

**Major provisions of Companies ACT 1994**

Topic	Companies Act 1994
<b>Section 04:</b> Prohibition of partnership exceeding certain number	<ul style="list-style-type: none"> <li>&gt; More than 10 person can not form company, association or partnership for the banking business unless it is registered.</li> <li>&gt; More than 20 person can not form company, association or partnership for any other business unless it is registered.</li> </ul>
<b>Section 06:</b> Memorandum of company limited by shares	<p>Company limited by shares</p> <p>a) Memorandum shall state</p> <ul style="list-style-type: none"> <li>&gt; name of the company with 'limited' as the last word in its name</li> <li>&gt; Address of the registered office</li> <li>&gt; Objects of the company</li> <li>&gt; Liabilities of the members are limited</li> <li>&gt; Proposed share capital and the divisions thereof into shares of a fixed amount.</li> </ul> <p>b) Each subscriber of the memorandum shall take at least one share.</p> <p>c) each subscriber shall write opposite to his name the number of shares he takes.</p>
<b>Section 11:</b> Name of company and change of name	<ul style="list-style-type: none"> <li>&gt; A company shall not be registered by a name which is already exist.</li> <li>&gt; If does so, it needs to change the name as per the direction of registrar <b>within 120 days</b>.</li> <li>&gt; By a <b>special resolution</b> and subject to the approval of the registrar in writing, company can change the name.</li> <li>&gt; After changing the name registrar shall enter the new name on the register and shall issue a certificate of incorporation in its new name.</li> <li>&gt; Change of name shall not change any rights or obligations of the company.</li> <li>&gt; On payment of prescribed fee company may apply to registrar for information whether any company is registered or proposed to be registered by a name specified in the application and registrar shall furnish the required information within a period of 30 days from the date of receipt of the application.</li> </ul> <p><u><b>New Changes:</b></u></p> <ul style="list-style-type: none"> <li>&gt; Private Limited company name must have the word '<b>LTD</b>'.</li> <li>&gt; Public Limited Company name must have the word '<b>PLC</b>'</li> <li>&gt; One Person Company name must have the word '<b>OPC</b>'</li> </ul>
<b>Section 12:</b> Alternation of memorandum	<p>Subject to the provisions of this Act, a company may, by <b>special resolution</b>, alter the provisions of its memorandum with respect to the objects of the company, so far as may be required to enable it--</p> <ul style="list-style-type: none"> <li>(a) to carry on its business more economically or more efficiently; or</li> <li>(b) to attain its main purpose by new or improved means; or</li> <li>(c) to enlarge or change the local area of its operations; or</li> <li>(d) to carry on some business which, under the existing circumstances. may conveniently or advantageously be combined with the business of the company; or</li> <li>(e) to restrict or abandon any of the objects specified in the memorandum; or</li> <li>(f) to sell or dispose of the whole or any part of the undertaking of the company; or</li> <li>(g) to amalgamate with any other company or body of persons.</li> </ul> <p>(2) The alteration shall not take effect <b>until and except in so far it is confirmed by the Court on petition</b>.</p>
<b>Section 15:</b> Procedure on confirmation of the alternation	<p>A certified copy of the order confirming the alternation, together with a printed copy of the memorandum as altered, shall be filed by the company with the Registrar <b>within 90 days from the date of the order</b> or within such time as may be extended by the court.</p>
<b>Section 17:</b> Registration of articles	<ul style="list-style-type: none"> <li>&gt; A company limited by guarantee and an unlimited company shall, and a company limited by shares may have an articles of association herein provision shall be made for regulating the affairs of the company; and the article shall be signed by the subscribers of the memorandum and be registered together with the memorandum.</li> <li>&gt; Articles of association may adopt all or any of the regulations contained in Schedule I, and shall in any event be deemed to contain regulations identical with or to the same effect as regulation 56, 66, 71, 78, 79, 80, 81, 82, 95, 97, 105, 108, 112, 113, 114, 115, and 116 contained in that Schedule.</li> <li>&gt; Provided that regulations 78, 79, 80, 81, and 82 shall not be deemed to be included in the articles of any private company except a private company which is the subsidiary company of a public company.</li> <li>&gt; Provided further that regulation, 108 shall be deemed to require that a statement of the reasons why of the whole amount of any item of expenditure which may in fairness be distributed over several years, only a portion thereof is charged against the income of the year, shall be shown in the profit and, loss account, unless the company in general meeting shall determine otherwise.</li> </ul>
<b>Section 20:</b> Alteration of articles by special resolution	<p>Subject to the provisions of this Act and to the conditions contained in its memorandum, a company may by <b>special resolution</b> alter, exclude from or add to its articles: and any alteration, exclusion or addition so made shall be as valid as if originally contained in the articles, and be subject in like manner to alteration, exclusion o addition by special resolution.</p>
<b>Section 25:</b> Conclusiveness of certificate of incorporation.	<p>A certificate of incorporation given by the Registrar in respect of any association shall be <b>conclusive evidence</b> that all the requirements of this Act in respect of registration and of matters precedent and incidental thereto have been complied with and that the association is a company authorized to the registered and <b>duly registered</b> under this Act.</p>

<b>Section 26:</b> Copies of memorandum and articles to be given to members.	<p>&gt; Every member of a company may request for a copy of the memorandum, and also for a copy of the articles, if any, and if such request is made in writing along with a fee of <b>taka fifty or such less fee as may fixed</b> by the company, the company shall, <b>within 14 days</b> from the date of such request, send the copy to that member.</p> <p>&gt; If a company makes default in complying with the requirements of this section, it shall be liable for each offence to a <b>fine not exceeding two hundred taka</b> and every officer of the company who is knowingly and willfully in default shall be liable to like penalty.</p>		
<b>Section 38:</b> Transfer of shares	<p>&gt; Application for the transfer of shares may be made either by the transferor or the transferee.</p> <p>&gt; It shall <b>not be lawful</b> for the company to register a transfer of share in or debentures of the company <b>unless the proper instrument of transfer duly stamped</b> and executed by the transferor and the transferee has been delivered to the company along with script.</p> <p>&gt; If a company refuses to register the transfer of any shares or debentures the company, shall, <b>within one month</b> from the date on which the instrument of transfer was lodged with the company, send to the transferee and the transferor <b>notice of the refusal</b>.</p> <p>&gt; If the <b>notice is not given duly</b>, company shall be liable for a <b>fine not exceeding one hundred taka for everyday</b> during which the default continues and every director, manager secretary other officer who is knowing by a party to the default shall, be liable to a like penalty.</p> <p><b>New changes</b></p> <p>&gt; <b>Share transferor</b> need to attend <b>physically</b> in the <b>registrar office</b> to <b>re-sign and confirm</b> the share transfer.</p> <p>&gt; If the share transferor is a foreign citizen or stays outside the country, <b>share transfer agreement to be sent after certifying by the embassy</b>.</p>		
<b>Section 42:</b> Power to close register	<p>A company may on giving 07 days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the company is situated close the register of members for any time or times not exceeding in the whole forty-five days in each year but not exceeding thirty days at a time.</p>		
<b>Section 57:</b> Application of premiums received on issue of shares.	<p>The share premium account may be applied by the company--</p> <p>(a) in paying up unissued shares of the company to be issued to member of the company as fully paid bonus shares;</p> <p>(b) in writing off the preliminary expenses of the company,</p> <p>(c) in writing off the expenses of, or the commission paid or discount allowed, on any issue of shares or debentures of the company; or</p> <p>(d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the company.</p>		
<b>Section 58:</b> Restriction on purchase by company or loans by Company for purchase of its own shares.	<p>No company limited by shares shall have power to buy its own shares or the shares of a public company of which it is a subsidiary company.</p>		
<b>Section 61:</b> Addition to name of company of "and reduced"	<p>On and from the passing by a company of a resolution for <b>reducing share capital</b>, or where the reduction does not involve either the diminution of any liability in respect of un-paid share capital or the payment to any share holder of any paid-up share capital, then on and from the making of the order by the Court confirming by the reduction the company shall add to its name, until such date as the Court may fix, the words <b>"and reduced"</b> as the last words in its name and those words shall until that date be deemed to be part of the name of the company.</p>		
<b>Section 77:</b> Registered office of company	<p>&gt; A company shall as from the day on which it begins to carry on business or as from the <b>28 days</b> after the date of its incorporation, whichever is earlier, have a registered office to which all communications and notices may be addressed.</p> <p>&gt; Notice of the situation of the registered office and of any change therein shall be given within 28 days after the date of the incorporation of the company or of the change, as the case may be, to the Registrar who shall record the same.</p> <p>&gt; The inclusion in the annual return of a company of the statement as to the address of its registered office shall not be taken to satisfy the obligation imposed by this section.</p> <p>&gt; If a company carries on business without complying with the requirements of this section, it shall be liable to a fine not exceeding two hundred taka for every day during which it so carries on business.</p>		
<b>Section 78:</b> Publication of name by a limited company	<p>Every limited company-</p> <p>(a) Shall paint or affix, and keep painted or affixed, in letters easily legible and in Bengali or English characters, its name in a conspicuous position on the front side of every office or place in which its business is carried on;</p> <p>(b) shall have its name engrave in legible characters on its seal;</p> <p>(c) shall have its name mentioned in legible Bengali or English characters in all bill-heads, letter papers and in notices, advertisements and other official publications of the company, and in all bills of exchange, hundis, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by or on behalf of the company, and in all bills of parcels; invoices, receipts and letters credit of the company.</p>		
	<table border="1"> <tr> <td> <p>&gt; First AGM to be held <b>within 18 months</b> from incorporation.</p> <p>&gt; Minimum one AGM within a calendar year.</p> <p>&gt; <b>Not more than 15 months</b> shall elapse from one AGM to another.</p> </td><td> <p><b>BSEC &amp; DSE listing regulations:</b></p> <p>&gt; Within <b>06 months</b> from the date of closing</p> </td></tr> </table>	<p>&gt; First AGM to be held <b>within 18 months</b> from incorporation.</p> <p>&gt; Minimum one AGM within a calendar year.</p> <p>&gt; <b>Not more than 15 months</b> shall elapse from one AGM to another.</p>	<p><b>BSEC &amp; DSE listing regulations:</b></p> <p>&gt; Within <b>06 months</b> from the date of closing</p>
<p>&gt; First AGM to be held <b>within 18 months</b> from incorporation.</p> <p>&gt; Minimum one AGM within a calendar year.</p> <p>&gt; <b>Not more than 15 months</b> shall elapse from one AGM to another.</p>	<p><b>BSEC &amp; DSE listing regulations:</b></p> <p>&gt; Within <b>06 months</b> from the date of closing</p>		

<b>Section 81:</b> Annual General Meeting	<p>&gt; Registrar may, on an application made by a company <b>within 30 days</b> from the date of expiry of the period, <b>extend the time</b> (not being first AGM) by a period <b>not exceeding 90 days</b> or <b>not exceeding 31st December</b>, whichever is <b>earlier</b>.</p> <p>&gt; In case of default, the <b>Court</b> may, on the application of any member of the company, call or direct the calling of a <b>general meeting</b>.</p> <p><b>See regulation 47</b></p>	<p>accounting year.</p> <p>&gt; Within <b>45 working days</b> from the date of record date.</p> <p>&gt; Record date should be within <b>14 market days but not exceeding 30 market days</b> from the Board meeting.</p>
<b>Section 83:</b> Statutory meeting and statutory report of company	<p>&gt; Within a period of <b>not less than one month</b> and <b>not more than six months</b> from the date at which the company is entitled to commence business, hold a general meeting of the members of the company; in this Act such meeting is referred to as "the statutory meeting".</p> <p>&gt; The Board of Directors shall, in accordance with the other provision of this Act, prepare a report, in this Act referred to as '<b>statutory report</b>' and shall <b>at least 21 days before the day</b> on which the statutory meeting is not be held, forward the report to very member of the company:</p> <p>Provided that if the report is forwarded later than the time as is required above, it shall notwithstanding that fact, be deemed to have been duly forwarded if any member entitled to attend and vote at the meeting does not object to such forwarding. <b>See regulation 46</b></p>	
<b>Section 84:</b> Calling of extraordinary general meeting on requisitions	<p>&gt; Directors may call extraordinary general meeting at the requisition of share holder of minimum 01/10th of issued share capital.</p> <p>&gt; If the directors do not proceed within 21 days from the requisition to call a meeting within 45 days from the date of requisition, the requisitioned, or a majority of them in value, may themselves call the meeting.</p> <p>&gt; but any meeting so called shall be held before the expiration of 03 months from the date of the deposit of the requisition. <b>See Regulation 49</b></p>	
<b>Section 85:</b> Provision as to meeting and votes	<p>&gt; AGM may be called by <del>14</del> 21 days (new change) notice in writing.</p> <p>&gt; Meeting for the passing of a special resolution can be called by 21 days notice in writing.</p> <p>&gt; Shorter notice is allowed if all the members for AGM and 95% shareholder for other meeting are agreed in writing.</p> <p>&gt; Notice shall be given to the members as per schedule I</p> <p>&gt; 05 members present in person or by proxy or chairman or any member holding 01/10th share shall be entitled to demand poll.</p> <p>&gt; In case of private company where not more than 07 members are present, 01 member and if more than 07 members are present, 02 members can demand poll.</p>	
	<p>The following provisions shall have effect if so far as the articles of the company do not make other provision in this behalf:--</p> <p>(a) 02 or more members holding not less than one-tenth or the total share capital paid-up or, if the company has not a share, capital, not less than five percent in number of the members of the company may call a meeting.</p> <p>(b) in the case of a private company whose number of members does not exceed six, two members and if such number exceeds six, three members, and in the case of any other company, five members personally present shall be a quorum;</p> <p>(c) any member elected by the members present at a meeting may be chairman thereof.</p> <p>(d) in the case of company originally having a share, capital, every member shall have one vote in respect of each, share or each hundred taka of stock held by him, and in any other cases very member shall have one vote;</p> <p>(e) on a poll, votes may be given either personally or by proxy;</p> <p>(f) the instrument appointing a proxy shall be in writing under the hand or the appoint or of his attorney duly authorised in writing or if the appointer is a corporation or a company, either under seal or under the hands of an officer or an attorney duly authorised: Provided that the appointment of proxy shall not be allowed in case of companies formed under section 28 and a proxy may or may not be a member of the company.</p>	
	<p>3) If for any reason it is impracticable to call a meeting of a company in any manner in which meeting of that company may be called or to conduct the meeting of the company in manner prescribed by the articles or this Act the Court may either of its own motio or on the application of any director of the company or of any member of the company who would be entitled to vote at the meeting, order a meeting of the company to be called, held and conducted in such manner as the Court thinks fit, and where any such order shall for all purposes be deemed to be a meeting of the company duly called, held and conducted.</p> <p><b>New changes</b></p> <p>&gt; AGM notice 21 days.</p> <p>&gt; All the proceedings in EGM shall be treated as special proceedings except dividend approval, bonus share approval, audit report approval, directors &amp; auditor's report, auditor's remuneration and retirement of directors.</p> <p>&gt; Submission time and place for any agreement need to be mentioned in the notice if any agenda included in the notice based on that agreement.</p> <p>&gt; Shareholder of <b>minimum 5% can propose agenda for AGM</b></p>	
<b>Section 87:</b> Extraordinary and special resolution	<p>&gt; A resolution shall be a <b>extraordinary resolution</b> when it has been passed by a majority of <b>not less than three fourths</b> of such members entitled to vote as are present in person or by proxy, where proxies are allowed, at a general meeting of which notice specifying the intention to propose the resolution as an extraordinary resolution has been duly given.</p> <p>&gt; <b>21 days notice</b> specifying the intention to propose the resolution as a <b>special resolution</b> is required for special resolution (to be passed by three fourth members). If all the members are agreed, less than 21 days notice also acceptable. <b>See regulation 50</b></p>	
<b>Section 88:</b> Registration and copies of special and extraordinary resolution	<p>A copy of every special and extraordinary resolution shall, within fifteen days from the passing thereof, be printed or typewritten and duly certified under the signature of an officer of the company and filed with the Registrar who shall record the same.</p>	

<b>Section 89:</b> Minutes of proceedings of general meeting and of its directors	<p>&gt; Every company shall cause minutes of all proceedings of general meeting and meetings of its directors to be entered in books kept for that purpose.</p> <p>&gt; Subject to reasonable restrictions in articles, the book shall be allowed for inspection in registered office minimum for 02 hours without any charge.</p> <p>&gt; Any member shall at any time after fourteen days from the meeting, be entitled to be furnished within seven days after he has made a request in that behalf to the company with a copy of any minutes at a charge not exceeding ten taka for every hundred words.</p> <p>&gt; If any inspection required under sub-section (4) is refused, on if any copy required under sub-section (5), is not furnished within the time specified in sub-section (5), the company and every officer of the company who is knowingly and willfully in default or who authorizes or permits default shall be liable in respect of each offence to a fine not exceeding taka one hundred and to a further fine not exceeding one hundred taka for every day during which the default continues.</p> <p>(7) In the case of any such refusal or default the Registrar may by order compel an immediate inspection of the books in respect of all proceedings of general meeting or direct that the copies required shall be sent to the person requiring them.</p>	
<b>Section 90:</b> Directors obligatory	<p>&gt; Every public company and a private company which is a subsidiary of a public company shall have at least three directors.</p> <p>&gt; Every private company other than a private company mentioned in sub-section (1) shall have at least two directors;</p> <p>&gt; Only a natural person may be appointed a director.</p> <p><b>See regulation 84</b></p>	<p><b>BSEC notification:</b></p> <p>&gt; Minimum 05 and maximum 20.</p> <p>&gt; At least 01/05th shall be independent.</p> <p>&gt; At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company.</p>
<b>Section 91:</b> Appointment of directors	<p>&gt; The subscribers of the memorandum shall be deemed to be the directors of the company until the first directors are appointed.</p> <p>&gt; Directors shall be elected by the members from among them in general meeting.</p> <p>&gt; Casual vacancy shall be filled by other directors by a qualified person and he shall retire at the time original director was about to retire.</p> <p><b>See regulation 79, 80, 84 and 85</b></p>	
<b>Section 92:</b> Restrictions on appointment or advertisement of director	<p>A person shall not be capable of being appointed director of a company by the articles and shall not be named as a director or proposed director unless</p> <p>&gt; Signed and filed with the Registrar a consent in writing to act as such director; and</p> <p>&gt; taken from the company and paid or agreed to pay for his qualification shares; or</p> <p>&gt; signed and filed with the registrar a contract in writing to take from the company and pay for his qualification shares; or</p> <p>&gt; made and filed with the Registrar any affidavit to the effect that a number of shares not less than his qualifications share are registered in his name.</p>	
<b>Section 93:</b> Consent of candidate for directorship	<p>&gt; Every person, proposed as a candidate for the office of a director shall sign, and file with the company, his consent in writing to act as a director, if appointed.</p> <p>&gt; A person shall not act as a director of the company unless he has, <b>within thirty days of his appointment</b>, signed and filed with the Registrar his consent in writing to act as such director.</p>	
<b>Section 94:</b> Disqualifications of directors	<p>&gt; A person shall not be capable of being appointed director of a company, if -</p> <p>(a) he has been found to be of unsound mind by a competent court and the finding is in force; or</p> <p>(b) he is an undischarged insolvent; or</p> <p>(c) he has applied to be adjudicated as an insolvent and his application is pending; or</p> <p>(d) he has not paid any call in respect of shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call; or</p> <p>(e) he is a minor.</p> <p>&gt; A company may in its articles provide additional grounds for disqualification of a director. <b>See regulation 78</b></p>	
<b>Section 95:</b> Notice of meetings	<p>Notice of every meeting of the Board of Directors of a company shall be given in writing to every director for the time being in Bangladesh and at his address in Bangladesh. <b>See regulation 113-117</b></p>	
<b>Section 96:</b> Meeting of Board	<p>In the case of every company a meeting of its Board of Directors shall be held at least once in every three months and at least four such meetings shall be held in every year.</p>	<p><b>BSEC regulation</b></p> <p>The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board.</p>
<b>Section 97:</b> Qualification of Director	<p>&gt; Directors need to hold qualifying share within <b>sixty days</b> after his appointment or such <b>shorter time as may be fixed by the articles</b>.</p> <p>&gt; If within the above mentioned time director doesn't hold qualifying shares and continue to be director, shall be fine not exceeding two hundred for every day between the expiry of the period to last day on which it is proved that he acted as director.</p>	
<b>Section 98:</b> Validity of act of director	<p>&gt; The acts of a director shall be valid notwithstanding any defect that may afterwards be discovered in his appointment of qualification.</p> <p>&gt; Provided that nothing in this section shall be deemed to give validity to act done by a director after the appointments of such director has been shown to be invalid.</p>	
<b>Section 101:</b> Appointment and terms and office of alternate directors	<p>&gt; The Board of Directors of a company may, if so authorized by its articles or by a resolution passed by the company in general meeting, appoint an alternate director, to act for a director hereinafter in this section called the original director during his absence for a continuous period of not less than three months from Bangladesh.</p> <p>&gt; An alternate director appointed under sub-section (1) shall not hold office as such for a period longer than that permissible to the original director in whose place he has been appointed and shall vacate the office, immediately after he receives information that the original director has returned to Bangladesh.</p>	

<b>Section 103:</b> Loan of director	<p>No company shall make any loan or give any guarantee or provide any security in connection with a loan made by a third party to</p> <ul style="list-style-type: none"> <li>&gt; any director</li> <li>&gt; any firm in which any director of the lending company is a partner</li> <li>&gt; any private company of which any director of the lending company is a director or member.</li> </ul> <p>However, this is not applicable for</p> <ul style="list-style-type: none"> <li>&gt; banking company or private company which is not a subsidiary of a public company</li> <li>&gt; the loan is sanctioned by the Board of Directors of any company and approved by the general meeting and presented separately in the balance sheet.</li> </ul> <p>In no case the total amount of the loan shall exceed 50% of the paid up value of the shares held by such director.</p>	
<b>Section 104:</b> Director not to hold office of profit	<p>No director or firm of which such director is a partner of private company of which such director is a Director shall, without the consent of the company in general meeting, hold any office of profit under the company except that of a managing director or manager or a legal or technical adviser or a banker.</p>	
<b>Section 105:</b> Sanction of Directors necessary for certain contracts	<p>Except with the consent of the Directors, a Director of a company, or the private company of which he is a member or Director, shall not enter into any contract for the sale, purchase or supply of goods and materials with the Company.</p>	
<b>Section 106:</b> Removal of directors	<ul style="list-style-type: none"> <li>&gt; The company may by an <b>extraordinary resolution</b> remove any share holder director before the expiration of his period of office and may by ordinary resolution appoint another person in his stead and the person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected director.</li> <li>&gt; A director so removed shall not be re-appointed director by the Board of Directors. <b>See Regulation 87</b></li> </ul>	
<b>Section 108:</b> Vacation of office of director	<p>The office of a director shall be vacant, if--</p> <ul style="list-style-type: none"> <li>(a) he <b>fails to obtain qualification share</b> within the time specified in section 97 (1) (within sixty days after his appointment or such shorter time as may be fixed by the articles) or at any time there after ceases to hold, the qualifications-shares, if any, necessary for his appointment; or</li> <li>(b) he is found to be of <b>unsound mind</b> by a competent court; or (c) he is adjudged an insolvent; or</li> <li>(d) he <b>fails to pay calls</b> made on him in respect of shares held by him <b>within six months</b> from the date of such calls being made; or</li> <li>(e) he or any firm of which he is a partner or any private company of which he is a director, without the sanction of the company in general meeting accepts or <b>holds any office of profit</b> under the company other than that of a managing director or manager or a legal or technical adviser or a banker; or</li> <li>(f) he absents himself from <b>three consecutive meeting</b> of the directors or from <b>all meetings of the directors</b> for a <b>continuous period of three months</b>, whichever is the longer, without leave of absent from the Board of Directors; or</li> <li>(g) he or any firm of which he is a partner or any private company of which he is a director accepts a loan or guarantee from the company in contravention of section 103; or</li> <li>(h) he acts in <b>contravention</b> of section 105.</li> </ul> <p>&gt; A company may provide by its articles that the office of director shall be vacated on grounds additional to those specified in sub-section (1).</p>	
<b>Section 110:</b> Managing director not to be appointed for more than five years at a time.	<ul style="list-style-type: none"> <li>&gt; No company shall, appoint or employ any individual as its managing director for a term <b>exceeding five years</b> at a time.</li> <li>&gt; Any individual holding, at the commencement of this Act, the office of the managing director in a company shall, unless his term expires earlier, be deemed to have vacated his office immediately on the expiry of five years from the commencement of this Act.</li> <li>&gt; Nothing contained in sub-section (1) shall be deemed to prohibit the re-employment or the extension of the term of office of any person as managing director for a further period not exceeding five years on each occasion.</li> </ul> <p>Provided that no such re-appointment, re-employment or extension of term of office shall be made without the consent of the company in general meeting.</p>	<p><b>BSEC Notification</b></p> <ul style="list-style-type: none"> <li>&gt; The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;</li> <li>&gt; The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company.</li> </ul>
<b>Section 111:</b> Compensation for loss of office not permissible to managing or whole time directors or directors who are managers	<p>Any payment made to a managing or other director in pursuance of sub-section (1) shall not exceed the remuneration which he would have earned if he had been in office for the unexpired residue of his term or for three years, whichever is shorter, and such remuneration shall be calculate on the basis of--</p> <ul style="list-style-type: none"> <li>(a) the average remuneration received by him during the period of three years immediately preceding the date on which he acased to hold that office; and</li> <li>(b) where he held that office for a period of less than three years, the overage remuneration received by him during the period for which he held the office.</li> </ul>	
<b>Section 128:</b> Execution of deeds	<p>The company shall have ability to give the power to any person in writing, in general or in any particular case, as its attorney to perform the documents in or outside Bangladesh. And if the attorney signs a document on behalf of the company, the document will be effective and binding on the company.</p>	
<b>Section 131:</b> Prohibition of voting by interested director	<ul style="list-style-type: none"> <li>&gt; No director shall, as a director, vote on any contract or arrangement in which he is either directly or indirectly concerned or interested, nor shall his presence count for the purpose of forming a quorum at the time of any such vote, and if he does so vote, his vote shall not be counted.</li> <li>&gt; Every director who contravenes the provision of sub-section (1) shall be liable to a fine not exceeding five thousand taka.</li> <li>&gt; <b>This section shall not apply to a private company</b></li> </ul>	

<b>Section 145:</b> Civil liability for misstatement in prospectus	<p>Below person shall be liable to pay compensation to every person who subscribes for any shares or debentures on the faith of the prospectus on which untrue statement included.</p> <ul style="list-style-type: none"> <li>&gt; Director of the company at the time of the issue of prospectus</li> <li>&gt; Who is agreed to be a director</li> <li>&gt; Promoter</li> <li>&gt; Who authorized the issue of the prospectus</li> </ul>	
<b>Section 146:</b> Penalty for untrue statement in prospectus	<p>Every person who authorized the issue of the prospectus shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to five thousand taka or with both, unless he proves either that the statement was immaterial or that he had reasonable ground to believe, and did, up to the time of the issue of the prospectus, believe the statement was true.</p>	
<b>Section 181:</b> Books to be kept by company and penalty for not keeping them	<ul style="list-style-type: none"> <li>&gt; Every company shall keep proper books of account.</li> <li>&gt; The books of account shall be kept at the <b>registered office</b> of the company and shall at <b>all times be open to inspection</b> by directors during business hours.</li> <li>&gt; The books of account of every company relating to a period of <b>not less than twelve years</b> immediately preceding the current year together with vouchers relevant to any entry in such books of account shall be preserved in good order.</li> </ul>	
<b>Section 183:</b> Annual Balance Sheet	<ul style="list-style-type: none"> <li>&gt; The Board of Directors at each AGM will submit a balance sheet along with profit or loss account.</li> <li>&gt; Profit and loss account shall be prepared for the following period: For the first AGM: Beginning with the date of incorporation to any date within 09 months preceding the date of meeting. Subsequent AGM: Beginning with the date immediately after last account and ending on a date:  <ul style="list-style-type: none"> <li>&gt; <b>within 09 months preceding such meeting</b>, or</li> <li>&gt; If the company carrying business or having interest outside Bangladesh, a date <b>within 12 months preceding the date of such meeting</b>.</li> </ul> </li> <li>&gt; Provided that Registrar may extend the period of 09 or 12 months by a period not exceeding 03 months if the application is made before the expiry of said 09 or 12 months.</li> <li>&gt; The balance sheet the profit or loss account shall be audited and the audit report shall be attached.</li> <li>&gt; The period may be less or more than a calendar year but shall not exceed 15 months. Based on the special permission granted by the Registrar the period may be extended to 18 months. <b>See regulation 109</b></li> </ul>	
	<p><b>BSEC &amp; DSE Regulation:</b></p> <p><i>Adoption of quarterly Financial Statements</i></p> <ul style="list-style-type: none"> <li>&gt; <b>Q1:</b> Within 45 days (for life insurance company 90 days) of end of first quarter, submit the FS (audited/unaudited) and publish in one Bengali, one English and one online news site. (DSE &amp; BSEC)</li> <li>&gt; <b>Q2:</b> Within 30 days of end of second quarter, submit the FS (audited/unaudited) and publish in one Bengali, one English and one online news site. (DSE &amp; BSEC)</li> <li>&gt; <b>Q3:</b> Within 30 days of end of second quarter, submit the FS (audited/unaudited) and publish in one Bengali, one English and one online news site. (DSE &amp; BSEC)</li> <li>&gt; Delay of submission shall cause penalty of BDT 5,000 tk per day. (DSE)</li> <li>&gt; Disclosures of quarterly FS shall be in accordance with the provision of SEC Rules 1987, IAS and IFRSs. (BSEC)</li> <li>&gt; Special disclosure of NAV, EPS, NOCFPS, direct method cash flow along with indirect method reconciliation. (BSEC)</li> </ul>	
	<p><i>Submission of Annual Financial Statements</i></p> <ul style="list-style-type: none"> <li>&gt; Annual financial statements of the company (except life insurance company) shall be audited within 120 days from the end of financial year. (BSEC &amp; DSE)</li> <li>&gt; It shall be <b>submitted to the Commission and Stock exchange within 14 days of such completion audit</b>. life insurance company shall, within 30th June of Gregorian calendar, submit the audited annual financial statements. (BSEC &amp; DSE)</li> <li>&gt; Based on application, commission can extend the time on good cause. (BSEC)</li> <li>&gt; Delay of submission shall cause penalty of BDT 5,000 tk per day. (DSE)</li> <li>&gt; Disclosures of annual FS shall be in accordance with the provision of SEC Rules 1987, IAS and IFRSs. (BSEC)</li> </ul>	
	<p><i>Adoption of Annual Financial Statements</i></p> <ul style="list-style-type: none"> <li>&gt; The company shall notify the Commission and the stock exchange <b>before 07 days</b> of the board meeting called for adoption of its annual financial statements. (BSEC &amp; DSE)</li> <li>&gt; In the same board meeting NAV, EPS, NOCFPS shall be declared, AGM date shall be fixed and dividend shall be recommended.</li> <li>&gt; No dividend shall be declared other than current year or accumulated undistributed profit. Not from any form of reserve.</li> </ul>	
<b>Section 184:</b> Board report	<p>Along with balance sheet in general meeting a report by its Board of Directors shall be attached,</p> <ul style="list-style-type: none"> <li>&gt; the state of the company's affairs</li> <li>&gt; the amount, if any which the board proposes to carry to any reserve</li> <li>&gt; the amount, if any which the board recommends should be paid by way of Dividend</li> </ul>	<p><b>BSEC regulation</b></p> <ul style="list-style-type: none"> <li>&gt; Dividend shall be paid within 30 days from the date of approval in AGM</li> </ul>
<b>Section 187:</b> Financial year of holding company and subsidiary	<ul style="list-style-type: none"> <li>&gt; Government may, on the application or with the consent of the Board of Directors of the company whose financial year is to be extended, may extend the financial year of Holding company or subsidiary company.</li> <li>&gt; The submission of accounts to a general meeting, the holding of a general meeting or the making of an annual return, shall not be required to be submitted or made earlier than the dates specified in the direction not with standing anything to the contrary in this Act or in any other law for the time being in force.</li> </ul>	

<p><b>Section 189:</b> Authentication of balance sheet, profit and loss account, etc</p>	<p>Every balance sheet, and every profit and loss account or income and expenditure account shall be signed on behalf of the Board of Directors-</p> <p>&gt; In case of <b>banking company</b>, by the <b>manager, or managing agent</b>, if any, and, where there are <b>more than three directors</b> of the company, by at <b>least three</b> of those directors or, where there are <b>not more than three directors</b>, by all the directors;</p> <p>&gt; In the case of any other company, by its managing agent, manager or secretary, if any, and by <b>not less than two directors</b> of the company <b>one of whom shall be the managing director</b> where there is one.</p> <p>&gt; If required number of directors are not available in Bangladesh, the <b>available directors shall sign</b>. In that case a statement explaining the reason for non compliance signed by the available director shall be attached with Balance Sheet and Profit or Loss account.</p>	<p><b>BSEC &amp; DSE regulations:</b></p> <p>&gt; <b>Unaudited FS:</b> With the signatures of the Chief Executive Officer (CEO) or Managing Director (MD), Chief Financial Officer (CFO) or Head of Finance and Accounts and the Company Secretary (CS) including at least two directors of the board until and unless otherwise required by applicable primary regulator</p> <p>&gt; <b>Audited FS:</b> Same as Companies ACT provision.</p>
<p><b>Section 190:</b> Copy of balance-sheet, etc. to be filed with Registrar</p>	<p>&gt; Three copies of Balance Sheet and Profit or loss account shall be filed with the Registrar within 30 days from AGM. If the AGM was not held, within 30 days from the last date on which the AGM should have been held.</p> <p>&gt; Shall be signed by Managing Director or Secretary or if there none of these, by a director.</p> <p>&gt; If the Balance Sheet and Profit or Loss account are not approved in AGM, or AGM not held, the statement of the fact shall be annexed with unapproved Balance Sheet and Profit or Loss account.</p>	
<p><b>Section 195:</b> Investigation of affairs of company by inspectors</p>	<p>The Government may appoint one or more competent inspectors to investigate the affairs of any company and to report thereon in such manner as the Government may direct-</p> <p>(a) in the case of a company having a share capital, on the application of members holding not less than one-tenth of the shares issues;</p> <p>(b) in the case of a company not having a share capital, on the application of not less than one-fifty in number of the person on the company is register of members;</p> <p>(c) in the case of any other company, on a report by the Registrar under section 193(5).</p>	
<p><b>Section 210:</b> Appointment and remuneration of auditors</p>	<p>&gt; Every company shall, at each annual general meeting appoint an auditor or auditors to hold office from the conclusion of that meeting until the next annual general meeting and shall within seven days of the appointment, give intimation thereof to every auditor so appointed.</p> <p>&gt; No person can be appointed auditor of any company unless his written consent has been obtained prior to such appointment or re-appointment.</p> <p>&gt; Every auditor appointed under sub-section (1) shall, within thirty days of the receipt from the company of the intimation of his appointment, inform the Registrar in writing that he has accepted, or refused to accept, the appointment.</p> <p>&gt; At any annual general meeting a retiring auditor, by whatsoever authority appointed, shall be reappointed, unless-</p> <p>(a) he is not qualified for re-appointment; or</p> <p>(b) he has given the company notice in writings of his unwillingness to be re-appointed; or</p> <p>(c) a resolution has been passed at that meeting appointing somebody else instead of him or providing expressly that he shall not be re-appointed (due to death, incapacity or dishonesty of disqualification).</p>	
	<p>&gt; The first auditor or auditors of a company shall be appointed by the Board of Directors within one months of the date of Registration of the company, and the auditor or auditors so appointed shall hold office until the conclusion of the first annual general meeting.</p> <p>&gt; The remuneration of the auditors of a company-</p> <p>(a) in the case of an auditor appointed by the Board or the Government, shall be fixed by the Board or the Government respectively : and</p> <p>(b) subject to clause (a), shall be fixed by the company in the general meeting or in such manner as the company in the general meeting may determine. <b>See regulation 112</b></p> <p><b>BSEC and DSE regulation</b></p> <p>&gt;The company shall not appoint any firm of chartered accountants as its statutory auditors for a consecutive period exceeding three years.</p>	
<p><b>Section 212:</b> Qualification and disqualification of auditors</p>	<p>&gt; Only a 'Chartered Accountant' or a firm of 'Chartered Accountant' can be appointed as auditor.</p> <p>&gt; None of the following persons shall be qualified for appointment as auditor including the person who is not qualified for the company's holding company or subsidiary company or the subsidiary of the holding company:</p> <p>a) an officer or employee of the company</p> <p>b) a person who is indebted to the company for an amount exceeding one thousand taka, or who had given any guarantee or provided any security in connection with the indebtedness of any third person to the company for an amount exceeding one thousand taka:</p> <p>(d) a person who is director or member of a partner company, or a partner of a firm, which is the managing agent of the company;</p> <p>(e) a person who is a director, or the holder of shares exceeding five percent in nominal value of the subscribed capital, of any body corporate which is the managing agent of the company. <b>See regulation 112</b></p>	
<p><b>Section 215:</b> Signature of audit report, etc</p>	<p>Only the person appointed as auditor of the company, or where a firm is so appointed in pursuance of the proviso to sub-section (1) of section 212, only a partner in the firm practicing in Bangladesh shall put his signature on the auditor's report, or any other document required of the company by law to be signed or authenticated by the auditor.</p>	
<p><b>Section 217:</b> Right of auditor to attend general meeting</p>	<p>All notices of an other communications relating to any general meeting of a company which any member of the company is entitled to have sent to him shall also be forwarded to the auditor of the company, and the auditor shall be entitled to attend any general meeting and to be heard at any general meeting which he attends on any part of the business which concerns him as auditor.</p>	

<b>Section 225:</b> Authentication of documents	A document or proceeding requiring authentication by a company may be signed by a director, secretary or other authorized officer of the company.
<b>Section 233:</b> Power of Court to give direction for protecting interest of the minority	<p>Subject to fulfillment of the conditions of the required minimum as specified in section 195 (a) and (b) any member or debenture holder of a company may either individually or jointly bring to the notice of the court by application that-</p> <p>(a) the affairs of the company are being conducted or the powers of the directors are being exercised in a manner prejudicial to one or more of its members or debenture holders or in disregard of his or their interest; or</p> <p>(b) the company is acting or is likely to act in a manner which discriminated or is likely to discriminate the interest of any member or debenture holder;</p> <p>(c) a resolution of the members, debenture holders or any class of them has been passed or is likely to be passed which discriminates or is likely to discriminate the interest of one or more of the members or likely to debenture holder: and pray for such order, as in his or their opinion, would be necessary for safeguarding his or their interest and also the interest of any other member or debenture holder.</p> <p>&gt; After the hearing thee court will give order accordingly which needs to be followed and informed to the registrar within 14 days from the order by the company.</p>

#### Major Provisions of Schedule 01

<b>Alteration of capital</b>	
<b>Regulation 41</b>	The directors may, with the sanction of the company in general meeting, increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
<b>Regulation 43</b>	The new shares shall be subject to the same provisions with reference to the Payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.
<b>Regulation 45</b>	The company, may, by special resolution, reduce its share capital in any manner and with, and subject to any incident authorized and consent required, by law.
<b>General meeting</b>	
<b>Regulation 46</b>	The statutory general meeting of the company shall be held within the period required by Section 83 of the Companies Act 1994. <b>See Section 83</b>
<b>Regulation 47</b>	A general meeting shall be held (within eighteen months from the date of its incorporation and thereafter once at least in every year) at such time (not being more than fifteen months after the holding of the last preceding general meeting) and place as may be prescribed by the company in general meeting. <b>See section 81</b>
<b>Regulation 48</b>	The above-mentioned general meetings shall be called ordinary meetings; all other general meetings shall be called extraordinary.
<b>Regulation 49</b>	The directors may, whenever they think fit, call an extraordinary general meeting, and extraordinary general meetings shall also be called on such requisition, or in default, may be called by such requisitionists, as provided by Section 84 of the Companies Act 1994. If at any time there are not within (Bangladesh) sufficient directors capable of acting to form a quorum, any director or any two members of the company may call an extraordinary general meeting in the same manner as nearly as possible as that in which meeting may be called by the directors. <b>See section 84</b>
<b>Regulation 50</b>	[Subject to the provisions of sub-section (2) of Section 87 of the Companies Act 1994, relating to special resolutions), <b>fourteen days' notice at least</b> (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hour of meeting. <b>See section 87</b>
<b>Regulation 51</b>	All business shall be deemed special that is transacted at an extra ordinary meeting, and all that is transacted at an ordinary meeting with the exception of sanctioning a dividend, the consideration of the accounts, Balance sheets and the ordinary report of the directors, and auditors, the election of directors and other officers in the place of those retiring by rotation, and the fixing of the remuneration of the auditors.
<b>Regulation 52</b>	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as therein otherwise provided, (two members in the case of a private company and five members in the case of any other company) personally present shall be a quorum. <b>See section 85</b>
<b>Regulation 53</b>	<p>&gt; If within 30 minutes the quorum is not present, extraordinary general meeting shall be dissolved.</p> <p>&gt; in any other case, it shall stand adjourned to the same day in the next week at the same time and place.</p> <p>&gt; if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members Present shall be a quorum.</p>
<b>Regulation 54</b>	The Chairman selected among them by the Board of Directors shall preside as chairman at even general meeting of the company. Provided that the Chairman and the Managing Director shall not be the same person.
<b>Regulation 55</b>	If there is no such chairman, or if at any meeting he is not present within thirty minutes after the time appointed for holding the meeting, or is unwilling to act as chairman, the members Present shall choose some one of their number of be chairman.
<b>Regulation 56 (Mandatory)</b>	<p>The chairman may, with the consent of quorum, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>If a meeting is adjourned for 10 days or more, notice shall be given as in the case of an original meeting.</p>
<b>Regulation 59</b>	In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.
<b>Regulation 66</b>	Mandatory



Regulation 69	The number of the directors and the names of the first directors shall be determined in writing by a majority of the subscribers of the memorandum of association. <b>See section 90</b>	
Regulation 71	Every director needs to have a qualifying share.	Mandatory
Disqualification of directors		
Regulation 78	> Fails to obtain the qualifying shares within the time (60 days from the date of appointment : Section 97) > Found unsound or adjudged as insolvent > If the director absents himself from 03 consecutive meeting of the directors without leave of absence. > fails to pay calls made on him in respect of shares held by him within 06 months from the date of calling > accepts a loan from the company. See section 94	Not mandatory for the private company except a private company which is the subsidiary of a public company
Rotation of the directors		
Regulation 79	All the directors will retire in the first general meeting of the company and in the subsequent AGM one third of directors will retire. <b>See section 91</b>	
Regulation 80 (Mandatory)	Among the directors who served for the longest time since his appointment, will retire first. <b>See section 91</b>	
Regulation 81	Retired director can be re elected.	Not mandatory for the private company except a private company which is the subsidiary of a public company
Regulation 82	In the same general meeting, vacant position of directors can be filled up.	
Regulation 83	If at any meeting at which an election of directors ought to take place' the places of the vacating directors are not filled up, the meeting shall stand adjourned till the same day in the next week at the same time and place, and, if at the adjourned meeting the places of the vacating directors are not filled up, the vacating directors or such of them as have not had their places filled up shall be deemed to have been re-elected at the adjourned meeting.	
Regulation 84	[Subject to the provisions of Sections 90 and 91 of the Companies Act, 1994] the company may from time to time in general meeting increase or reduce the number of directors, and may also determine in what rotation the increased or reduced number is to go out of office.  <b>See section 90 and 91</b>	<b>BSEC notification:</b> > Minimum 05 and maximum 20. > At least 01/05th shall be independent. > At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company
Regulation 85	> casual vacancy can be filled by other director as appointed but subject to retirement at the time of the original director would have retired. > such director shall be known as alternative director. <b>See section 91</b>	
Regulation 86	Directors shall have power at any time and from time to time, to appoint an additional director who shall retire at the next following ordinary general meeting but shall be eligible for election by the company at that meeting as an additional director.	
Regulation 87	Any director can be removed by a <b>extra ordinary resolution</b> before the expiration of his period and may by an ordinary resolution appoint another director in the position of removed director subject to retirement at the time of the removed director would have retired. <b>See section 106</b>	
Proceedings of directors		
Regulation 88	> The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. > Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. > A director may, and Secretary on the requisition of a Director shall, at any time, summon a meeting of directors.	
Regulation 89	The Quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed shall be three, when the number of directors exceed three. <b>See section 85</b>	
Regulation 90	> Directors can continue their work even if there is any vacancy but the quorum is ensured. > If the vacancy reduced the number of directors below to the quorum, they can do general meeting only to increase the number of directors.	
Regulation 91	The directors may elect a chairman of their meetings and determine the period for which he is to hold office.	
Regulation 95 (Mandatory)	Act of the directors (discovered later that there was defect in appointment) be as valid as if every such person had been duly appointed and was qualified to be a director.	
Dividends and reserves		
Regulation 96	The company in general meeting may declare dividends, but no dividends shall exceed the amount recommended by the directors and it shall be paid within two months from the date of its declaration.	<b>BSEC Notification:</b> > The recommendation by BoD cannot be changed before the AGM. > Bonus share: Need justification. Can be declared out of accumulated profit or share premium. <b>DSE Listing regulations 2015</b> Dividends shall be paid within 30 days of declaration or approval.

<b>Regulation 97 (Mandatory)</b>	The directors may from time to time Pay to the members such interim dividends as appear to the directors to be justified by the profits of the company.	<b>BSEC Notification</b> Audited FS is not required to declare interim dividend if as per last audited FS there is accumulated profit. <b>BSEC &amp; DSE regulation</b> > No stock/bonus entitlement shall be declared as interim dividend. > Interim Cash dividend doesn't require audited FS. It can be declared if the last audited FS contains accumulated profit.
<b>Regulation 98</b>	No dividends shall be Paid otherwise than out of profits [of the year or any other undistributed]	<b>BSEC Notification</b> Despite of accumulated loss, cash dividend can be declared and distributed if there is profit for relevant year.

#### Accounts

<b>Regulation 104</b>	The directors shall cause to be kept Proper books of account with respect to: > all sums of money received and expended by the company. > all sales and purchases of goods by the company. > the assets and liabilities of the company. > cost accounts, where applicable.
<b>Regulation 105 (Mandatory)</b>	The books of account shall be kept at the registered office of the company or at such other place as the directors shall think fit and shall be open to inspection by the directors during business hours
<b>Regulation 107</b>	The directors shall as required by Sections 183 and 184 of the Companies Act, 1994, cause to be prepared and to be laid before the company in general meeting such profit and loss accounts, (income and expenditure accounts) balance-sheets, and reports as are referred to in those sections. See section 183 and 184
<b>Regulation 108 (Mandatory)</b>	The profit and loss account shall (in addition to the matters referred to in sub-section (2) of Section 185 of the Companies Act, 1994,) show, arranged under the most convenient heads, the amount of gross income, (diminished in the case of a banking company by the amount of any provision made to the satisfaction of the auditors for bad and doubtful debts) distinguishing the several sources from which it has been derived, and the amount of gross expenditure distinguishing the expenses of the establishment, salaries and other like matters. Every item expenditure fairly chargeable against the year's income shall be brought into account so that a just balance of profit and loss may be laid before the meeting and, in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.
<b>Regulation 109</b>	A balance-sheet shall be made out in every year and laid before the company in general meeting made up to a date not more than nine months before such meeting. The balance-sheet shall be accompanied by a report of the directors as to the company's affairs, and the amount which they recommend to be paid by way of dividend, and the amount (if any) which they propose to carry to a reserve fund. <b>See section 183</b>
<b>Regulation 110</b>	A copy of the balance-sheet and report shall, fourteen days previously to the meeting, be sent to the persons entitled to receive notice of general meetings in the manner in which notices are to be given hereunder.

#### Audit

<b>Regulation 112 (Mandatory)</b>	Auditors shall be appointed and their duties regulated in accordance with Sections 212 and 213 of the Companies Act, 1994 or any statutory modification thereof for the time being in force. See section 210, 212 and 213
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#### Notices

<b>Regulation 113 (Mandatory)</b>	A notice may be given by the company to any member either personally or by sending it by post to him to his registered address or if he has no registered address in Bangladesh to the address, if any, within (Bangladesh) supplied by him to the company for the giving of notices to him.
<b>Regulation 114 (Mandatory)</b>	If a member has no registered address in Bangladesh, and has not supplied to the company), an address within Bangladesh for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighborhood of the registered office of the company shall be deemed to be duly given to him on the day on which the advertisement appears.
<b>Regulation 115 (Mandatory)</b>	A notice may be given by the company to the joint-holders of a share by giving the notice to the joint-holder named first in the register in respect of the share
<b>Regulation 116 (Mandatory)</b>	A notice may be given by the company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to the by name, or by the title of representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in Bangladesh supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

#### Filing of Return

Sl. #	Subject	Time Limit
1	Certified Copy of the Court Order confirming alteration of Memorandum and a printed copy of the Memorandum so altered .	90 days from the court order
2	Annual List of members and summary of share capital ( <b>Schedule X</b> )	21 days from AGM
3	Audited Financial Statement	30 Days from AGM
4	Court order for Rectification of the Member Register	Within from the date of completion of the order
5	Change in the structure of share capital	15 days
6	Consolidation or conversion of share	15 days from the date of change or conversion

7	Increase of share capital	15 days from passing the resolution
8	Court order for reduction of shares capital	
9	Court order on variation of shareholders right	15 days
10	Situation or change of Registered Office	28 days
11	Statutory Report signed by directors/auditors	Forthwith
12	Special or Extraordinary Resolution	15 days from the meeting
13	Consent to act as director (Form IX)	30 days from appointment
14	Particular of Directors (appointment/change) (Form XII)	14 days from the appointment/change
15	Return of Allotment (further issue or bonus issue) (Form XV)	60 days
16	Particulars of mortgage or charge	21 days
17	Particulars of modification mortgage or charge	21 days
18	Intimation for satisfaction of mortgage or charge	21 days
18	Intimation for satisfaction of mortgage or charge	21 days

#### Notice of the meeting

Sl. #	Subject	Time Limit
1	Statutory Meeting	21 days
2	Annual General Meeting	14 days 21 days (New change)
3	Extraordinary General Meeting:	
	Requisitioned Meeting	21 days
	To pass Special Resolution	21 days
	To pass Extra Ordinary Resolution	14 days

#### One person company

<b>Section 392 A:</b> Memorandum and Articles of association	<p>&gt; Schedule 9A and 9B to be followed.</p> <p><b>Articles of Association (Schedule 9B)</b></p> <p><i>Share Transfer</i></p> <p>&gt; If the only member of One Person Company dies, the nominee shall be the owner.</p> <p>&gt; The company need to inform the register if the only member dies and nominee becomes the new owner.</p> <p>&gt; The nominee will enjoy same profit and rights and will be liable for same liability like the original owner.</p> <p>&gt; The new owner needs to nominate a new person with his written consent. The nominee will be the owner in case of death of new owner.</p> <p><i>Meeting</i></p> <p>&gt; If the only member agrees and recorded in the minutes, it shall be deemed as the decision is taken.</p> <p>&gt; The only member needs to sign the minutes with date.</p> <p>&gt; The decision shall be applicable from the signature date.</p>
<b>Section 392 B:</b> Company formation	<p>&gt; A <b>natural person</b> can form a company for any legal objective.</p> <p>&gt; His name in the memorandum shall be mentioned as entrepreneur.</p> <p>&gt; After complying the formalities for registration under the act, a limited company can be created.</p> <p>&gt; One person can create only one 'One person company'.</p> <p>&gt; The nominee name shall be mentioned in the Memorandum with his consent.</p> <p>&gt; The nominee shall be the new shareholder if the original member dies or incapable.</p> <p>&gt; Written consent of the nominee shall be mentioned in the Memorandum and Articles.</p> <p>&gt; The nominee can withdraw his consent.</p> <p>&gt; If the nominee dies or incapable before death of original member, a new nominee can be nominated.</p> <p>&gt; The rules regarding the changes of nominee need to be included in the Articles and need to notify the registrar.</p>
<b>Section 392 C:</b> Share capital	<p>&gt; Paid up capital shall be <b>minimum 50 25 lac and maximum 10 05 crore.</b></p> <p>&gt; Last financial year's turnover shall be <b>minimum 02 01 crore and maximum 100 50 crore.</b></p> <p>&gt; If the <b>paid up capital exceeds 10 05 crore and turnover exceeds 100 50 crore</b>, One Person Company can be converted to Private Limited Company or Public Limited Company.</p>
<b>Section 392 D:</b> Registration process	> Process of registration for Private Limited Company can be followed for One Person Company.
<b>Section 392 E:</b> One Person Company Director	<p>&gt; The only member shall be the director.</p> <p>&gt; Manager, Secretary and other employee can be recruited.</p>
<b>Section 392 F:</b> Meeting of One Person Company	> Minimum one director's meeting for every half year.
<b>Section 392 G:</b> Changes of Memorandum and Articles	<p>&gt; Any changes in the Memorandum or Articles shall be notified to the Registrar.</p> <p>&gt; Section 12 of CA 1994 shall be applicable.</p>
<b>Section 392 H:</b> Share Transfer	<p>&gt; Share can be transferred to only one natural person.</p> <p>&gt; Section 38 of CA 1994 shall be applicable.</p>
<b>Section 392 I:</b> Balance Sheet	<p>&gt; <b>Within 180 days from the end of a Financial Year</b>, Financial Statements shall be submitted to the registrar.</p> <p>&gt; Balance Sheet and PnL shall be signed by the only shareholder director.</p>
<b>Section 392 J:</b> Audit	> Related sections for audit under the act shall be applicable.
<b>Section 392 K:</b> Loan receipt and payment	> Section 159 to section 175 shall be applicable.
<b>Section 392 L:</b> Voluntary dissolution	> Can be voluntarily dissolved as per the applicable rules under the Companies Act 1994.