



# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

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

নং-বিএসইসি/এনফোর্সমেন্ট/৩২৮০/২০২২/১৩৩৭

তারিখঃ অক্টোবর ১৮, ২০২২

**Md. A. G. Mahmud**

Client Code # CM426 (Client of City Brokerage Limited)

Flat # 4/D, Taj Casilina (3rd Floor)

SW (I) 4, 25 Gulshan Avenue

Gulshan-1, Dhaka-1212.

বিষয়: আদেশ।

কমিশনের আদেশ নং-বিএসইসি/এনফোর্সমেন্ট/৩২৮০/২০২২/১৩৩৬ তারিখ: অক্টোবর ১৮, ২০২২ এর সত্যায়িত অনুলিপি আপনার অবগতি ও প্রয়োজনীয় ব্যবস্থা গ্রহণের জন্য এতদসঙ্গে সংযুক্ত করা হলো।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের পক্ষে,

*Rubel*  
18-10-22

রুবেল হোসেন

সহকারী পরিচালক (এনফোর্সমেন্ট)

ই-মেইল- rubel@sec.gov.bd

অবগতির জন্য অনুলিপি:

- ১। নির্বাহী পরিচালক, এমএসআই, বিএসইসি
- ২। নির্বাহী পরিচালক, এমআইএস, বিএসইসি
- ৩। চেয়ারম্যান মহোদয়ের দপ্তর, বিএসইসি।
- ৪। ব্যবস্থাপনা পরিচালক, ডিএসই।
- ৫। অফিস কপি।





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তারিখঃ অক্টোবর ১৫, ২০২২

## আদেশ

যেহেতু, Securities and Exchange Ordinance, 1969 এর Section 2 (cc) মোতাবেক কমিশন অর্থ বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন যা বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩-এর অধীনে গঠিত;

যেহেতু, ঢাকা স্টক এক্সচেঞ্জ লিমিটেড-এর তদন্ত কমিটি National Feed Mill Limited (NFML) এর শেয়ার লেনদেনের ১১-০৪-২০২১ থেকে ১৭-০৫-২০২১ পর্যন্ত সময়ের জন্য অনুসন্ধান (investigation) কার্যক্রম পরিচালনা করেছে এবং কমিশনে এ সংক্রান্ত একটি প্রতিবেদন দাখিল করেছে। অনুসন্ধান প্রতিবেদন থেকে অন্যান্যের মধ্যে নিম্নলিখিত বিষয়গুলি উপস্থাপিত হয়:

### Trends of closing Price and trade volume of "NFML" in public Market.

YCP of NFML as on 11.04.2021 was Tk. 15.60 and closing price of the same was Tk. 36.50 as on 17.05.2021. During this period the investigation team found that the price of NFML share was increased by Tk. 20.90 which is approximately 133.97% higher compared to YCP of 11.04.2021.

#### A. Md. A. G. Mahmud, Md. Saif Ullah and their associates:

##### Observation-1:

After examining account opening form and relevant documents, it is revealed that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* maintain 06 (Six) accounts with City Brokerage Limited, Vertex Stocks & Securities Limited and Reliance Brokerage Services Limited. Details of these accounts are given below:

| S.L. | Client's Name                            | Client Code | BO ID            | TREC Holder's Name                  | Remarks  |
|------|--|-------------|------------------|-------------------------------------|--|
| 1    | Md. A. G. Mahmud                         | CM426       | 1605170065324223 | City Brokerage Limited              | Single account                                 |
| 2    | Md. A. G. Mahmud & S. M. Motaharul Janan | CM529       | 1605170069260129 | City Brokerage Limited              | Joint account                                  |
| 3    | S. M. Motaharul Janan                    | CM530       | 1605170069260300 | City Brokerage Limited              | Md. A. G. Mahmud is the nominee of the account |
| 4    | Md. Saif Ullah                           | CM411       | 1605170064096113 | City Brokerage Limited              | Brother of Md. A. G. Mahmud                    |
| 5    | Md. Saif Ullah                           | VOO453      | 1206080064096113 | Vertex Stock & Securities Limited   |  |
| 6    | Md. Saif Ullah                           | FS0466      | 1605140064096113 | Reliance Brokerage Services Limited |  |

Individual trade patterns, Effects of NFML in both block and public market, Trade monitoring screenshots and Gain/Loss of *Md. A. G. Mahmud, Md. Saif Ullah and their associates* by trading of NFML share are given below:









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|            |          |       |               |          |       |               |   |       |               |
|------------|----------|-------|---------------|----------|-------|---------------|---|-------|---------------|
| 09-05-2021 | 4512645  | 33.02 | 149008398.70  | 11211610 | 33.20 | 372188193.00  | 0 | 29.16 | 326939856.15  |
| 11-05-2021 | 8825362  | 34.48 | 304291033.70  | 3334986  | 34.95 | 116547886.50  | 0 | 31.80 | 106054230.83  |
| 12-05-2021 | 2825667  | 35.34 | 99861562.70   | 5431630  | 36.12 | 196163474.10  | 0 | 32.38 | 175874609.19  |
| 16-05-2021 | 3849904  | 36.19 | 139343938.20  | 3856667  | 35.83 | 138181790.70  | 0 | 33.32 | 128487434.02  |
| 17-05-2021 | 4402773  | 37.09 | 163289745.00  | 4689293  | 36.60 | 171625571.90  | 0 | 34.34 | 161023748.42  |
| Total      | 60559651 | 29.29 | 1773827093.90 | 49012831 | 31.30 | 1534286627.50 | 0 | 28.10 | 1377325480.81 |

| Date            | Stock Position |                |              | Comparison with the Market |                        |                         |                |                 |                  |
|-----------------|----------------|----------------|--------------|----------------------------|------------------------|-------------------------|----------------|-----------------|------------------|
|                 | Qty.           | Price (W.Avg.) | Amount       | Mkt Trade Qty at DSE       | Mkt Close Price at DSE | Market price Changed by | Client Buy (%) | Client Sale (%) | Client Trade (%) |
|                 | 10             | 11             | 12           | 13                         | 14                     | 15                      | 16             | 17              | 18               |
| Opening Balance | 0              | 0.00           | 0.00         |                            |                        |                         |                |                 |                  |
| 11-04-2021      | 0              | 0.00           | 0.00         | 738542                     | 14.60                  | -6.41%                  | 0.00%          | 0.00%           | 0.00%            |
| 12-04-2021      | 0              | 0.00           | 0.00         | 844180                     | 15.80                  | 8.22%                   | 0.00%          | 0.00%           | 0.00%            |
| 13-04-2021      | 0              | 0.00           | 0.00         | 629460                     | 16.20                  | 2.53%                   | 0.00%          | 0.00%           | 0.00%            |
| 15-04-2021      | 0              | 0.00           | 0.00         | 764692                     | 16.70                  | 3.09%                   | 0.00%          | 0.00%           | 0.00%            |
| 18-04-2021      | 0              | 0.00           | 0.00         | 736792                     | 16.70                  | 0.00%                   | 0.00%          | 0.00%           | 0.00%            |
| 19-04-2021      | 0              | 0.00           | 0.00         | 1224353                    | 16.30                  | -2.40%                  | 0.00%          | 0.00%           | 0.00%            |
| 20-04-2021      | 0              | 0.00           | 0.00         | 1397675                    | 17.10                  | 4.91%                   | 0.00%          | 0.00%           | 0.00%            |
| 21-04-2021      | 0              | 0.00           | 0.00         | 1269249                    | 17.10                  | 0.00%                   | 0.00%          | 0.00%           | 0.00%            |
| 22-04-2021      | 0              | 0.00           | 0.00         | 3080510                    | 18.70                  | 9.36%                   | 0.00%          | 0.00%           | 0.00%            |
| 25-04-2021      | 6900000        | 19.00          | 131100000.00 | 11143444                   | 20.50                  | 9.63%                   | 61.92%         | 0.00%           | 61.92%           |
| 26-04-2021      | 7720278        | 19.37          | 149556255.00 | 8329999                    | 22.50                  | 9.76%                   | 9.85%          | 0.00%           | 9.85%            |
| 27-04-2021      | 4843540        | 20.70          | 100272128.96 | 21747424                   | 24.00                  | 6.67%                   | 18.28%         | 31.51%          | 49.80%           |
| 28-04-2021      | 7967518        | 22.03          | 175488493.53 | 8093563                    | 23.80                  | -0.83%                  | 49.31%         | 10.71%          | 60.01%           |
| 29-04-2021      | 5865681        | 22.39          | 131314050.84 | 14664054                   | 26.10                  | 9.66%                   | 6.87%          | 21.20%          | 28.06%           |
| 02-05-2021      | 6243280        | 24.13          | 150626974.92 | 14425110                   | 26.90                  | 3.07%                   | 33.72%         | 31.10%          | 64.81%           |
| 03-05-2021      | 6224738        | 24.38          | 151764171.72 | 6446533                    | 25.80                  | -4.09%                  | 12.54%         | 12.83%          | 25.36%           |
| 04-05-2021      | 9021821        | 25.19          | 227274785.06 | 10141697                   | 27.50                  | 6.59%                   | 33.80%         | 6.22%           | 40.02%           |
| 05-05-2021      | 16336689       | 27.28          | 445688791.48 | 13391876                   | 30.20                  | 9.82%                   | 55.95%         | 1.32%           | 57.27%           |
| 06-05-2021      | 15654655       | 28.05          | 439086813.40 | 16800581                   | 33.20                  | 9.93%                   | 17.01%         | 21.07%          | 38.07%           |
| 09-05-2021      | 8955690        | 29.16          | 261155355.95 | 18046867                   | 33.10                  | -0.30%                  | 25.01%         | 62.12%          | 87.13%           |
| 11-05-2021      | 14446066       | 31.80          | 459392158.82 | 14839660                   | 36.10                  | 9.06%                   | 59.47%         | 22.47%          | 81.94%           |
| 12-05-2021      | 11840103       | 32.38          | 383379112.33 | 12945513                   | 36.10                  | 0.00%                   | 21.83%         | 41.96%          | 63.79%           |
| 16-05-2021      | 11833340       | 33.32          | 394235616.51 | 8801140                    | 35.70                  | -1.11%                  | 43.74%         | 43.82%          | 87.56%           |
| 17-05-2021      | 11546820       | 34.34          | 396501613.09 | 10717129                   | 36.50                  | 2.24%                   | 41.08%         | 43.76%          | 84.84%           |
| Total           | 11546820       | 34.34          | 396501613.09 |                            |                        |                         |                |                 |                  |

| Summary   |                |              |            |                |             |           |                |               |            |                |               |                     |               |                |                |              |
|-----------|----------------|--------------|------------|----------------|-------------|-----------|----------------|---------------|------------|----------------|---------------|---------------------|---------------|----------------|----------------|--------------|
| Block Buy |                |              | Block Sale |                |             | Total Buy |                |               | Total Sale |                |               | Cost of Shares Sold |               | Stock Position |                |              |
| Qty       | Price (W.Avg.) | Amount       | Qty        | Price (W.Avg.) | Amount      | Qty       | Price (W.Avg.) | Amount        | Qty        | Price (W.Avg.) | Amount        | Price (W.Avg.)      | Amount        | Qty            | Price (W.Avg.) | Amount       |
| 7760000   | 19.44          | 150880000.00 | 3995250    | 23.78          | 94988250.00 | 60559651  | 29.29          | 1773827093.90 | 49012831   | 31.30          | 1534286627.50 | 28.10               | 1377325480.81 | 11546820       | 34.34          | 396501613.09 |





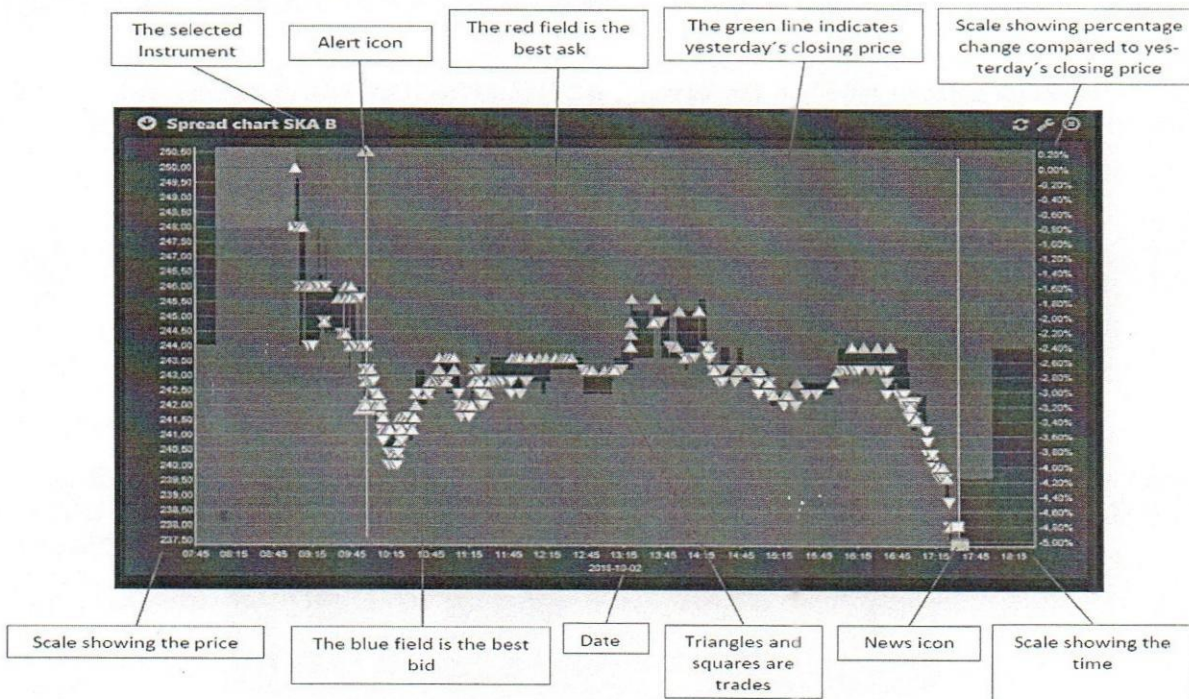
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## C) Trade monitoring screenshots based on public market trade by *Md. A. G. Mahmud, Md. Saif Ullah and their associates*:

IED collected Trade monitoring screenshots from Surveillance Department on some trading dates where appearance of active trading of *Md. A. G. Mahmud, Md. Saif Ullah and their associates* was observed which influenced the price of NFML. The details of the graphs are given below:

The details of the graphs are given below:

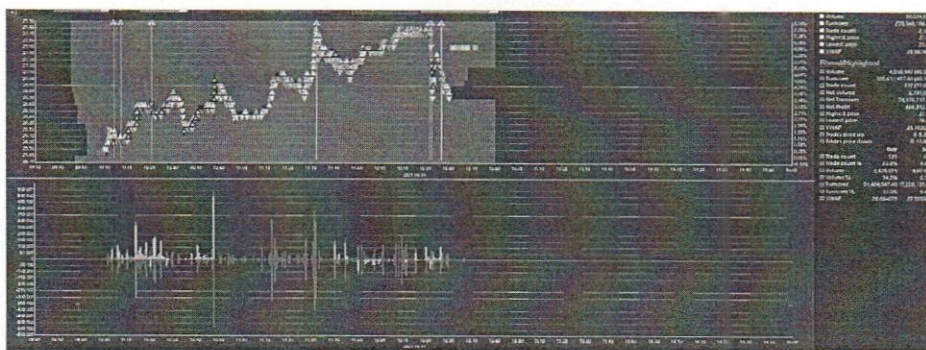


▲ Green triangle represents trade of NFML by *Md. A. G. Mahmud, Md. Saif Ullah and their associates*

△ White triangle represents trade of NFML by other clients

After scrutinizing the Trade monitoring screenshots collected from Surveillance Department, it is found that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* were involved in trading of shares of NFML which influenced price of the said shares on several dates:

**04-05-2021**



It was observed in the above graph that on 04.05.2021, total number of trades of NFML in the market was 2,306 whereas number of trades executed by *Md. A. G. Mahmud, Md. Saif Ullah and their associates* was 2306.



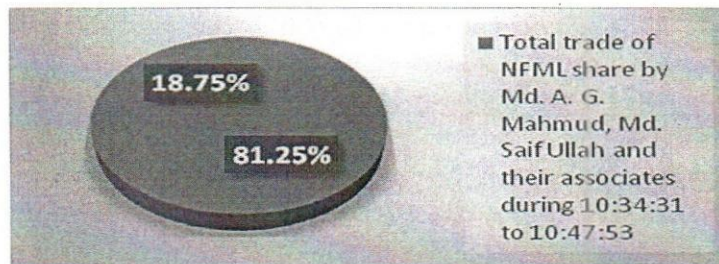


# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

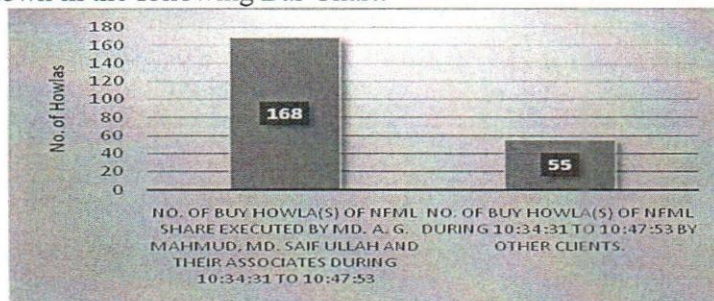
Securities Commission Bhaban, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

their associates was 525 which is approximately 22.8% of the total number of trades in the market. Again, total traded volume of NFML share in the market on that day was 10,024,697 whereas buy volume by the said clients was 3,428,015 shares which is approximately 34.2% of the total traded volume in the market. It is evident that the clients had significant participation in the market on 04.05.2021 in trading of NFML share.

On 04.05.2021, trading of NFML share was started at Tk. 25.9 which is Tk. 0.1 more than the YCP of Tk. 25.8. On that day, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* started series of trading at 10:34:31 at price Tk. 26.2 and induced the same to rise to Tk. 27 up to 10:47:53. It can also be observed from the above graph that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed significant trades during this time period. It is mentionable here that from 10:34:31 to 10:47:53, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* bought 861,257 shares of NFML compared to the total traded share of 1,060,001. This is shown in the following Pie Chart.

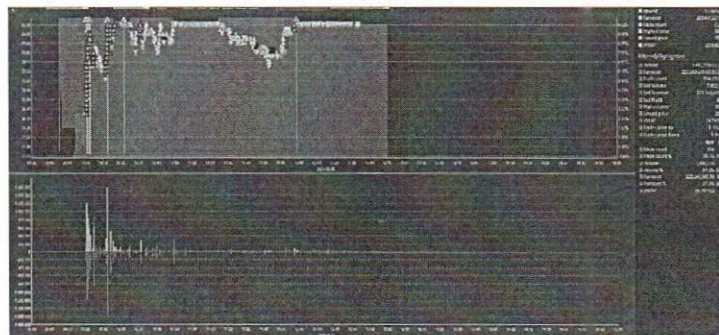


It is also found that during the aforementioned period, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed 168 howlas to purchase of shares of NFML compared to the total number of howlas of 223 as shown in the following Bar Chart.



Thus it seems that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* were actively trying to lift the price of NFML on 04.05.2021 and at the end of the day price of NFML share was increased by Tk. 1.7 which was approximately 6.6% higher than YCP.

05-05-2021





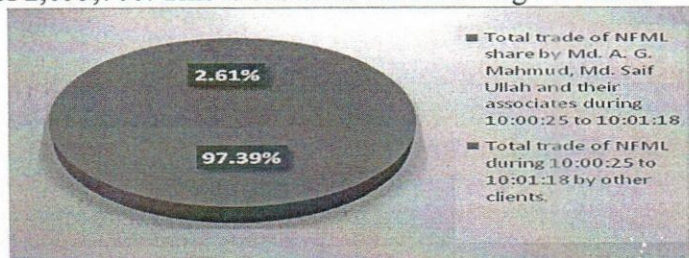


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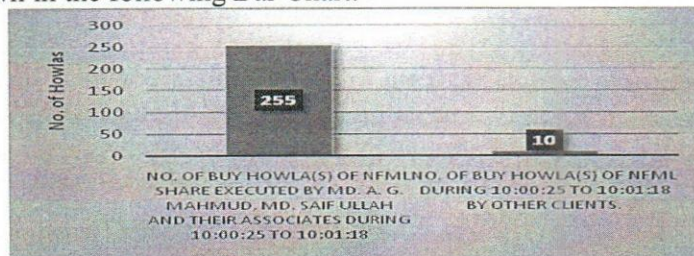
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It was observed in the above graph that on 05.05.2021, total number of trades of NFML in the market was 2,388 whereas number of trades executed by *Md. A. G. Mahmud, Md. Saif Ullah and their associates* was 934 which is approximately 39.1% of the total number of trades in the market. Again, total traded volume of NFML share in the market on that day was 13,064,626 whereas buy volume by the said clients was 7,492,118 shares which is approximately 57.3% of the total traded volume in the market. It is evident that the clients had significant participation in the market on 05.05.2021 in trading of NFML share.

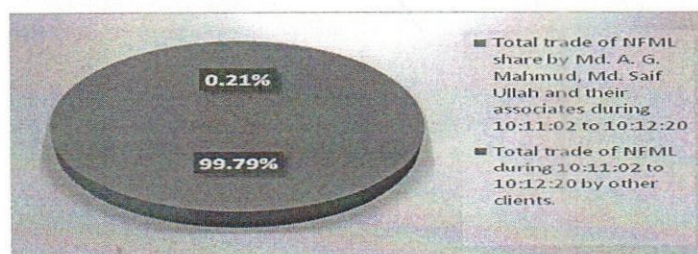
On 05.05.2021, trading of NFML share was started at Tk. 28.3 which is Tk. 0.8 more than the YCP of Tk. 27.5. On that day, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* started series of trading at 10:00:25 at price Tk. 28.3 and induced the same to rise to Tk. 30 up to 10:01:18. It can also be observed from the above graph that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed significant trades during this time period. It is mentionable here that from 10:00:25 to 10:01:18, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* bought 2,000,000 shares of NFML compared to the total traded share of 2,053,700. This is shown in the following Pie Chart.



It is also found that during the aforementioned period, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed 255 howlas to purchase of shares of NFML compared to the total number of howlas of 265 as shown in the following Bar Chart.



Again, at 10:11:02, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* started trading at price Tk. 29. In this session they lifted price of NFML share to Tk. 30.2 up to 10:12:20. It can be observed from the above graph that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed significant trades during this time period. From 10:11:02 to 10:12:20, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* bought 1,934,304 shares of NFML compared to the total traded share of 1,938,304 as shown in the following Pie Chart.



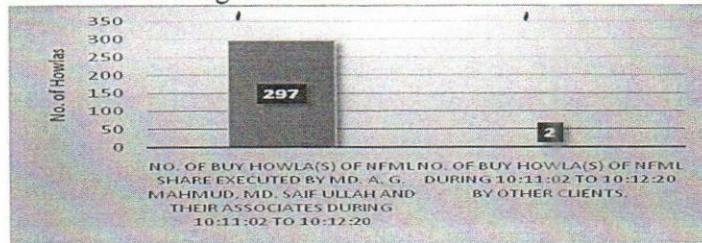




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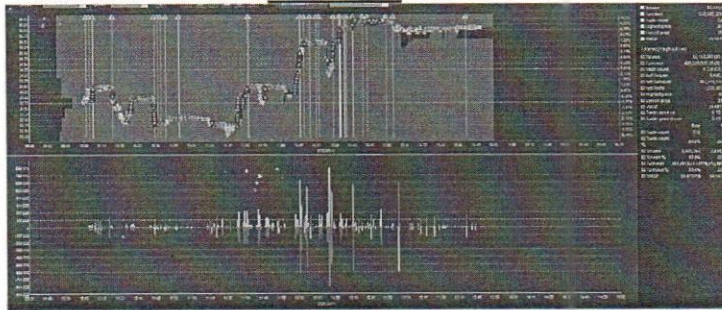
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It is also found that during the aforementioned period, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed 297 howlas to purchase of shares of NFML compared to the total number of howlas of 299 as shown in the following Bar Chart.



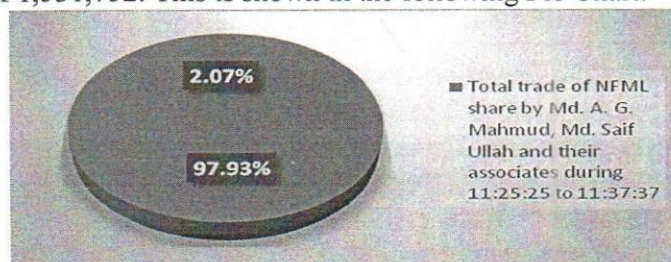
Thus it seems that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* were actively trying to lift the price of NFML on 05.05.2021 and at the end of the day price of NFML share was increased by Tk. 2.7 which was approximately 9.8% higher than YCP.

**11.05.2021**



It was observed in the above graph that on 11.05.2021, total number of trades of NFML in the market was 2,407 whereas number of trades executed by *Md. A. G. Mahmud, Md. Saif Ullah and their associates* was 926 which is approximately 38.5% of the total number of trades in the market. Again, total traded volume of NFML share in the market on that day was 14,839,660 whereas buy volume by the said clients was 8,825,362 shares which is approximately 59.5% of the total traded volume in the market. It is evident that the clients had significant participation in the market on 11.05.2021 in trading of NFML share.

On 11.05.2021, trading of NFML share was started at Tk. 32.8 which is Tk. 0.3 more than the YCP of Tk. 33.1. On that day, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* started series of trading at 11:25:25 at price Tk. 31.7 and induced the same to rise to Tk. 33.4 up to 11:37:37. It can also be observed from the above graph that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed significant trades during this time period. It is mentionable here that from 11:25:25 to 11:37:37, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* bought 1,500,000 shares of NFML compared to the total traded share of 1,531,752. This is shown in the following Pie Chart.



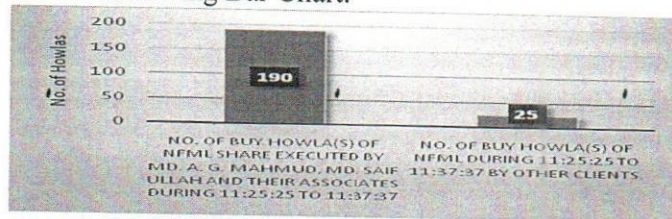




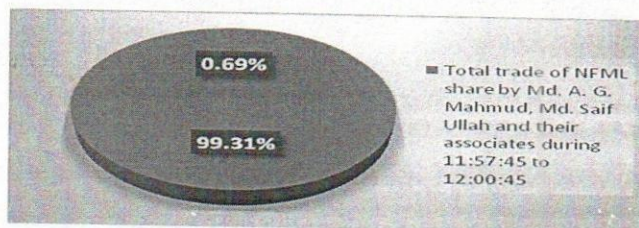
# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

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

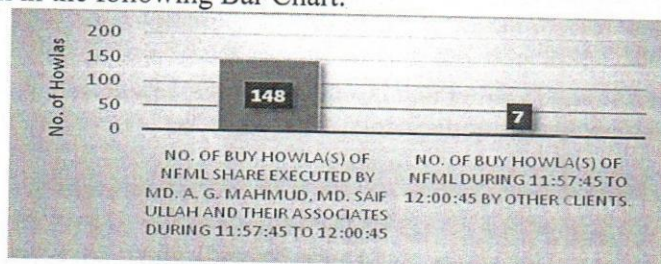
It is also found that during the aforementioned period, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed 190 howlas to purchase of shares of NFML compared to the total number of howlas of 215 as shown in the following Bar Chart.



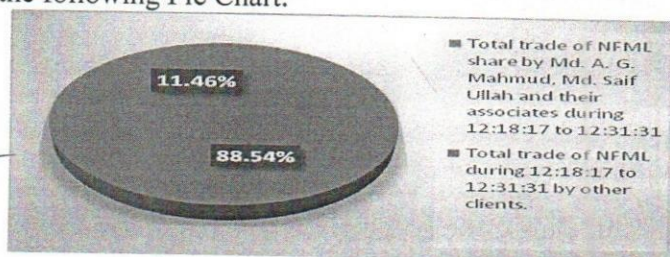
At 11:57:45, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* started trading at price Tk. 33.2. In this session they lifted price of NFML share to Tk. 35 up to 12:00:45. It can be observed from the above graph that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed significant trades during this time period. From 11:57:45 to 12:00:45, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* bought 1,275,082 shares of NFML compared to the total traded share of 1,283,902 as shown in the following Pie Chart.



It is also found that during the aforementioned period, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed 148 howlas to purchase of shares of NFML compared to the total number of howlas of 155 as shown in the following Bar Chart.



Again, at 12:18:17, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* started trading at Tk. 34.2. In this session, he induced the price of NFML share to rise to Tk. 36.4 up to 12:31:31. It can be observed from the above graph that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed significant trades during this time period. From 12:18:17 to 12:31:31, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* bought 1,719,983 shares of NFML compared to the total traded shares of 1,942,545 as shown in the following Pie Chart.



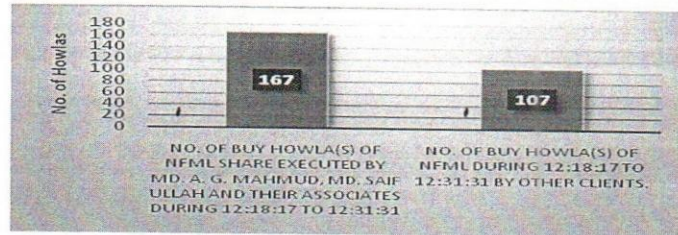




# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

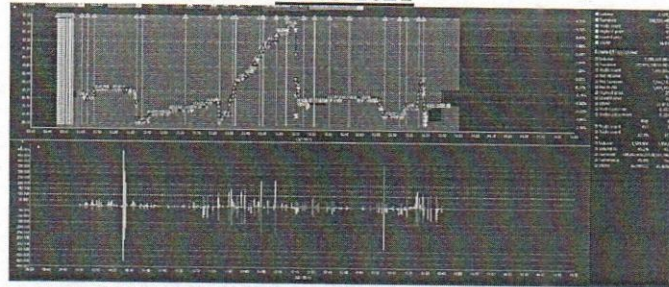
Securities Commission Bhaban, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

It is also found that during the aforementioned period, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed 167 howlas to purchase of shares of NFML compared to the total number of howlas of 274 as shown in the following Bar Chart.



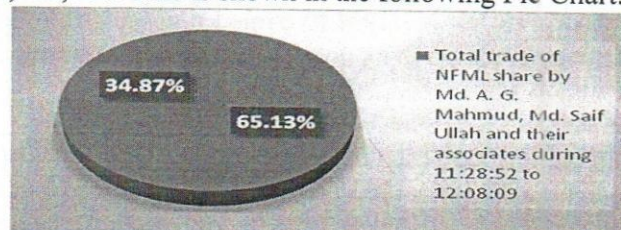
Thus it seems that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* were actively trying to lift the price of NFML on 11.05.2021 and at the end of the day price of NFML share was increased by Tk. 3 which was approximately 9.1% higher than YCP.

**16-05-2021**



It was observed in the above graph that on 16.05.2021, total number of trades of NFML in the market was 2,219 whereas number of trades executed by *Md. A. G. Mahmud, Md. Saif Ullah and their associates* was 611 which is approximately 27.5% of the total number of trades in the market. Again, total traded volume of NFML share in the market on that day was 8,521,140 whereas buy volume by the said clients was 3,849,904 shares which is approximately 45.2% of the total traded volume in the market. It is evident that the clients had significant participation in the market on 16.05.2021 in trading of NFML share.

On 16.05.2021, trading of NFML share was started at Tk. 35.9 which is Tk. 0.2 less than the YCP of Tk. 36.1. On that day, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* started series of trading at 11:28:52 at price Tk. 35.4 and induced the same to rise to Tk. 37.6 up to 12:08:09. It can also be observed from the above graph that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed significant trades during this time period. It is mentionable here that from 11:28:52 to 12:08:09, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* bought 1,424,413 shares of NFML compared to the total traded share of 2,186,867. This is shown in the following Pie Chart.



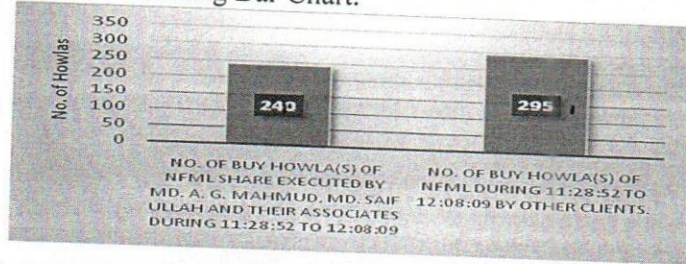




# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

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It is also found that during the aforementioned period, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed 240 howlas to purchase of shares of NFML compared to the total number of howlas of 535 as shown in the following Bar Chart.



Thus it seems that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* were actively trying to lift the price of NFML on 16.05.2021 albeit at the end of the day price of NFML share was decreased by Tk. 0.4 which was approximately 1.1% lower than YCP.

#### d. Gain/Loss of *Md. A. G. Mahmud, Md. Saif Ullah and their associates* by trading of NFML share:

|                                      |              |  |
|--------------------------------------|--------------|--|
| Opening Price (26-04-2021)           | 22.50        | Opening Price of first Investigation Date                                  |
| Realized Capital gain(loss) per unit | 3.20         | Average Sale Price - Average Cost Price                                    |
| Realized Capital gain(loss)%         | 11.40%       | Gain (loss) Per Unit/Cost Per Unit   |
| Realized Capital gain(loss) TK       | 156961146.69 | Total Sale Quantity x Gain (loss) Per Unit                                 |
| Closing Price (17-05-2021)           | 36.50        | Closing Price of Last Investigation Date                                   |
| Unrealized gain(loss) per unit       | 2.16         | Closing Price of Last Investigation Date - Average Price of Stock Position |
| Unrealized gain(loss) %              | 6.29%        | Unrealized gain (loss) per unit / Average Price of Stock Position          |
| Unrealized gain(loss) TK             | 24957316.91  | Quantity of Stock Position x Unrealized gain (loss) per unit               |

As per DSE trade data, *Md. A. G. Mahmud, Md. Saif Ullah and their associates* bought 60,559,651 shares and sold 49,012,831 shares of NFML during the period from 11.04.2021 to 17.05.2021 through their BO accounts with City Brokerage Limited, Vertex Stock & Securities Limited and Reliance Brokerage Services Limited. They collectively traded 54.45% of total trade volume and realized a capital gain of Tk. 156,961,146.69 from the trading of NFML share during the aforesaid period.

**Findings:** It seems to us that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* executed series of transactions through the aforesaid BO accounts creating the appearance of active trading therein and also influencing the price of NFML.

**Contraventions:** As per Section 17(e)(v) of the Securities and Exchange Ordinance, 1969, "No person shall, 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, - (e) 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, deceit or manipulation upon any person, in particular-

(v) directly or indirectly effect a series of transactions in any security creating the appearance of active trading therein or of raising of price for the purpose of inducing its purchase by others or depressing its price for the purpose of inducing its sale by others;"

It is observed that the said clients were involved directly and indirectly in a series of transaction of share of NFML in order to create the appearance of active trading of the said share.





# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

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It appears that *Md. A. G. Mahmud* (BOID # 1605170065324223), *Md. Saif Ullah* (BOID # 1605170064096113) and their associates violated Section 17(e)(v) of Securities and Exchange Ordinance, 1969 by directly or indirectly executing series of transactions in the shares of NFML creating the appearance of active trading therein.

## Observation-2:

It is also observed that during the investigation period *Md. A. G. Mahmud*, *Md. Saif Ullah* and their associates executed trade of NFML share within themselves which created a false and misleading appearance of active trading of this security. As a result, 5,410,094 shares of NFML were executed in 76howla(s) where the related account holders acted as both buyer and seller as shown below:

| TRADEDATE  | TRADETIME | INSTRUMENTCODE | TRADEVOLUME | TRADEPRICE | BUYERCODE | BOIDBUYER        | SELLERCODE | BOIDSELLER       |
|------------|-----------|----------------|-------------|------------|-----------|------------------|------------|------------------|
| 02/05/2021 | 11:11:37  | NFML           | 544000      | 26         | DSECB     | 1605170069260129 | DSEVSS     | 1206080064096113 |
| 02/05/2021 | 11:11:37  | NFML           | 217000      | 26         | DSECB     | 1605170069260129 | DSEVSS     | 1206080064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 70000       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 70000       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 35648       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 34352       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 70000       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 70000       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 70000       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 70000       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 70000       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 70000       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 70000       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:16:36  | NFML           | 70000       | 26.2       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:18:17  | NFML           | 37281       | 26.8       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 02/05/2021 | 11:18:17  | NFML           | 202         | 26.8       | DSECB     | 1605170069260129 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:08:47  | NFML           | 300000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:08:52  | NFML           | 300000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 195000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 105000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 57000       | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 200000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 43000       | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 152000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 148000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 47000       | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 200000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 53000       | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 142000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 158000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 37000       | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 200000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 63000       | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:09:08  | NFML           | 132000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:22:14  | NFML           | 85861       | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 09/05/2021 | 11:22:14  | NFML           | 300000      | 33         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 16/05/2021 | 10:25:42  | NFML           | 18251       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170064096113 |
| 16/05/2021 | 10:25:42  | NFML           | 31749       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 50000       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 18251       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 29499       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 50000       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 20501       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 29499       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 40501       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 9499        | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 50000       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 40501       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 9499        | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 50000       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 10501       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:25:42  | NFML           | 39499       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:26:49  | NFML           | 30000       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:26:49  | NFML           | 18101       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:26:49  | NFML           | 10000       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:26:49  | NFML           | 27899       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |
| 16/05/2021 | 10:26:49  | NFML           | 30000       | 36         | DSECB     | 1605170065324223 | DSECB      | 1605170069260300 |





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| Date       | Time     | Buyer (BOID) | Quantity | Matched Quantity | Market Type |
|------------|----------|--------------|----------|------------------|-------------|
| 16/05/2021 | 10:26:49 | NFML         | 30000    | 36               | DSECB       |
| 16/05/2021 | 10:26:49 | NFML         | 12101    | 36               | DSECB       |
| 16/05/2021 | 10:26:49 | NFML         | 17899    | 36               | DSECB       |
| 16/05/2021 | 10:26:49 | NFML         | 30000    | 36               | DSECB       |
| 16/05/2021 | 10:26:49 | NFML         | 30000    | 36               | DSECB       |
| 16/05/2021 | 10:26:49 | NFML         | 22101    | 36               | DSECB       |
| 16/05/2021 | 10:26:49 | NFML         | 7899     | 36               | DSECB       |
| 16/05/2021 | 10:26:49 | NFML         | 30000    | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 20000    | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 20000    | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 11992    | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 8008     | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 20000    | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 20000    | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 20000    | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 11992    | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 8008     | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 20000    | 36               | DSECB       |
| 16/05/2021 | 10:27:14 | NFML         | 20000    | 36               | DSECB       |

| Summary   |  |                  |             |
|---|--|------------------|-------------|
| Buyer (BOID)  | Seller (BOID)                            | Matched Quantity | Market Type |
| 1605170065324223 (Md. A. G. Mahmud)                         | 1605170064096113 (Md. Saif Ullah)        | 2917861          | Public      |
|   | 1605170069260300 (S. M. Motaharul Janan) | 993750           |             |
| 1605170069260129 (Md. A. G. Mahmud & S. M. Motaharul Janan) | 1206080064096113 (Md. Saif Ullah)        | 761000           |             |
|   | 1605170064096113 (Md. Saif Ullah)        | 737483           |             |
| Total   |  | 5410094          |             |

### Findings:

As per section 17 of the Securities and Exchange Ordinance, 1969 (XVII of 1969), "No person shall, 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, -

(e) 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, deceit or manipulation upon any person, in particular-

(ii) create a false and misleading appearance of active trading in any security;

Whereas, it has been found that during the investigation period Md. A.G. Mahmud (BOID # 1605170065324223) bought 2,917,861 shares of NFML from Md. Saif Ullah (BOID # 1605170064096113) and 993,750 shares from S. M. Motaharul Janan (BOID # 1605170069260300). Again, in the same period Md. A.G. Mahmud & S. M. Motaharul Janan (BOID # 1605170069260129) bought 761,000 shares of NFML from Md. Saif Ullah (BOID # 1206080064096113) and 737,483 shares from Md. Saif Ullah (BOID # 1605170064096113). It is mentionable that both counterparties are related with one another. There fore, such trading of NFML shares created a false and misleading appearance of active trading of this security.

**Contravention(s):** It appears that Md. A. G. Mahmud (BOID # 1605170065324223), Md. A.G. Mahmud & S. M. Motaharul Janan (BOID # 1605170069260129), S. M. Motaharul Janan (BOID # 1605170069260300) and Md. Saif Ullah (BOID # 1605170064096113 and 1206080064096113) violated the following:





# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

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- Section 17(e)(ii) of the Securities and Exchange Ordinance, 1969 for executing trade of NFML share by creating false and misleading appearance of active trading in that security.

Observation-3;

However, as per ledger, instrument ledger and portfolio statements of *Md. A. G. Mahmud* (BOID # 1605170065324223), *Md. Saif Ullah* (BOID # 1605170064096113) and their associates collected from City Brokerage Limited, Vertex Stock & Securities Limited and Reliance Brokerage Services Limited, it was observed that they had collectively acquired more than 10% shares of “NFML” on several date(s). Details are given below:

Table: Substantial (above 10%) Shareholding of NFML by *Md. A. G. Mahmud, Md. Saif Ullah and their associates as per portfolio statement*

| Sl. No                                      | Client Name                             | BO ID            | Client Code | Name of TREC Holder                 | Shareholding of NFML by Md. A.G. Mahmud, Md. Saif Ullah and thier associates as per portfolio statement |            |            |            |            |            |           |            |
|---|---|------------------|-------------|-------------------------------------|---|------------|------------|------------|------------|------------|-----------|------------|
|   |   |                  |             |                                     | 4-May-21  |            | 5-May-21   |            | 6-May-21   |            | 9-May-21  |            |
|   |   |                  |             |                                     | Qty   | Percentage | Qty        | Percentage | Qty        | Percentage | Qty       | Percentage |
| 1   | Md. A.G. Mahmud                         | 1605170065324223 | CM426       | City Brokerage Limited              | 2,803,120   | 3.03%      | 8,595,238  | 9.30%      | 9,098,071  | 9.84%      | 6,181,646 | 6.69%      |
| 2   | Md. A.G. Mahmud & S. M. Motaharul Janan | 1605170069260129 | CM529       | City Brokerage Limited              | 3,818,469   | 4.13%      | 3,818,469  | 4.13%      | 2,194,843  | 2.37%      | 1,136,055 | 1.23%      |
| 3   | S. M. Motaharul Janan                   | 1605170069260300 | CM530       | City Brokerage Limited              | 0   | 0.00%      | 0          | 0.00%      | 0          | 0.00%      | 0         | 0.00%      |
| 4   | Md. Saif Ullah                          | 1605170064096113 | CM411       | City Brokerage Limited              | 2,238,232   | 2.42%      | 3,760,982  | 4.07%      | 4,199,741  | 4.54%      | 1,475,989 | 1.60%      |
| 5   | Md. Saif Ullah                          | 1206080064096113 | V00453      | Vertex Stock & Securities Limited   | 0   | 0.00%      | 0          | 0.00%      | 0          | 0.00%      | 0         | 0.00%      |
| 6   | Md. Saif Ullah                          | 1605140064096113 | FS0466      | Reliance Brokerage Services Limited | 162,000   | 0.18%      | 162,000    | 0.18%      | 162,000    | 0.18%      | 162,000   | 0.18%      |
| Total                                       |   |                  |             |                                     | 9,921,821   | 9.76%      | 16,336,689 | 17.67%     | 15,654,655 | 16.94%     | 8,955,690 | 9.69%      |
| Total no. of outstanding securities of NFML |   |                  |             |                                     | 92,436,955  |            |            |            |            |            |           |            |

| Sl. No                                      | Client Name                             | BO ID            | Client Code | Name of TREC Holder                 | Shareholding of NFML by Md. A.G. Mahmud, Md. Saif Ullah and thier associates as per portfolio statement |            |            |            |            |            |            |            |
|---|---|------------------|-------------|-------------------------------------|---|------------|------------|------------|------------|------------|------------|------------|
|   |   |                  |             |                                     | 11-May-21   |            | 12-May-21  |            | 16-May-21  |            | 17-May-21  |            |
|   |   |                  |             |                                     | Qty   | Percentage | Qty        | Percentage | Qty        | Percentage | Qty        | Percentage |
| 1   | Md. A.G. Mahmud                         | 1605170065324223 | CM426       | City Brokerage Limited              | 5,680,334   | 6.15%      | 4,185,956  | 4.53%      | 4,832,096  | 5.23%      | 5,455,481  | 5.90%      |
| 2   | Md. A.G. Mahmud & S. M. Motaharul Janan | 1605170069260129 | CM529       | City Brokerage Limited              | 4,361,805   | 4.72%      | 3,454,296  | 3.74%      | 3,454,296  | 3.74%      | 2,583,590  | 2.79%      |
| 3   | S. M. Motaharul Janan                   | 1605170069260300 | CM530       | City Brokerage Limited              | 2,074,900   | 2.24%      | 2,074,900  | 2.24%      | 2,137,978  | 2.31%      | 2,018,589  | 2.18%      |
| 4   | Md. Saif Ullah                          | 1605170064096113 | CM411       | City Brokerage Limited              | 2,167,027   | 2.34%      | 1,962,951  | 2.12%      | 1,246,970  | 1.35%      | 1,327,160  | 1.44%      |
| 5   | Md. Saif Ullah                          | 1206080064096113 | V00453      | Vertex Stock & Securities Limited   | 0   | 0.00%      | 0          | 0.00%      | 0          | 0.00%      | 0          | 0.00%      |
| 6   | Md. Saif Ullah                          | 1605140064096113 | FS0466      | Reliance Brokerage Services Limited | 162,000   | 0.18%      | 162,000    | 0.18%      | 162,000    | 0.18%      | 162,000    | 0.18%      |
| Total                                       |   |                  |             |                                     | 14,446,066  | 15.63%     | 11,840,103 | 12.81%     | 11,833,340 | 12.80%     | 11,546,820 | 12.49%     |
| Total no. of outstanding securities of NFML |   |                  |             |                                     | 92,436,955  |            |            |            |            |            |            |            |

From the above table, it is observed that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* were holding more than 10% of the total paid up shares of NFML on several date(s). It is mentionable that the above clients did not submit any declaration to the Exchange to buy more than 10% shares of NFML which specifically violates বিধি-০৪ (১) of বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (উল্লেখযোগ্য সংখ্যক শেয়ার অর্জন, অধিগ্রহণ ও কর্তৃত্ব গ্রহণ) বিধিমালা, ২০১৮।





# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

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

## Findings:

As per বিধি ০৪ (১) of বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (উল্লেখযোগ্য সংখ্যক শেয়ার অর্জন, অধিগ্রহণ ও কর্তৃত্ব গ্রহণ) বিধিমালা, ২০১৮

“ এক্সচেঞ্জ হইতে নগদ অর্থের বিনিময়ে উল্লেখযোগ্য সংখ্যক শেয়ার অর্জন বা অধিগ্রহণ। (১) কোন কোম্পানিতে উল্লেখযোগ্য সংখ্যক এর কম কোন শেয়ারের ধারক বা ধারকগণ, বা যিনি বা যাহারা কোন শেয়ার ধারণ করেননা এমন ব্যক্তি বা ব্যক্তিবর্গ, এক্সচেঞ্জ হইতে উক্ত কোম্পানির কোন শেয়ার অর্জন বা অধিগ্রহণ করিতে চাহিলে অর্জন বা অধিগ্রহণ পরবর্তী ধারণকৃত মোট শেয়ারের পরিমাণ যদি ১০(দশ) শতাংশ বা উহার অধিক পর্যায়ে উন্নীত হয় অথবা ১০(দশ) শতাংশ বা উহার অধিক কোন শেয়ার ধারক বা ধারকগণ এক্সচেঞ্জের মাধ্যমে উক্ত কোম্পানির আরও শেয়ার অর্জন বা অধিগ্রহণের ক্ষেত্রে তাহাকে তফসিল-১ বর্ণিত পদ্ধতিতে একটি ঘোষণা কোম্পানিটি যে এক্সচেঞ্জে তালিকাভুক্ত সেই এক্সচেঞ্জে সংশ্লিষ্ট অধিগ্রহণকারীর স্টক ব্রোকার বা মার্চেন্ট ব্যাংকারের মাধ্যমে দাখিল করিতে হইবে।”

Whereas, it is found that *Md. A. G. Mahmud, Md. Saif Ullah and their associates* acquired more than 10% shares of “NFML” on several date(s) without submitting any declaration to the Exchange.

**Contravention(s):** It appears that *Md. A. G. Mahmud (BOID # 1605170065324223), Md. Saif Ullah (BOID # 1605170064096113) and their associates* violated the following:

বিধি ০৪ (১) of বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (উল্লেখযোগ্য সংখ্যক শেয়ার অর্জন, অধিগ্রহণ ও কর্তৃত্ব গ্রহণ) বিধিমালা, ২০১৮ by acquiring more than 10% shares of “NFML” without declaration.

যেহেতু, উপর্যুক্ত আলোচ্য বিষয়ে আইন ভঙ্গের কারণে কমিশনের এনফোর্সমেন্ট বিভাগ কর্তৃক জুন ১৬, ২০২২ তারিখ বিএসইসি/এনফোর্সমেন্ট/৩২৮০/২০২২/৮৭৪ স্মারকমূলে *Md. A. G. Mahmud*-কে জুন ২৭, ২০২২ তারিখে কারণ প্রদর্শন সহ শুনানীতে উপস্থিতি হতে বলা হয়। শুনানীতে উপস্থিত হয়ে *Md. A. G. Mahmud* নিম্নলিখিত বক্তব্য দাখিল করেন;

## Explanation of Md. A. G. Mahmud submitted at the time of hearing:

“ **For Observation 1:** *I am an active investor in the capital market and have been participating in the market since 2000. I started investing in the shares of NEML in early 2021. During the period of my holding, I have realized capital gain to increase my equity size and reinvest in the shares of NFML as my analysis regarding the company's earnings, dividend policy, the shareholding structure, sectoral position, etc. led me to believe that the share price of NFML was significantly undervalued and thus will provide a good return in the future. I could purchase a net of 58,34,071 shares of NFML in fourteen (14) working days which is only 6.247% of the paid-up capital of NEML.*

*Unfortunately, those trading/trading patterns have been deemed as a series of transactions by the Surveillance department of DSE. I regret that my action appears as a series of trades, but my intention was never to manipulate the price of NFML.*

**For Observation 2** *To curb the effect of Covid-19, I have traded via telephonic communication with my authorized traders. I have placed some buy-sell orders at the same price from my different accounts maintained with City Brokerage. Unfortunately, some traders were executed among my accounts where the seller of the shares were my elder brother and cousin.*

*From time to time, I have shared my view regarding NFML in good faith with my close one, which might generate interest regarding investment in the shares of NEML by others. I have always shared my views about the capital market with my close ones but never urged or instructed anyone to invest in any specific shares.*





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

**For Observation 3:** *I have traded via telephonic communication with my authorized trader from home during both the lock - down period and regular period, to comply with the govt. circular. Therefore, I didn't know that my elder brother was also purchasing the shares of NFML. As an individual, I have held more than 10% Shares of NFML for a single due to my calculation error and rectify the mistake by offloading shares of NFML on the next following day immediately.*

*I regret that my action appears inducing, but I never intended to persuade anyone in the capital market. I apologize for the inconvenience the issue caused to the inquiry committee and would like to place the matter into your kind consideration for pardon. I do regret the unintentional mistake and stating my assurance to be more cautious in the future so that these sorts of unintentional errors do not recur."*

যেহেতু, Md. A. G. Mahmud -এর উপরোক্ত বক্তব্য থেকে প্রতীয়মান হয় যে, উপস্থাপিত অভিযোগসমূহ সঠিক সেহেতু এক্ষেত্রে Md. A. G. Mahmud-এর ব্যাখ্যা কমিশনের নিকট গ্রহণযোগ্য হিসেবে বিবেচিত হয়নি;

যেহেতু, Md. A. G. Mahmud-এর উপরোক্ত কর্মকান্ডের ফলে Section 17 (e) (ii), (v) of the Securities and Exchange Ordinance, 1969 এবং & বিধি ০৪(১) of বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (উল্লেখযোগ্য সংখ্যক শেয়ার অর্জন, অধিগ্রহণ ও কর্তৃত্ব গ্রহণ) বিধিমালা, ২০১৮ লংঘন করেছে, যা সিকিউরিটিজ আইনের পরিপন্থী;

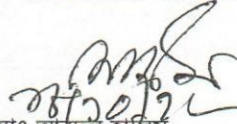
যেহেতু, Md. A. G. Mahmud-এর উপরোক্ত কর্মকান্ড Securities and Exchange Ordinance, 1969 এর Section 22 এবং ধারা ১৮ বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ অনুযায়ী শাস্তিযোগ্য অপরাধ;

যেহেতু, কমিশনের বিবেচনায়, সিকিউরিটিজ আইন ও বিধি-বিধান পরিপালনে আলোচ্য ব্যর্থতার জন্য, পুঁজিবাজারের শৃংখলা, স্বচ্ছতা এবং জনস্বার্থে আলোচ্য Md. A. G. Mahmud -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] এবং ধারা ১৮ বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ এ প্রদত্ত ক্ষমতাবলে-

- Md. A. G. Mahmud-কে ৩ (তিন) কোটি টাকা অর্থদন্ড ধার্য করল যা অত্র আদেশের ৩০ (ত্রিশ) দিনের মধ্যে 'বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন' এর অনুকূলে ইস্যুকৃত ব্যাংক ড্রাফট/পে-অর্ডারের মাধ্যমে জমা প্রদান করতে হবে, অন্যথায় সিকিউরিটিজ আইন মোতাবেক পরবর্তী আইনানুগ ব্যবস্থা গ্রহণ করা হবে।

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের আদেশক্রমে,

  
মোঃ আব্দুল হালিম  
কমিশনার

বিতরণ:

**Md. A. G. Mahmud**

Client Code # CM426 (Client of City Brokerage Limited)

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SW (I) 4, 25 Gulshan Avenue

Gulshan-1, Dhaka-1212.