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GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH
MINISTRY OF PORTS, SHIPPING AND IWT
NOTIFICATION

Dacca, the 31st January, 1981

No. S.R.O. 40-L/81.—In exercise of the powers conferred by Article 27 of the Bangladesh Shipping Corporation Order, 1972 (President's Order No. 10 of 1972), the Board of Directors of the Bangladesh Shipping Corporation, with the previous sanction of the Government, is pleased to make the following regulations, namely :—

BANGLADESH SHIPPING CORPORATION (GENERAL)
REGULATIONS, 1979

PART I

PRELIMINARY

1. **Short Title and Commencement.**—(1) These Regulations may be called the Bangladesh Shipping Corporation (General) Regulations, 1979.
(2) These regulations shall come into force at once.
2. **Definitions.**—In these regulations, unless there is anything repugnant in the subject or context,—
 - (a) "Order" means the Bangladesh Shipping Corporation Order, 1972 (P. O. 10 of 1972);
 - (b) "Secretary" means the Secretary of the Corporation.

PART II

SHARE CAPITAL AND SHARES

3. **Nature of Share.**—A share of the Corporation shall be movable property and transferable in the manner hereinafter provided.

4. **Increase of Subscribed Capital.**—The Board of Directors, with the approval of Government, may increase from time to time the subscribed and paid-up capital of the Corporation.

5. **Numbering of Shares.**—Every share shall be assigned a number in the serial order of shares and shall be distinguished by such number.

6. **Register of Shareholders.**—(1) The Corporation shall keep a register of its shareholders at its head office and enter therein, in respect of each shareholder, the following particulars, namely:—

- (a) the name, address and the occupation, if any, of the shareholder;
- (b) the number of shares distinguishing each share by its number held;
- (c) the date at which each person is entered in the register as a shareholder and the manner in which the shareholder acquired shares;
- (d) the date at which any person ceased to be a shareholder:

Provided that in case of joint-holders of any share, their names and other particulars required to be entered in the register shall be grouped under the name of the first of such joint-holders:

Provided further that, except where any share may have devolved upon a larger number of persons, the number of the joint-holders of any share shall not be more than four.

(2) The shares shall not be registered in the name of any partnership firm or in the name of a person who is a minor or of unsound mind. Notwithstanding anything to the contrary in these Regulations, no shares shall, without the previous sanction of the Bangladesh Bank, be issued, allotted or transferred to a person who is, for the purpose of the Foreign Exchange Regulation Act, 1947 (VII of 1947) resident outside Bangladesh.

(3) No person shall be qualified to be registered as a shareholder who is not, under any law relating to contracts for the time being in force, competent to enter into contract. If at any time after the registration of a person as a shareholder, it is found that he was not, at the time of registration, qualified to be so registered, he shall not be entitled to exercise any of the rights of a shareholder otherwise than for the purpose of sale of his shares under the orders of a competent court.

(4) The Corporation shall not enter in its register of shareholders any notice of any trust express, implied or constructive, nor be under any obligation to receive any such notice.

(5) The Corporation shall be entitled to treat the registered shareholder as the absolute owner of such shares as are registered in his name and not be bound to recognise any equitable, contingent or future rights in such shares.

(6) No person shall be deemed to be a shareholder whose name is not entered in the register of shareholders.

7. **Index.**—(1) The Corporation shall keep an index of the names of its shareholders and shall, within fourteen days of the date on which any alteration is made in the register of shareholders, make any necessary alteration in the index.

(2) The index, which may be in the form of a card index, shall in respect of each shareholder contain a sufficient indication to enable the account of that shareholder to be readily found.

8. **Rectification of Register.**—(a) If the name of any person is fraudulently or without sufficient cause entered in or omitted from the register of shareholders; or

(b) Default is made or unnecessary delay takes place in entering on the register the fact of any person having ceased to be a shareholder, the Board may, on receiving information about it, cause the register of shareholders to be rectified.

9. **Closure of Registers.**—The Board may, on giving seven days' previous notice, by advertisement in at least two daily newspapers of wide circulation close the register of shareholders and the register of transfers for any time not exceeding, in the whole, forty-five days in each financial year but not exceeding thirty days at a time.

10. **Inspection of Register and Index.**—(1) The register of shareholders and the index shall be kept at the head office and, except when closed under the provisions of these regulations, shall, during business hours but for not less than two hours on the first four days of any week and subject to such restrictions as may be imposed in this behalf, be open to inspection of any shareholder without payment and, if the shareholder is a institution or other body corporates, of its authorised agent.

(2) The shareholder or the agent shall not have the right to make a copy of any entry in the register of shareholders or the index but may, except when the register is closed, obtain from the Corporation a copy of the register of shareholders or the index or any part thereof on payment for it at the rate of Taka one for every hundred words or part thereof.

11. **Control of Share.**—(1) 49 per cent of the shares shall be offered for subscription to the body corporates and the general public in such proportion as may be directed by the Government.

(2) Subject as aforesaid and to the provisions of the Order and these regulations, the shares shall be under the control of the Board who may offer for subscription and allot or otherwise dispose of the same in such manner, to such persons, in such proportions and on such terms and conditions as to payment

of its price or otherwise as may be expedient and may also decline to allot shares to any person or allot a lesser number of shares than applied for without assigning any reason therefor.

12. **Allotment of Shares.**—(1) No allotment of any share shall be made unless the amount stated in the prospectus has been offered for subscription and has actually been subscribed and paid in cash in full to, and received by, the Corporation.

(2) All moneys received from applicants for shares shall be deposited and kept in a scheduled bank until returned in accordance with the provisions of sub-regulation (3) or until the fulfilment of the condition specified in sub-regulation (4).

(3) If the provisions of sub-regulation (1) have not been complied with on the expiration of one hundred and eighty days after the issue of the prospectus, all moneys received from applicants for shares shall be forthwith repaid to them without interest.

(4) On receipt of the amount stated in the prospectus, the Corporation shall make allotment of shares to the public.

13. **Irregular Allotment.**—An allotment made to an applicant in contravention of any of the provisions of these regulations shall, on representation by the allottee to the Corporation within one month of such allotment, be set aside by the Board.

14. **Restriction on the Corporation to Purchase its Shares.**—(1) The Corporation shall not buy its own shares.

(2) The Corporation shall not give, whether directly or indirectly, and whether by means of a loan or guarantee, any financial assistance to any person for the purpose of, or in connection with, the purchase of any shares of the Corporation.

15. **Underwriting of Shares and Payment of Commission and Brokerage.**—

(1) The Corporation may, at its option, pay commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares of the Corporation or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares of the Corporation, the amount or rate of commission shall not exceed two and a half per cent on the nominal amount of shares underwritten. The Corporation may also pay an additional commission at a rate not exceeding two and a half per cent on the nominal amount of shares subscribed by the underwriters.

(2) The Corporation may also pay brokerage at a rate not exceeding one per cent on the nominal amount of any shares actually sold through Brokers and in respect of other matters as agreed.

(3) The Corporation may also pay commission to the Bankers to the Public Issues at the rate to be mutually agreed upon.

16. **Certificate of Shares.**—(1) Certificate of shares shall be in such form as may be approved by the Board from time to time. It shall be issued under the common seal of the Corporation and shall bear the signatures of either two Directors or one Director and the Secretary or one Director and an officer of the Corporation authorised in this behalf by the Board and shall be delivered to the share-holder within three months of the allotment or transfer of shares.

(2) Every person whose name is entered as a share-holder in the register of share-holder shall be entitled without payment to a certificate under the common seal of the Corporation for all the shares held by him specifying the share or shares held by him and the amount paid thereon:

Provided that, in respect of a share or shares held jointly by several persons, the Corporation shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint-holders shall be sufficient delivery to all

(3) Each certificate shall specify the serial number and the distinctive number of the share or shares in respect of which it is issued.

(4) If any certificate be worn out, defaced, destroyed or lost, or if there is no further space on the back thereof for endorsement of transfer, it may be renewed or replaced on payment of a fee of Taka five:

Provided, however, that such new certificate shall not be granted except upon delivery of the worn out or defaced or used up certificate for the purpose of cancellation or upon proof of destruction or loss to the satisfaction of the Managing Director and on such indemnity as the Managing Director may deem adequate in case of the certificate having been lost or destroyed. Any renewed certificate may be marked as such.

(5) A certificate issued under this regulation shall be prima facie evidence of title of the shareholder to the shares specified therein.

17. **Register of Transfer.**—The Corporation shall keep at the head office a book called the "Register of Transfer" and therein cause to be entered the particulars of every transfer and transmission of shares.

18. **Transfer of share.**—(1) Subject to the provisions of the Order and these regulations, the shares shall be transferable. A shareholder may transfer his share only by an instrument in writing in, or substantially in, the following form or in any common form:

BANGLADESH SHIPPING CORPORATION

"I/We.....of.....in consideration of the sum of Taka paid to me/us/by Mr./Mrs./Miss..... father's/husband's name.....(herein called the "Transferee") do hereby transfer to the said transferee the share/shares numbered..... standing in my/our name(s) in the undertaking called the BANGLADESH SHIPPING CORPORATION to hold unto the said transferee(s), his/her/their

executors, administrators and assigns subject to the several conditions on which I/We hold the same at the time of execution hereof, AND I/We, the said transferee(s), do hereby agree to take the said share/shares subject to the conditions aforesaid.

In witness whereof, I/We the transferor(s) and the transferee(s) have affixed our signatures below this the....., day of.....19....
 Signatures of transferor(s).....
 Witnessed by
 Signature of transferee (s).....
 Witnessed by

(2) The instrument of transfer shall be duly stamped and signed legibly (in the case of a Company/Corporation, duly sealed) both by the transferor and the transferee.

(3) Notwithstanding the transfer of any share, the transferor shall continue to remain the holder of such shares until the name of the transferee is entered in the register of shareholders against the said shares.

19. **Registration of Transfer.**—(1) The Board may decline to register transfer of shares not being fully paid shares, and shall not be bound to assign any reason for their refusal.

(2) Application for registration of transfer of shares may be made to the Corporation either by the transferor or the transferee, but no transfer of shares shall be registered unless the instrument of transfer of shares is in the (form) specified in sub-regulation (1) of regulation 18 or in any common form, duly stamped and executed by the transferor and the transferee and the certificate of shares relating to the transferred shares are also lodged with head office of the Corporation along with the application for registration of transfer:

Provided that, where it is proved to the satisfaction of the Board that the instrument of transfer has been lost, the Board, may, on application in writing made by the transferee bearing such stamp as was requisite for the instrument of transfer and on furnishing an indemnity bond in such amount as may be reasonably required, dispense with the lodgement of the instrument of transfer and permit the registration of transfer.

(3) If the Board declines to register any transfer of shares, the Corporation shall, within six weeks of the lodgement with it of the instrument of transfer, and if no instrument, of transfer, is lodged, within six weeks of the application for registration of transfer, send to the transferor and the transferee notice of refusal and on demand (except in case of fraud) return such instrument of transfer and the certificate of shares to the person who had deposited the same.

(4) If the Board approves of the transfer, the Corporation shall register the transfer and retain the instrument of transfer of shares. Such instrument may be destroyed after such period as the Board may determine.

20. **Title to Shares of Deceased Shareholder.**—The only persons recognised by the Corporation as having any title to the shares registered in the name of a deceased shareholder shall be:—

- (a) if the deceased was the sole shareholder, his executors or administrators or the holder(s) of a Succession Certificate to such shares from a Court of competent jurisdiction:

Provided that the Board may dispense with the production of Probate or Letters of Administration or the Succession Certificate, as the case may be; and

- (b) if the deceased was a joint-shareholder, the survivors or survivor, or the executors or administrators of the deceased survivor:

Provided that the Board may require such evidence of death as it may deem necessary.

21. **Transmission of Shares.**—Any person becoming entitled to a share in consequence of the death or insolvency of a shareholder shall, upon such evidence being produced as may from time to time be required by the Board, have the right either to be registered as a shareholder or joint-shareholder, as the case may be, or to make such transfer of the share as the deceased or the insolvent could have made. The Board shall, in either case, have the same right to decline registration as they would have had in case of transfer of the share by the deceased or insolvent person before the death or insolvency.

22. **Joint-Shareholders.**—(1) (a) Where two or more persons registered as the holders of any share, they shall be deemed to hold the same as joint tenants.

(b) Subject to the provisions of clause (b) of regulation 20 and regulation 21, on the death of any one of joint-holders, his rights and liabilities shall, as between the Corporation and the Survivors, survive to the surviving joint-holders or sole surviving holder of the share.

(2) Joint holding of shares may be transferred jointly by all the joint-holders in the manner specified for transfer of shares.

23. **Call.**—(1) The Board may, from time to time, make calls upon the shareholders in respect of moneys unpaid on their shares, and each shareholder shall, subject to receiving at least twenty-one days' notice specifying the time or times of payment, pay to the Corporation at the time or times so specified the amount called on his share.

(2) Joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

(3) The Board may, from time to time, extend the time fixed for payment of any call.

(4) If, by the terms of issue of a share or otherwise, any amount is payable by a shareholder on his shares at a fixed time or by instalments at fixed times, such amounts shall be payable as if a call was duly made in respect of it fixing time for its payment.

(5) If a sum called in respect of a share or the amount payable at a fixed time is not paid before or on the date appointed for its payment, the shareholder from whom the sum is due shall pay interest upon the sum at the rate of one per cent above the prevailing Bank rate from the day appointed for the payment to the time of actual payment, but the Board may waive payment of the interest wholly or in part.

(6) The Board may, if it thinks fit receive from any shareholder willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding one per cent above the prevailing bank rate) as may be agreed upon between the shareholder and the Board.

24. **Forfeiture.**—(1) If any shareholder fails to pay the whole or part of any call or instalment or any money presently payable in respect of any share, either by way of principal or interest, on or before the day fixed for its payment, the Board may, during such period as the call or instalment or any part thereof or other moneys remain unpaid, serve a notice on such shareholder or on the person (if any) entitled to the share by transmission, requiring him to pay so much of the call or the instalment or money so remain unpaid together with any interest that may have accrued.

(2) The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made and shall also state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

(3) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to the effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

(4) When any share shall have been so forfeited, an entry of the forfeiture with the date thereof shall be made in the register of shareholders.

(5) Any share so forfeited may be sold, re-allotted or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.

(6) The Board may, at any time before any share so forfeited is sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

(7) A person whose shares have been forfeited shall cease to be a shareholder in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Corporation all moneys which, at the date of the forfeiture, were presently payable by him to the Corporation in respect of such shares together with interest thereon until payment of the moneys at the rate of twelve per cent per annum from the date of the forfeiture and the Corporation may enforce the payment thereof.

(8) A certificate in writing under the hand of the Managing Director that the call in respect of a share was made, and that the forfeiture of the share was made, by a resolution of the Board to that effect, shall be conclusive evidence of the fact stated therein as against all persons entitled to such shares.

(9) The receipt of the Corporation for the consideration given for the share on any sale, re-allotment, or other disposition thereof shall constitute good title to such share, and the person to whom such share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale re-allotment or other disposal of the share.

• 25. **Lien.**—(1) The Corporation shall have a first and paramount lien upon all shares, except the fully paid shares registered in the name of each shareholder (whether solely or jointly with others), for all moneys presently payable by him or his estate to the Corporation.

(2) The Corporation may sell any shares on which the Corporation has a lien at a price quoted in the Stock Exchange on the day of the sale to recover the moneys:

Provided that no sale shall be made until after the expiry of fourteen days after a notice in writing stating and demanding payment of the amount in respect of which the lien exists has been given to the registered holder for the time being of the share, or the person entitled by reason of his death or insolvency to the share.

(3) The proceeds of the sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall be paid to the person entitled to the shares at the date of the sale of his heirs, executors, administrators or assigns.

(4) The purchaser of the shares so sold shall be registered as the holder of the shares, and he shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

26. **Listing of Share.**—The Shares shall be listed on the Stock Exchange in Bangladesh.

27. **List of Shareholders and Summary.**—(1) The Corporation shall, once, in every year in the month of July, make a list of all persons who, on the closing day of the last financial year, are shareholders and of all persons who have ceased to be shareholders since the closing day of the last financial year.

(2) The list shall state the names, addresses and descriptions of all past and present shareholders therein mentioned and the number of shares held by each of the existing shareholders on the closing day of the last financial year, specifying shares transferred since the date of the last list by persons who are

still shareholders and persons who have ceased to be shareholders respectively, and the date of the registration of the transfers, and shall contain a summary specifying the following particulars:—

- (a) the amount of the share capital of the Corporation and the number of shares into which it is divided;
- (b) the number of shares taken up to the closing date of the last financial year;
- (c) total amount of the sums (if any) paid by way of commission in respect of any shares since the date of the last list or so much thereof as has not been written off at the closing date of the last financial year;
- (d) the total number of shares forfeited during the last financial year;
- (e) the names and addresses of the persons who, at the closing date of the last financial year, are the Directors and the changes in the personnel of the Directors since the date of the last list together with the dates on which they took place;
- (f) the total amount of the debt due from the Corporation in respect of which the Corporation has borrowed money in Bangladesh or foreign currency.

(3) The above list and summary shall be contained in a separate part of the register of shareholders and shall be completed by the thirty-first day of July in every year.

PART III

MEETINGS OF SHAREHOLDERS AND PROCEEDINGS

General Meetings

28. **General Meetings.**—The general meetings of the shareholders shall be either the Annual General Meeting of shareholders of the Corporation or any other general meeting.

29. **Annual General Meeting.**—(1) The annual general meeting of the shareholders of the Corporation shall be held at its head office on such date and at such time as may be fixed by the Board but, in no case, not later than six months from the date of closing of annual accounts.

(2) The Corporation shall furnish to each shareholder at least fifteen days before the date of the annual general meeting, a copy of the audited balance sheet together with a copy of the profit and loss account for the year and a report of the working of the Corporation during the year.

(3) The annual general meeting shall be convened by the Board.

(4) The Board may convene any other general meeting to be held at such time and place as it may fix for consideration of any matter which in the opinion of the Board, ought to be considered by the shareholders.

(5) At the annual general meeting, the following business shall be transacted, namely:—

- (a) to receive and consider balance sheet, profit and loss account and the reports of the Auditors and Directors;
- (b) to elect Directors, if any, in place of those retiring;
- (c) to elect Auditors and fix their remuneration;
- (d) to declare dividend, if any, recommended by the Board.

30. **Notice of General Meeting.**—(1) A general meeting shall be convened by giving at least fifteen days' notice in writing. The notice shall contain a statement of the business to be transacted and also the general nature of the business, the place, the date and the hour of the meeting. The notice shall be signed by the Managing Director or, if so authorised by the Board, by the Secretary and shall be served on every registered shareholder in the manner laid down in these regulations for service of notices and shall also be published in at least two daily newspapers of wide circulation.

(2) Accidental omission to give notice of any general meeting to, or the non-receipt of any such notice by, any shareholder shall not invalidate the proceedings at that meeting or at any adjournment thereof, nor shall it prejudice the right of such shareholder to attend and vote in the meeting in the manner provided in these regulations.

31. **Voting.**—(1) Every shareholder shall be entitled to attend a general meeting but no shareholder shall be entitled to vote at any such meeting unless he has paid all calls and other sums presently payable by him in respect of the shares of the Corporation.

(2) Every shareholder entitled to vote shall, when present in person, have one vote to be cast by show of hands.

(3) On a poll every shareholder entitled to vote shall have one vote for each share held by him with a maximum of one hundred votes and may give his vote either personally or by proxy.

Explanations.—(i) Any body corporate, being a shareholder, shall be deemed to be "present in person" at the general meeting if its director or officer duly authorised by such body corporate in writing in this behalf under its common seal is so present there. Production at the meeting of such an authority shall be sufficient evidence of the representative's authority.

(ii) The Government, as a shareholder, shall be deemed to be present in person at the general meeting, if represented by one of its officials duly authorised by the Government to act as its representative in such meeting.

The official so authorised shall not be deemed to be a proxy.

(iii) Where there are joint registered holders of any share, any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto; and, if more than one of such joint holders be present at any meeting either personally or by proxy, that one of the said persons so present whose name stands first on the

register of shareholders in respect of such Share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall, for the purposes of this regulation be deemed joint-holders thereof.

(iv) In the case of a shareholder who has, after registration, been declared by a competent court to be of unsound mind, his duly appointed guardian shall be deemed to be a shareholder.

32. **Proxy.**—(1) The instrument appointing a proxy shall be in writing and, in the case of an individual shareholder, under the hand of the shareholder or his attorney authorised in this behalf by a Power of Attorney, and in the case of a body corporate, under its common seal.

(2) A proxy shall not be valid unless it is dated and properly stamped prior to its lodgement with the Corporation.

(3) A proxy shall be valid for one meeting only or any adjournment thereof.

(4) No person shall be appointed a proxy, nor shall any person act as such who is not a shareholder qualified to vote at the meeting in respect of which the proxy is given.

(5) The representative, attorney or a proxy of a shareholder shall not be entitled to vote at any general meeting if the shareholder himself is not so entitled.

(6) An instrument of proxy shall be in, or substantially in, the following form :—

BANGLADESH SHIPPING CORPORATION

I.....ofbeing a registered shareholder of the Bangladesh Shipping Corporation (herein called the "Corporation") holding Shares No.....DO HEREBY APPOINT MR

.....
of

also a registered shareholder of the Corporation Folio No.....as my proxy to vote for me and on my behalf at the *Special/Annual General Meeting of the shareholders of the Corporation to be held aton theday of19 and at any adjournment thereof.

Signature of Appointor.....Folio No.....

Dated.....

33. **Deposit of Instrument of Appointment.**—(1) No proxy shall be valid unless it, together with the Power of Attorney or other authority (if any) under which it is signed or a notarially certified true copy of that power or authority, is deposited at the head office of the Corporation not less than seventy-two hours before the time fixed for holding the meeting at which the person named in the instrument proposes to vote.

(2) Notwithstanding the fact that a power of attorney or other authority or a notarially certified true copy of that power or authority has been deposited with the Corporation, the Corporation may, by notice in writing addressed to the shareholder or the attorney at least seventy-two hours before the time fixed for the general meeting, require the original power of attorney or the other authority to be produced before such officer as has been specified in the notice and unless the same is thereupon produced and deposited with the Corporation, the attorney shall not be entitled to vote at such general meeting unless the Corporation may waive such non-production.

(3) No instrument of proxy and copies of powers of Attorney filed with the Corporation shall be returned.

(4) An instrument of proxy or the power of Attorney deposited under this regulation shall not be revocable unless revoked by a notice in writing under the hand of the grantor specifically stating the name of the person in whose favour the proxy or the power of attorney was granted or executed is received by the Corporation within the time allowed for depositing proxies or powers of attorney.

(5) If two or more instruments of proxy in respect of the same shares are deposited, and if, on or before the expiry of the time fixed for deposit of proxies, all but one of such instruments of proxy shall not have been duly revoked in accordance with the procedure laid down in sub-regulation (4), all such instruments of proxy shall be deemed invalid.

(6) The due revocation of an instrument of proxy shall not prevent the deposit of another instrument of proxy within the time limited by this regulation for the deposit of proxies.

(7) Notwithstanding anything in these regulations, the shareholder or the attorney, who or on whose behalf of a proxy is given, shall be entitled, on such proxy becoming irrevocable, to attend or vote in person at the meeting for which such proxy was given.

(8) A vote cast in accordance with the terms of any instrument of proxy or a power attorney shall not be invalid, notwithstanding the death of the appointer or the principal.

(9) No objection shall be raised to the qualification of any shareholder to vote except at the general meeting or any adjourned meeting at which the vote objected to is cast. The objection made in due time shall be decided by the Chairman.

Proceedings at General Meetings

34. **Attendance of Shareholders.**—A shareholder attending any general meeting shall, for purposes of identification and determination of his voting

rights, be required to sign and deliver to the Corporation immediately before the time fixed for the meeting the form given hereunder :—

BANGLADESH SHIPPING CORPORATION
Annual General/Special Meeting of Shareholders

No.	Date	19
(1) Name (in block letters).....		
(2) Registered address		
(3) Registered Nos. of Shares		
(4) Register Folio No.....		
(5) Votes in person		
(6) Votes by proxy		

Signature of shareholder.

35. Quorum.—(1) Ten shareholders entitled to vote and present in person shall be a quorum for a general meeting and no business shall be transacted at any general meeting unless the quorum is present at the commencement of the business.

(2) If within thirty minutes of the time fixed for the holding of a general meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place, and if at the adjourned meeting, a quorum is not present within thirty minutes of the time fixed for holding the meeting, the shareholders present at the meeting shall constitute a quorum.

36. Chairman.—(1) The Chairman of the Corporation shall when present, preside over every general meeting.

(2) If, within fifteen minutes of the time fixed for the holding of the meeting, the Chairman is not present then the Directors present in the meeting may choose one from amongst their members to preside over the meeting. If both the Chairman of the Corporation and other Directors are absent at a general meeting, the shareholders present shall choose one from amongst their members to preside over the meeting.

(3) No business shall be transacted at any general meeting, without there being a Chairman to preside over the meeting.

37. Postponement of General Meeting.—The Board shall be competent to postpone any general meeting at any time after it has been convened.

38. Adjournment.—The Chairman may adjourn a general meeting from time to time but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

39. Resolution.—(1) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or immediately on the declaration of the result of the show of hands) demanded

by at least five shareholders present in person and entitled to vote at such meeting or by the Chairman and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried, or carried unanimously or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the Corporation shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.

(2) If a poll is duly demanded, it shall be taken in such manner as the Chairman directs and the result of the poll as declared by the Chairman shall be deemed to be the resolution of the meeting at which the poll was demanded.

(3) 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.

(4) Demand for a poll shall not prevent the continuance of a meeting for the transaction of business other than the question on which the poll is demanded.

40. Powers of Chairman.—(1) The decision of the Chairman of any meeting as to the qualification of any shareholder to vote, and in the case of a poll, as to the number of votes any shareholder is competent to exercise, shall be final.

(2) The Chairman shall regulate the procedure at all general meetings and in particular shall have full power to decide—

- (i) as to the order in which the business before the meeting shall be taken up;
- (ii) any point of order;
- (iii) as to the order in which shareholders can address the meeting, to fix a time limit for any speech and to apply the closure when, in his opinion, any matter has been sufficiently discussed.

(3) Except with the consent of the Chairman, no business other than that for which the meeting was convened shall be transacted or discussed at that meeting.

41. Validity of Proceedings.—The proceedings at any general meeting and all resolutions and decisions of such meeting shall be valid and binding on the Corporation so far as such proceedings, resolutions and decisions are consistent with the provisions of the Order, the rules, if any, and these regulations.

42. Minutes of Proceedings of General Meetings.—(1) The minutes of all proceedings of the general meetings shall be entered in the books kept by the Corporation for that purpose and such minutes shall be signed by the Chairman of the Corporation or the person presided over the meeting.

(2) The books containing the minutes of proceedings of any general meeting shall be kept at the head office of the Corporation.

PART IV
DIRECTORS

Election and Resignation

43. **Election of Directors.**—Election of Directors as contemplated by Article 8 or 10 of the Order shall be held either in the Annual General Meeting or in a general meeting of the shareholders.

44. **Election Officer.**—The Board shall appoint one of the Officers of the Corporation as Election Officer who shall conduct the election of Directors whenever there is a vacancy in the Office of the elected Director.

45. **Time and Place of Election.**—Election of Directors shall be held at the head office of the Corporation on such date and at such time as the Board may, in each case, determine:

Provided that the date of election shall be so fixed as not be earlier than sixty days from the date of the general meeting.

46. **Issue of Notice of Election.**—(1) Where, at any general meeting, an election is to be held, notice of the number of vacancies to be filled in shall be specified in the notice convening the meeting.

(2) As soon as may be but not later than fifteen days after the decision of the Board to hold an election, the Election Officer shall issue a notice (called "Election Notice") to all the shareholders informing them of such decision, and

- (i) the date fixed for election;
- (ii) the number of Directors to be elected;
- (iii) the date when the list of shareholders to be prepared for purposes of election shall become final and the shareholders' register closed;
- (iv) the date by which nomination papers shall be received;
- (v) the date of scrutiny of nomination papers; and
- (vi) the date by which candidates for election may withdraw their candidature.

47. **List of Shareholders.**—(1) For purposes of an election of Directors, there shall be prepared a list of registered Shareholders at least thirty-five days prior to the date of election.

(2) The list shall remain open to inspection by the shareholders and their recognised agents and duly appointed attorneys as also the correction therein of any error or omission and shall be declared as final by the Election Officer thirty days including the date on which the register of shareholders be closed before the date of election.

(3) The register of shareholders shall be closed with effect from the date the list is declared final to the date of election.

(4) A copy of the notice under regulation 46 and two copies of the list of shareholders prepared under regulation 47 shall be sent to the Government.

48. Nomination of Candidates.—(1) No candidate for election as a Director shall be nominated by the shareholders unless the person nominated—

- (a) is in the register of shareholders and in the list prepared under Regulation 47;
- (b) is on the last date for the receipt of nomination not disqualified to be a Director under Article 11 of the Order; and
- (c) is eligible for election as a Director to the vacancy.

(2) The nomination shall be in writing signed by a shareholder or a duly constituted attorney of the shareholder:

Provided that a nomination may be made by a resolution of the Directors of a body corporate holding the shares of the Corporation and where it is so made a copy of the resolution certified to be a true copy by the Chairman of the meeting at which it was passed shall be sent to the head office of the Corporation and such copy shall be deemed to be a nomination.

(3) No nomination shall be valid unless it is received in the head office of the Corporation not less than ten days before the date fixed for election.

49. Scrutiny of Nomination Papers.—Nomination papers shall be scrutinised by the Election Officer on the appointed date and his decision regarding the validity or invalidity of any nomination paper shall be final and shall not be questioned.

50. Publication of List of Candidates.—If, after scrutiny of the nomination papers, the Election Officer finds that the number of valid nominations is equal to or less than the vacancies to be filled, the candidates validly nominated shall be deemed to be elected at the meeting convened for the purpose and their names and addresses shall be published. If the number of valid nominations exceeds the number of vacancies, the Election Officer shall publish the names and addresses of the candidates validly nominated in the manner notice convening a general meeting is published.

51. Disputes.—(1) If any doubt or dispute arises as to the qualification of a person deemed or declared to be elected or as to the validity of the election of a Director, any person interested being a candidate, or not less than ten shareholders entitled to vote at such election, may, within seven days of the declaration of result of such election, give intimation in writing thereof to the Chairman, and shall, in so doing, give full particulars of the grounds upon which the validity of such election is doubted or disputed. The Chairman shall forthwith refer such doubt or dispute for decision to a Committee consisting of the Managing Director and another Director.

(2) Such committee shall make such enquiry as it deems necessary and, if it finds that the election was a valid election, it shall confirm the election or, if it finds that the election was not a valid election, it shall make such order and give such directions including the holding of a fresh election as shall, in the circumstances, appear just to the Committee.

(3) An order and direction of such Committee in pursuance of this regulation shall be final and conclusive.

52. **Term of Office.**—The term of office of Directors shall commence from such date as the Corporation may notify after the election is held.

53. **Time for holding Election.**—Election of Directors under Article 8 or 10 of the Order shall usually be held before the expiry of the two years term of office of the elected Directors.

PART V

MEETINGS AND PROCEEDINGS OF THE BOARD AND THE EXECUTIVE COMMITTEE

54. (1) Meetings of the Board shall be convened by the Chairman or by the Secretary if so authorised by the Board:

Provided that the meetings of the Board may be held at such time and place, and on such date as the Chairman, may decide.

(2) Not less than ten clear days' notice shall be given of each meeting of the Board and such notice shall be sent to every Director at his registered address:

Provided that if it is found necessary to convene an emergent meeting, any shorter notice may be given to every Director to enable him to attend the meeting.

(3) No business other than that for which the meeting is convened shall be discussed at the meeting of the Board without the consent of the Chairman.

(4) Any two Directors may require the Chairman to convene a meeting of the Board at any time specifically mentioning the subject or subjects to be discussed, and the Chairman shall, on receipt of such requisition, convene a meeting subject to usual notice.

(5) The Chairman shall have power to cancel or postpone a meeting of the Board other than a meeting of the Board called under sub-regulation (4).

(6) The accidental omission to give notice of any such meeting of the Board to a Director shall not invalidate any resolution passed at any such meeting.

(7) A Director who is, at any time, not in Bangladesh and who has not supplied to the Corporation an address in Bangladesh for the giving of notices to him shall not, during such time, be entitled to notice of any such meeting.

(8) The Chairman shall regulate the meetings and proceedings of the Board and shall have power to adjourn the meetings.

(9) All minutes shall be recorded in the books and signed by the Chairman or the person who presided over the meeting at which the same were recorded at the next meeting, and all minutes so signed shall, for all purposes whatsoever,

be, *prima facie*, evidence of the actual passing of the resolutions recorded and all matters stated therein and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same have taken place.

(10) A resolution passed without any meeting of the Directors and evidenced in writing under the hands of the Directors constituting a quorum shall be as valid and effectual as a resolution duly passed at a meeting of the Board called and held in accordance with the provisions of these regulations ;

Provided that particulars of the proposed resolution have been previously sent to all Directors for the time being in Bangladesh.

55. Executive Committee.—(1) The Board shall appoint an Executive Committee which shall consist of the following Directors, namely :—

(a) the Managing Director;

(b) one Director from amongst the Directors appointed by the Government;

(c) one Director from amongst the elected Directors (if any).

(2) The Managing Director shall be the Chairman of the Executive Committee.

(3) The Managing Director and another Director shall constitute a quorum at a meeting of the Executive Committee.

56. Term of Executive Committee.—The members of the Executive Committee other than the Managing Director shall hold office for a term of one year and shall continue in office until their successors are appointed and shall also be eligible for re-appointment.

57. Meetings of Executive Committee.—(1) The Executive Committee shall meet as frequently as may be necessary at such time and place, and on such date as the Managing Director may decide, to attend to the current business of the Corporation.

(2) Not less than seven days' notice shall be given to the members of the Executive Committee for an ordinary meeting but should special circumstances so warrant, the Managing Director may convene a meeting of the Executive Committee at any shorter notice at his discretion.

(3) Save as otherwise provided, the provisions of these regulations relating to the meeting of the Board shall, *mutatis mutandis* and so far as applicable, apply to the meetings of the Executive Committee.

58. Disclosure of Interest of Director.—Every Director who is directly or indirectly concerned or interested in any transaction, contract, loan or agreement entered into by or on behalf of the Corporation with any party shall disclose the nature of his interest in the concern to the Board of the Executive Committee, as the case may be, and shall not be present at any meeting of the Board or of the Executive Committee when any such matter is discussed unless his presence is required by the other Directors for the purpose of eliciting information :

Provided that where any Director is so required to be present, he shall not vote or participate in a discussion of any such contract, loan agreement or matter and if he does so, his vote shall be invalid and shall not be counted.

59. **Fees for Directors Meeting.**—(1) Each Director (other than the Managing Director, the Finance Director and Official Directors) shall receive a fee of one hundred taka for each meeting of the Board or of its Committee attended by him.

(2) There shall also be paid to every Director attending the meeting his travelling expenses, if any, on such scale as may be determined by the Board from time to time.

60. **Disqualification of Directors.**—If it comes to the notice of the Board that any Director is, or has become, subject to any of the disqualifications specified in Article 11 of the Order it shall forthwith make a reference to the Government for a decision.

61. **Resignation by the Director.**—A Director may resign his office by letter addressed to the Board and, in the case of the Managing Director, to the Government, and on the acceptance of the resignation, the office shall become vacant.

62. **Manner and form in which Contracts binding on the Corporation may be Executed.**—Contracts on behalf of the Corporation may be made in the following manner, namely :—

- (a) Any contract which, if made between private persons would be by law required to be in writing, signed by the parties to be charged therewith, may be made on behalf of the Corporation in writing signed by any person acting under its authority, express or implied, and may, in the same manner, be varied or discharged;
- (b) Any contract which, if made between private persons, would by law be valid without being reduced to writing, may be made without writing on behalf of the Corporation by any person acting under its authority.

63. **Plaints, etc., by whom to be signed.**—Plaints, written statements, affidavits and all other documents connected with legal proceedings may be signed and varified on behalf of the corporation by an officer authorised in this behalf by the Board to sign documents for and on behalf of the corporation.

PART VI

64. **Dividends.**—(1) The Corporation, in a general meeting, may declare dividends, but no dividend shall exceed the amount recommended by the Board. The Board may, from time to time, pay to the shareholders such interim dividends as appear to the Board to be justified by the profits of the Corporation. Payment of any dividend may be made wholly or in part by distribution of paid up shares.

(2) No dividend shall be paid otherwise than out of the profits of the year or any other undistributed profits.

(3) No dividend shall bear interest against the Corporation.

(4) The declaration of the Board as to the amount of the profits of the Corporation shall be conclusive.

(5) The transfer of shares shall not pass the right therein to any dividend declared before the registration of the transfer. The dividend may be paid by cheque or warrant sent by post to the registered address of the share-holder in Bangladesh and in the case of joint-holders to the registered address of one of the joint-holders whose name stands first, on the register in respect of the joint holding and the Corporation shall not be responsible for any loss arising thereupon and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

(6) All dividends unclaimed for one year after the dividends have been declared may be invested or otherwise made use of by the Board for the benefit of the Corporation until claimed and all dividends unclaimed for six years after such declaration may be forfeited by the Board for the benefit of the Corporation.

65. **Reserve Fund.**—The Board may, before recommending any dividend, set aside out of the profits of the Corporation such sums as it thinks proper as reserves which shall, at its discretion, be applicable for providing for general reserves, capital reserves, dividend equalisation reserve, premium of share reserve, profit on re-issue of forfeited share reserve, taxation reserve, gratuity, pension and provident fund reserve, depreciation or diminution in value of any assets of the Corporation, or such other reserves as the Board may determine.

66. **Inspection of Accounts, etc.**—No person other than a Director shall have the right of inspecting any accounts books or documents of the Corporation.

67. **Accounts.**—The Board shall cause to be kept proper books of accounts of the assets and liabilities, receipts and expenditures of the Corporation and shall have due regard to the obligations in this connection imposed on the Corporation by the Order.

68. **Annual Statement of Accounts.**—The Board shall cause the books of the Corporation to be balanced on the last day of the month of June in each financial year, and the annual accounts shall be set out in the form of a Balance Sheet and Profit and Loss Account. A copy of the Annual Statements, audited by the Auditors appointed by the Corporation, along with the Auditor's report and Report of the Directors shall, fourteen days before the Annual General Meeting, be sent to the persons entitled to receive notices of General Meetings either in person or by post or may be published in the manner provided for publishing the notice convening General Meetings.

69. **Balance Sheet.**—(1) At the Annual General Meeting in every year, the Board shall lay before the share-holders a report on the working of the Corporation and such profit and loss account, income and expenditure account, audited balance sheets and auditor's report as are required by the Order and these regulations.

(2) The profit and loss account shall give the particulars under most convenient heads of the amount of gross income, distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expenditures on the establishment, salaries and other like matters.

(3) The account, report and balance sheet shall be signed by at least two Directors:

Provided that, where the Board consists of elected Directors, if any, one such Director shall be an elected Director.

70. **Audit.**—(1) Once at least in every financial year, the accounts and the balance sheet of the Corporation shall be audited by the Auditors appointed under Article 21 of the Order.

(2) Auditors shall be entitled to receive notice to attend any general meeting of the Corporation at which any accounts which have been examined or reported on by them are to be laid before the share-holders and to make any statement or explanation they desire to make with respect to the accounts.

(3) The Auditors' report under clause (3) of Article 21 of the Order shall be attached to the Balance Sheet and Profit and Loss Account to which it refers or a reference thereto shall be inserted to such Balance Sheet and Profit and Loss Account which shall be laid before the share-holders in the general meeting.

(4) Every account of the Corporation when audited and discussed at a general meeting and approved by the Board shall be conclusive except in so far as any error discovered therein before or at the audit of the next account. Any error discovered within that period shall be forthwith corrected and on such correction the account shall be conclusive.

71. **Common Seal of the Corporation.**—(1) The Common Seal of the Corporation shall not be affixed to any instrument except pursuant to a resolution of the Board, and in the presence of at least two Directors (including the Managing Director) and those two Directors shall sign their names to every instrument to which the Common Seal of the Corporation is so affixed in their presence.

(2) The Common Seal of the Corporation shall be affixed to the Share certificates issued by the Corporation in terms of regulation 16 and may be used for a such other purposes as may be approved by the Board.

72. **Notice.**—(1) Unless otherwise provided in these regulations, a notice may be given by the Corporation to a share-holder personally or by sending it by post to his registered address.

(2) A notice required to be given by the Corporation to the share-holders or any of them shall be sufficient compliance of these regulations if given by an advertisement in at least two newspapers in Dacca.

(3) Where a notice is sent by post, the service of such notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

(4) If a member has no registered address in Bangladesh, and has not supplied to the Corporation an address within Bangladesh for the giving of notices to him, a notice addressed to him and advertised in a widely circulated newspaper in Dacca shall be deemed to be duly given to him on the day on which advertisement appears.

(5) A notice may be given by the Corporation to the joint-holders of a share by giving the notice to the joint-holder named first in the register of shareholders in respect of the share.

(6) A notice may be given by the Corporation to the persons entitled to a share in consequence of the death or insolvency of a share-holder by sending it through the post in a prepaid letter addressed to them by name, 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 death or insolvency had not occurred.

(7) A notice required to be, or which may be, given by advertisement, shall be advertised once in one or more widely circulated daily newspapers in Dacca.

(8) A notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.

(9) All notices to be given by the shareholder to the Corporation shall be left at, or sent by registered post to, the head office of the Corporation.

By order of the President

AHMED SHAHRIAR CHOWDHURY

Deputy Secretary.