

রেজিস্টার্ড নং ডি এ-১

বাংলাদেশ



গেজেট

অতিরিক্ত সংখ্যা
কর্তৃপক্ষ কর্তৃক প্রকাশিত

শনিবার, মার্চ ১, ২০১৪

[বেসরকারি ব্যক্তি এবং কর্পোরেশন কর্তৃক অর্থের বিনিময়ে জারীকৃত বিজ্ঞাপন ও নোটিশসমূহ]

**DHAKA STOCK EXCHANGE
(TREC HOLDER'S MARGIN) REGULATIONS, 2013**

NOTIFICATION

Dated: the December 04, 2013

In exercise of the powers conferred by section 34(1) of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) and read with section 23 of the Exchanges Demutualization Act, 2013, Dhaka Stock Exchange Limited makes, with the prior approval of the Bangladesh Securities and Exchange Commission, the following Regulations, namely:

1. Short title:

- (1) These Regulations may be called the Dhaka Stock Exchange (TREC Holder's Margin) Regulations, 2013;
- (2) These shall come into effect on Demutualization Date.

2. Definitions:

- (1) In these Regulations, unless there is anything in the subject or context,
 - (a) "Additional trade exposure" means the amount of the total trade exposure exceeding the free limit for each TREC holder;

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- (b) “Clearing house” means the clearing house set up for the purpose of settlement of transactions;
- (c) “Demutualization Act” means the Exchanges Demutualization Act, 2013 (Act no. 15 of 2013);
- (d) “Demutualization Date” means the date from which the Exchange stands demutualized in accordance with the provisions of section 10 of the Demutualization Act;
- (e) “Direct settlement” means direct settlement between the TREC holders under the Dhaka Stock Exchange (Settlement of Transactions) Regulations, 2013;
- (f) “Exchange” or “DSE” means the Dhaka Stock Exchange Limited;
- (g) “Free limit” means the amount of the aggregate (gross) trade exposure for each TREC holder on which no TREC holder’s margin shall be applicable;
- (h) “Instruments” means the papers and documents including cash for the purpose of TREC holders’ margin;
- (h) “Trade exposure” means total buy position of a TREC holder at any point of time during a trading day;
- (i) “TREC” means Trading Right Entitlement Certificate as defined in the Demutualization Act;
- (j). “TREC holder” means a person who holds a TREC issued by the Exchange;
- (k) “TREC holder’s margin” means the margin deposited by a TREC holder with the clearing house under these Regulations;

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- (1) “Security deposit” means the amount compulsorily deposited by each TREC holder with the clearing house as prescribed by the Exchange.
 - (2) Words and expressions used that are not defined herein but defined in the Companies Act, 1994 (XVIII of 1994), or the Securities and Exchange Ordinance, 1969 (XVII of 1969), or the Securities and Exchange Commission Act, 1993 (XV of 1993), the Exchanges Demutualization Act, 2013 shall have the same meanings as are respectively assigned to them in the said Ordinance or Act.
- 3. Free limit:** The free limit shall be Taka 10 (ten) crore only in respect of the stock exchange TREC holders’ margin deposit with the stock exchange on each trading day based on the total buy exposure:
- Provided that in case of foreign trades the exposure will be on total gross trade exposure instead of buy exposure, if there remains any unsettled sale exposure.
- 4. TREC holder’s margin:**
- (1) Every TREC holder shall, in addition to the security deposit, deposit with the clearing house, free of interest, as TREC holder’s margin an amount at the rate specified in Sub-Regulation (3) on his additional trade exposure within one hour of his exceeding the free limit failing which his trade shall remain suspended.
 - (2) Transaction for direct settlement between TREC holders shall be excluded from calculation of the aggregate (gross) trade exposure.
 - (3) Every TREC holder shall deposit the TREC holder’s margin with the clearing house on the additional trade exposure at the following rates:

Additional trade exposure TREC holder's margin rate

- (a) Above free limit but not exceeding 1 (one) crore @ 20%
- (b) Above taka 1 (one) crore above free limit but not exceeding 2 (two) crore @ 30%
- (c) Above taka 2 (two) crore above free limit but not exceeding 4 (four) crore @ 50%
- (d) Above taka 4 (four) crore above free limit @ 100%

5. Instruments for TREC holder's margin:

- (1) The following instruments shall be the instruments for the TREC holder's margin:
 - (a) Irrevocable and without recourse to the Drawer Bank or Insurance Guarantee or Guarantee issued by the non-banking financial institution (NBFI) registered with the Bangladesh Bank provided such NBFI is lawfully authorized in this behalf, provided further that the issuing party has not exceeded its regulatory exposure limits.
 - (b) Government securities;
 - (c) Fixed Deposit Receipt issued by any scheduled bank;
 - (d) Sanchaypatra (সঞ্চয়পত্র) and Defense Saving Certificate issued by the Government of Bangladesh;
 - (e) Life Insurance Policy at surrender value;
 - (f) Demand Draft or Payment Order issued by any scheduled bank;
 - (g) Securities listed with the Exchange (valued at seventy percent of the lowest market price prevailed in the Exchange in the previous week); and
 - (h) Cash.

- (2) The instruments mentioned in clauses (a), (b), (c), (d), (e), (f) or (g) under Sub- Regulation (1) shall be endorsed in favor of the Exchange.
- (3) 90% (ninety percent) of the value of the instruments mentioned in Sub-Regulation (2) shall be considered as the value of the TREC holder's margin deposited under these Regulations.
- (4) In case of cash margin an amount equivalent to 2 (two) times the deposited amount shall be considered as the value of the TREC holder's margin deposited under these Regulations.
- (5) Validity of the instruments mentioned in clause (a) of Sub-Regulation (1) shall be verified by the Exchange from time to time, frequency of such verification shall not be less than semi-annual.

6. Adjustment or refund of TREC holder's margin:

- (1) The Exchange, in addition to other available recourses, shall, without giving any prior intimation to the TREC holder concerned, immediately realize the value of the instruments deposited by a TREC holder as TREC holder's margin and adjust the amount so realized against the dues of the TREC holder concerned, if it fails to settle its trade with the clearing house on the settlement day.
- (2) The TREC holder shall be liable to pay the shortfall, if any, to the clearing house which remains after making the adjustment as per Sub-Regulation (1), including the costs, interest, charges and expenses involved in the realization process, within three days of the written notice of demand issued to it by the Exchange.
- (3) The Exchange shall issue the notice of demand within twenty-four hours of realization of TREC holder's margin as per Sub-Regulation (1).

- (4) The notice of demand shall contain, among others, details of the dues, the amount realized against TREC holder's margin, the costs, interests, charges and expenses involved in the realization process, and the amount that remains outstanding for payment by the TREC holder to the clearing house.
- (5) The Exchange may either retain the unutilized TREC holder's margin or refund the same to the TREC holder concerned within twenty-four hours of receipt of the TREC holder's request in writing in this respect.
- (6) Trade of the concerned TREC holder shall remain suspended until full realization from it the amount mentioned in the notice of demand as per Sub-Regulation (4).

7. Maintenance of books and records:

- (1) The clearing house and every TREC holder shall maintain proper books and records in respect of the TREC holder's margin in such Form as the Exchange, with the prior approval of the Commission, prescribes from time to time.
- (2) The books and records maintained under Sub-Regulation (1) shall always be kept updated and ready for inspection by the Exchange or by the Commission.

8. Power to grant exemption: The Commission may, from time to time, exempt any order or trade of any TREC holder from all or any of the provisions of these Regulations.

9. Power to add, delete or modify: Notwithstanding anything contained in these Regulations, the Commission may, in the, interest of investors and development of capital markets, direct the stock exchange to add, delete or modify any provision of the said Regulations as it deems appropriate from time to time.

10. Repeal and Savings

- (1) **Repeal:** The *Dhaka Stock Exchange (Member's Margin) Regulations, 2000* is hereby repealed.
- (2) **Savings:** Notwithstanding the repeal, the *Dhaka Stock Exchange (Member's Margin) Regulations, 2000* and any amendments of the Regulations made thereunder, shall continue to apply, as if those Regulations had not been repealed to any acts of the Exchange at any period prior to the commencement of these Regulations.

By order of the Board of Directors

PROFESSOR DR. SWAPAN KUMAR BALA, FCMA

Managing Director

Dhaka Stock Exchange Limited.