	<b>(115,705)</b>	6,110
Press conference on national budget	<b>82,665</b>	50,330
Financial Literacy Programme	<b>64,256</b>	177,294
Awareness program for Compliance Authority	<b>9,940</b>	25,449
Training and awareness program on ITS	<b>9,820</b>	285,575
Training on Innovation Programme	<b>623,693</b>	-
Celebration of World Investors Week	<b>421,844</b>	-
Free of cost day long training by CSE & BICM	<b>80,612</b>	-
Contribution to Biniyog Shiksha Tahobil constituted by Bangladesh Securities & Exchange Commission	<b>2,500,000</b>	-
Discussion on Introduction of Exchange Traded Fund (ETF)	<b>131,227</b>	-
Meeting with inactive TREC holders	-	5,308
Regional Investors 'Awareness Program	-	138,381
Seminar on Capital Market	-	39,199
	<b>4,705,371</b>	<b>1,613,891</b>

**14.02.02 Promotional Expenses**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
2017-18: Capital Market and Investment Fair at Chittagong , 2016-17: Capital Market Expo in Dhaka	<b>(846,828)</b>	219,047
2017-18: Complementary Malaysia tour of top 10 TREC Holders; 2016-17 award to top ten terminals	<b>721,768</b>	114,373
2017-18: Note book; 2016-17: Note book, Pen and Coat pin ;	<b>457,125</b>	568,900
Refund of Commission and Contract charge	<b>368,461</b>	34,978
Participation in Unnayan Mela organized by BSEC	<b>271,938</b>	862,880
Participation in Digital World	<b>133,740</b>	56,300
Crests	<b>52,250</b>	32,000
SMS of Trade Information to TREC Holders	<b>21,000</b>	19,250
Gift to foreign delegate	<b>62,807</b>	10,600
Sponsorship expenses	<b>298,750</b>	-
CSE Documentary	<b>15,840</b>	-
Annual get together program of Bangladesh Capital Market Registered Traders Association	-	232,400
Road show for sale of TREC for Strategic partner of CSE	-	645,596
Power Bank	-	62,370
Contribution to BSEC for inauguration program of new premises	-	1,000,000
	<b>1,556,851</b>	<b>3,858,694</b>

Notes to the financial statements (continued)

**15.00 Other income**

<i>In Taka</i>	Note	July' 17-June'18	July' 16-June'17
Dividend of CDBL		34,031,388	34,031,388
Rental Income	15.01	7,574,631	5,342,258
Disposal of NGTS equipment		392,375	1,127,260
Transfer of ownership of car		10,000	20,000
		<b>42,008,394</b>	<b>40,520,906</b>

**15.01 Rental Income**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Sylhet office rent	801,360	839,520
Dhaka office rent	4,625,391	4,496,298
Conference Hall and Space rent	3,131,915	545,000
Bangladesh Shipping Agents' Association	-	441,600
	<b>8,558,666</b>	<b>6,322,418</b>
Less: Service charges	<b>(984,035)</b>	<b>(980,160)</b>
	<b>7,574,631</b>	<b>5,342,258</b>

**16.00 Finance income**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Interest on bank deposits/FDRs	388,355,175	373,133,687
Interest on Zero Coupon Bond	2,726,989	-
	<b>391,082,164</b>	<b>373,133,687</b>

**17.00 Finance charges**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Charges for P.O/D.D/T.T	23,581	26,625
Excise duty	4,000,650	2,004,550
	<b>4,024,231</b>	<b>2,031,175</b>

**18.00 Workers' Profit Participation Fund and Workers' Welfare Fund**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Contribution to Workers' Profit Participation and Welfare Fund	23,279,565	20,926,887

Provision for Workers' Profit Participation Fund and Workers' Welfare Fund is made @ 5% of net profit as per provision of the Bangladesh Labor Act 2006 in line with changes in the Act in July 2013.



Notes to the financial statements (continued)

**19.00 Income taxes**

**19.01 Liability for current tax**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Opening balance	56,973,271	-
Provided during the year		
Current year	99,225,480	56,973,271
Prior year	2,400,284	-
Payment of tax	(59,373,555)	-
Closing balance	99,225,480	56,973,271

**19.02 Liability/ (asset) for Deferred tax:**

Opening balance	82,580,848	89,563,761
Provided for/adjusted against temporary difference of PPE and intangible assets	(3,845,265)	(4,464,797)
Adjusted for temporary difference of gratuity	(2,940,682)	(2,518,116)
	(6,785,947)	(6,982,913)
<b>Closing balance of Deferred tax liability</b>	<b>75,794,901</b>	<b>82,580,848</b>

**Reconciliation of deferred tax liability as on 30 June 2018**

	Applicable rate	Carrying amount	Tax base	Temporary difference	Deferred tax liability/ (asset)
Automation & PPE (except land)	7%-35%	548,326,293	248,998,960	299,327,334	103,171,439
Liability for gratuity	35%	78,218,680	-	(78,218,680)	(27,376,538)
<b>Deferred tax liability as on 30 June 2018</b>					<b>75,794,901</b>
<b>Deferred tax liability as on 30 June 2017</b>					<b>82,580,848</b>

**20.00 Basic and diluted earnings per share**

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Profit attributable to ordinary shareholders (BD Taka)	347,471,914	347,620,499
Weighted average number of shares (Nos.)	634,524,840	634,524,840
Basic and diluted earnings per share (Tk.)	0.55	0.55

**21.00 Provision for settlement guarantee fund of CSE**

As per CSE Demutualization Scheme and Chittagong Stock Exchange (Settlement Guarantee Fund) Regulations, 2013, Chittagong Stock Exchange Limited is required to contribute Tk. 500 million as initial contribution and 5% of annual net profit of the exchange as regular contribution to the fund. The Regulation was published in the Bangladesh Gazette on 06 April 2014 retrospective with effect from demutualization date i.e. 21 November 2013.

The Board has decided to settle initial contribution of Tk. 500 million in 10 equal yearly installments of Tk. 50 million each. The Board has also decided that balance in the retained earnings against pre-demutualized period amounting to Tk. 225,341,287 will be utilized first for this initial contribution.

<i>In Taka</i>	Contribution		
July'16 - June'17	Initial	Regular	Total
Opening balance	175,000,000	52,511,656	227,511,656
Transfer of initial contribution during the year	50,000,000	-	50,000,000
Transfer of regular contribution during the period from net profits of 30 June 2017	-	20,926,887	20,926,887
<b>Closing balance as at 30 June 2017</b>	<b>225,000,000</b>	<b>73,438,543</b>	<b>298,438,543</b>
<b>July'17 - June'18</b>			
Opening balance	225,000,000	73,438,543	298,438,543
Transfer of initial contribution during the year	50,000,000	-	50,000,000
Transfer of regular contribution during the year from net profits of 30 June 2018	-	23,279,565	23,279,565
<b>Closing balance as at 30 June 2018</b>	<b>275,000,000</b>	<b>96,718,108</b>	<b>371,718,108</b>

Notes to the financial statements (continued)

22.00 Property, plant and equipment-Revalued model

In Taka

Particulars	COST/REVALUATION		ACCUMULATED DEPRECIATION			Carrying amount at 30 June 2018
	At 1st July 2017	Additions	At 30 June 2018	At 1st July 2017	Charged for the year	
Freehold Land	1,145,831,306	22,350,000	1,168,181,306	-	-	1,168,181,306
Leasehold Land	47,141,741	-	47,141,741	2,137,091	502,848	44,501,802
Building	410,263,287	-	410,263,287	56,259,405	14,359,212	339,644,670
Furniture and Fixture	16,585,523	-	16,585,523	13,928,401	919,127	1,737,995
Air Conditioner	12,216,500	-	12,216,500	11,326,451	318,396	571,653
Electrical Installation (Generator)	7,821,170	-	7,821,170	7,761,897	50,809	8,464
Electrical Installation (Sub-station)	1,492,174	-	1,492,174	1,492,173	-	1
Electrical Fittings	9,519,765	-	9,519,765	9,345,987	66,024	107,754
Fire Alarm & Access Control System	6,012,690	65,973	6,078,663	3,380,437	538,539	2,159,687
Vehicle	14,004,838	-	14,004,838	14,004,838	-	-
Computers	19,470,733	1,067,387	20,538,120	18,571,104	435,307	1,531,709
Books	218,645	-	218,645	190,517	8,136	19,992
Office Equipment	7,239,305	89,130	7,328,435	6,514,971	280,817	532,647
Other Equipment	1,044,911	-	1,044,911	744,267	67,080	233,564
Office Renovation	9,188,508	-	9,188,508	5,852,597	918,854	2,417,057
<b>Total</b>	<b>1,708,051,096</b>	<b>23,572,490</b>	<b>1,731,623,586</b>	<b>151,510,138.00</b>	<b>18,465,149</b>	<b>1,561,648,299</b>
<b>Total 30 June 2017</b>	<b>1,707,608,831</b>	<b>442,265</b>	<b>1,708,051,096</b>	<b>132,114,984</b>	<b>19,395,154</b>	<b>1,556,540,958</b>

**Description of Revaluation:**

In order to ensure transparency in the operations of CSE, the government passed an act under the name and style of The Exchanges Demutualization Act 2013 under which it was required to revalue all its assets and liabilities at 31 March 2013 with the ultimate objective of separating management from policy making function while turning CSE into a profit making public limited company.

The purpose of the valuation engagement was to arrive at a fair market value of Company's assets and liabilities at 31 March, 2013 for the purpose of demutualization and Hoda Vasi Chowdhury & Co., Chartered Accountants was engaged by CSE. Hoda Vasi Chowdhury & Co., Chartered Accountants have engaged a reputed engineering and survey firm named 'PRONOYON' located in Chittagong as valuers for valuation of land and buildings. Replacement cost and market price method, wherever applicable, have been used by the independent valuer for re-valuation of property, plant and equipment.

As at 31 March 2013

Revalued amount	Taka
Value as per audited statement	1,633,587,725
<b>Revalued surplus amount</b>	<b>281,574,157</b>
	<b><u>1,352,013,568</u></b>

Notes to the financial statements (continued)

**22.01 Property, plant and equipment**

As per the provisions of the Exchanges Demutualization Act 2013, assets of the company were revalued in the year 2013. Had there been no revaluation, the value of assets would have been as follows:

**Cost Model:**

*In Taka*

Particulars	COST		DEPRECIATION			Carrying amount at 30 June 2018
	At 1st July 2017	Additions	At 30 June 2018	At 1st July 2017	Charged for the year	
Freehold Land	103,414,913	22,350,000	125,764,913	-	-	125,764,913
Leasehold Land	16,060,592	-	16,060,592	1,555,328	1,727,176	14,333,416
Building	165,260,467	-	165,260,467	50,072,104	5,784,116	109,404,247
Furniture and Fixture	16,585,523	-	16,585,523	13,940,334	919,127	1,726,062
Air Conditioner	12,216,500	-	12,216,500	11,372,381	318,396	525,724
Electrical Installation (Generator)	7,821,170	-	7,821,170	7,766,672	50,809	3,689
Electrical Installation (Sub-station)	1,492,174	-	1,492,174	1,492,173	-	1
Electrical Fittings	9,519,765	-	9,519,765	9,409,820	66,024	43,921
Fire Alarm & Access Control System	6,012,690	65,973	6,078,663	3,380,436	538,539	2,159,688
Vehicle	14,004,838	-	14,004,838	14,004,841	-	(3)
Computers	19,470,733	1,067,387	20,538,120	18,701,174	435,307	1,401,639
Books	218,645	-	218,645	190,772	8,136	19,737
Office Equipment	7,239,305	89,130	7,328,435	6,527,344	280,817	520,274
Other Equipment	1,044,911	-	1,044,911	744,267	67,080	233,565
Office Renovation	9,188,508	-	9,188,508	5,852,597	918,854	2,417,057
<b>Total as on 30 June 2018</b>	<b>389,550,734</b>	<b>23,572,490</b>	<b>413,123,224</b>	<b>145,010,243</b>	<b>9,559,052</b>	<b>258,553,929</b>
<b>Total 30 June 2017</b>	<b>389,108,469</b>	<b>442,265</b>	<b>389,550,734</b>	<b>134,527,184</b>	<b>10,483,059</b>	<b>244,540,491</b>

**Notes to the financial statements (continued)**
**24.00 Investment with CDBL**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
13,612,555 shares (Revalued @ Tk 45 per share to arrive at fair value as required by the Exchanges Demutualization Act 2013)	<b>612,564,975</b>	612,564,975
Closing balance	<b>612,564,975</b>	612,564,975

Assets earning ratio method has been used by the valuer in estimating the fair value of investment in CDBL.

**25.00 Investment In Zero Coupon Bond**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Recoverable within 1 year	<b>13,727,240</b>	-
Recoverable after 1 year	<b>67,207,327</b>	-
	<b>80,934,567</b>	-

**Issuer**

IPDC Finance Limited

**Issue date**

31 January 2018

**Face value of each bond**

Denomination of face value of each bond is BDT 1,000,000

**Discount range**

Discount range is expected to be within the range of 8% to 8.25% p.a

**Tenure and redemption**

From 6 months to 5 years from the issue date .

**Subscription**

Company subscribed in 100 nos. of redeemable zero coupon bond issued by IPDC @ Tk. 80,934,567 for six months to five years from issue date.

**Transferability**

Transferable as per agreement

**Redemption**

Bonds within a bundle shall be redeemed equally over five (5) years on semi-annual basis.

**Effective interest rate (EIR)**

EIR is 8.087% per annum.

**26.00 Trade receivables-clearing**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Receivables against trade	<b>230,475,925</b>	99,514,648

This represents amount receivable from CSE TREC Holders arising from transactions on 28.06.2018. The amount was fully realised after the reporting date.

**27.00 Trade receivables-others**

<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Accrued interest on FDR		<b>141,863,974</b>	128,619,737
Other receivables	27.01	<b>50,919,419</b>	29,573,867
		<b>192,783,393</b>	158,193,604



**Notes to the financial statements (continued)**
**24.00 Investment with CDBL**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
13,612,555 shares (Revalued @ Tk 45 per share to arrive at fair value as required by the Exchanges Demutualization Act 2013)	<b>612,564,975</b>	612,564,975
Closing balance	<b>612,564,975</b>	612,564,975

Assets earning ratio method has been used by the valuer in estimating the fair value of investment in CDBL.

**25.00 Investment In Zero Coupon Bond**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Recoverable within 1 year	<b>13,727,240</b>	-
Recoverable after 1 year	<b>67,207,327</b>	-
	<b>80,934,567</b>	-

**Issuer**

IPDC Finance Limited

**Issue date**

31 January 2018

**Face value of each bond**

Denomination of face value of each bond is BDT 1,000,000

**Discount range**

Discount range is expected to be within the range of 8% to 8.25% p.a

**Tenure and redemption**

From 6 months to 5 years from the issue date .

**Subscription**

Company subscribed in 100 nos. of redeemable zero coupon bond issued by IPDC @ Tk. 80,934,567 for six months to five years from issue date.

**Transferability**

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**Redemption**

Bonds within a bundle shall be redeemed equally over five (5) years on semi-annual basis.

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EIR is 8.087% per annum.

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<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Receivables against trade	<b>230,475,925</b>	99,514,648

This represents amount receivable from CSE TREC Holders arising from transactions on 28.06.2018. The amount was fully realised after the reporting date.

**27.00 Trade receivables-others**

<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Accrued interest on FDR		<b>141,863,974</b>	128,619,737
Other receivables	27.01	<b>50,919,419</b>	29,573,867
		<b>192,783,393</b>	158,193,604

Notes to the financial statements (continued)

27.01	Other receivables	Note	July' 17-June'18	July' 16-June'17
	<i>In Taka</i>			
	Receivable against capacity charge	27.01.01	33,121,543	24,715,497
	Receivable against listing income		9,447,459	1,176,902
	Rent and electricity bills receivable from tenants		3,453,806	1,156,619
	Legal and advertisement expenses recoverable from TSL		1,189,259	1,176,663
	Compensation against shares	27.01.02	1,463,213	1,463,213
	Data broadcasting fee- ETV		140,000	175,000
	Other receivables		309,774	244,715
	TREC Renewal fee		(980,000)	(1,130,000)
	CSE Investors' Protection Fund		47,376	55,034
	Interest Receivable on Zero Coupon Bond		2,726,989	-
	Depository Participant (DP) receivable	27.01.03	-	391,798
	Receivable against DP charges for demutualization		-	113,425
	Receivable against capital market fair		-	35,000
			<b>50,919,419</b>	<b>29,573,867</b>
27.01.01	This represents amount receivable from CSE TREC Holders as commission and contract charge against their trade according to the following category: Tk 400,000 (Taka Four Lac) minimum and Tk 1,000,000 (Taka Ten lac) maximum for the period from July' 2017 to June' 2018.			
27.01.02	<b>Compensation against shares</b>		<b>1,463,213</b>	<b>1,463,213</b>
	The amount represents the compensation receivable against 12 (twelve) scrips which were lost in course of transit. Duplicate share certificates have been received from 7 (seven) issuers so far against the claim lodged by CSE. Of these, 5 (five) scrips were sold at Tk. 622,563, which is Tk. 356,323 higher than the compensation paid in respect of these scrips. Correspondences are being made with the issuers of the remaining scrips for issuing fresh share certificates against the lost ones.			
27.01.03	<b>Depository participant (DP) charges receivable</b>			
	<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	De-mat fee		-	249,030
	Transaction fee		-	142,767
			-	<b>391,798</b>
28.00	<b>Advances, deposits and prepayments</b>			
	<i>In Taka</i>	Note	July' 17-June'18	July' 16-June'17
	Advances	28.01	4,723,659	2,156,681
	Deposits	28.02	1,465,202	1,435,202
	Prepayments	28.03	32,903,071	32,047,732
	Advance against car scheme	29.01	1,575,000	2,100,000
			<b>40,666,932</b>	<b>37,739,615</b>
28.01	<b>Advances</b>			
	<i>In Taka</i>	Note	July' 17-June'18	July' 16-June'17
	Advance for Land purchase	28.04	1,586,000	1,586,000
	Other advances	28.05	3,137,659	570,681
			<b>4,723,659</b>	<b>2,156,681</b>
28.02	<b>Deposits - Security</b>			
	<i>In Taka</i>		July' 17-June'18	July' 16-June'17
	BTCL		632,000	632,000
	RAJUK against application for allotment of land		600,000	600,000
	Electricity		152,625	152,625
	DDN Line Rent		45,577	45,577
	Duncan Product Ltd.		5,000	5,000
	Chittagong Club Ltd		30,000	-
			<b>1,465,202</b>	<b>1,435,202</b>

Notes to the financial statements (continued)

**28.03 Prepayments**

<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Data communication, trading system, index and website	28.06	30,881,221	29,691,530
Insurance premium		1,249,940	1,722,922
Annual subscription of SAFE & WFE		666,435	613,539
RND Technologies Ltd for Antivirus		68,608	-
Issuer Book Entry Demat Register Maintenance		35,334	-
BTCL for Domain Hosting		1,533	-
Land Development Tax		-	18,600
Fire License -Pre Payment		-	1,140
		<b>32,903,071</b>	<b>32,047,732</b>

**28.04 Advance for land purchase**

**1,586,000**      **1,586,000**

The amount represents the advance against land adjacent to CSE Building under the following registered deeds (Bainanama):

<b>Baina Ref.</b>	<b>Party</b>	<b>Date</b>	<b>Area</b>	<b>Rate</b>	<b>Total amount (Taka)</b>	<b>Advance (Taka)</b>
Baina no. 8018	Ms. Khadija Begum	08.05.12	0.0048 Acre or 1 Kora or 212 sft	Tk 70 lac per Ganda	1,717,593	1,586,000
<b>Total</b>					<b>1,717,593</b>	<b>1,586,000</b>

**28.05 Other advances**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
DATA CRAFT Ltd. for website development	391,874	391,874
Advance commission on advertisement	150,000	98,920
Travelling, conveyance and office expenses	37,319	2,571
Intellect Design Arena for Market Maker Software	1,452,900	-
Advance to Amicus Corporation Advisory Group for data collection, interview, report of Proposed CSE Complex Project	345,000	-
Advance to HG Aviation, Cox Today, Soudia Bus for Annual Picnic	449,000	-
Advance to Thakral Information for Server	165,000	-
Advance to Corporate Management Services for secretarial work with RJCS	20,000	-
Advance to Greenwhal Enterprise for kitchen cabinet at CSE Dhaka Office	50,500	-
Others	76,066	77,316
	<b>3,137,659</b>	<b>570,681</b>

**28.06 Data communication, trading system, index and website**

<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Millennium IT Software Ltd. for NGTS	13,756,567	13,278,794
Intellect Design Arena Pte Ltd. (Former: Polaris Software Lab Ltd.) for Oracle Licences	10,755,408	10,343,223
Intellect Design Arena (former Polaris) for NGTS	4,810,867	4,643,783
VRTS License	889,906	774,628
India Index Services & Products Ltd.	410,456	359,230
IBCS-PRIMAX for Oracle Linux Support renewal	241,989	234,940
Software Shop Ltd. for VeriSign	16,028	56,932
	<b>30,881,221</b>	<b>29,691,530</b>

**29.00 Advance against car scheme**

<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Recoverable in more than one year	29.01	4,750,000	4,900,000

Notes to the financial statements (continued)

29.01 Advance against car scheme

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Recoverable within one year	1,575,000	2,100,000
Recoverable in more than one year	4,750,000	4,900,000
	<b>6,325,000</b>	<b>7,000,000</b>

30.00 Advance income tax

<i>In Taka</i>	July' 17-June'18	July' 16-June'17
Opening balance	36,414,551	11,932,154
Paid/adjusted during the year	44,725,630	24,482,397
Closing balance	<b>81,140,181</b>	<b>36,414,551</b>

31.00 Investment in FDRs

<i>In Taka</i>	Interest rates (%)	July' 17-June'18	July' 16-June'17
Al Arafa Islami Bank Ltd.	8.00	300,000,000	300,000,000
BRAC Bank Ltd.	7.50-9.55	300,000,000	270,000,000
One Bank Ltd.	8.00-11.00	300,000,000	230,000,000
Shahjalal Islami Bank Ltd.	7.00-10.50	275,000,000	200,000,000
Mercantile Bank Ltd.	8.00-10.75	230,000,000	100,000,000
Dhaka Bank Ltd.	8.50-10.60	225,000,000	300,000,000
Lanka Bangla Finance Ltd.	8.50-11.25	200,000,000	200,000,000
IDLC Finance Ltd.	8.50-9.00	200,000,000	200,000,000
Phoenix Finance & Investment Ltd.	8.50-12.00	185,000,000	170,000,000
International Leasing & Financial Services Ltd.	10.75-12.50	150,000,000	200,000,000
Delta Brac Housing Finance Corp. Ltd.	8.00-8.75	150,000,000	150,000,000
AB Bank Ltd.	8.00-10.85	135,000,000	245,000,000
Union Capital Ltd.	10.00-12.25	130,000,000	200,000,000
First Security Islami Bank Ltd.	8.00	100,000,000	180,000,000
Bangladesh Finance & Investment Co. Ltd.	12.25	100,000,000	170,000,000
NRB Bank Ltd.	8.50	100,000,000	100,000,000
SBAC Bank Ltd.	8.25-9.00	100,000,000	85,000,000
EXIM Bank Ltd.	10.50	80,000,000	300,000,000
Prime Finance & Investment Ltd.	10.75-12.00	70,000,000	155,000,000
Social Islami Bank Ltd.	10.75	70,000,000	100,000,000
Islamic Finance & Investment Ltd.	8.25-11.00	60,000,000	150,000,000
IPDC Finance Ltd.	10.25-11.50	45,000,000	50,000,000
Midas Financing Ltd.	9.25-11.50	40,000,000	50,000,000
Investment Corporation of Bangladesh	5.75	40,000,000	150,000,000
Premier Leasing & Finance Ltd.	8.75	30,000,000	50,000,000
United Finance Ltd	8.50	30,000,000	50,000,000
Premier Bank Ltd.	9.00	10,000,000	60,000,000
NRB Global Bank Ltd.	8.00	10,000,000	5,000,000
NCC Bank Ltd	8.00-8.75	300,000,000	-
Southeast Bank Ltd.	10.50-10.75	230,000,000	-
IFIC Bank Ltd.	8.00	200,000,000	-
Eastern Bank Ltd.	8.00-8.50	170,000,000	-
United Commercial Banks Ltd.	9.25-9.75	140,000,000	-
Jamuna Bank Ltd.	7.00-8.50	110,000,000	-
Mutual Trust Bank Ltd.	8.50	30,000,000	-
Midland Bank Ltd.	8.00	20,000,000	-
Modhumati Bank Limited	8.00	20,000,000	-
Shimanto Bank Ltd.	8.00	20,000,000	-
National Bank Ltd.	7.00	-	300,000,000
The City Bank Ltd.	6.50	-	300,000,000
National Housing Finance and Investment Ltd.	7.25	-	20,000,000
Bangladesh Industrial Finance Co. Ltd.	9.25-11.00	-	10,000,000
Union Bank Ltd.	7.50	-	10,000,000
Peoples Leasing & Financial Services Ltd.	9.75	-	5,000,000
		<b>4,905,000,000</b>	<b>5,065,000,000</b>



**Notes to the financial statements (continued)**

Following FDR balances are earmarked against Chittagong Stock Exchange Settlement Guarantee Fund and Gratuity payable:

<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
<b>Earmarked against</b>	<b>Bank/Financial Institution</b>		
Chittagong Stock Exchange Settlement Guarantee Fund	Al-Arafah Islami Bank Ltd.	<b>300,000,000</b>	300,000,000
Gratuity payable	Dhaka Bank Ltd.	<b>75,000,000</b>	
	Dhaka Bank Ltd.	<b>80,000,000</b>	70,000,000
		<b>455,000,000</b>	370,000,000

**32.00 Cash and cash equivalents**

<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
<b>Cash in hand:</b>			
Cash in hand		<b>35,801</b>	35,903
<b>Cash at banks:</b>			
Current Trade		<b>70,364,374</b>	242,720
SND and STD Trade		<b>397,895,792</b>	291,261,712
		<b>468,260,166</b>	291,504,432
		<b>468,295,967</b>	291,540,335

**33.00 Share capital**

<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
<b>Authorised :</b>			
1,000,000,000 Ordinary shares of Tk. 10 each		<b>10,000,000,000</b>	10,000,000,000
Details of paid up share capital are as follows:			
Shares fully paid in cash (4,440,000 ordinary shares of Tk 10 each)		<b>44,400,000</b>	44,400,000
Bonus shares (630,084,840 ordinary shares of Tk. 10 each issued upon demutualization)		<b>6,300,848,400</b>	6,300,848,400
		<b>6,345,248,400</b>	6,345,248,400

As per the Exchanges Demutualization Act 2013 CSE issued 4,287,330 ordinary shares of Tk 10 face value to each of 148 initial shareholders (including 1 forfeited share) against 1 share of Tk 300,000 face value. Of these shares, 60% i.e. 2,572,398 shares have been kept in a blocked account and 40% i.e. 1,714,932 shares have been transferred to the respective B.O. account of the initial shareholders as per the requirement of the Exchanges Demutualization Act 2013.

**33.01 Share forfeiture account**

<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
4,287,330 Ordinary Share of Tk. 10		<b>42,873,300</b>	42,873,300

Paid up capital includes 4,287,330 ordinary shares of Tk 10 each against 1 share of Tk 300,000 of Trendset Securities Ltd. which was forfeited as per Clause 10 of the General Rules and Regulations of CSE consequent upon expulsion of their membership by the Board of CSE in its 173rd meeting held on 18th July 2012.

**34.00 Gratuity payable**

<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Opening Balance		<b>69,816,731</b>	62,622,113
Provided during the Year		<b>10,073,123</b>	8,114,177
Paid during the year		<b>(1,671,174)</b>	(919,559)
Closing Balance		<b>78,218,680</b>	69,816,731

**Notes to the financial statements (continued)**

<b>35.00 Trade payables-clearing</b>			
<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Payable against trade	35.01	<b>482,981,187</b>	276,375,597
		<b>482,981,187</b>	276,375,597
<b>35.01</b> It represents amount payable to CSE Members on account of transactions during 18.6.18 to 28.6.18. Full amount was paid after the reporting date.			
<b>36.00 Liability for expenses</b>			
<i>In Taka</i>	<b>Note</b>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Bangladesh Stock Dealers' Association		<b>5,260,827</b>	5,260,827
Communication expenses	36.01	<b>1,861,001</b>	1,473,955
Salaries and allowances payable		<b>3,446,808</b>	5,347,641
Annual maintenance charges	36.02	<b>490,383</b>	2,466,075
Payable to CDBL against D.P charges	36.03	<b>10,063,950</b>	8,453,753
Promotional & development expenses	36.04	<b>210,000</b>	200,000
Electricity, water and gas		<b>285,201</b>	349,308
Audit fee		<b>126,500</b>	100,000
Publication, printing and stationery		<b>879,017</b>	1,110,595
Security and cleaning services		<b>215,963</b>	209,833
Travelling, accommodation & conveyance		<b>329,744</b>	43,596
Repair and maintenance		<b>225,341</b>	116,252
Transportation expenses		<b>252,200</b>	520,716
Other payable against expenses		<b>186,015</b>	230,471
Legal and professional fee		<b>28,750</b>	776,000
Service charge of Dhaka and Sylhet Office		<b>20,000</b>	85,005
CDBL :2017-18- renewal of DP registration certificate; 2016-17 - demat register maint. Fee and Depository Connection fee		<b>4,000</b>	70,671
Advertising expenses		<b>14,161</b>	-
TRON for website development in Bangla		-	125,000
		<b>23,899,861</b>	26,939,698
<b>36.01 Communication expenses</b>			
<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
Fiber @ Home Ltd. for data transmission		<b>110,613</b>	110,613
Link3 Technologies Ltd. for data communication and web hosting		<b>720,341</b>	239,141
Agni Systems Ltd. for data communication		<b>590,420</b>	543,820
BTCL for telephone and fax		<b>143,000</b>	124,000
Postage & others		<b>98,387</b>	68,419
Beximco Ltd. for website maintenance		<b>58,000</b>	58,000
Grameen phone for mobile bill		<b>27,158</b>	24,218
BTCL for DDN and data communication		<b>70,116</b>	46,744
Drik ITC Ltd. for dark fiber connectivity		<b>15,000</b>	75,000
Telnet Communication Ltd for connectivity between CSE & CDBL with redundant link		<b>23,000</b>	-
Banglalink Digital Communication for mobile bill		<b>4,966</b>	-
Orascom Telecom Bangladesh Ltd. for data communication		-	184,000
		<b>1,861,001</b>	1,473,955
<b>36.02 Annual maintenance charges</b>			
<i>In Taka</i>		<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
IndigoTX Software Pvt Ltd for GOTX Middleware		<b>490,383</b>	478,087
DSE for Book Building System		-	1,847,988
Information Solutions Limited (DSE for Book Building System)		-	140,000
		<b>490,383</b>	2,466,075

Notes to the financial statements (continued)

<b>36.03</b>	<b>Payable to CDBL against Depository Participant(D.P) charges</b>		
	<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	Transaction fee & Demat fee	1,609,169	1,371,122
	B.O Account maintenance fee	8,454,781	7,082,631
		<b>10,063,950</b>	<b>8,453,753</b>
<b>36.04</b>	<b>Promotional &amp; development expenses</b>		
	<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	Bangladesh Capital Market Journalists Forum	200,000	200,000
	Dhaka Reporters Unity	10,000	-
		<b>210,000</b>	<b>200,000</b>
<b>37.00</b>	<b>Liability for other finance</b>		
	<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
	Trade Margin	70,590,000	19,190,000
	Annual listing income received in advance	44,975,251	46,867,858
	Workers' profit participation and welfare fund	26,412,670	33,237,199
	Advance listing fee awaiting Board approval	8,979,613	5,000
	Members' clearing house security deposit	7,371,359	7,296,359
	Commission & Contract charge	5,532,848	2,439,224
	Advance against rent	3,532,590	2,176,590
	Deposits of BO account holders	2,467,100	2,452,800
	Value Point Capitals Limited	37.01	1,286,820
	Advance against advertisement	1,011,000	1,248,000
	Earnest money of Nutriqual Ltd. against issuance of forfeited shares of Trendset Securities Ltd.	860,000	860,000
	Cash back rebate	201,513	201,513
	Investors' Protection Fund	136,766	587,563
	Provident Fund- Employees' subscription	107,106	286,964
	VAT deducted at source	132,491	215,947
	CSE Employees' Welfare Council	62,194	183,604
	Tax deducted at source	30,543	31,808
	Others	72,367	236,816
		<b>173,762,231</b>	<b>118,804,065</b>
<b>37.01</b>	<b>Value Point Capitals Limited</b>		
	The balance has been arrived at after crediting sale proceeds of membership and debiting various payments on behalf of Value Point Capitals Ltd. and other expenses incurred. Mr. Khondoker Rashed Ahmed, Ex-Managing Director of the company has filed a Court case in November, 2004 claiming compensation from other two directors of the company and also making CSE a party urging not to pay this amount to any one till the adjudication of the case. The case is pending in the Court of 3rd Joint District Judge for hearing.		
	<i>In Taka</i>	<b>July' 17-June'18</b>	<b>July' 16-June'17</b>
<b>38.00</b>	<b>Unclaimed dividend</b>	<b>29,738,431</b>	<b>12,861,990</b>
	The above amount represent 6% cash dividend against 7 TREC Holders for the year ended 31.12.2015 and 6 TREC Holders for the year ended 30.06.17		
	For the year ended 31.12.15	16,977,827	12,861,990
	For the year ended 30.06.17	12,760,604	-
		<b>29,738,431</b>	<b>12,861,990</b>

Notes to the financial statements (continued)

**39.00 Capital expenditure commitments**

1. An amount of Tk 131,593 has to be paid against land under the Bainanama (No. 8018 dated 8.5.12 ) for 212 sft land.
2. Tk. 1,452,900 (Equivalent USD 17,400) has to be paid to Intellect Design Arena for Market Maker Software. Total value of contract is USD 39,150.
3. Tk. 165,000 has been paid as advance out of Tk 330,000 to Thakral Information for Lenovo Think Systems Rack Server.
4. Tk. 345,000 has been paid as advance out of Tk 690,000 to Amicus Corporation Advisory Group for data collection, interview, report on Proposed CSE Complex Project.
5. Tk. 50,500 has been paid as advance out of Tk 101,000 to Greenwhal Enterprise against kitchen cabinet for CSE's Dhaka Office.

**40.00 Particulars of employees**

	Number of Employees	
	2018	2017
Employees drawing more than Tk. 3,000 per month	87	90
Employees drawing less than Tk. 3,000 per month	-	-

**41.00 Contingent liabilities**

The company had no contingent liabilities at the reporting date.

**42.00 Bank guarantee**

The company had no bank guarantee at the reporting date.



**Notes to the financial statements (continued)**
**43.00 Financial instruments- Fair value and risk management**
**A. Accounting Classifications and fair values**

The following table shows the carrying amount and fair values of financial assets and financial liabilities including their level in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

*In Taka*

	Note	Fair value				Carrying amount (Taka)		
		through profit or loss	Held to maturity	Loans and receivables	Available-for-sale	Other financial liabilities	Total	
<b>30 June 2018</b>								
<b><u>Financial assets not measured at fair value</u></b>								
Investment with CDBL	-	-	-	-	612,564,975	-	-	612,564,975
Trade receivables - clearing	-	-	-	230,475,925	-	-	-	230,475,925
Trade receivables - others	-	-	-	192,783,393	-	-	-	192,783,393
Investment in FDRs	-	-	-	-	4,905,000,000	-	-	4,905,000,000
Investment in Zero Coupon Bond	-	-	-	-	67,207,327	-	-	67,207,327
Cash at Bank	-	-	-	468,260,166	-	-	-	468,260,166
				<b>891,519,484</b>	<b>5,584,772,302</b>	-	-	<b>6,476,291,786</b>
<b><u>Financial liabilities not measured at fair value</u></b>								
Trade payables - clearing	-	-	-	-	-	(482,981,187)	-	(482,981,187)
Gratuity payable	-	-	-	-	-	(78,218,680)	-	(78,218,680)
Liability for expenses	-	-	-	-	-	(23,899,861)	-	(23,899,861)
Liability for other finance	-	-	-	-	-	(173,762,231)	-	(173,762,231)
				-	-	<b>(758,861,959)</b>	-	<b>(758,861,959)</b>
<b>30 June 2017</b>								
<b><u>Financial assets not measured at fair value</u></b>								
Investment with CDBL	-	-	-	-	612,564,975	-	-	612,564,975
Trade receivables - clearing	-	-	-	99,514,648	-	-	-	99,514,648
Trade receivables - others	-	-	-	158,193,604	-	-	-	158,193,604
Investment in FDRs	-	-	-	-	5,065,000,000	-	-	5,065,000,000
Cash at Bank	-	-	-	291,504,432	-	-	-	291,504,432
				<b>549,212,684</b>	<b>5,677,564,975</b>	-	-	<b>6,226,777,659</b>
<b><u>Financial liabilities not measured at fair value</u></b>								
Trade payables - clearing	-	-	-	-	-	(276,375,597)	-	(276,375,597)
Gratuity payable	-	-	-	-	-	(69,816,731)	-	(69,816,731)
Liability for expenses	-	-	-	-	-	(26,939,698)	-	(26,939,698)
Liability for other finance	-	-	-	-	-	(118,804,065)	-	(118,804,065)
				-	-	<b>(491,936,091)</b>	-	<b>(491,936,091)</b>

Notes to the financial statements (continued)

(i) When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

*Level 1:* quoted price (unadjusted) in active markets for identical assets or liabilities.

*Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

*Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(ii) The Company has not disclosed the fair values of financial instruments such as trade receivables and payables, because their carrying amounts are a reasonable approximation of fair values.

**B. Financial risk management**

The Company has exposure to the following risks from its use of financial instruments:

- a) Credit risk [see (B) (ii)];
- b) Liquidity risk [see (B) (iii)] and
- c) Market risk [see (B) (iv)].

**Risk management framework**

The company management has overall responsibility for the establishment and oversight of the Company's risk management framework. The company's management policies are established to identify and analyze the risks faced by the company to set appropriate risk limits and controls and to monitor risks and adherence to limit. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

**a) Credit risk**

Credit risk is the risk of financial loss if a customer fails to meet its contractual obligations which arise principally from the Company's receivables from TREC holders/members. Moreover, trading or transaction of stocks leads to some credit risk for the company as fee received from transactions is the main source of

**Exposure to credit risk**

The trading and carrying amount of financial assets shown in the Statement of Financial Position represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows :

<i>In Taka</i>	July' 17-June'18	July' 16- June'17
Trade receivables-clearing	230,475,925	99,514,648
Trade receivables-others	192,783,393	158,193,604
Advances and deposits	40,666,932	37,739,615
Investment in FDRs	4,905,000,000	5,065,000,000
Cash at bank	468,260,166	291,504,432
Investment in Zero Coupon Bond	67,207,327	-
	<b>5,904,393,743</b>	<b>5,651,952,299</b>

**Ageing of Trade Receivables-Clearing**

The ageing of accounts receivable clearing and Trade receivable others at the end of the reporting period that were not impaired was as follows:

<i>In Taka</i>	July' 17-June'18	July' 16- June'17
0-90 days	230,475,925	99,514,648

**Notes to the financial statements (continued)**
**b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed condition, having sufficient capability to manage unacceptable loss, if arising, or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities:

**Non-derivative financial liabilities**

<b>As at 30 June 2018</b>	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Within 2 months</b>	<b>Within 2-12 months</b>	<b>Within 1-2 years</b>	<b>Within 2-5 years</b>	<b>More than 5 years</b>	<b>Other</b>
Trade payable - clearing	482,981,187	482,981,187	482,981,187	-	-	-	-	-
Gratuity payable	78,218,680	78,218,680	-	-	-	-	-	78,218,680 (upon leaving employment)
Liability for expenses	23,899,861	23,899,861	8,575,084	10,063,950	5,260,827	-	-	-
Liability for other finance	173,762,231	173,762,231	159,104,362	-	-	5,999,690	8,658,179	-
	<b>758,861,959</b>	<b>758,861,959</b>	<b>650,660,633</b>	<b>10,063,950</b>	<b>5,260,827</b>	<b>5,999,690</b>	<b>8,658,179</b>	<b>78,218,680</b>
<b>As at 30 June 2017</b>								
Trade payable - clearing	276,375,597	276,375,597	276,375,597	-	-	-	-	-
Gratuity payable	69,816,731	69,816,731	-	-	-	-	-	69,816,731 (upon leaving employment)
Liability for expenses	26,939,698	26,939,698	13,225,118	8,453,753	5,260,827	-	-	-
Liability for other finance	118,804,065	118,804,065	105,591,496	-	-	3,739,620	9,472,949	-
	<b>491,936,091</b>	<b>491,936,091</b>	<b>395,192,212</b>	<b>8,453,753</b>	<b>5,260,827</b>	<b>3,739,620</b>	<b>9,472,949</b>	<b>69,816,731</b>

**c) Market risk**

Market risk is the risk that arises from the economic, political, competitive and regulatory environment within which the Company operates. The main market risks are clients and competition, changing regulatory environment and fiscal regime and political environment. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

## Notes to the financial statements (continued)

### 44.00 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the company except otherwise stated.

#### 44.01 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Revenue is recognised in the period when the service or supply is provided. CSE's sources of revenue includes Capacity Charge/Transaction income, Listing income, TREC renewal income, Service income and Trader certificate and renewal income etc.

(a) Capacity Charge/Transaction income- earned from both buyers and sellers and taken into account on settlement of the transactions. It comprises commission and contract charges. The rate of commission: upto Tk. 5 crore: 0.018%, above Tk. 5 crore to Tk. 10 crore: 0.015% and above Tk. 10 crore: 0.013% effective from 23 December 2014.

For bulk trade transaction of Tk. 50 lac and above the rate of commission is @ 0.006% per day effective from 02 May 2015.

The contract charge is charged @ Tk. 2 per contract.

However, the Board in its different meetings decided to impose following capacity charge against the trade of TREC holders as final discharge of commission and contract :

Period	Range of Trade
January 2016 to December 2016	Tk. 300,000 minimum and Tk. 1,500,000 maximum
January 2017 to June 2017	Tk. 200,000
July 2017 to June 2018	Tk. 400,000 minimum and Tk. 1,000,000 maximum

(b) Listing income- includes initial and annual listing income and direct listing application income. Initial listing income for new issues is recognised upon approval of the respective listing by the Board. However, for the listed issues, initial listing fee (for corporate actions) are recognised when received. Annual listing fee is recognized on accrual basis on a straight-line basis over the period covered by the respective income. Direct listing application income is recognized when the income is received. Listing fees are collected according to the 'Chittagong Stock Exchange (Listing) Regulations, 2015' effective from 01 July 2015.

c) TREC renewal income- recognised @ Tk. 50,000 per TREC holders per year on accrual basis.

d) Service income - includes income from Depository Participant, Data broadcasting etc., which are recognised on accrual basis.

e) Traders' Certificate and renewal income: Traders' Certificate income is recognised @ Tk. 10,000 per traders and @ Tk 5,000 for renewal per year when the income is received.

f) Registration of Authorised Representative- CSE charges registration fee @ Tk. 200 per year to each Authorised Representative (AR) for 5 (five) years along with ID card fee of Tk. 100, total Tk. 1,100. The amount is collected upfront at the time of issuing registration.

#### 44.02 Foreign currency translations

Transactions in foreign currencies are translated to the functional currency (BD Taka) at exchange rates at the dates of respective transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are retranslated into Bangladesh Taka at the exchange rates ruling at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognized in profit or loss.

## Notes to the financial statements (continued)

### 44.03 Employee benefits schemes

#### 44.03.01 Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further amounts. The Recognised Employees' Provident Fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose.

Obligation for contribution to defined contribution plan is recognised as Provident Fund Contribution expense in statement of profit or loss and other comprehensive income in the period during which services are rendered by employees.

Both the confirmed employee and the Exchange contribute equal amount (10% of basic salary) towards the fund.

#### 44.03.02 Defined Benefit Plan-Gratuity

The Exchange provides gratuity benefits to its employees working for more than five (5) years based on basic salary. It is calculated based on a fraction multiplied by last basic salary and length of service. The fraction depends on the length of service. It is 1.25, 1.50 and 2.00 for 5-7 years, 7-10 years and more than 10 years respectively.

#### 44.03.03 Car Loan

The Exchange provides car loan facility to its executives under the car scheme of the Exchange.

### 44.04 Property, plant and equipment

Items of Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

#### 44.04.01 Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed/installed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of fixed assets have different useful lives, they are accounted for as separate items (major components) of fixed assets.

The gain or loss on disposal of an item of fixed assets is determined by comparing the proceeds from disposal with the carrying amount of the fixed assets, and is recognised on net basis under Non-operating income/expenses in the statement of comprehensive income.

#### 44.04.02 Subsequent costs

The cost of replacing part of an item of fixed assets is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of fixed assets are recognised in statement of comprehensive income as incurred.

#### 44.04.03 Depreciation

Depreciation on Property, Plant and Equipment is calculated on Straight Line method applying the rates so as to write off assets over their expected useful lives. Depreciation is charged from the month in which the assets comes into use or is capitalised. No depreciation is charged on the assets retired during the year.

The rates of depreciation/amortization are as follows:

<b>Particulars</b>	<b>Rate (%)</b>
Leasehold land	1.07%
Building (Dhaka and Sylhet Commercial space and Chittagong Building )	3.50%
Books, Furniture and Fixture, Office renovation, Fire Alarm System and Other assets	10%
Generator	15%
Electrical Sub-station, Office Equipment, Air Conditioner, Vehicles, Computers, Access Control System and Electric Fittings	20%



## Notes to the financial statements (continued)

### 44.00 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the company except otherwise stated.

### 44.01 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Revenue is recognised in the period when the service or supply is provided. CSE's sources of revenue includes Capacity Charge/Transaction income, Listing income, TREC renewal income, Service income and Trader certificate and renewal income etc.

(a) Capacity Charge/Transaction income- earned from both buyers and sellers and taken into account on settlement of the transactions. It comprises commission and contract charges. The rate of commission: upto Tk. 5 crore: 0.018%, above Tk. 5 crore to Tk. 10 crore: 0.015% and above Tk. 10 crore: 0.013% effective from 23 December 2014.

For bulk trade transaction of Tk. 50 lac and above the rate of commission is @ 0.006% per day effective from 02 May 2015.

The contract charge is charged @ Tk. 2 per contract.

However, the Board in its different meetings decided to impose following capacity charge against the trade of TREC holders as final discharge of commission and contract :

Period	Range of Trade
January 2016 to December 2016	Tk. 300,000 minimum and Tk. 1,500,000 maximum
January 2017 to June 2017	Tk. 200,000
July 2017 to June 2018	Tk. 400,000 minimum and Tk. 1,000,000 maximum

(b) Listing income- includes initial and annual listing income and direct listing application income. Initial listing income for new issues is recognised upon approval of the respective listing by the Board. However, for the listed issues, initial listing fee (for corporate actions) are recognised when received. Annual listing fee is recognized on accrual basis on a straight-line basis over the period covered by the respective income. Direct listing application income is recognized when the income is received. Listing fees are collected according to the 'Chittagong Stock Exchange (Listing) Regulations, 2015' effective from 01 July 2015.

c) TREC renewal income- recognised @ Tk. 50,000 per TREC holders per year on accrual basis.

d) Service income - includes income from Depository Participant, Data broadcasting etc., which are recognised on accrual basis.

e) Traders' Certificate and renewal income: Traders' Certificate income is recognised @ Tk. 10,000 per traders and @ Tk 5,000 for renewal per year when the income is received.

f) Registration of Authorised Representative- CSE charges registration fee @ Tk. 200 per year to each Authorised Representative (AR) for 5 (five) years along with ID card fee of Tk. 100, total Tk. 1,100. The amount is collected upfront at the time of issuing registration.

### 44.02 Foreign currency translations

Transactions in foreign currencies are translated to the functional currency (BD Taka) at exchange rates at the dates of respective transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are retranslated into Bangladesh Taka at the exchange rates ruling at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognized in profit or loss.

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**Notes to the financial statements (continued)**


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**Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that are not classified in any other categories of financial assets. Generally available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs and subsequent to initial recognition at fair value and changes therein other than impairment losses.

Available-for-sale financial assets comprise investment with Central Depository Bangladesh Limited and Investment in FDRs and Zero coupon Bond.

**44.06.02 Financial liabilities**

The company initially recognises financial liabilities on the trade date, which is the date that the company becomes a party to the contractual provisions of the instrument.

The company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortized cost.

Other financial liabilities comprise share capital, Trade payable- clearing, liabilities for expenses and liabilities for other finance.

(a) Share capital (ordinary shares)

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as expenses.

(b) Trade payables- clearing

Trade payables- clearing represent the amounts due to CSE TREC Holders on the reporting date on account of transactions. Trade payables- clearing is initially recognised at cost which is the fair value of the consideration. After initial recognition these are carried at amortised cost.

(c) Liabilities for expenses

Liabilities for expenses represent the amounts committed to various parties against different expenses. These are initially recognised at cost which is the fair value.

(d) Liabilities for other finance

Liabilities for other finance represent the amounts due to various parties for receiving services. These are initially recognised at cost which is the fair value. After initial recognition these are carried at amortised cost.

**44.07 Impairment**
**44.07.01 Property, Plant and Equipment**

The carrying amount of the company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

**44.07.02 Receivables**

Company policy is to provide for impairment loss on debtors, if it estimates that the amount is uncollectable.

**44.08 Leased assets**

Leases in terms of which the entity assumes that substantially all the risks and rewards of ownership are transferred to the entity, it is classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and are not recognised in the entity's statement of financial position.

**44.09 Lease payments**

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

**Determining whether an arrangement contains a lease**

At inception of an arrangement, the company determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the company the right to control the use of the underlying asset.

Notes to the financial statements (continued)

**44.10 Finance Income and Costs**

Interest income on FDRs and SND Accounts have been recognised on accrual basis.  
Finance costs comprise bank charges for transacting with various banks are recognised in profit and loss.

**44.11 Income tax**

Income tax expense comprises current tax and deferred tax. Income tax expenses are recognized in the statement of profit or loss and other comprehensive income as per provision of income tax laws following the BAS-12.

**44.11.01 Current tax**

Current tax is the expected tax payable on the taxable income for the period/year, using tax rates enacted or substantively enacted at the reporting date. The Government vide SRO no. 157-Ain/Income tax/2014 dated 26 June 2014 has imposed tax at varying rates for five years commencing from July 2014. Subsequently, vide SRO no.109-Ain/Income Tax/2016 dated 25 April, 2016 the Government has extended 100% tax exemption up to 30 June, 2016.

**44.11.02 Deferred tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

**44.12 Earnings per Share (EPS)**

In compliance to BAS 33: "Earnings per Share", the company presented basic earnings per share for its ordinary shares. Diluted earnings per share has not been calculated as there is no scope for dilution.

**44.13 Standards adopted but not yet effective**

The Institute of Chartered Accountants of Bangladesh (ICAB) has adopted following new standards and amendments to standards. All previously adopted reporting standards are consistently applied by the Company to the extent relevant for the Company.

New standards	Summary of the requirements	Possible impact on financial statements
BFRS 9 Financial Instruments	BFRS 9, published in July 2014, replaces the existing guidance in BAS 39 Financial Instruments: Recognition and Measurement. BFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from BAS 39. BFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.	The Company is assessing the potential impact on its financial statements resulting from the application of BFRS 9.
BFRS 15 Revenue from Contracts with Customers	BFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including BAS 18 Revenue, BAS 11 Construction Contracts and BFRIC 13 Customer Loyalty Programmes. BFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.	The Company is assessing the potential impact on its financial statements resulting from the application of BFRS 15.

**45.00 Events After the Reporting Period**

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

**CHITTAGONG STOCK EXCHANGE LIMITED**

**PROXY FORM**

I/We ..... of .....  
..... Being a shareholder of Chittagong Stock  
Exchange Ltd. do hereby appoint Mr./Mrs. .... as my/our  
proxy to attend and vote for me and on my/our behalf at the .....rd AGM of Chittagong Stock  
Exchange Ltd. to be held on .....day of .....20..... at ..... a.m./p.m. at the .....  
..... and at  
any adjournment thereof. As witness my/our hand this ..... day of ..... 20.....

\_\_\_\_\_  
Signature of Shareholder (s)

\_\_\_\_\_  
Signature of Proxy

No. of shares held .....

Revenue Stamp Tk. 20
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BO ID No.																			
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**Note:** A shareholder entitled to attend at the General Meeting may appoint a PROXY to attend on his/her behalf. The Proxy Form, duly stamped, must be deposited at the Registered Office at least 72 hours before the time of the meeting. Proxy shall not be allowed to a person under the age of 18 and a person who is not a shareholder of CSE. A voter is not allowed to take proxy of more than ONE shareholder.

Signature Verified

\_\_\_\_\_  
Authorized Signatory

.....

**CHITTAGONG STOCK EXCHANGE LIMITED  
SHAREHOLDER/PROXY ATTENDANCE SLIP**

I hereby record my attendance at the .....rd AGM of the Company on .....day of .....20.....  
at .....a.m./p.m. at the .....

Name of the shareholder .....

No. of shares .....

BO ID No.																			
-----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Name of the Proxy (if any): .....

\_\_\_\_\_  
Signature of Shareholder/Proxy

\_\_\_\_\_  
Signature verified by

**Notes:** Please present this slip at the Reception Desk. Children and non-shareholders will not be allowed at the meeting.



**CHITTAGONG  
STOCK  
EXCHANGE**



## **Chittagong Stock Exchange Limited**

### *CSE offices*

#### **CSE Registered Office**

CSE Building, 1080 Sk. Mujib Road, Agrabad, Chittagong, Bangladesh.  
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