

Bangladesh Securities and Exchange Commission

BSEC/Enforcement/3008/2021/ 360

Dated: February 23,2022

Mr.Md.Mohibullah Kabir
BO ID: 1202220061147136
Meghna Bank Securities Ltd.
Holding # 32/6, East Nayatola
Shantinagar, Ramna, Dhaka-1217

Attention: Managing Director/CEO, Meghna Bank Securities Limited.

Subject: Order

Bangladesh Securities and Exchange Commission's Order
No.BSEC/Enforcement/3008/2021/ 359 dated: February 23, 2022 attached herewith for
your information and necessary action at your end.

For Bangladesh Securities and Exchange Commission

Md.Yusuf Bhuiyan
Additional Director
Phone: 55007139
e-mail: yusuf@sec.gov.bd

Copy to:

PO to Chairman, BSEC
PO to Commissioner (Enf.), BSEC
PO to Executive Director (SRMIC), BSEC
PO to Executive Director (MIS), BSEC
PO to Executive Director (Enforcement), BSEC

Bangladesh Securities and Exchange Commission Order

BSEC/Enforcement/3008/2021/359

Dated: February 23, 2022

Whereas, as per section 2 (cc) of the Securities and Exchange Ordinance, 1969 (ORDINANCE No. XVII of 1969) "Commission" means Bangladesh Securities and Exchange Commission constituted under Securities and Exchange Commission Act 1993;

Whereas, as per section 2(g) of the Securities and Exchange Ordinance, 1969 (XVII of 1969), M.L Dyeing Ltd is an "issuer" (here in after referred to as "issuer");

Whereas, as per Section 17 of the Securities and Exchange Ordinance, 1969 (ORDINANCE No. XVII of 1969) states the following-

"Prohibition of fraudulent acts, etc.- 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,-

- (a) employ any device, scheme or artifice, or engage in any act, practice or course of business, which operates or is intended or calculated to operate as a fraud or deceit upon any person; or
- (b) make any suggestion or statement as a fact of that which he does not believe to be true; or
- (c) omit to state or actively conceal a fact having knowledge or belief of such fact; or
- (d) induce any person by deceiving him to do or omit to do anything which he would not do or omit if he were not so deceived; or
- (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-
 - (i) make any fictitious quotation;
 - (ii) create a false and misleading appearance of active trading in any security;
 - (iii) effect any transaction in such security which involves no change in its beneficial ownership;
 - (iv) enter into an order or orders for the purchase and sale of security which will ultimately cancel out each other and will not result in any change in the beneficial ownership of such security;
 - (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;
 - (vi) being a director or an officer of the issuer of a listed equity security or a beneficial owner of not less than ten percent of such security who is in possession of material facts omit to disclose any such facts while buying or selling such security."

Whereas, on the basis of the DSE Surveillance Note-008/2020 dated February 04, 2020 the Commission issued a show cause-cum-hearing notice No. BSEC/Enforcement/3008//2021-350 Dated: May 30, 2021 to Mr.Md.Mohibullah Kabir to appear at the hearing accusing for violating Section 17 of the Securities and Exchange Ordinance, 1969. The accused not appeared at the hearing. In the show cause-cum-hearing notice following have been mentioned among others;-

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“DSE observed some suspicious trading pattern in issuer company’s shares by various investors. The report sent by DSE has been checked and verified by the concerned department of the Commission which is summarized below:

- iv. **Circular trading, Series trading, Counterparty trade & High close trading:** Mr. Md. Mohibullah Kabir is associated with the following accounts:

S.L.	Client Name	BO ID	Name of TREC Holder	Remarks
1	Md. Mohibullah kabir	1202220061147136	Meghna Bank Securities Ltd.	Own account
2	Econo Button And Accessories	1205000058588425	Prime Islami Securities Ltd.	Md.Mohibullah Kabir is Proprietor
3	Md. Mohibullah kabir	1205000048578047	Prime Islami Securities Ltd.	Own Account
4	Md.Mohibullah Kabir and Md.Arif Billah	1203630066959041	Subvalley Securities Ltd.	Joint Account with legal advisor
5	Econo Button And Accessories	1203630063489941	Subvalley Securities Ltd.	Md.Mohibullah Kabir is Proprietor
6	Econo Construction	1203630067304589	Subvalley Securities Ltd.	Md.Mohibullah Kabir is Proprietor
7	Econo Enterprise	1203630067304597	Subvalley Securities Ltd.	Md.Mohibullah Kabir is Proprietor
8	Md. Mohibullah kabir	1203630061147136	Subvalley Securities Ltd.	Own account

- v. The above 08 (eight) persons/institutes associated with each other traded a significant number of issuer company’s shares in different dates;
- vi. Trade between Mr. Md. Mohibullah Kabir and Econo Construction Ltd., Md. Mohibullah Kabir and Econo Button and Accessories, Econo Button and Accessories and Econo Construction, Econo Button and Accessories and Econo Enterprise, Md. Mohibullah Kabir and Econo Enterprise (**Annexure-1**) ultimately results no change in beneficial ownership.

Contravention: Through the aforesaid activities, it appears that Mr. Md. Mohibullah Kabir has violated Section 17 of the Securities and Exchange Ordinance, 1969 by involving in active trading, circular trading, and counterparty trading in MLDYEING shares during 09-01-2020 to 24-02-2020;

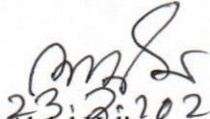
Whereas, the aforesaid activities of non-compliance of securities laws appeared to be deliberate and clear contravention of the above stated laws attracts penal provision of Section 24 or Section 22 of the Securities and Exchange Ordinance, 1969;

Whereas, to protect the discipline and transparency of the capital market along with its development the Commission deems it appropriate and necessary to impose penalty upon Md. Mohibullah Kabir.

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Now, therefore, Bangladesh Securities and Exchange Commission, in exercise of the power conferred by section 22 (amended by the Securities and Exchange (Amendment) Act, 2000) of the Securities and Exchange Ordinance, 1969 (XVII of 1969) hereby imposes penalty for Tk 5.00. (Tk.Five) Lac upon Mr.Md.Mohibullah Kabir which is to be deposited to the Commission in the form of Bank Draft/Payorder favouring 'Bangladesh Securities and Exchange Commission' within 15 days from the date of issuance of this order.

By order of the Bangladesh Securities and Exchange Commission


23.2.2022
Md. Abdul Halim
Commissioner

Distribution

Mr.Md.Mohibullah Kabir
BO ID: 1202220061147136
Meghna Bank Securities Ltd.
Holding # 32/6, East Nayatola
Shantinagar, Ramna, Dhaka-1217