

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

নং-বিএসইসি/এনফোর্সমেন্ট/৩১৭২/২০২১/৩৩০

তারিখঃ ফেব্রুয়ারি ২২, 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, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের পত্র নং BSEC/Surveillance/2016-0879/742/01 dated June 29, 2016 মাধ্যমে ঢাকা স্টক এক্সচেঞ্জ লিমিটেড Familytex (BD) Limited (FAMILYTEX) এর শেয়ার লেনদেনের ০২-০৭-২০১৫ থেকে ৩০-০৬-২০১৬ 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:

**A. Trade by Mr. Abdul Kader Faruk and his relatives:**

**Observations:**

After analyzing the account opening forms collected from various TREC holders of DSE, total 19 (nineteen) accounts were found related to Mr. Abdul Kader Faruk and his relatives. From these accounts FAMILYTEX shares were traded during 02.07.2015 to 30.06.2016.

Mr. Abdul Kader Faruk is related to these accounts in following ways:

Sl No	Client Name	Client Code	Broker Name	Remarks
1	Rajon Textile Mills Ltd.	1013	Prime Islami Securities Limited	Mr. Abdul Kader Faruk is Chief Operation Officer of the company
2	Total Spinning Mills Ltd.	1012	Prime Islami Securities Limited	Mr. Abdul Kader Faruk is Chairman of the company
3	Chong Won ARS Sweaters Ltd.	1011	Prime Islami Securities Limited	Mr. Abdul Kader Faruk is Managing Director of the company
4	M. L. Steel Mills Ltd.	1014	Prime Islami Securities Limited	Mr. Abdul Kader Faruk is Chairman of the company
5	Abid Mustafizur Rahman	0M751	Salta Capital Limited	Son of Mr. Abdul Kader Faruk
6	S. F. Textile Industries Ltd.	M2224	Salta Capital Limited	Mr. Abdul Kader Faruk is CEO of the company
7	Rezwana Rahman Rini	1009	Prime Islami Securities Limited	Daughter of Mr. Abdul Kader Faruk
8	Nasreen Akhter Banu	1008	Prime Islami Securities Limited	Wife of Mr. Abdul Kader Faruk
9	Hosne Ara Begum	1007	Prime Islami Securities Limited	Wife of Mr. Abdul Kader Faruk
10	Nurunnesa Saki	1017	Prime Islami Securities Limited	Sister of Mr. Abdul Kader Faruk
11	Econo Button and Accessories	1025	Prime Islami Securities Limited	Proprietor of the company, Mr. Md. Mohibullah Kabir is brother of Mr. Abdul Kader Faruk
12	Mohammad Arife Billah	1028	Prime Islami Securities Limited	Brother of Mr. Abdul Kader Faruk
13	Arifa Begum Lucky	1019	Prime Islami Securities Limited	Sister of Mr. Abdul Kader Faruk
14	Mohibullah Kabir	1016	Prime Islami Securities Limited	Brother of Mr. Abdul Kader Faruk
15	Arifa Begum Lucky & Md. Belal Hossain	1021	Prime Islami Securities Limited	Arifa Begum Lucky is sister of Mr. Abdul Kader Faruk
16	Rajon Textile Mills Ltd.	IL6807	IL Capital Limited	Mr. Abdul Kader Faruk is Chief Operation Officer of the company

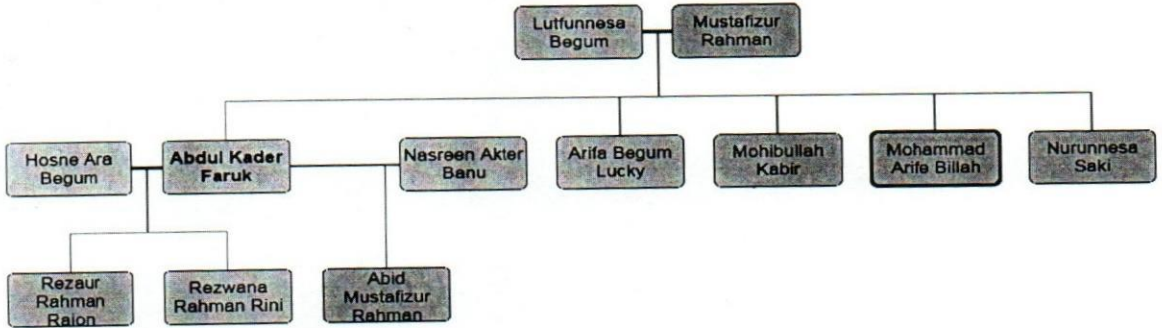




## বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

17	M. L. Steel Mills Ltd.	IL6809	IL Capital Limited	Mr. Abdul Kader Faruk is Chairman of the company
18	FAR Homes Ltd.	IL6810	IL Capital Limited	Mr. Abdul Kader Faruk is Chairman of FAR Group
19	Rezaur Rahman Rajon	MN874	Azam Securities Limited	Son of Mr. Abdul Kader Faruk

From the above relationships the following family tree is developed:



Out of the above persons the following were the Pre-IPO shareholder of the company as on January 13, 2013 (As per prospectus of Familytex (BD) Limited):

Name of Directors	Position	Address	Shareholding	% of Total Share
Mr. Abdul Kader Faruk	Shareholder	22/A, Chamelibag, Shantinagar, Dhaka	5,200,000	4.949%
Mr. Md. Mohibullah Kabir	Shareholder	M. L. Tower, 1 East Rampura, Dhaka	2,000,000	1.904%
Mr. Abid Mustafizur Rahman	Shareholder	22/A, Chamelibag, Shantinagar, Dhaka	2,000,000	1.904%
Mr. Rezaur Rahman Rajon	Shareholder	22/A, Chamelibag, Shantinagar, Dhaka	2,000,000	1.904%
Mr. Arif Billah	Shareholder	M. L. Tower, 1 East Rampura, Dhaka	1,000,000	0.952%

Trade details of these accounts are shown in **Annexure 1** (Trade details of 19 accounts related to Mr. Abdul Kader Faruk)

After analyzing trade of the 19 (nineteen) accounts following information is observed:

- There was no share of FAMILYTEX in the said accounts on 15.05.2016. In the year 2016 this group started trading FAMILYTEX shares from 16.05.2016.  
On 16.05.2016 this group bought **2,09,75,000** FAMILYTEX shares. After examining the trades it was found that these shares were bought in Block Market from Mr. Jun Kyung Won (client code # 1041) of Prime Islami Securities Limited.
- It is observed from the trade details that this group traded significant volume of FAMILYTEX shares during 16.05.16 to 06.06.16. Here is an extract of their trade pattern:





“মুজিববর্ষের অঙ্গীকার  
উন্নয়ন-অর্থায়নের উৎস হবে পুঁজিবাজার”

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Date	Trade by Abdul Kader Faruk Group	Trade Volume	% of Total Trade
16-05-2016	2,09,75,000	2,12,95,573	98%
24-05-2016	9,50,000	14,48,718	66%
25-05-2016	1,14,17,807	98,15,365	116%
26-05-2016	44,64,723	48,40,616	92%
29-05-2016	42,33,016	54,27,168	78%
30-05-2016	36,68,782	54,14,223	68%
31-05-2016	41,14,609	59,80,709	69%
01-06-2016	21,45,579	50,34,181	43%
02-06-2016	3,455	29,40,110	0%
05-06-2016	16,00,000	29,60,608	54%
06-06-2016	1,00,095	11,77,860	8%
<b>Total</b>	<b>5,36,73,066</b>		

- This group traded FAMILYTEX shares 10 (ten) consecutive working days from 24.05.16 to 06.06.16. Most of the days their daily trade participation was considerably high.
- Trade volume of FAMILYTEX shares during 16.05.16 to 06.06.16 was 6,92,49,280 and this group traded 78% of it (5,36,73,066).
- On 25.05.2016 trade participation of this group was 116% of the trade volume of FAMILYTEX of that day because some shares were traded among these clients. On this date 9,25,000 shares were traded in Block Market and the rest in Public Market.
- On 26.05.2016, 29.05.2016 and 31.05.2016 their trade participation was 92%, 78% and 69% of the trade volume.

### Gain from trade of FAMILYTEX during 16.05.16 to 06.06.16:

A	B	C (B÷A)	D	E	F (E+D)	G D x (F-C)	H (A-D) x 9.17
Buy Quantity of FAMILYTEX	Buy Value (Tk.)	Average Buy Rate (Tk.)	Sale Quantity of FAMILYTEX	Sale Value (Tk.)	Average Sell Rate (Tk.)	Realized Gain (Tk.)	Unrealized Gain (Tk.)
2,87,95,283	23,43,16,333	8.14	2,48,77,783	22,80,10,985	9.17	2,55,72,589	40,26,911

\* Unrealized gain was calculated using average sell rate i.e. Tk. 9.17.

- From the above table it is observed that Realized Gain of Mr. Abdul Kader Faruk and associates was **Tk. 2,55,72,589** and Unrealized Gain was **Tk. 40,26,911**.

### Findings and Contravention(s):

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 securities;





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(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 including its purchase by others or depressing its price for the purpose of inducing its sale by others;*”

Therefore, it appears that Mr. Abdul Kader Faruk and his associates have violated Section 17 (e) (ii) and (v) of Securities and Exchange Ordinance, 1969 (XVII of 1969) as the associates of Mr. Abdul Kader Faruk were directly and indirectly involved in share trading of FAMILYTEX using 19 (nineteen) accounts by the following ways:

- i. *Mr. Abdul Kader Faruk and his associates were involved directly and indirectly in a series of transaction of shares of FAMILYTEX in order to create the appearance of active trading of the said share,*
- ii. *Significant amount shares of FAMILYTEX were traded by those accounts on some days, compared to the total trade of those days which may influence the trading activities of FAMILYTEX shares.*

যেহেতু, উপর্যুক্ত আলোচ্য বিষয়ে আইন ভঙ্গের কারণে কমিশনরে এনফোর্সমেন্টে বিভাগ কর্তৃক ডিসেম্বর ০২, ২০২১ তারিখ বিএসইসি/এনফোর্সমেন্ট/৩১৭১/২০২১/১০৬২ স্মারকমূলে Abdul Kader Faruk and his relatives -কে ডিসেম্বর ১৩, ২০২১ তারিখে কারণ প্রদর্শন সহ শুনানীতে উপস্থিতি হতে বলা হয়। শুনানীতে উপস্থিত হয়ে Abdul Kader Faruk and his relatives-এর পক্ষে Mr. A.K.M. Atiqur Rahman (on behalf) নিম্নলিখিত বক্তব্য দাখিল করেন;

*“FAMILYTEX is/was always a separate entity from us. We have had no involvement or connection somewhat with the management, operation and control of the FAMILYTEX. My associates had purchased some pre-IPO placement shares of FAMILYTEX before going the company to IPO with hope that the company’s operation will be better in future and will service good returns against our investment. However subsequently my associates found that the return is not up to our desire but in a loss, thus my associates withdrawn their entire investment from the company by selling shares in the market at a loss following necessary compliances. I along with my associates have never involvement, directly or indirectly in a series of transaction of shares of FAMILYTEX in order to create the appearance of active trading of the said share or to influence the trading activities of shares of FAMILYTEX but my associates having necessity sold their major shares in FAMILYTEX at a loss i.e. below the Tk. 10.00 per share.*

*Therefore, I undersigned along with my associates neither had involvement in the said allegation nor in violation of the provision of Section 17 (e) (ii) and (v) of the Securities and Exchange Ordinance, 1969 (XVII of 1969). Consequently I prayed for discharging me from the said allegation by considering the above mentioned facts and circumstances.”*

যেহেতু, Abdul Kader Faruk and his relatives-এর উপরোক্ত বক্তব্য থেকে প্রতীয়মান হয় যে, উপস্থাপিত অভিযোগসমূহ সঠিক সেহেতু এক্ষেত্রে Abdul Kader Faruk and his relatives-এর ব্যাখ্যা কমিশনের নিকট গ্রহণযোগ্য হিসেবে বিবেচিত হয়নি;

যেহেতু, Abdul Kader Faruk and his relatives-এর উপরোক্ত কর্মকান্ডের ফলে Section 17 (e) (ii) এবং (v) of the Securities and Exchange Ordinance, 1969 লংঘন করেছে, যা সিকিউরিটিজ আইনের পরিপন্থী;





“মুজিববর্ষের অঙ্গীকার  
উন্নয়ন-অর্থায়নের উৎস হবে পুঁজিবাজার”

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যেহেতু, Abdul Kader Faruk and his relatives-এর উপরোক্ত কর্মকান্ড Securities and Exchange Ordinance, 1969 এর Section 22 অনুযায়ী শাস্তিযোগ্য অপরাধ;

যেহেতু, কমিশনের বিবেচনায়, সিকিউরিটিজ আইন ও বিধি-বিধান পরিপালনে আলোচ্য ব্যর্থতার জন্য, পুঁজিবাজারের শৃংখলা, স্বচ্ছতা এবং জনস্বার্থে আলোচ্য Abdul Kader Faruk and his relatives-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-

- Abdul Kader Faruk and his relatives-কে ২০.০০ (বিশ) লক্ষ টাকা জরিমানা 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:

১। **Mr. Abdul Kader Faruk and Associates**  
Chairman & Managing Director  
FAR Group  
House # 11, (5th Floor), Unit # 5-B  
Road # 12, Niketon, Gulshan-1  
Dhaka-1212.



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নং-বিএসইসি/এনফোর্সমেন্ট/৩১৭৩/২০২১/৩৩২

তারিখঃ ফেব্রুয়ারি ২২, 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, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের পত্র নং BSEC/Surveillance/2016-0879/742/01 dated June 29, 2016 মাধ্যমে ঢাকা স্টক এক্সচেঞ্জ লিমিটেড Far Chemical Industries Limited (FARCHEM) এর শেয়ার লেনদেনের ০২-০৭-২০১৫ থেকে ৩০-০৬-২০১৬ 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:

**A. Major buyers of the period:**

**Observations:**

The price of FARCHEM shares was decreased by 38.48% from 02.07.2015 to 30.06.2016. Major buyers from 02.07.2015 to 30.06.2016 were as follows:

Sl No.	TREC Holder's Name	CLIENT Cod	CLIENT NAME	Buy VOLUME	Sell VOLUME	Total trade by the client	Total Trade	% of Total Trade
1	Prime Islami Securities Limited	D0400	Prime Islami Securities Limited	3,550,000	0	3550000	372257121	0.95
2	IL Capital Limited	IL6807	Rajon Textile Mills Limited	2,781,250	30000	2811250	372257121	0.76
3	IL Capital Limited	IL6840	Total Spinning Mills Limited	2,750,000	887500	3637500	372257121	0.98
4	International Leasing Securities Limited	IL6810	F. A. R. Homes Limited	2,550,461	1100000	3650461	372257121	0.98
5	IL Capital Limited	IL7777	International Leasing and Financial Services Limited	2,471,342	2,591,387	5062729	372257121	1.36
6	IL Capital Limited	IL6804	Mohibullah Kabir	2,449,252	2,482,317	4931569	372257121	1.32
7	Salta Capital Limited	M2224	S.F. Textile Industries Limited	2,126,000	5,724,232	7850232	372257121	2.11
8	UCB Capital Management Limited	443	Md. Abdul Quyum Mamun	2,119,850	1,412,796	3532646	372257121	0.95
9	International Leasing Securities Limited	D5830	IL Capital Limited	1,848,760	2,167,430	4016190	372257121	1.08
10	UCB Capital Management Limited	19	Md. Anwar Hossain	1,717,103	1,420,975	3138078	372257121	0.84
11	IL Capital Limited	IL6809	M.L Steel Mills Limited	1,679,603	100000	1779603	372257121	0.48
12	IL Capital Limited	IL6813	Chong Won Ars Sweater Limited	1,550,000	0	1550000	372257121	0.42
13	International Leasing Securities Limited	D13666	Mohammad Abdul Hai	1,404,894	1,772,300	3177194	372257121	0.85
14	SCL Securities Limited	19135	Md. Asfaquzzaman	1,230,666	1,230,666	2461332	372257121	0.66
15	Trust Bank Securities Limited	10	Trust Bank Investment Ltd. Recovery Portfolio	1,227,825	1,365,917	2593742	372257121	0.70

Findings:

- It is observed that Prime Islami Securities Limited (client code # D0400) of Prime Islami Securities Limited bought 3,550,000 shares which is 0.95% shares of FARCHEM compared to the total traded shares from 02.07.2015 to 30.06.2016. However, no shares of FARCHEM were sold through the said client during the investigation period.
- It is observed that Rajon Textile Mills Limited (client code # IL6807) of IL Capital Limited (traded through International Leasing Securities Limited) traded 0.76% shares of FARCHEM compared to the total traded shares from 02.07.2015 to 30.06.2016. After analyzing the B/O account opening forms of the involved clients, it was found that Mr. Md. Abdul Kader Faruk is the contact person (chief operation officer) of this account. It is further noticed that Mr. Md. Abdul Kader Faruk was associated





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with other accounts maintained with different TREC holder companies through which he traded shares of FARCHEM during the period.

### B. Major Sellers of the period:

#### Observations:

The list of major sellers of FARCHEM from 02.07.2015 to 30.06.2016 were as follows:

Sl No.	TREC Holder's Name	CLIENT Code	CLIENT NAME	Buy VOLUME	Sell VOLUME	Total trade by the client	Total Trade	% of Total Trade
1	Salta Capital Limited	M2224	S.F. Textile Industries Limited	2,126,000	5,724,232	7850232	372257121	2.11
2	Salta Capital Limited	OM754	Kim Jong Suk	0	5,501,250	5501250	372257121	1.48
3	Prime Islami Securities Limited	1012	Total Spinning Mills Limited	973,583	3,522,885	4496468	372257121	1.21
4	SIBL Securities Limited	726	Faiaz Kader	0	2,604,153	2604153	372257121	0.70
5	IL Capital Limited	IL7777	International Leasing and Financial Services Limited	2,471,342	2,591,387	5062729	372257121	1.36
6	IL Capital Limited	IL6804	Mohibullah Kabir	2,449,252	2,482,317	4931569	372257121	1.32
7	Prime Islami Securities Limited	1014	M.L. Steel Mills Limited	604777	2,181,027	2785804	372257121	0.75
8	International Leasing Securities Limited	D5830	IL Capital Limited	1,848,760	2,167,430	4016190	372257121	1.08
9	International Leasing Securities Limited	D13666	Mohammad Abdul Hai	1,404,894	1,772,300	3177194	372257121	0.85
10	UCB Capital Management Limited	19	Md. Anwar Hossain	1,717,103	1,420,975	3138078	372257121	0.84
11	UCB Capital Management Limited	443	Md. Abdul Quyum Mamun	2,119,850	1,412,796	3532646	372257121	0.95
12	Trust Bank Securities Limited	10	Trust Bank Investment Ltd. Recovery Portfolio	1,227,825	1,365,917	2593742	372257121	0.70
13	Salta Capital Limited	OM751	Abid Mustafzur Rahman	0	1,256,250	1256250	372257121	0.34
14	SCL Securities Limited	19135	Md. Asfaquzzaman	1,230,666	1,230,666	2461332	372257121	0.66
15	PFI Securities Limited	526	Syed Siraj Ud Dawla	1,174,750	1,166,311	2341061	372257121	0.63

#### Findings:

- It is observed that S.F. Textile Industries Limited (client code # M2224) of Salta Capital Limited traded 2.11% shares of FARCHEM during the investigation period. It is found that Mr. Md. Abdul Kader Faruk is the CEO of the company. It is further noticed that Mr. Md. Abdul Kader Faruk was associated with other accounts maintained with different TREC holder companies through which he traded shares of FARCHEM during the period.

### C. Trade by the associates of Mr. Md. Abdul Kader Faruk

#### Observations-1:

Rajon Textile Mills Limited (client code # IL6807) of IL Capital Limited (traded through International Leasing Securities Limited) was one of the top buyers of FARCHEM shares during 02.07.2015 to 30.06.2016. Besides, S.F. Textile Industries Limited (client code # M2224) of Salta Capital Limited was the top seller of FARCHEM shares during the investigation period. After analyzing the B/O account opening forms of the involved clients, it was found that Mr. Md. Abdul Kader Faruk was associated with client code # IL6807 and client code # M2224. It is further noticed that Mr. Md. Abdul Kader Faruk was associated with other accounts maintained with different TREC holder Companies through which he traded shares of FARCHEM during the period.





## বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

As per information regarding sponsors/directors of FAR Chemical Industries Limited, it was found that Mr. Abid Mustafizur Rahman, Mr. Rezaur Rahman Rajon and Mr. Faiaz Kader Sadman are the sons of Mr. Md. Abdul Kader Faruk. Besides, Ms. Shirin Faruk, one of sponsors of FAR Chemical Industries Limited, is the wife of Mr. Md. Abdul Kader Faruk. Details of the sponsors/directors associated with Mr. Md. Abdul Kader Faruk are the following:

Name of Directors	Status	Address	Relationship	No of shares held as on 31.05.2016	% of total no. of paid up shares as on 31.05.2016
Mr. Abid Mustafizur Rahman	Sponsor shareholder and Chairman	4 Nowratan Colony, New Baily Road, 1/B Monoroma Apartment, Shantinagar	Father: Md. Abdul Kader Faruk Mother: Kazi Hosne Ara Begum	5,025,000	3.68%
Mr. Rezaur Rahman Rajon	Sponsor shareholder and Director	House No. 35/7/A, Shantinagar, Piner goli, Dhaka	Father: Md. Abdul Kader Faruk Mother: Nasreen Akhter Banu	5,225,000	3.83%
Mr. Faiaz Kader Sadman	Sponsor shareholder and Director	22/A, Chamelibag, Shantinagar, Dhaka	Father: Md. Abdul Kader Faruk Mother: Shirin Faruk	10,416,615	7.63%
Ms. Shirin Faruk	Sponsor shareholder	22/A, Chamelibag, Shantinagar, Dhaka	Husband: Md. Abdul Kader Faruk	2,290,000	1.68%

The particulars of the accounts associated with Mr. Md. Abdul Kader Faruk are the followings:

Sl No.	TREC Holder's Name	Client Code	Client Name	Remarks
1	IL Capital Limited	IL6807	Rajon Textile Mills Limited	Mr. Md. Abdul Kader Faruk is the contact person (chief operation officer).
2	IL Capital Limited	IL6840	Total Spinning Mills Limited	Mr. Md. Abdul Kader Faruk is the contact person (chairman).
3	IL Capital Limited	IL6804	Mohibullah Kabir	Brother of Mr. Md. Abdul Kader Faruk
4	Salta Capital Limited	M2224	S.F. Textile Industries Limited	Mr. Md. Abdul Kader Faruk is the CEO.
5	IL Capital Limited	IL6809	M.L Steel Mills Limited	Mr. Md. Abdul Kader Faruk is the contact person (chairman).
6	IL Capital Limited	IL6813	Chong Won Ars Sweater Ltd	Mr. Md. Abdul Kader Faruk is the contact person (managing director).
7	Prime Islami Securities Limited	1012	Total Spinning Mills Limited	Mr. Md. Abdul Kader Faruk is the chairman.
8	SIBL Securities Ltd	726	Faiaz Kader	Son of Mr. Md. Abdul Kader Faruk
9	Prime Islami Securities Limited	1014	M.L Steel Mills Limited	Mr. Md. Abdul Kader Faruk is the authorized person of the account and the chairman of M.L Steel Mills Limited.
10	UCB Capital Management Limited	443	Md. Abdul Quyum Mamun	Brother of Mr. Md. Abdul Kader Faruk
11	Salta Capital Limited	0M751	Abid Mustafizur Rahman	Son of Mr. Md. Abdul Kader Faruk
12	Salta Capital Limited	0M755	Shirin Faruk	Wife of Mr. Md. Abdul Kader Faruk
13	Bank Asia Securities Limited	4202	Kazi Hosne Ara	Wife of Mr. Md. Abdul Kader Faruk
14	Prime Islami Securities Limited	1007	Hosne Ara Begum	Wife of Mr. Md. Abdul Kader Faruk
15	Prime Islami Securities Limited	1009	Rezwana Rahman Rini	Daughter of Mr. Md. Abdul Kader Faruk
16	Prime Islami Securities Limited	1008	Nasreen Akhter Banu	Wife of Mr. Md. Abdul Kader Faruk
17	IL Capital Limited	IL6839	Nasreen Akhter Banu	Wife of Mr. Md. Abdul Kader Faruk
18	IL Capital Limited	IL6837	Rezwana Rahman Rini	Daughter of Mr. Md. Abdul Kader Faruk





## বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

The trade details are shown in the attached table for the above mentioned accounts from 02.07.2015 to 30.06.2016 for FARCHEM shares (as per the instrument ledger).

### Findings-1:

- The associates of Mr. Md. Abdul Kader Faruk bought 20,290,832 FARCHEM shares and sold 25,054,719 FARCHEM shares from 02.07.2015 to 30.06.2016 through the above mentioned 18 accounts.
- It is observed that the said clients traded almost 93%, 123%, 70% and 76% shares of FARCHEM on 30.09.2015, 17.01.2016, 19.01.2016 and 29.06.2016 respectively. Besides, they traded 56%, 53% and 51% shares of FARCHEM on 31.08.2015, 01.09.2015 and 28.09.2015 respectively.

### Detail observation of DSE trade data by the associates of Mr. Md. Abdul Kader Faruk

#### Observations-2:

As per DSE trade data report, it was found that client named Chong Won Ars Sweater Limited (client code# IL6813) of IL Capital Limited (Traded through International Leasing Securities Limited) was the counter party of client named Mr. Faiaz Kader (client code# 726) of SIBL Securities Limited for 1,140,000 "FARCHEM" shares on 17.01.2016. Besides, Chong Won Ars Sweater Limited (client code# IL6813) was the counter party of client named Abid Mustafizur Rahman (client code# 0M751) of Salta Capital Limited on 19.01.2016. Details are shown below:

INSTRUMENT CODE	TRADE DATE	TRADE TIME	TRADE VOLUME	TRADE PRICE	BUYER CODE	BUYER CLIENT	BOID BUYER	SELLER CODE	SELLER CLIENT	BOID SELLER
FARCHEM	17/01/2016	12:58:13	1,140,000	28.80	DSEILS	IL6813	1605520058191110	DSESIB	726	1205200048482217
FARCHEM	19/01/2016	13:16:09	410,000	28.70	DSEILS	IL6813	1605520058191110	DSESLT	0M751	1203610033574496

Relationships between these three accounts are shown below:

TREC Holder's Name	Client Code	Client Name	Remark
IL Capital Limited	IL6813	Chong Won Ars Sweater Limited	Mr. Md. Abdul Kader Faruk is the contact person (Managing Director).
SIBL Securities Limited	726	Faiaz Kader	Son of Mr. Md. Abdul Kader Faruk
Salta Capital Limited	0M751	Abid Mustafizur Rahman	Son of Mr. Md. Abdul Kader Faruk

It is mentionable here that the above mentioned trades were executed in the block market.

#### Observations-3:

As per DSE trade data report, it was found that client named S.F. Textile Industries Limited (client code# M2224) of Salta Capital Limited was the counter party of client named Mr. Mohibullah Kabir (client code# IL6804) of IL Capital Limited for "FARCHEM" shares on 28.09.2015, 30.09.2015 and 01.10.2015, details are shown below:

INSTRUMENT CODE	TRADE DATE	TRADE TIME	TRADE VOLUME	TRADE PRICE	BUYER CODE	BUYER CLIENT	BOID BUYER	SELLER CODE	SELLER CLIENT	BOID SELLER
FARCHEM	28/09/2015	11:07:52	300,000	53.00	DSESLT	M2224	1203610053811606	DSEILS	IL6804	1605520048578047
FARCHEM	30/09/2015	11:07:33	500,000	53.50	DSESLT	M2224	1203610053811606	DSEILS	IL6804	1605520048578047
FARCHEM	30/09/2015	12:11:48	251,000	53.40	DSESLT	M2224	1203610053811606	DSEILS	IL6804	1605520048578047
FARCHEM	01/10/2015	12:00:19	100,000	53.00	DSESLT	M2224	1203610053811606	DSEILS	IL6804	1605520048578047





## বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

“মুজিববর্ষের অঙ্গীকার  
উন্নয়ন-অর্থায়নের উৎস হবে পুঁজিবাজার”

Relationships between these two accounts are shown below:

TREC Holder's Name	Client Code	Client Name	Remark
Salta Capital Limited	M2224	S.F. Textile Industries Ltd.	Mr. Md. Abdul Kader Faruk is the CEO.
IL Capital Limited	IL6804	Mohibullah Kabir	Brother of Mr. Md. Abdul Kader Faruk

As per the trade data it was found that the above mentioned trades were executed in the block market.

### Observations-4:

As per DSE trade data report, it was found that client named M.L Steel Mills Limited (client code# IL6809) of IL Capital Limited was the counter party of client named Abid Mustafizur Rahman (client code# 0M751) of Salta Capital Limited for “FARCHEM” shares on 19.01.2016 and Mr. Faiaz Kader (client code# 726) of SIBL Securities Limited on 17.01.2016. Besides, Mr. Mohibullah Kabir (client code# IL6804) of IL Capital Limited bought 9 shares of “FARCHEM” from M.L Steel Mills Limited (client code# IL6809) of IL Capital Limited on 01.10.2015. Details are shown below:

INSTRUMENT CODE	TRADE DATE	TRADE TIME	TRADE VOLUME	TRADE PRICE	BUYER CODE	BUYER CLIENT	BOID BUYER	SELLER CODE	SELLER CLIENT	BOID SELLER
FARCHEM	19/01/2016	13:18:57	436,250	28.70	DSEILS	IL6809	1605520058167943	DSESLT	0M751	1203610033574496
FARCHEM	17/01/2016	12:59:23	324,153	28.80	DSEILS	IL6809	1605520058167943	DSESIB	726	1205200048482217
FARCHEM	01/10/2015	11:53:34	9	49.50	DSEILS	IL6804	1605520048578047	DSEILS	IL6809	1605520058167943

Relationships between these accounts are shown below:

TREC Holder's Name	Client Code	Client Name	Remark
IL Capital Limited	IL6809	M.L Steel Mills Limited	Mr. Md. Abdul Kader Faruk is the contact person (chairman)
Salta Capital Limited	0M751	Abid Mustafizur Rahman	Son of Mr. Md. Abdul Kader Faruk
SIBL Securities Ltd.	726	Faiaz Kader	Son of Mr. Md. Abdul Kader Faruk
IL Capital Limited	IL6804	Mohibullah Kabir	Brother of Mr. Md. Abdul Kader Faruk

It is mentionable here that M.L Steel Mills Limited (client code# IL6809) bought shares of FARCHEM in the block market on 17.01.2016 and 19.01.2016. Mr. Mohibullah Kabir (client code# IL6804) bought 9 shares of FARCHEM in the public market on 01.10.2015.

### Observations-5:

As per DSE trade data report, it was found that client named Mr. Md. Abdul Quyum Mamun (client code# 443) of UCB Capital Management Limited was the counter party of client named S.F. Textile Industries Limited (client code# M2224) of Salta Capital Limited for 12,744 “FARCHEM” shares on 31.08.2015, details are shown here:

INSTRUMENT CODE	TRADE DATE	TRADE TIME	TRADE VOLUME	TRADE PRICE	BUYER CODE	BUYER CLIENT	BOID BUYER	SELLER CODE	SELLER CLIENT	BOIDSELLER
FARCHEM	31/08/2015	13:47:32	1,733	52.90	DSEUCB	443	1205590033574488	DSESLT	M2224	1203610053811606
FARCHEM	31/08/2015	13:47:58	5,000	52.90	DSEUCB	443	1205590033574488	DSESLT	M2224	1203610053811606
FARCHEM	31/08/2015	13:50:41	41	52.90	DSEUCB	443	1205590033574488	DSESLT	M2224	1203610053811606
FARCHEM	31/08/2015	13:50:41	1,000	52.90	DSEUCB	443	1205590033574488	DSESLT	M2224	1203610053811606
FARCHEM	31/08/2015	13:50:41	1,000	52.90	DSEUCB	443	1205590033574488	DSESLT	M2224	1203610053811606
FARCHEM	31/08/2015	13:50:41	1,000	52.90	DSEUCB	443	1205590033574488	DSESLT	M2224	1203610053811606
FARCHEM	31/08/2015	13:50:41	1,000	52.90	DSEUCB	443	1205590033574488	DSESLT	M2224	1203610053811606
FARCHEM	31/08/2015	13:50:41	1,000	52.90	DSEUCB	443	1205590033574488	DSESLT	M2224	1203610053811606
FARCHEM	31/08/2015	13:50:41	1,000	52.90	DSEUCB	443	1205590033574488	DSESLT	M2224	1203610053811606
			12,774							





## বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

Relationships between these two accounts are shown below:

TREC Holder's Name	Client Code	Client Name	Remark
UCB Capital Management Limited	443	Md. Abdul Quyum Mamun	Brother of Mr. Md. Abdul Kader Faruk
Salta Capital Limited	M2224	S.F. Textile Industries Ltd.	Mr. Md. Abdul Kader Faruk is the CEO.

### Observations-6:

As per DSE trade data report, it was found that client named Ms. Shirin Faruk (client code# 0M755) of Salta Capital Limited was the counter party of client named Ms. Nasreen Akhter Banu (client code# IL6839) of IL Capital Limited for 572,500 "FARCHEM" shares on 17.01.2016, details are shown below:

INSTRUMENT CODE	TRADE DATE	TRADE TIME	TRADE VOLUME	TRADE PRICE	BUYER CODE	BUYER CLIENT	BOID BUYER	SELLER CODE	SELLER CLIENT	BOID SELLER
FARCHEM	17/01/2016	13:33:04	572,500	28.80	DSEILS	IL6839	1605520053811590	DSESLT	0M755	1203610033574511

Relationships between these two accounts are shown below:

TREC Holder's Name	Client Code	Client Name	Remark
Salta Capital Limited	0M755	Shirin Faruk	Wife of Mr. Md. Abdul Kader Faruk
IL Capital Limited	IL6839	Nasreen Akhter Banu	Wife of Mr. Md. Abdul Kader Faruk

As per the trade data it was found that the above mentioned trades were executed in the block market.

### Observations-7:

As per DSE trade data report, it was found that client named Mr. Mohibullah Kabir (client code# IL6804) of IL Capital Limited was the counter party of client named Mr. Md. Abdul Quyum Mamun (client code# 443) of UCB Capital Management Limited for "FARCHEM" shares on different dates, details are shown in Annexure - 1.

Relationships between these two accounts are shown below:

TREC Holder's Name	Client Code	Client Name	Remark
UCB Capital Management Ltd	443	Md. Abdul Quyum Mamun	Brother of Mr. Md. Abdul Kader Faruk
IL Capital Limited	IL6804	Mohibullah Kabir	Brother of Mr. Md. Abdul Kader Faruk

### Observations-8:

As per DSE trade data report, it was found that client named Mr. Mohibullah Kabir (client code# IL6804) of IL Capital Limited was the counter party of client named S.F. Textile Industries Limited (client code# M2224) of Salta Capital Limited for "FARCHEM" shares on different dates, details are shown in Annexure - 1.

Relationships between these two accounts are shown below:

TREC Holder's Name	Client Code	Client Name	Remark
IL Capital Limited	IL6804	Mohibullah Kabir	Brother of Mr. Md. Abdul Kader Faruk
Salta Capital Limited	M2224	S.F. Textile Industries Ltd	Mr. Md. Abdul Kader Faruk is the CEO.

### Findings (2-8):

From the above mentioned trade data, it is observed that different associates of Mr. Md. Abdul Kader Faruk acted as the counter party for FARCHEM shares on different dates from 02.07.2015 to 30.06.2016. However, the trades were executed in the block market on some days.





## বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

### Contravention(s):

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 securities;

(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 including its purchase by others or depressing its price for the purpose of inducing its sale by others;"

Therefore, it appears that Mr. Abdul Kader Faruk and his associates have violated Section 17 (e) (ii) and (v) of Securities and Exchange Ordinance, 1969 (XVII of 1969) as it can observe that the associates of Mr. Abdul Kader Faruk were directly and indirectly involved in share trading of FARCHEM using 18 (eighteen) accounts by the following ways:

- Mr. Abdul Kader Faruk and his associates were involved directly and indirectly in a series of transaction of shares of FARCHEM in order to create the appearance of active trading of the said share,
- Significant amount shares of FARCHEM were traded by those accounts on some days, compared to the total trade of those days which may influence the trading activities of FARCHEM shares.

যেহেতু, উপর্যুক্ত আলোচ্য বিষয়ে আইন ভঙ্গের কারণে কমিশনরে এনফোর্সমেন্টে বিভাগ কর্তৃক ডিসেম্বর ০২, ২০২১ তারিখ বিএসইসি/এনফোর্সমেন্ট/৩১৭১/২০২১/১০৫৯ স্মারকমূলে Abdul Kader Faruk and his relatives -কে ডিসেম্বর ১৩, ২০২১ তারিখে কারণ প্রদর্শন সহ শুনানীতে উপস্থিতি হতে বলা হয়। শুনানীতে উপস্থিত হয়ে Abdul Kader Faruk and his relatives-এর পক্ষে Mr. A.K.M. Atiqur Rahman (on behalf) নিম্নলিখিত বক্তব্য দাখিল করেন;

"I, Md. Abdul Kader Faruk, don't have involvement in trading any shares of FAR CHEMICAL INDUSTRIES LIMITED (hereinafter referred to as "Company") during the period mentioned. I have/had never intention to gain from the security market by selling shares of FAR CHEMICAL INDUSTRIES LIMITED. The associates you mentioned that traded during period, was at their personal capacity and beyond my knowledge. All of the associates who had traded separately in different broker houses with delegated management and they were never been informed about any Price Sensitive information from FAR CHEMICAL INDUSTRIES LIMITED so far my knowledge. If such type of transaction relates, it was unintentional and co-incidental. After examining the facts we found that the so-called associates traded their shares of FAR CHEMICAL INDUSTRIES LIMITED during the period you mentioned by following related regulatory declaration process.

Hence, it has been clear from the above mentioned scenario, Sponsors or Directors of FAR CHEMICAL INDUSTRIES LIMITED neither had involvement in trading shares of the company for benefiting them by violating any of the securities laws, rules and regulations made there under nor willfully contravened the same and always tried to comply in every sense. The associates whoever found involvement in share trading during that period, had no malafide intention to influence the market or price of share of the company in any manner so far my knowledge. However, I will be cautious in this regard in future.

Therefore, I undersigned along with my associates neither had involvement in the said allegation nor in violation of the provision of Section 17 (e) (ii) and (v) of the Securities and Exchange Ordinance, 1969 (XVII





## বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

“মুজিববর্ষের অসীকার  
উন্নয়ন-অর্থায়নের উৎস হবে পুঁজিবাজার”

of 1969). Consequently I prayed for discharging me from the said allegation by considering the above mentioned facts and circumstances.”

যেহেতু, Abdul Kader Faruk and his relatives-এর উপরোক্ত বক্তব্য থেকে প্রতীয়মান হয় যে, উপস্থাপিত অভিযোগসমূহ সঠিক সেহেতু এক্ষেত্রে Abdul Kader Faruk and his relatives-এর ব্যাখ্যা কমিশনের নিকট গ্রহণযোগ্য হিসেবে বিবেচিত হয়নি;

যেহেতু, Abdul Kader Faruk and his relatives-এর উপরোক্ত কর্মকান্ডের ফলে Section 17 (e) (ii) এবং (v) of the Securities and Exchange Ordinance, 1969 লংঘন করেছে, যা সিকিউরিটিজ আইনের পরিপন্থী;


যেহেতু, Abdul Kader Faruk and his relatives-এর উপরোক্ত কর্মকান্ড Securities and Exchange Ordinance, 1969 এর Section 22 অনুযায়ী শাস্তিযোগ্য অপরাধ;

যেহেতু, কমিশনের বিবেচনায়, সিকিউরিটিজ আইন ও বিধি-বিধান পরিপালনে আলোচ্য ব্যর্থতার জন্য, পুঁজিবাজারের শৃংখলা, স্বচ্ছতা এবং জনস্বার্থে আলোচ্য Abdul Kader Faruk and his relatives-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-

- Abdul Kader Faruk and his relatives-কে ১৫.০০ (পনের) লক্ষ টাকা জরিমানা 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,

  
22/2/22  
মোঃ আবদুল হালিম  
কমিশনার

### বিতরণ:

১। **Mr. Abdul Kader Faruk and Associates**  
Chairman & Managing Director  
FAR Group  
House # 11, (5th Floor), Unit # 5-B  
Road # 12, Niketon, Gulshan-1  
Dhaka-1212.



বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

নং-বিএসইসি/এনফোর্সমেন্ট/৩১৭১/২০২১/৩৩৪

তারিখঃ ফেব্রুয়ারি ২২, 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, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের পত্র নং BSEC/Surveillance/2016-0879/742/01 dated June 29, 2016 মাধ্যমে ঢাকা স্টক এক্সচেঞ্জ লিমিটেড R.N. Spinning Mills Limited (RNSPIN) এর শেয়ার লেনদেনের ০২-০৭-২০১৫ থেকে ৩০-০৬-২০১৬ 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:

**A. Trade by Mr. Abdul Kader Faruk and his relatives:**

**Observations:**

After analyzing the account opening forms collected from various TREC holders of DSE, total 20 (twenty) accounts were found related to Mr. Abdul Kader Faruk and his relatives. From these accounts RNSPIN shares were traded during 02.07.2015 to 30.06.2016.

Mr. Abdul Kader Faruk is related to these accounts in following ways:

Sl No	Client Name	Client Code	Broker Name	Remarks
1	Rajon Textile Mills Ltd.	IL6807	IL Capital Limited	Mr. Md. Abdul Kader Faruk is Chief Operation Officer of the company
2	Mohibullah Kabir	IL6804	IL Capital Limited	Brother of Mr. Abdul Kader Faruk
3	The Lawyers and Jurists	IL6834	IL Capital Limited	Proprietor of the company, Mr. Abdul Mabud Masum is brother of Mr. Abdul Kader Faruk
4	Chong Won ARS Sweater Ltd.	IL6813	IL Capital Limited	Mr. Abdul Kader Faruk is Managing Director of the company
5	The Lawyers and Jurists	7251	Bank Asia Securities Limited	Proprietor of the company, Mr. Abdul Mabud Masum is brother of Mr. Abdul Kader Faruk
6	The Lawyers and Jurists	7547	MTB Securities Ltd.	Proprietor of the company, Mr. Abdul Mabud Masum is brother of Mr. Abdul Kader Faruk
7	M. L. Steel Mills Ltd.	IL6809	IL Capital Limited	Mr. Md. Abdul Kader Faruk is Proprietor of the company
8	Mr. Abdul Mabud Masum	IL6800	IL Capital Limited	Brother of Mr. Abdul Kader Faruk
9	Total Spinning Mills Ltd.	IL6840	IL Capital Limited	Mr. Md. Abdul Kader Faruk is Chairman of the company
10	Md. Sharif	IL6801	IL Capital Limited	Mailing address is same as mentioned by Mr. Mohibullah Kabir
11	Arifa Begum Lucky & Md. Belal Hossain	IL6823	IL Capital Limited	Sister of Mr. Md. Abdul Kader Faruk
12	The Lawyers and Jurists	40507	EBL Securities Ltd.	Proprietor of the company, Mr. Abdul Mabud Masum is brother of Mr. Abdul Kader Faruk
13	Rajon Textile Mills Ltd.	1013	Prime Islami Securities Limited	Mr. Abdul Kader Faruk is Chief Operation Officer of the company
14	Chong Won ARS Sweaters Ltd.	1011	Prime Islami Securities Limited	Mr. Abdul Kader Faruk is Managing Director of the company
15	Mohibullah Kabir	1016	Prime Islami Securities Limited	Brother of Mr. Abdul Kader Faruk
16	Total Spinning Mills Ltd.	1012	Prime Islami Securities Limited	Mr. Abdul Kader Faruk is Chairman of the company





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## বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

17	M. L. Steel Mills Ltd.	1014	Prime Islami Securities Limited	Mr. Abdul Kader Faruk is Chairman of the company
18	Arifa Begum Luckey & Md. Belal Hossain	1021	Prime Islami Securities Limited	Sister of Mr. Md. Abdul Kader Faruk
19	Mr. Mahabub Alam	IL6803	IL Capital Limited	Mailing address is same as mentioned by The Lawyers and Jurists
20	The Lawyers and Jurists	1091	UCB Capital Management Limited	Proprietor of the company, Mr. Abdul Mabud Masum is brother of Mr. Abdul Kader Faruk

Trade details of these accounts are shown in **Annexure-1** (Trade details of 20 accounts related to Mr. Abdul Kader Faruk)

After analyzing trade of the 20 (twenty) accounts following information are observed:

- It is observed from the trade details that this group traded significant volume of RNSPIN shares during 02.07.2015 to 30.06.2016.
- On 31.12.2015 trade participation of this group was 101.95% of the trade volume of RNSPIN of that day because some shares were traded among these clients. On this date 2,00,000 shares were traded in Block Market and the rest in Public Market.
- On 03.02.2016 trade participation of this group was 105.69% of the trade volume of RNSPIN of that day because some shares were traded among these clients. On this date 2,00,000 shares were traded in Block Market and the rest in Public Market.
- On 28.01.2016, 31.01.2016, 01.02.2016, 02.02.2016, 03.02.2016, 04.02.2016, 07.02.2016, 08.02.2016, 09.02.2016, 10.02.2016, 11.02.2016, 14.02.2016 and 15.02.2016 their trade participation was 58.86%, 19.92%, 97.99%, 67.97%, 105.69%, 57.51%, 83.23%, 68.94%, 38.78%, 0.61%, 71.81%, 55.77% and 44.86% of the trade volume.

### Contravention(s):

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 securities;

(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 including its purchase by others or depressing its price for the purpose of inducing its sale by others;”

Therefore, it appears that Mr. Abdul Kader Faruk and his associates have violated Section 17 (e) (ii) and (v) of Securities and Exchange Ordinance, 1969 (XVII of 1969) as it can observe that the associates of Mr. Abdul Kader Faruk were directly and indirectly involved in share trading of RNSPIN using 20 (twenty) accounts by the following ways:





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## বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

- a) *Mr. Abdul Kader Faruk and his associates were involved directly and indirectly in a series of transaction of shares of RNSPIN in order to create the appearance of active trading of the said share,*

*Significant amount shares of RNSPIN were traded by those accounts on some days, compared to the total trade of those days which may influence the trading activities of RNSPIN shares.*

যেহেতু, উপর্যুক্ত আলোচ্য বিষয়ে আইন ভঙ্গের কারণে কমিশনরে এনফোর্সমেন্টে বিভাগ কর্তৃক ডিসেম্বর ০২, ২০২১ তারিখ বিএসইসি/এনফোর্সমেন্ট/৩১৭১/২০২১/১০৬০ স্মারকমূলে Abdul Kader Faruk and his relatives -কে ডিসেম্বর ১৩, ২০২১ তারিখে কারণ প্রদর্শন সহ শুনানীতে উপস্থিতি হতে বলা হয়। শুনানীতে উপস্থিত হয়ে Abdul Kader Faruk and his relatives-এর পক্ষে Mr. A.K.M. Atiqur Rahman (on behalf) নিম্নলিখিত বক্তব্য দাখিল করেন;

*“I, Md. Abdul Kader Faruk, had never sold any shares of R N Spinning Mills Ltd. (herein after referred to as “RN SPIN”) since inception to date. I have/had never intention to gain from the market by selling shares of RNSPIN. The associated who had traded during that period, was at their personal capacity and beyond my knowledge. All of the associates mentioned by you were separately living or undertaken separate business or having business with different and delegated management and they were not been informed about any Price Sensitive related information from RNSPIN. I think the share trading that was happened originated by the then market itself. If the transactions relate each other, it was unintentional and co-incident in which I along with my associates were no way liable.*

*Hence, it has been clear from the above mentioned scenario, Sponsors or Directors of RNSPIN neither had involvement in trading shares of the company for benefiting them by violating any of the securities laws, rules and regulations made there under nor willfully contravened the same and always tried to comply in every sense. The associates whoever found involvement in share trading during that period, had no malafide intention to influence the market or price of share of the company in any manner so far my knowledge. However, I will be cautious in this regard in future.*

*Therefore, I undersigned along with my associates neither had involvement in the said allegation nor in violation of the provision of Section 17 (e) (ii) and (v) of the Securities and Exchange Ordinance, 1969 (XVII of 1969). Consequently I prayed for discharging me from the said allegation by considering the above mentioned facts and circumstances.”*

যেহেতু, Abdul Kader Faruk and his relatives-এর উপরোক্ত বক্তব্য থেকে প্রতীয়মান হয় যে, উপস্থাপিত অভিযোগসমূহ সঠিক সেহেতু এক্ষেত্রে Abdul Kader Faruk and his relatives-এর ব্যাখ্যা কমিশনের নিকট গ্রহণযোগ্য হিসেবে বিবেচিত হয়নি;

যেহেতু, Abdul Kader Faruk and his relatives-এর উপরোক্ত কর্মকান্ডের ফলে Section 17 (e) (ii) এবং (v) of the Securities and Exchange Ordinance, 1969 লংঘন করেছে, যা সিকিউরিটিজ আইনের পরিপন্থী;

যেহেতু, Abdul Kader Faruk and his relatives-এর উপরোক্ত কর্মকান্ড Securities and Exchange Ordinance, 1969 এর Section 22 অনুযায়ী শাস্তিযোগ্য অপরাধ;

যেহেতু, কমিশনের বিবেচনায়, সিকিউরিটিজ আইন ও বিধি-বিধান পরিপালনে আলোচ্য ব্যর্থতার জন্য, পুঁজিবাজারের শৃংখলা, স্বচ্ছতা এবং জনস্বার্থে আলোচ্য Abdul Kader Faruk and his relatives-কে জরিমানা করা প্রয়োজন ও সমীচীন;





“মুজিববর্ষের অঙ্গীকার  
উন্নয়ন-অর্থায়নের উৎস হবে পুঁজি”

## বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন

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-

- Abdul Kader Faruk and his relatives-কে ১০.০০ (দশ) লক্ষ টাকা জরিমানা 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 আবদুল হালিম  
কমিশনার

বিতরণ:

১। **Mr. Abdul Kader Faruk and Associates**  
Chairman & Managing Director  
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