



BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission Bhaban, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

নং-বিএসইসি/এনফোর্সমেন্ট/২৬২১/২০১৮/২৮৫

তারিখঃ ০২ এপ্রিল, ২০১৯ ইং

আদেশ

সেহেতু, as per section 2 (cc) of the Securities and Exchange Ordinance, 1969 Commission means Bangladesh Securities and Exchange Commission constituted under the Bangladesh Securities and Exchange Act, 1993;

সেহেতু, As per enquiry order no. BSEC/Surveillance/2018-899/22 dated- June 21, 2018 and BSEC/Surveillance/2018-895/25 dated- July 10, 2018 enquiry team of BSEC conduct the enquiry to identify the reason behind on recent unusual and suspicious transaction in different securities conducted by Commerce Bank Securities and Investment Limited in favor of its Clients and other related parties. From the enquiry report it appears, among others, that:

The following persons/group of persons was involved in manipulative transactions (Data taken from the transaction ledgers, instrument ledgers and the Instant Watch Market Surveillance System).

1) MUKUL KUMAR SAHA and his associate :

SL.	BO ID	Name	Name of the DP	Relationship
G-1-1	1203000000100724	MUKUL KUMAR SAHA	Commerce Bank Securities And Investment Ltd.	Own account
G-1-2	1203000062459368	LIPIKA SAHA	Commerce Bank Securities And Investment Ltd.	Spouse's account

i) MONNOCERA:

a) Individual patterns:

Date	1				2				Total			
	1203000000100724				1203000062459368				MUKUL KUMAR SAHA & associates			
	MUKUL KUMAR SAHA				LIPIKA SAHA							
	Commerce Bank Securities And Investment Ltd.				Commerce Bank Securities And Investment Ltd.							
BQ	BR	SQ	SR	BQ	BR	SQ	SR	BQ	BR	SQ	SR	
22-Aug-17	7,600	62.10	-	-	26,000	60.61	-	-	33,600	60.95	-	-
24-Aug-17	-	-	7,600	66.40	-	-	26,000	66.40	-	-	33,600	66.40
28-Aug-17	6,300	79.70	-	-	21,000	79.63	-	-	27,300	79.65	-	-
30-Aug-17	6,300	84.50	6,300	86.00	17,305	86.12	21,000	86.78	23,605	85.69	27,300	86.60
4-Sep-17	-	-	6,300	98.70	-	-	17,305	99.00	-	-	23,605	98.92
Total	20,200	74.58	20,200	82.59	64,305	73.69	64,305	81.83	84,505	73.90	84,505	82.01

b) Combined effects:

Date	Buy			Sale			Cost of shares sold		Stock position			Comparison with the market				
	Qty	Price	Amount	Qty	Price	Amount	Price (W.Avg)	Amount	Qty	Price (W.Avg)	Amount	Mkt trade Qty (DSE-Normal)	Mkt weighted avg price (DSE-Normal)	Client Buy (%)	Client sale (%)	Client Trade (%)
	1	2	3 (1*2)	4	5	6 (4*5)	7	8 (4*7)	9 (9+1-4)	10	11 (9*10)	12	13	14 (1/12)	15 (4/12)	16 (14/15)
22-Aug-17	33,600	60.95	2,047,788	-	-	-	-	-	33,600	60.95	2,047,788	736,129	44,630,648.30	4.56%	0.00%	4.56%
24-Aug-17	-	-	-	33,600	66.40	2,231,040	60.95	2,047,788	-	-	-	965,981	63,320,055.00	0.00%	3.48%	3.48%
28-Aug-17	27,300	79.65	2,174,410	-	-	-	-	-	27,300	79.65	2,174,410	699,153	55,617,013.90	3.90%	0.00%	3.90%
30-Aug-17	23,605	85.69	2,022,635	27,300	86.60	2,364,228	82.45	2,250,846	23,605	82.45	1,946,199	494,515	42,013,385.30	4.77%	5.52%	10.29%
4-Sep-17	-	-	-	23,605	98.92	2,335,005	82.45	1,946,199	-	-	-	410,931	40,627,804.50	0.00%	5.74%	5.74%
Total	84,505	73.90	6,244,833	84,505	82.01	6,930,273	73.90	6,244,833	-	-	-					
Realized gain/(loss) per unit			8.11													
Realized gain/(loss) %			10.98%													
Realized gain (loss) Tk.			685,440													
Cash dividend			-													
Closing price at DSE- 6-Sep-17			112.60													
Unrealized gain (loss) per unit			-													
Unrealized gain/(loss) %			0.00%													
Unrealized gain (loss) Tk.			-													

Findings: It is observed that MUKUL KUMAR SAHA and his associate effected manipulative transactions. They effected a series of transaction through the aforesaid 2 (two) BO accounts in the shares of **MONNOCERA** creating the appearance of active trading therein.

Contraventions: It appears that MUKUL KUMAR SAHA and his associate have violated section 17 (e) (v) of Securities and Exchange Ordinance 1969 by directly or indirectly effecting a series of transactions in the shares of **MONNOCERA** creating the appearance of active trading therein.

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BANGLADESH SECURITIES AND EXCHANGE COMMISSION
 Securities Commission Bhaba, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

ii) LEGACYFOOT:

a) Individual patterns:

Date	1				2				Total			
	120300000100724				1203000062459368				MUKUL KUMAR SAHA & associates			
	MUKUL KUMAR SAHA				LIPIKA SAHA							
	Commerce Bank Securities And Investment Ltd.				Commerce Bank Securities And Investment Ltd.							
	BQ	BR	SQ	SR	BQ	BR	SQ	SR	BQ	BR	SQ	SR
20-May-18	-	-	-	-	850	71.00	-	-	850	71.00	-	-
21-May-18	400	72.90	-	-	32,350	74.19	-	-	32,750	74.18	-	-
23-May-18	-	-	-	-	12,000	77.85	-	-	12,000	77.85	-	-
27-May-18	8,470	85.44	-	-	-	-	-	-	8,470	85.44	-	-
29-May-18	-	-	-	-	-	-	45,200	85.61	-	-	45,200	85.61
3-Jun-18	-	-	8,870	88.81	-	-	-	-	-	-	8,870	88.81
Total	8,870	84.87	8,870	88.81	45,200	75.11	45,200	85.61	54,070	76.71	54,070	86.13

b) Combined effects:

Date	Buy			Sale			Cost of shares sold		Stock position			Comparison with the market				
	Qty	Price	Amount	Qty	Price	Amount	Price (W.Avg)	Amount	Qty	Price (W.Avg)	Amount	Mkt trade Qty (DSE-Normal)	Mkt weighted avg price (DSE-Normal)	Client Buy (%)	Client Trade (%)	
	1	2	3 (1*2)	4	5	6 (4*5)	7	8 (4*7)	9 (9+1-4)	10	11 (9*10)	12	13	14 (1/12)	15 (4/12)	16 (14+15)
20-May-18	850	71.00	60,350	-	-	-	-	-	850	71.00	60,350	1,533,682	69.12	0.06%	0.00%	0.06%
21-May-18	32,750	74.18	2,429,364	-	-	-	-	-	33,600	74.10	2,489,714	1,409,460	72.90	2.32%	0.00%	2.32%
23-May-18	12,000	77.85	934,230	-	-	-	-	-	45,600	75.09	3,423,944	2,112,113	78.93	0.57%	0.00%	0.57%
27-May-18	8,470	85.44	723,638	-	-	-	-	-	54,070	76.71	4,147,582	1,506,363	84.46	0.56%	0.00%	0.56%
29-May-18	-	-	-	45,200	85.61	3,869,546	76.71	3,467,185	8,870	76.71	680,397	1,030,583	86.80	0.00%	4.39%	4.39%
3-Jun-18	-	-	-	8,870	88.81	787,756	76.71	680,397	-	-	-	1,240,719	91.11	0.00%	0.00%	0.71%
Total	54,070	76.71	4,147,582	54,070	86.13	4,657,302	76.71	4,147,582	-	-	-					

Realized gain/(loss) per unit	9.43
Realized gain/(loss) %	12.29%
Realized gain (loss) Tk.	509,720
Cash dividend	-
Closing price at DSE- 10-Jul-18	145.70
Unrealized gain (loss) per unit	-
Unrealized gain/(loss) %	0.00%
Unrealized gain (loss) Tk.	-



Findings: It is observed that MUKUL KUMAR SAHA and his associate effected manipulative transactions. They effected a series of transactions through the aforesaid 2 (two) BO accounts in the shares of LEGACYFOOT creating the appearance of active trading therein.

Contraventions: It appears that MUKUL KUMAR SAHA and his associate have violated section 17 (e) (v) of Securities and Exchange Ordinance, 1969 by directly or indirectly effecting a series of transactions in the shares of LEGACYFOOT creating the appearance of active trading therein.



iii) BDAUTOCA:

a) Individual patterns:

Date	1				2				Total			
	1203000000100724				1203000062459368				MUKUL KUMAR SAHA & associates			
	MUKUL KUMAR SAHA				LIPIKA SAHA							
	Commerce Bank Securities And Investment Ltd.				Commerce Bank Securities And Investment Ltd.							
	BQ	BR	SQ	SR	BQ	BR	SQ	SR	BQ	BR	SQ	SR
5-Jun-18	-	-	-	-	1,300	144.20	-	-	1,300	144.20	-	-
7-Jun-18	-	-	-	-	15,000	171.75	-	-	15,000	171.75	-	-
11-Jun-18	3,900	173.00	-	-	2,100	172.00	-	-	6,000	172.65	-	-
Total	3,900	173.00	-	-	18,400	169.83	-	-	22,300	170.38	-	-

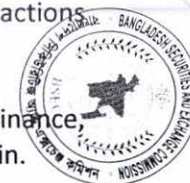
b) Combined effects:

Date	Buy			Sale			Cost of shares sold		Stock position			Comparison with the market			
	Qty	Price	Amount	Qty	Price	Amount	Price (W.Avg)	Amount	Qty	Price (W.Avg)	Amount	Mkt trade Qty (DSE-Normal)	Mkt weighted avg price (DSE-Normal)	Client Buy (%)	Client sale (%)
	1	2	3 (1*2)	4	5	6 (4*5)	7	8 (4*7)	9 (9+1-4)	10	11 (9*10)	12	13	14 (1/12)	15 (4/12)
5-Jun-18	1,300	144.20	187,460	-	-	-	-	-	1,300	144.20	187,460	757,569	141.83	0.17%	0.00%
7-Jun-18	15,000	171.75	2,576,199	-	-	-	-	-	16,300	169.55	2,763,659	449,782	166.64	3.33%	0.00%
11-Jun-18	6,000	172.65	1,035,900	-	-	-	-	-	22,300	170.38	3,799,559	536,859	178.44	1.12%	0.00%
Total	22,300	170.38	3,799,559	-	-	-	-	-	22,300	170.38	3,799,559				
Realized gain/(loss) per unit			-												
Realized gain/(loss) %			0.00%												
Realized gain (loss) Tk.			-												
Cash dividend			-												
Closing price at DSE- 19-Jun-18			218.20												
Unrealized gain (loss) per unit			47.82												
Unrealized gain/(loss) %			28.06%												
Unrealized gain (loss) Tk.			1,066,301												

BANGLADESH SECURITIES AND EXCHANGE COMMISSION
 Securities Commission Bhaban, E-6/C Aargaoon, Sher-e-Bangla Nagar Administrative Area Dhaka-1207, Bangladesh.

Findings: It is observed that MUKUL KUMAR SAHA and his associate effected manipulative transactions. They effected a series of transactions through the aforesaid 2 (two) BO accounts in the shares of **BDAUTOCA** creating the appearance of active trading therein.

Contraventions: It appears that MUKUL KUMAR SAHA and his associate have violated section 17 (e) (v) of Securities and Exchange Ordinance, 1969 by directly or indirectly effecting a series of transactions in the shares of **BDAUTOCA** creating the appearance of active trading therein.



iv) QUEENSOUTH:

a) Individual patterns:

Date	1				2				Total			
	1203000000100724				1203000062459368				MUKUL KUMAR SAHA & associates			
	MUKUL KUMAR SAHA				LIPIKA SAHA							
	Commerce Bank Securities And Investment Ltd.				Commerce Bank Securities And Investment Ltd.							
BQ	BR	SQ	SR	BQ	BR	SQ	SR	BQ	BR	SQ	SR	
23-Apr-18	300	33.30	-	-	-	-	-	-	300	33.30	-	-
24-Apr-18	14,500	34.60	-	-	-	-	-	-	14,500	34.60	-	-
25-Apr-18	-	-	100	36.20	-	-	-	-	-	-	100	36.20
30-Apr-18	-	-	-	-	60,600	35.89	-	-	60,600	35.89	-	-
6-May-18	14,700	47.10	14,700	47.70	61,600	46.23	60,600	47.40	76,300	46.40	75,300	47.46
Total	29,500	40.82	14,800	47.62	122,200	41.10	60,600	47.40	151,700	41.05	75,400	47.44

b) Combined effects:

Date	Buy			Sale			Cost of shares sold		Stock position			Comparison with the market				
	Qty	Price	Amount	Qty	Price	Amount	Price (W.Avg)	Amount	Qty	Price (W.Avg)	Amount	Mkt trade Qty (DSE-Normal)	Mkt weighted avg price (DSE-Normal)	Client Buy (%)	Client sale (%)	Client Trade (%)
	1	2	3 (1*2)	4	5	6 (4*5)	7	8 (4*7)	9 (9+1-4)	10	11 (9*10)	12	13	14 (1/12)	15 (4/12)	16 (14/12)
23-Apr-18	300	33.30	9,990	-	-	-	-	-	300	33.30	9,990	1,247,324	33.17	0.02%	0.00%	0.00%
24-Apr-18	14,500	34.60	501,700	-	-	-	-	-	14,800	34.57	511,690	2,206,457	34.06	0.66%	0.00%	0.65%
25-Apr-18	-	-	-	100	36.20	3,620	34.57	3,457	14,700	34.57	508,233	2,516,955	35.47	0.00%	0.00%	0.00%
30-Apr-18	60,600	35.89	2,174,880	-	-	-	-	-	75,300	35.63	2,683,113	2,467,696	37.95	2.46%	0.00%	2.46%

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6-May-18	76,300	46.40	3,540,155	75,300	47.46	3,573,630	41.05	3,091,108	76,300	41.05	3,132,159	1,737,039	46.91	4.39%	4.33%	8.73%
Total	151,700	41.05	6,226,725	75,400	47.44	3,577,250	41.04	3,094,566	76,300	41.05	3,132,159					
Realized gain/(loss) per unit			6.40													
Realized gain/(loss) %			15.60%													
Realized gain (loss) Tk.			482,684													
Cash dividend			-													
Closing price at DSE-		7-May-18	47.60													
Unrealized gain (loss) per unit			6.55													
Unrealized gain/(loss) %			15.95%													
Unrealized gain (loss) Tk.			499,721													



BANGLADESH SECURITIES AND EXCHANGE COMMISSION
 Securities Commission Bhaban, 156/C Agargaon, Sher-e-Bangla Nagar Administrative Area (Dhaka-1207), Bangladesh.

Findings: It is observed that MUKUL KUMAR SAHA and his associate effected manipulative transactions. They effected a series of transaction through the aforesaid 2 (two) BO accounts in the shares of **QUEENSOUTH** creating the appearance of active trading therein.

Contraventions: It appears that MUKUL KUMAR SAHA and his associate have violated section 17 (e) (v) of Securities and Exchange Ordinance, 1969 by directly or indirectly effecting a series of transactions in the shares of **QUEENSOUTH** creating the appearance of active trading therein. Whereas, the Commission feels in this respect that an opportunity of being heard be given to you on the above matter before taking the further measures as per provision of Section 22 of the Securities and Exchange Ordinance, 1969 .

যেহেতু, জনাব মুকুল কুমার সাহা (বিওআইডি : ১২০৩০০০০০১০০৭২৪) কে উপরোক্ত ব্যর্থতার জন্য কমিশন কর্তৃক ২৪ অক্টোবর ২০১৮ ইং তারিখের বিএসইসি/এনফোর্সমেন্ট/২৬২১/২০১৮/৪৪২ নম্বর স্মারকমূলে জনাব মুকুল কুমার সাহা -কে নির্ধারিত তারিখে উপরোক্ত ব্যর্থতার কারণ প্রদর্শনসহ শুনানীতে উপস্থিত হতে বলা এবং জনাব মুকুল কুমার সাহা উক্ত শুনানীতে ১২ নভেম্বর, ২০১৮ তে উপস্থিত হয়ে তার নিম্ন লিখিত বক্তব্য দাখিল করেন;

“Please refer to your letter no SEC/Enforcement/2621/2018/442 dated 24 October, 2018 on the captioned subject.

That in the above referred show cause notice, me and my spouse have been accused of having violation of Section 17 (e)(v) of the Securities and Exchange Ordinance, 1969, based on the findings of an enquiry on the recent unusual and suspicious transactions in different securities including Monno Ceramic Industries Ltd., Legacy footwear Ltd. BDAUTO Car Ltd., and Queensouth Textiles Ltd.

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BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission Bhaban, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

In the above referred letter, BSEC has provided trade description of share transaction of Monno Ceramic Industries Ltd. from 22/08/2017 to 04/09/2017 and Legacy footwear Ltd. from 20/05/2018 to 03/06/2018, BDAUTO CAR Ltd. from 05/06/2018 to 11/06/2018 and Queensouth Textiles Ltd. from 23/04/2018 to 06/05/2018. Therefore, we (BO ID: 1203000000100724 and 1203000062459368) have been accused of being directly involved in a series of transaction in the shares of the aforementioned companies.

Therefore, I would like to afford the following response to the above mentioned findings.

Before my explanation, I would like to draw your kind attention to my investment in capital market for the reported BO IDs:

Sir, I am a banker by profession. I have invested in capital market with the hope to earn some money for my future safety. Way back in 2010, I opened a BO account with Commerce Bank Securities and Investment Ltd. taking margin loan under the loan ratio 1:1. My total deposit was about Tk. 1.02 crore. For long 7.2 years, I tried my heart out but failed to earn any return and could not withdraw a single taka from my account. Loss, Loss and only Loss was the story of my stock market journey. Later on 02/01/2017, I insisted my wife to open another BO Account just to try her luck. To my wonder, she became a gainer right away. However, my loss in stock market is dominating. As you can see that I still suffering by a capital loss of Tk. 71.17 lac. I collected those funds from bank loan, taking loans from relatives and friends and own savings. For such long period I received nothing but humiliation and indignation of the people.

Capital Gain/(Loss) in my reported portfolios as on 21/08/2017 and 25/06/2018 is as under:

Sl.	Code No.	Account open date	Total Deposit	Total Capital Gain/ (Loss) + Margin loan Interest as on 31.10.2018	Return On Investment	Investment Duration ; about	Remarks
1	6494	31/08/2010	1,02,53,387	(98,20,537)	(95.78%)	7 years 2 months	Annex-1
2	24755	02/01/2017	35,52,000	27,03,859	77.10%	1 years 10 months	Annex-2
Grand Total			1,38,05,387	(71,16,678)	(51.55%)		

If you kindly glance through the above table, you find that I already incurred capital loss totaling Tk. 71.17 lac out of my total capital of Tk. 1.38 crore, being 51.55% loss.

Explanation of alleged manipulative transactions:

My buy volume vis-a-vis DSE total volume in the reported stocks are as under:

Particulars	Monnocera	Legacyfoot	BDAUTO	Queensouth
Total buy volume	84,505	54,070	22,300	1,51,700
Total transaction in DSE	1,20,06,709	12,40,719	17,44,210	1,01,75,471
% of DSE	0.70%	4.36%	1.28%	1.49%

As you glance through, you find that our total traded volume was very insignificant to the total traded volume of the reported stocks at DSE. Our highest traded percentage of 4.36% at Legacy footwear Ltd. was not at all significant commensurate with my investment size. On the other hand, we have literally traded very trivial quantity in others stocks which we believe did neither abuse the price nor the total volume of the stocks under investigation.



BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission Bhaban, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

I also solemnly declare you that we did not buy or sell shares of Monno Ceramic Industries Ltd., Legacy footwear Ltd. BDAUTO Car Ltd., Queensouth Textiles Ltd. for the purpose of inducing, dissuading, effecting, preventing or in any manner influencing or turning to his advantage, the sale or purchase of any security, directly or indirectly.

To the best of our knowledge, we did not do any act or practice or engage in a course of business or omit to do any act which operates or would operate as a fraud, direct or manipulation upon any person.

Again, we did not make any to offense under section 17(e) (v). We simply traded based market movement and our own perception.

As a Tax-paying, Peace-loving and Law-abiding citizen of Bangladesh, we try our level best to comply with rules and regulations of BSEC and other regulatory bodies of my beloved Bangladesh.

We request you to kindly consider our matter with sympathy and.”

জনাব মুকুল কুমার সাহা (বিওআইডি : ১২০৩০০০০০০১০০৭২৪) এর লিখিত বক্তব্য কমিশনের বিবেচনায় গ্রহণযোগ্য হয়নি।

যেহেতু, জনাব মুকুল কুমার সাহা এর লিখিত বক্তব্য কমিশনের বিবেচনায় গ্রহণযোগ্য হয়নি, যা সিকিউরিটিজ আইন পরিপালনে ব্যর্থতা বিধায় section 22 of the Securities and Exchange Ordinance, 1969 অনুযায়ী শাস্তিযোগ্য অপরাধ এবং যা ক্ষমার অযোগ্য;

যেহেতু, কমিশনের বিবেচনায়, সিকিউরিটিজ আইন পরিপালনে উল্লিখিত ব্যর্থতার জন্য, তথা পুঁজিবাজারের উন্নয়নের পাশাপাশি বাজারের শৃংখলা ও স্বচ্ছতা রক্ষার স্বার্থে জনাব মুকুল কুমার সাহা-কে জরিমানা করা প্রয়োজন ও সমীচীন;

অতএব, সেহেতু, কমিশন, উল্লিখিত যাবতীয় বিষয় বিবেচনাপূর্বক, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) এর section 22 [যা The Securities and Exchange (Amendment) Act, 2000 দ্বারা সংশোধিত] এ প্রদত্ত ক্ষমতাবলে জনাব মুকুল কুমার সাহা (বিওআইডি : ১২০৩০০০০০০১০০৭২৪) এর উপর ১ (এক) লক্ষ টাকা জরিমানা ধার্য করা হল। উক্ত জরিমানার অর্থ আদেশের তারিখ হতে ১৫ (পনের) দিনের মধ্যে ' বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন' এর অনুকূলে ব্যাংক ড্রাফট/পে-অর্ডারের মাধ্যমে জমা করতে হবে।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের আদেশক্রমে,

খোন্দকার কামালউজ্জামান
কমিশনার

বিতরণঃ

জনাব মুকুল কুমার সাহা (বিওআইডি : ১২০৩০০০০০০১০০৭২৪)

কমার্স ব্যাংক সিকিউরিটিজ অ্যান্ড ইনভেস্টমেন্ট লি:

তরঙ্গ কমপ্লেক্স, ৩য় তলা, ১৯ রাজউক এ্যাভিনিউ,

মতিঝিল, ঢাকা-১০০০।