বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন
Bangladesh Securities and Exchange Commission

Jiban Bima Tower, 10 Dilkusha C/A, Dhaka-1000, Bangladesh
Phone (PABX): 0088-02 9568101-2, 0088-02 9561525,Fax: 0088-02 9563721, 717660

SEC/Enforcement/973/2011/191 **March 12 , 2013**

Be Rich Limited
CSE's Membership No. 27
C&F Tower (9th floor)
1222,Sk. Mujib Road
Agrabad
Chittagong.

Attention: Managing Director/CEO

Subject: Penalty Order: Non-compliance of Clause (d) of sub-rule (12) of rule 3 of the margin rules, 1999 as per SEC Directive No. SEC/CMRRCD/2001-43/169 dated October 01, 2009 and SEC Directive No. SEC/CMRRCD/2009-193/63 dated September 06, 2010 in connection with trading in shares of Safko Spinning Mills Limited.

Dear Sir,

Commission's penalty order No. SEC/Enforcement/973/2011/190 dated March 12, 2013 is enclosed herewith for your kind information and necessary action.

For Bangladesh Securities and Exchange Commission

Mustari Jahan
Deputy Director (Enforcement Dept.)

Distribution:
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 (Surveillance), BSEC
P.O to Executive Director (MIS), BSEC
Chairman's office, BSEC

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন
Bangladesh Securities and Exchange Commission

Jiban Bima Tower, 10 Dilkusha C/A, Dhaka-1000, Bangladesh
Phone (PABX): 0088-02 9568101-2, 0088-02 9561525,Fax: 0088-02 9563721, 717660

SEC/Enforcement/973/2011/191 **March 12 , 2013**

Order

Whereas, as per section 2(i) of the Securities and Exchange Ordinance, 1969 (XVII of 1969), Be Rich Limited is a member of Chittagong Stock Exchange Limited;

Whereas, the Securities and Exchange Commission issued Stock Broker Registration Certificate to Be Rich Limited under avia 10(1) of the wmwKDwiwUR I G·‡PÄ Kwgkb AvBb, 1993, read with wewa 5 (5) of the wmwKDwiwUR I G·‡PÄ Kwgkb (÷K-wWjvi, ÷K-‡evKvi I Ab‡gvw`Z cÖwZwbwa) wewagvjv, 2000, to conduct securities trading related activities under certain terms & conditions stipulated in the said certificate;

Whereas, on the basis of the investigation report of Chittagong Stock Exchange Limited on unusual trading in shares of Safko Spinning Mills Limited, a show cause-cum-hearing notice No. SEC/Enforcement/973/2011/399 dated August 08, 2012 was issued to Be Rich Limited to appear at the hearing. In the show cause-cum-hearing notice among others following were mentioned;-

"Whereas, as per Clause 1 of the Commission's Directive No. SEC/CMRRCD/ 2001-43/169 dated October 01, 2009, issuer companies under Z category shall not be entertained as 'marginable securities' under clause (d) of sub-rule (12) of rule 3 of the Margin Rules, 1999.

Whereas, as per SEC's Directive No. SEC/CMRRCD/2009-193/63 dated September 06, 2010; non marginable securities shall not be allowed to buy against pre-matured sell proceeds of any marginable securities.

Whereas, an investigation has been conducted by CSE regarding unusual trading in shares of Safko Spinning Mills Limited.

Whereas, the Investigation Team among others reported the following:

Broker's Name : Be Rich Ltd. (Membership # 27)

SL No	Client Name	Client Code	Client Type	Buy Date	Buy qty	Buy Rate	Opening Ledger Balance of the day	Cash/Cheque Received	Amount used to buy SAFKOSPIN	Financial Balance after end of the day
1	Mr. A K M Shahidul Islam	862	Margin	18.10.2010	500	270.00	1,043	-	135,000	(134,564)
2	Mr. A K M Shahidul Islam	862	Margin	31.10.2010	400	450.00	257,881	-	180,000	49,976

Contravention:

1.Be Rich Ltd. has violated clause (d) of sub-rule (12) of rule 3 of the Margin Rules, 1999 as per SEC Directive No. SEC/CMRRCD/2001-43/169 dated October 01, 2009 by providing margin loan facilities in purchasing shares of SAFKOSPIN which was a 'Z' category company on the dates of buying the shares.

2.Be Rich Ltd. has violated SEC Directive No. SEC/CMRRCD/2009-193/63 dated September 6, 2010 by allowing its clients netting or adjustment facilities to buy SAFKOSPIN share (non marginable and Z category shares)."

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন
Bangladesh Securities and Exchange Commission
Jiban Bima Tower, 10 Dilkusha C/A, Dhaka-1000, Bangladesh
Phone (PABX): 0088-02 9568101-2, 0088-02 9561525,Fax: 0088-02 9563721, 717660

SEC/Enforcement/973/2011/191 **March 12 , 2013**

Whereas, hearing has been conducted.Mr. Md.Anowar Shadat (Chief-Operation, Be Rich Limited) has attended the hearing on behalf of the broker. They submitted an explanation letter no. NIL dated NIL to the Commission. In the letter they confessed the allegation, begged apology and promised to not to commit such violation in future.

Whereas, from the investigation report and the written confession of Be Rich Ltd., it is **proved** that the mentioned allegation of violating clause (d) of sub-rule (12) of rule 3 of the Margin Rules, 1999 as per SEC Directive No. SEC/CMRRCD/2001-43/169 dated October 01, 2009 and Directive No. SEC/CMRRCD/2009-193/63 dated September 6, 2010 against Be Rich Ltd. is **correct**.
Their explanation is not acceptable to the Commission.

Whereas, the aforesaid activities are tantamount to non-compliance of securities law, appeared to be deliberate and clear contravention of the above mentioned Directive and Rule. Therefore the said non compliance attracts 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 Be Rich Limited for the stated violations.

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.1.00 (Tk.One) Lac upon Be Rich Limited 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:
Be Rich Limited
CSE's Membership No. 27,C&F Tower (9th floor),1222,Sk. Mujib Road,Agrabad,Chittagong