SEC/Enforcement/1176/2013/ **January , 2014**

SEC/Enforcement/1176 /2013/80 **By Special Messenger**
January 30, 2014

Bangladesh Development Bank Limited
8 Rajuk Avenue
Dhaka-1000

Subject: Penalty Order: Non-compliance of Section 17 (e) (v) of Securities and Exchange Ordinance, 1969 in connection with trading in shares of CVO Petrochemical Refinery Ltd.

Dear Sir,

Commission's penalty order No. SEC/Enforcement/1176/2013/79 dated January 30, 2014 is enclosed herewith for your kind information and necessary action.

For Bangladesh Securities and Exchange Commission

Mustari Jahan
Deputy Director (Enforcement Dept.)

Copy for distribution:
Secretary, Bank and Finacial Institutions Division, Ministry of Finance
Chief Executive Officer, Dhaka Stock Exchange Limited
Chief Executive Officer, Chittagong Stock Exchange Limited

Copy for information:
P.O to Commissioner (Enforcement), BSEC
P.O to Executive Director (SRI), BSEC
P.O to Executive Director (MIS), BSEC
Chairman's office, BSEC

SEC/Enforcement/1176/2013/ January , 2014

Order

Whereas, on the basis of the investigation report of Dhaka Stock Exchange Limited on trading in shares of **CVO Petrochemical Refinery Limited**, a show cause-cum-hearing notice No. SEC/Enforcement/1176/2013/593 dated October 13, 2013 was issued to Bangladesh Development Bank Limited (BDBL) to appear at the hearing accusing for violating section 17 (e) (v) of the Securities and Exchange Ordinance, 1969 (XVII of 1969). Hearing has been conducted with the accused. In the show cause-cum-hearing notice following have been mentioned among others;-

Quote

Whereas, as per section 17(e) (v) 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,-

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;"

Whereas, an investigation has been conducted by DSE regarding trading in shares of CVO Petrochemical Refinery Ltd. Among others the following is mentioned in the report;

"Bangladesh Shilpa Bank (BDBL)

Observations:

1. As per data provided by Bangladesh Shilpa Bank (DSE Member # 152) it was found that the company in Client Code # 0 which belongs to Bangladesh Shilpa Bank (BDBL) has bought significant amount of CVOPRL shares from April 01, 2013 to September 23, 2013 but did not sale any. The portfolio statement of the said client reflected that Bangladesh Shilpa Bank (BDBL) holds 990,800 shares in its possession on 23.09.13 which resulted in unrealized gain of Tk. 476,274,100.

   (**Annexure: 1**- Customer Account Information form, B/O Account opening form and instrument ledger of Bangladesh Shilpa Bank (BDBL))

2. Upon analyzing the trade data it was observed that Bangladesh Shilpa Bank (BDBL), client code # 0, repetitively submitted and executed buy orders at higher rate at different time of the trading sessions within 01.04.2013 to 23.09.2013. Such repetitive buy order executed at higher price shows the intention of price manipulation by Bangladesh Shilpa Bank (BDBL).

(**Annexure: 2**- Sample of trade details of Bangladesh Shilpa Bank (BDBL) from DSE trade data of CVOPRL on different date)

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Contravention: It is appeared to us that Bangladesh Shilpa Bank (BDBL) violated Section 17 (e)(v) of Securities and Exchange Ordinance, 1969, by performing following acts:

1. Repetitively placing buy order at higher rate compared to others on several occasions and by trying to manipulate the price of CVOPRL.

2. Involve in significant transaction of the aforesaid script; and Being the beneficial owner of unrealized gain of Tk. 476,274,100 by influencing the price of CVOPRL shares."

Whereas, copy of relevant annexures of the report is enclosed herewith. **Unquote**

Whereas, Investigation Team reported the following among others;
Quote
Basic Information of CVO Petrochemical Refinery Ltd.:

Particulars	Details
Authorized Capital(mn)	1,500.0
Paid Up Capital (mn)	180.0
Total no. of Securities	18,000,000
No. of Free Float Share	**78,02,310**
% of Free Float Shares in respect of total shares	43.35%
Face Value	10
Market Lot	100
Market Category	A
Share Percentage (As on June, 2012)	Sponsor/Director: 50.00, Govt.: 0, Institute: 9.47, Foreign: 0, Public: 40.53.
Details of Share Holdings	• Sponsor/Director: 50% i.e 9,000,000 no. of shares, • Private corporate bodies/Individuals (Holding more than 5%)- 11,97,690 no. shares • Lock- in shares – 101,97, 690 no. of shares • No. of Sponsors- 13

Unquote

SEC/Enforcement/1176/2013/ January , 2014

Quote

Position of Net Income & EPS:

Year / Particulars	2013(up to nine month)	2012	2011	2010	2009	2008
Net income (mn)	16.94	47.88	54.05	21.69	-24.38	-4.62
EPS (in Tk.)	0.94	3.19	4.50	2.17	-24.38	-4.62
Dividend		20%B	25%B	20%B	n/a	n/a

Unquote

Quote
In the Audited Financial Statements for the year ended 30 June 2010 it has been mentioned that "Previously the company manufactured soyabean oil from crude oil imported by them and sold the same in the market. Due to incurring of continuous loss in the nature of business the production of the company closed for a long period. After that, the company has diverted its business by manufacturing Petro-chemical oil from the fuel oil purchased locally." **Unquote**

Whereas, Investigation Team reported the Transaction executed by Bangladesh Shilpa Bank (BDBL):

Date	Buy Quantity	Rate	Sell Quantity	Rate	Total Trade by BSB	Total market trade volume of CVOPRL	"%" of Total Trade done by BSB
Balance	**22,000**						
16.04.2013	5,100	145.05			5,100	53,230	9.58
18.04.2013	2,000	166.88			2,000	95,180	2.1
06.05.2013	5,100	248.84			5,100	117,730	4.33
08.05.2013	13,700	243.53			13,700	157,050	8.72
12.05.2013	7,500	239.85			7,500	83,500	8.98
13.05.2013	7,900	229.93			7,900	95,020	8.31
14.05.2013	7,000	221.48			7,000	122,290	5.72
16.05.2013	10,300	236.71			10,300	111,880	9.21
26.05.2013	5,800	244.72			5,800	136,700	4.24
27.05.2013	10,400	254.07			10,400	160,650	6.47
28.05.2013	13,400	276.98			13,400	236,350	5.67
29.05.2013	24,000	282.31			24,000	216,870	11.07
30.05.2013	20,000	281.75			20,000	135,690	14.74

02.06.2013	30,300	293.87			30,300	136,860	22.14
03.06.2013	14,000	311.64			14,000	198,920	7.04
04.06.2013	30,800	322.93			30,800	118,984	25.89
05.06.2013	32,400	309.4			32,400	184,140	17.6
06.06.2013	8,300	311.19			8,300	166,550	4.98
09.06.2013	7,100	315.68			7,100	155,490	4.57
10.06.2013	15,500	331.08			15,500	157,500	9.84
11.06.2013	5,300	349.88			5,300	118,500	4.47
12.06.2013	20,000	346.98			20,000	167,390	11.95
13.06.2013	12,800	334.16			12,800	120,890	10.59
16.06.2013	43200	324.71			43200	213,350	20.25
17.06.2013	5400	334.92			5400	208,710	2.59
18.06.2013	28000	372.259			28000	141,626	19.77
19.06.2013	56400	375.53			56400	208,160	27.09
20.06.2013	50600	369.97			50600	106,680	47.43
23.06.2013	38000	378.11			38000	124,780	30.45
24.06.2013	10600	358.18			10600	66,880	15.85
26.06.2013	19500	356.57			19500	71,760	27.17
27.06.2013	24600	358.99			24600	131,950	18.64
30.06.2013	3700	349.49			3700	63,500	5.83
02.07.2013	4100	360.71			4100	69,980	5.86
03.07.2013	10000	358.11			10000	51,200	19.53
04.07.2013	1400	363.02			1400	64,520	2.17
07.07.2013	10100	381.23			10100	166,650	6.06
08.07.2013	1100	419.05			1100	98,140	1.12
09.07.2013	5300	427.04			5300	87,150	6.08
10.07.2013	6700	414.87			6700	116,680	5.74
11.07.2013	8900	438.033			8900	129,500	6.87
14.07.2013	3400	444.65			3400	63,300	5.37
16.07.2013	2100	501.15			2100	116,050	1.81
17.07.2013	8200	495.64			8200	70,700	11.6
18.07.2013	24600	493.64			24600	88,800	27.7
21.07.2013	40900	466.22			40900	115,110	35.53
22.07.2013	21700	435.17			21700	70,700	30.69
23.07.2013	23600	399.21			23600	65,020	36.3

24.07.2013	3900	402.68			3900	68,320	5.71
5.07.2013	8200	415.74			8200	42,200	19.43
28.07.2013	12000	399..50			12000	26,000	46.15
29.07.2013	2400	426.95			2400	74,830	3.21
30.07.2013	4600	425.5			4600	52,140	8.82
31.07.13	9800	430.13			9800	30500	32.13
01.08.2013	5800	423.61			5800	23,420	24.77
04.08.2013	1000	416.1			1000	19,550	5.12
05.08.2013	5700	425.14			5700	21,900	26.03
12.08.2013	4100	451.23			4100	71,750	5.71
13.08.2013	6200	485.86			6200	59,600	10.4
14.08.2013	6000	499.27			6000	141,350	4.24
18.08.2013	10300	489.66			10300	77,570	13.28
19.08.2013	600	532.4			600	111,596	0.54
20.08.2013	6000	539.62			6000	73,350	8.18
21.08.2013	100	552			100	79,380	0.13
22.08.2013	1500	598.96			1500	158,450	0.95
25.08.2013	7200	582.23			7200	115,320	6.24
26.08.2013	23400	593.68			23400	101,090	23.15
27.08.2013	1000	635			1000	124,890	0.8
01.09.2013	8200	593.72			8200	53,700	15.27
02.09.2013	10400	577.62			10400	75,600	13.76
03.09.2013	8600	573.66			8600	51,000	16.86
04.09.2013	1300	608.384			1300	54,800	2.37
05.09.2013	2900	620.32			2900	109,000	2.66
08.09.2013	100	666.4			100	111,800	0.09
09.09.2013	200	698.4			200	119,900	0.17
10.09.2013	2400	697.65			2400	201,800	1.19
11.09.2013	1700	734.32			1700	101,600	1.67
12.09.2013	5400	771.83			5400	102,800	5.25
15.09.2013	1000	811.43			1000	152,800	0.65
16.09.2013	2200	806.81			2200	117,300	1.88
17.09.2013	2400	877.45			2400	54,700	4.39
18.09.2013	10300	824.57			10300	90,600	11.37
19.09.2013	25900	809.11			25900	60,200	43.02

22.09.2013	5200	803.59			5200	55,200	9.42
Total	**9,90,800**		-		**968,800**	**8,944,266**	**10.83**

Unquote

Where as, the accused have submitted the following explanation;

<u>Quote</u>

02| Dch³ Awf‡hv‡Mi wel‡q AÎ cwZôv‡bi Reve wb¤iƒct

01) ÒwmwKDwiwUR GÛ G·‡PÄ AwWb¨vÝ 1969Ó Gi 17 gjZ wmwKDwiwUR µq-weµq Kvhµg cZviYvgjK KgKvÛ cwZ‡iv‡ai D‡Ï‡k¨ cYxZ n‡q‡Q Ges D³ avivq cZviYvgjK KgKv‡Ûi D‡Ïk¨ m¤ú‡K c`Ë aviYv ev weei‡Yi Av‡jv‡KB msNwUZ †Kvb NUbv Av‡`š Giƒc cZviYvgjK KgKvÛ msNU‡bi D‡Ï‡k¨ NUv‡bv n‡q‡Q wK-bv Zv we‡ePbvi †Rvi `vex iv‡L|

ÒwmwKDwiwUR GÛ G·‡PÄ AwWb¨vÝ 1969Ó Gi 17 (e) (v) avivq cZviYvgjK KgKv‡Ûi D‡Ïk¨ m¤ú‡K c`Ë aviYv ev weeiY n‡"Q "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" Av‡jvP¨ ‡ÿ‡Î wewWweGj KvD‡K c‡iwPZ ev cjä Kiv, wbeË ivLv, cwZ‡iva Kiv A_ev †Kvb cKvi cfve cwZcwË LvUv‡bv wKsev AbwPZ evRvi mweav Mn‡Yi D‡Ï‡k¨ CVOPRL ‡Kv¤úvbxi †kqvi †jb-‡`b G AskMnY K‡iwb| eis XvKv ÷K G·‡PÄ wjt Gi AbjvBb I‡qemvBU, wewfb RvZxq ˆ`wbK I msev` gva¨‡gi AbjvBb cKvkbvq cKwkZ cwZ‡e`b Av‡jvP¨ †Kv¤úvbxi cKíwU GwWej A‡qj Drcv`bgLx cKí n‡Z †c‡Uv-‡KwgK¨vj Drcv`b cK‡í iƒcvšwiZ nIqv m¤úwKZ msev‡`i Dci wfwËK K‡i Av‡jvP¨ †Kv¤úvbxi m¤vebvgq fwel¨Z cewׇ we‡ePbvq wb‡q `xN‡gqv`x wewb‡qv‡Mi Ask wn‡m‡e ˆ`bw›`b evRv‡ii cwZ‡hvwMZvgjK g‡j¨ Av‡jvP¨ †Kv¤úvbxi †kqvi µq K‡i‡Q| G cm‡½ Avil D‡jøL¨ †h, cKwkZ cwZ‡e`bmgn Abhvqx miKvix gwjKvbvaxb Bóvb widvBbvixi ci †emiKvix chv‡q Ab‡gv`b cvIqv CVOPRL kxNB Drcv`‡b hv‡"Q| Av‡jvP¨ cKíwUi we`¨gvb mweaw`i wKQUv cwieZb-cwiea‡bi gva¨‡g cvq 100.00 †KwU UvKvi cKí e¨‡q wbwgZe¨ GB cK‡íi cKí¯j PÆMv‡gi bwmivev‡` B‡Zvg‡a¨B ¯vcb Kiv n‡q‡Q| BD‡ivcxq AZ¨vawbK †gwkbvixR Ges cwZôvbwUi Drcv`b jÿ¨gvÎv 55.00 nvRvi †gwUK Ub Rvjvbx n‡Z cv‡i e‡j Rvbv †M‡Q| D³ 55 nvRvi †gwUK Ub Rvjvbxi g‡a¨ 60 kZvsk †c‡Uvj-AK‡Ub, 15% wW‡Rj, 10% †K‡iwmb Ges 15% w_bvi| GQvov cKwkZ cwZ‡e`‡b Avil D‡jøL wQj †h, G me Rvjvbx eZgvb evRvi `‡i wewµ n‡j eQ‡i AšZ 200.00 †KwU UvKv gbvdv AR‡bi m¤vebv i‡q‡Q| D‡jøL¨, CVOPRL ‡Kv¤úvbxi cwi‡kwaZ 18.00 †KwU UvKv, hvi cwZwU †kqv‡ii eZgvb Awfwnz gj¨ 10.00 UvKv| A_vr evRv‡i †Kv¤úvbxi 1.80 †KwU †kqvi i‡q‡Q| A_P AÎ cwZôvb `xN cvq 06 (Qq) gvm e¨vcx mgqKv‡j CVOPRL ‡Kv¤úvbxi 9,90800 wU †kqvi µq K‡i‡Q, hv †Kv¤úvbxi †gvU †kqv‡ii gvÎ 5.50 kZvsk| G Qvov 30 †m‡Þ¤i, 2013 Zwi‡Li wnmv‡ei wfwË‡Z AÎ cwZôv‡bi wewfb †cvU‡dwjI‡Z wewb‡qvM Gi cwigvY wQj 421.41 †KwU UvKv, hvi evRvi gj¨ cvq 2,690.46 †KwU UvKv| †m Zjbvq AÎ cwZôvb CVOPRL †Kv¤úvbxi 9,90,800 wU †kqvi µ‡q gvÎ 38.91 †KwU UvKv wewb‡qvM K‡i‡Q, hv eZgvb mgqKv‡j AÎ cwZôv‡bi †gvU wewb‡qv‡Mi cvq 9.00 kZvsk| GgbwK weGmBwmÕi c‡Î DwjøwLZ 01

Gwcj, 2013 ZvwiL n‡Z 23, †m‡Þ¤^i, 2013 ZvwiL chš— mgqKv‡j AÎ cwZôvb †gvU 320.21 †KvwU UvKvi wmwKDwiwUR µq Ges 177.19 †KvwU UvKvi wmwKDwiwUR weµqm‡gZ me©‡gvU 497.40 †KvwU UvKvi wmwKDwiwUR †jb-‡`b m¤úbœ K‡i| A\_P GKB mgqKv‡j AÎ cwZôvb CVOPRL †Kv¤úvbxi wmwKDwiwUR G 38.91 †KvwU UvKvi wewb‡qvM K‡i, hv H mg‡q weWweGj KZK m¤úvw`Z †gvU †jb-‡`b Gi gvÎ 7.82 kZvsk| Kv‡RB weWweGj KZK eviYZ mgqKv‡j m¤úvw`Z CVOPRL ‡Kv¤úvbxi DcwiD³ †kqvi µ‡qi NUbv‡K "wmwKDwiwUR GÛ G·‡PÄ AwWb¨vÝ 1969Ó Gi 17 (e) (v) avivq weeZ cZviYvgjK KgKvÛ msNU‡bi D‡Ï‡k¨ NUv‡bv n‡q‡Q, GgbwU ejvi AeKvk †bB|

02) "wmwKDwiwUR GÛ G·‡PÄ AwWb¨vÝ 1969Ó Gi 17 (e) (v) avivi AvIZvq Abb‡gvw`Z ev A‰ea KgKvÛ m¤ú‡K c`Ë aviYv ev weeiY n‡"Q "do any act or practice or engage in course of business, or omit to do any act which operates or would operate as a fraud, deceit or manipulation upon any person." A_vr "wmwKDwiwUR GÛ G·‡PÄ AwWb¨vÝ 1969Ó Gi

17 (e) (v) avivq Abb‡gvw`Z ev A‰ea KgKvÛ m¤ú‡K c`Ë aviYv ev weeiY Abhvqx Abb‡gvw`Z ev A‰ea KgKvÛ msNU‡bi Rb¨ e¨emv cwiPvjbv, Abkxjb ev m¤ú³Zvi ‡ÿ‡Î †Kvb kw³ ev ej c‡qvM Kiv ev cfve mÂvi Kiv A_ev †Kvb e¨w³‡K RwjqwZ, cZviYv ev wbR c‡ÿi D‡Ï‡k¨ mva‡bi Rb¨ Gi|c KgKvÛ cwiPvjbv Kiv ev KvD‡K Gi|c Kv‡Ri PPv Kiv ev m¤ú³ _vKv n‡Z weiZ bv ivLvi gZ KgKv‡Ûi c‡qvRb nq| Av‡jvP¨ †ÿ‡Î weWweGj KvD‡K cZwiZ ev ceiÂZ Kiv A_ev evRvi g¨wbc‡jkb, A_vr D‡jøL‡hvM¨ gj¨ cv_K¨ mwó K‡i evRvi †_‡K ¯^í mg‡q A¯^vfvweK gbvdv Z‡j †bqvi cqvm CVOPRL †Kv¤úvbxi †kqvi †jb-‡`b K‡iwb ev KvD‡K Gi|c Kv‡R c‡iwPZ ev DØ× K‡iwb ev Gi|c D‡Ï‡k¨ msNwUZ †Kvb KgKvÛ Ab¨ †Kvb cÿ‡K Kivi m‡hvM mwói cqv‡m †Kvb wKQ K‡iwb, GgbwK Kv‡iv Gi|c KgKvÛ m¤ú³ _vKvq evav c`vb n‡Z wb‡R‡`i weiZI iv‡Lwb| ZvQvov Av‡jvP¨ †ÿ‡Î AÎ cwZôvb †Kejgv‡Î wbR¯ Iqv‡K‡ókb Gi gva¨‡g `xN‡gqv`x wewb‡qvM †Kškj ev¯evqb Ki‡Q| G e¨vcv‡i Ab¨ nvDR¸‡jv‡Z Av‡jvP¨ †Kv¤úvbxi wmwKDwiwUR-‡K wKfv‡e ‡jb-‡`b Ki‡Q Zv AÎ cwZôv‡bi AbK‡j eivÏKZ Iqv‡K‡ókbmgn n‡Z Rvbvi †Kvb AeKvk †bB| G Qvov, weGmBwmi c‡Î AÎ cwZôv‡bi wewb‡qvMKZ CVOPRL †kqv‡ii wecix‡Z 47,62,74,100.00 UvKvi Unrealized Gain Gi mweav‡fvMx D‡jøL Kiv n‡q‡Q| GLv‡b GKwU welq we‡klfv‡e cwYavb‡hvM¨ †h, AÎ cwZôvb Av‡jvP¨ †Kv¤úvwbi †kqvi ‡Kejgv‡Î `xN‡gqv`x wewb‡qv‡Mi D‡Ï‡k¨ µq K‡i‡Q| GKB mv‡_ µq-weµq K‡i †kqvi gj¨ evov‡bvi †Kvb †PóvB MnY K‡iwb| eis `xNmgq a‡i evRv‡i cwZ‡hwMZvgjK g‡j¨ `xN‡gqv`x wewb‡qvM wn‡m‡e Av‡jvP¨ †kqvi µq K‡i‡Q| †Kvb cKvi Amr D‡Ï‡k¨ †kqvi µq K‡i evRvi cfweZ K‡i j‡fi Awfjvl _vK‡j AÎ cwZôvb †kqvi¸‡jv weµq K‡i gbvdv ARb Ki‡Z cviZ, wKš AÎ cwZôvb Zv K‡iwb| D‡jøL¨, AÎ cwZôv‡bi wewfb †cvU‡dvwj I‡Z cvq 300 ‡Kv¤úvwbi D‡jøL‡hvM¨ msL¨K wmwKDwiwUR aviY i‡q‡Q| `xN‡gqv`x wewb‡qv‡Mi mnvqZvq aviYKZ wmwKDwiwUR Gi gj¨ cv_K¨ n‡Z AvKvbi|c gjabx jvf ARb Kiv m¤e| GiB avivewnKZvq AÎ cwZôvb ÷¨v‡UwRK wewb‡qvM wn‡m‡e wewfb †cvU‡dvwj I‡Z D‡jøL‡hvM¨ msL¨K †Kv¤úvwbi ‡Mv_ †kqvi aviY K‡i †i‡L‡Q| AÎ cwZôvb wbR¯ wewb‡qvM bxwZgvjvi AvIZvq ewlK gbvdv AR‡bi Kvw•LZ j¶¨gvÎv AR‡bi cqv‡m

chvqµ‡g ¯í ‡gqvw`, ga¨ †gqvw` Ges `xN©‡gqvw` wewb‡qvM K‡i| Z`vbhvqx cKí ev¯Íevqb ‡k‡l Av‡jvP¨ †Kv¤úvwb AwaKZi jvfRbK cwZôvb wn‡m‡e AvZ¥cKv‡ki ci †Kv¤úvwbi cvi‡cP¨qvj j f¨vsk I gjabx jv‡fi Askx`vi nIqvi m‡hvM i‡q‡Q| ‡h‡nZ Av‡jvP¨ †Kv¤úvwb‡Z `xN©‡gqvw` wewb‡qvM Kiv n‡q‡Q, †m‡nZ D³ †kqvi eZ©gvb mg‡q weµ‡qi welqwU Acvms½wMK| AZGe Dwj øwLZ mgqKv‡j wewWweGj KZK m¤úvw`Z eWYZ †jb-‡`b-‡K wewae×fv‡e "wmwKDwiwUR GÛ G·‡PÄ AwW©b¨vÝ 1969Ó Gi 17 (e) (v) avivi AvIZvq msNwUZ Abb‡gw`Z ev A‰ea KgKvÛ wn‡m‡e AvL¨wqZ Kiv hvq bv|

03) GZØ¨ZxZ, wewWweGj Gi c¶ ‡_‡K wmwKDwiwUR AvB‡bi B"QvKZ Ges/A_ev m¯úó j•Nb †Kvbfv‡eB msNwUZ Kiv nqwb e‡j Avgiv Ø¨_nxbfv‡e g‡b Kwi| Kv‡RB "wmwKDwiwUR GÛ G·‡PÄ AwW©b¨vÝ 1969Ó Gi 17 (e) (v) avivi j•Nb †Kvbfv‡eB wewWweGj Gi Dci eZvq bv|

03| D‡jøL¨, wewWweGj (fZce weGmwe I weGmAviGm) ¯vaxbZv cieZx mgqKvj †_‡K †`‡ki cwRevRv‡i wewb‡qv‡Mi gva¨‡g cwRevRvi Dbq‡b ¸i"ZcY fwgKv cvjb K‡i hv‡"Q| miKwi cwZôvb wn‡m‡e cwRevRv‡ii g›`ve¯vqI AÎ e¨vsK cwRevRvi‡K w¯wZkxj ivL‡Z wbqwgZfv‡e wmwKDwiwUR µq-weµq Z_v wewb‡qv‡Mi gva¨‡g evRv‡ii w¯wZkxjZv eRvq ivLvi mevZK c‡Póv Ae¨vnZ iv‡L| cwRevRv‡ii mPbvjM †_‡KB AÎ e¨vsK wewfb †Kv¤úvwbi †kqv‡i D‡jøL‡hvM¨ cwigv‡Y wewb‡qvM K‡i Avm‡Q| AviI D‡jøL¨ †h, cwRevRv‡i wewb‡qv†Mi Rb¨ e¨vs‡Ki e¨e¯vcbv KZc¶ Ab‡gw`Z GKwU ¯Zš KwgwU i‡q‡Q| D³ KwgwUi wm×všµ‡g ‡kqvi µq-weµq Kvhµg cwiPvjbv Kiv n‡q _v‡K| cwRevRv‡i wewb‡qv‡Mi †ÿ‡Î gjZt †Kv¤úvbxi †gŠjwfwË †hgb †Kv¤úvbxi msiwÿZ Znwe‡ji cwigvY, Drcvw`Z cY¨/‡mevi UvYIfvi, e¨e¯vcbvi mbvg, †kqvi cwZ Avq, bxU m¤ú` gj¨, bM` A_cevn, mswkøó BÛvwó‡Z mgZj¨ wmwKDwiwURmg‡ni evRvi gj¨, gj¨-Avq (P/E), gj¨-Avq-cewׇ AbcvZ (PEG), BZ¨vw` Ges †Kv¤úvbxi fwel¨Z ea‡bi m¤vebvi wel‡qi Dci we‡klfv‡e ¸iæZ c`vb Kiv n‡q _v‡K|

04| weeZ Ae¯vi †c¶vc‡U, wewWweGj Gi †Rvi cZ¨vkv I Av‡e`b GB †h, AÎ cwZôv‡bi c`Ë Reve weGmBwmi Gi¡c wm×všMn‡Yi Rb¨ h‡_ó †h, wewWweGj KZK wmwKDwiwUR GÛ G·‡PÄ AwW©b¨vÝ, 1969 Gi †mKkb 17 (e) (v) f½ Kiv nq bvB| Z`vbhvqx Avgiv AviI Avkv I Av‡e`b KiwQ †h, wmwKDwiwUR GÛ G·‡PÄ AwW©b¨vÝ, 1969 Gi †mKkb 22 Abhvqx weGmBwm KZK †Kvb c`‡¶c Mn‡Yi `vq †_‡K wewWweGj Ae¨vnwZ cv‡e|

05| G wel‡q hw` weGmBwm AviI Z_¨ ev e¨vL¨v c‡qvRb g‡b K‡i, Z‡e wewWweGj hwPZ Z_¨/e¨vL¨v c`v‡b m¤§Z i‡q‡Q|

Unquote

Whereas, from the report it is found that gradually the price and volume of the said shares have been increased. Number of free float share of CVO Petrochemical Refinery Limited is 78,02,310 and face value par share is Tk.10.00.From April 16,2013 to September 22,2013 the Bangladesh Development Bank Limited (BDBL) has bought 9,68,800 shares and has not sold any .As on September 22,2013 it has hold 9,90,800 number of shares which is 12.69% of the free float shares.

During the reported period the accused has bought the said company's share from Tk.145.05 to Tk.803.59 par share despite knowing of the fact that the EPS of the Company was deteriorating than the previous years, the Price Earning ratio was too high and the Company has not started the production of the new product (Petro-chemical oil from the fuel oil). Further to this it has effected series of transaction with a significant volume. The accused has explained among others that considering the potential growth of the Company, you have invested Tk.38.91 crore in the said shares. Considering the accused's investment in the said shares as illogical and unjustified, Commission has not accepted it's explanation and of the opinion that it has effected such series of transaction with a significant volume and hold a significant number of shares in order to induce the other investors in buying or selling the said shares as well as to create supply shortage in the market with a bad motive of manipulation and to turn advantage ultimately.

Whereas, the aforesaid activities are tantamount to non-compliance of securities law that appears deliberate and clear contravention of the section 17 (e) (v) of the Securities and Exchange Ordinance, 1969 (XVII of 1969) attracting penal provision of section 22 of the Securities and Exchange Ordinance, 1969

Whereas, to protect the discipline and transparency of the capital market along with it's development the Commission deems it appropriate and necessary to impose penalty upon Bangladesh Development Bank Limited (BDBL).

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.10.00 (Tk.Ten) Lac upon Bangladesh Development Bank Limited (BDBL) 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

Professor Dr. M. Khairul Hossain
Chairman

Distribution:
Bangladesh Development Bank Limited (BDBL), 8 Rajuk Avenue,Dhaka-1000