SEC/Enforcement/961/2011/218 **By Special messenger**
April 30, 2014

1. Empire Securities Holding, Suit no.-704, Paltan Tower (7th floor), 87 Purana Paltan Line, Dhaka-1000
2. Equity Capital (MCS) Limited, Suit no.-704, Paltan Tower (7th floor), 87 Purana Paltan Line, Dhaka-1000
3. New Capital Finance Commerce Ltd., Suit no.-704, Paltan Tower (7th floor), 87 Purana Paltan Line, Dhaka-1000
4. Mr.Bulbul Ahmed, Suit no.-704, Paltan Tower (7th floor), 87 Purana Paltan Line, Dhaka-1000
5. A.R. Consultation, Suit no.-704, Paltan Tower (7th floor), 87 Purana Paltan Line, Dhaka-1000

Subject: Penalty Order: Non-compliance of Section 17 (e) (iii) of Securities and Exchange Ordinance, 1969 in connection with trading in shares of PF1STMF

Dear Sir,

Commission's penalty orders No. SEC/Enforcement/961/2011/213-217 dated April 30, 2014 are 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
Chief Executive Officer, Prime Finance and Investment Limited (Merchant Banker), with a request to send the copy of the order to the clients bearing code no. A0502, A0492, A0484, A0459, A0490

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

213

Order

Whereas, on the basis of the investigation report of Dhaka Stock Exchange Limited on trading in shares of PHOENIX FINANCE 1ST MUTUAL FUND, a show cause-cum-hearing notice No. **SEC/Enforcement/961/2011/392 dated** June 24, 2013 was issued to A.R. Consultation where Mr.Abdur Rahim is proprietor. A.R. Consultation bearing code no. A0490 is one of the clients of Prime Finance and Investment Ltd. (traded through Vision Capital Management ltd.).The account has been operated by Mr.Abdur Rahim. In the show cause-cum-hearing notice among others following have been mentioned;-

Quote

Whereas, as per section 17 (e)(ii) (iii) and (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-

effect any transaction in such security which involves no change in its beneficial ownership;

Whereas, an investigation has been conducted by DSE regarding trading in shares of PF1STMF By Prime Finance Capital Management Limited through vision capital management Ltd. Surveillance department of BSEC has reviewed the report and observed the following;

1. "After checking the relevant documents, it was found that the following clients named New Capital Finance & Commerce (MCS) Ltd. (client code# A0502), Mr. Bulbul Ahmed (client code# A0492), A. R. Consultation (client code# A0490), Empire securities Holding (client code# A0484) and Equity Capital (MCS) Limited (client code# A0459) acted as both buyer and seller for the trade of 'PF1STMF'shares dated 22.02.2011, as shown below:

Broker	Buyer	Inst. Code	Price	Qty.	Counterparty	Seller	No of Howla	Execution Time
SCM BROKER	A0502	PF1STMF	Tk.13.90	150000	DSESCM	A0502	1	13:38:16:897
SCMBROKER	A0492	PF1STMF	Tk.14.10	6000	DSESCM	A0492	3	13:41:22:011 to 13:41:22:296
SCMBROKER	A0490	PF1STMF	Tk.14.10	14000	DSESCM	A0490	7	13:42:02:595 to 13:42:03:242
SCMBROKER	A0484	PF1STMF	Tk.14.10	20000	DSESCM	A0484	10	13:42:30:940 to 13:42:31:821
SCMBROKER	A0459	PF1STMF	Tk.14.10	47500	DSESCM	A0459	19	13:43:40:542 to 13:43:41:938

Whereas, the above clients are related to each other;

Account No.	Name of Principal Applicant	Type of Account	Name of Stock-broker	Name of Involved Merchant Bank	Nominee	Remarks
A0502	New Capital Finance & Commerce (MCS) Ltd.	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Secretary and Bulbul Ahmed is the president.
A0492	Bulbul Ahmed	Individual	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	Rabeya Akter	Bulbul Ahmed's Own account
A0484	Emipre Securities Holding	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Manager and Bulbul Ahmed is the chairman.
A0459	Equity Capital (MCS) Limited	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Secretary.
A0490	A.R. Consultation	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Proprietor.

Contravention: The above named clients have violated Section 17 (e) (iii) of Securities and Exchange Ordinance, 1969 by acting as both buyer and seller of the same trade. Their aforesaid transactions involve no change in beneficial ownership.

Unquote

Whereas, hearing has been conducted with A.R. Consultation. Abdur Rahim has attended the hearing. He has represented the accused. He has not submitted any explanation letter. Abdur Rahim has confessed the allegation verbally. He has stated that he has done the reported transaction in order to recover his invested capital from the market. He has stated that he was not mentally sound during that period.

Whereas, Abdur Rahim has executed his unlawful trade through five number of accounts. One of the account is A.R. Consultation where Mr.Abdur Rahim is proprietor. A.R. Consultation bearing code no. A0490 is one of the clients of Prime Finance and Investment Ltd. (traded through Vision Capital Management ltd.).The account has been operated by Mr.Abdur Rahim. Through this account Abdur Rahim has acted as both buyer and seller of his sale and buy of huge quantity of shares of PHOENIX FINANCE 1ST MUTUAL FUND on 22/02/2011 in order to manipulate the number of trade contract, trade volume and share price. Through this transaction no beneficial ownership has been changed. Such type of transaction is the clear contravention of section 17 e (iii) of the Securities and Exchange Ordinance, 1969 (XVII of 1969).His explanation has not been accepted by the Commission.

Whereas, the aforesaid activities are tantamount to non-compliance of securities law that appears deliberate and clear contravention of the section 17 (e) (iii) 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 A.R. Consultation.

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.02.00 (Tk.Two) Lac upon A.R. Consultation 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

214

Order

Whereas, on the basis of the investigation report of Dhaka Stock Exchange Limited on trading in shares of PHOENIX FINANCE 1ST MUTUAL FUND, a show cause-cum-hearing notice No. SEC/Enforcement/961/2011/392 dated June 24, 2013 was issued to Equity Capital (MCS) Limited where Mr.Abdur Rahim is secretary. Equity Capital (MCS) Limited bearing code no. A0459 is one of the clients of Prime Finance and Investment Ltd. (traded through Vision Capital Management ltd.).The account has been operated by Mr.Abdur Rahim. In the show cause-cum-hearing notice among others following have been mentioned;-

Quote

Whereas, as per section 17 (e)(ii) (iii) and (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-

effect any transaction in such security which involves no change in its beneficial ownership;

Whereas, an investigation has been conducted by DSE regarding trading in shares of PF1STMF By Prime Finance Capital Management Limited through vision capital management Ltd. Surveillance department of BSEC has reviewed the report and observed the following;

2. "After checking the relevant documents, it was found that the following clients named New Capital Finance & Commerce (MCS) Ltd. (client code# A0502), Mr. Bulbul Ahmed (client code# A0492), A. R. Consultation (client code# A0490), Empire securities Holding (client code# A0484) and Equity Capital (MCS) Limited (client code# A0459) acted as both buyer and seller for the trade of 'PF1STMF'shares dated 22.02.2011, as shown below:

Broker	Buyer	Inst. Code	Price	Qty.	Counterparty	Seller	No of Howla	Execution Time
SCM BROKER	A0502	PF1STMF	Tk.13.90	150000	DSESCM	A0502	1	13:38:16:897
SCMBROKER	A0492	PF1STMF	Tk.14.10	6000	DSESCM	A0492	3	13:41:22:011 to 13:41:22:296
SCMBROKER	A0490	PF1STMF	Tk.14.10	14000	DSESCM	A0490	7	13:42:02:595 to 13:42:03:242
SCMBROKER	A0484	PF1STMF	Tk.14.10	20000	DSESCM	A0484	10	13:42:30:940 to 13:42:31:821
SCMBROKER	A0459	PF1STMF	Tk.14.10	47500	DSESCM	A0459	19	13:43:40:542 to 13:43:41:938

Whereas, the above clients are related to each other;

Account No.	Name of Principal Applicant	Type of Account	Name of Stock-broker	Name of Involved Merchant Bank	Nominee	Remarks
A0502	New Capital Finance & Commerce (MCS) Ltd.	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Secretary and Bulbul Ahmed is the president.
A0492	Bulbul Ahmed	Individual	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	Rabeya Akter	Bulbul Ahmed's Own account
A0484	Emipre Securities Holding	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Manager and Bulbul Ahmed is the chairman.
A0459	Equity Capital (MCS) Limited	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Secretary.
A0490	A.R. Consultation	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Proprietor.

Contravention: The above named clients have violated Section 17 (e) (iii) of Securities and Exchange Ordinance, 1969 by acting as both buyer and seller of the same trade. Their aforesaid transactions involve no change in beneficial ownership.

Unquote

Whereas, hearing has been conducted with Equity Capital (MCS) Limited. Abdur Rahim has attended the hearing. He has represented the accused. He has not submitted any explanation letter. Abdur Rahim has confessed the allegation verbally. He has stated that he has done the reported transaction in order to recover his invested capital from the market. He has stated that he was not mentally sound during that period.

Whereas, Abdur Rahim has executed his unlawful trade through five number of accounts. One of the account is Equity Capital (MCS) Limited where Mr.Abdur Rahim is secretary. Equity Capital (MCS) Limited bearing code no. A0459 is one of the clients of Prime Finance and Investment Ltd. (traded through Vision Capital Management ltd.).The account has been operated by Mr.Abdur Rahim. Through this account Abdur Rahim has acted as both buyer and seller of his sale and buy of huge quantity of shares of PHOENIX FINANCE 1ST MUTUAL FUND on 22/02/2011 in order to manipulate the number of trade contract, trade volume and share price. Through this transaction no beneficial ownership has been changed. Such type of transaction is the clear contravention of section 17 e (iii) of the Securities and Exchange Ordinance, 1969 (XVII of 1969).His explanation has not been accepted by the Commission.

Whereas, the aforesaid activities are tantamount to non-compliance of securities law that appears deliberate and clear contravention of the section 17 (e) (iii) 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 Equity Capital (MCS) Limited.

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.02.00 (Tk.Two) Lac upon Equity Capital (MCS) 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

215

Order

Whereas, on the basis of the investigation report of Dhaka Stock Exchange Limited on trading in shares of PHOENIX FINANCE 1ST MUTUAL FUND, a show cause-cum-hearing notice No. SEC/Enforcement/961/2011/392 dated June 24, 2013 was issued to Emipre Securities Holding where Mr.Abdur Rahim is Manager. Emipre Securities Holding bearing code no. A0484 is one of the clients of Prime Finance and Investment Ltd. (traded through Vision Capital Management ltd.).The account has been operated by Mr.Abdur Rahim. In the show cause-cum-hearing notice among others following have been mentioned;-

Quote

Whereas, as per section 17 (e)(ii) (iii) and (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-

effect any transaction in such security which involves no change in its beneficial ownership;

Whereas, an investigation has been conducted by DSE regarding trading in shares of PF1STMF By Prime Finance Capital Management Limited through vision capital management Ltd. Surveillance department of BSEC has reviewed the report and observed the following;

3. "After checking the relevant documents, it was found that the following clients named New Capital Finance & Commerce (MCS) Ltd. (client code# A0502), Mr. Bulbul Ahmed (client code# A0492), A. R. Consultation (client code# A0490), Empire securities Holding (client code# A0484) and Equity Capital (MCS) Limited (client code# A0459) acted as both buyer and seller for the trade of 'PF1STMF'shares dated 22.02.2011, as shown below:

Broker	Buyer	Inst. Code	Price	Qty.	Counterparty	Seller	No of Howla	Execution Time
SCM BROKER	A0502	PF1STMF	Tk.13.90	150000	DSESCM	A0502	1	13:38:16:897
SCMBROKER	A0492	PF1STMF	Tk.14.10	6000	DSESCM	A0492	3	13:41:22:011 to 13:41:22:296
SCMBROKER	A0490	PF1STMF	Tk.14.10	14000	DSESCM	A0490	7	13:42:02:595 to 13:42:03:242
SCMBROKER	A0484	PF1STMF	Tk.14.10	20000	DSESCM	A0484	10	13:42:30:940 to 13:42:31:821
SCMBROKER	A0459	PF1STMF	Tk.14.10	47500	DSESCM	A0459	19	13:43:40:542 to 13:43:41:938

Whereas, the above clients are related to each other;

Account No.	Name of Principal Applicant	Type of Account	Name of Stock-broker	Name of Involved Merchant Bank	Nominee	Remarks
A0502	New Capital Finance & Commerce (MCS) Ltd.	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Secretary and Bulbul Ahmed is the president.
A0492	Bulbul Ahmed	Individual	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	Rabeya Akter	Bulbul Ahmed's Own account
A0484	Emipre Securities Holding	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Manager and Bulbul Ahmed is the chairman.
A0459	Equity Capital (MCS) Limited	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Secretary.
A0490	A.R. Consultation	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Proprietor.

Contravention: The above named clients have violated Section 17 (e) (iii) of Securities and Exchange Ordinance, 1969 by acting as both buyer and seller of the same trade. Their aforesaid transactions involve no change in beneficial ownership.

Unquote

Whereas, hearing has been conducted with Emipre Securities Holding Abdur Rahim has attended the hearing. He has represented the accused. He has not submitted any explanation letter. Abdur Rahim has confessed the allegation verbally. He has stated that he has done the reported transaction in order to recover his invested capital from the market. He has stated that he was not mentally sound during that period.

Whereas, Abdur Rahim has executed his unlawful trade through five number of accounts. One of the account is Emipre Securities Holding where Mr.Abdur Rahim is Manager. Emipre Securities Holding bearing code no. A0484 is one of the clients of Prime Finance and Investment Ltd. (traded through Vision Capital Management ltd.).The account has been operated by Mr.Abdur Rahim. Through this account Abdur Rahim has acted as both buyer and seller of his sale and buy of huge quantity of shares of PHOENIX FINANCE 1ST MUTUAL FUND on 22/02/2011 in order to manipulate the number of trade contract, trade volume and share price. Through this transaction no beneficial ownership has been changed. Such type of transaction is the clear contravention of section 17 e (iii) of the Securities and Exchange Ordinance, 1969 (XVII of 1969).His explanation has not been accepted by the Commission.

Whereas, the aforesaid activities are tantamount to non-compliance of securities law that appears deliberate and clear contravention of the section 17 (e) (iii) 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 Emipre Securities Holding.

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.02.00 (Tk.Two) Lac upon Emipre Securities Holding 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

216

Order

Whereas, on the basis of the investigation report of Dhaka Stock Exchange Limited on trading in shares of PHOENIX FINANCE 1ST MUTUAL FUND, a show cause-cum-hearing notice No. SEC/Enforcement/961/2011/392 dated June 24, 2013 was issued to Bulbul Ahmed who has business relation wtih Mr.Abdur Rahim . Bulbul Ahmed bearing code no. A0492 is one of the clients of Prime Finance and Investment Ltd. (traded through Vision Capital Management ltd.). In the show cause-cum-hearing notice among others following have been mentioned;-

Quote

Whereas, as per section 17 (e)(ii) (iii) and (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-

effect any transaction in such security which involves no change in its beneficial ownership;

Whereas, an investigation has been conducted by DSE regarding trading in shares of PF1STMF By Prime Finance Capital Management Limited through vision capital management Ltd. Surveillance department of BSEC has reviewed the report and observed the following;

4. "After checking the relevant documents, it was found that the following clients named New Capital Finance & Commerce (MCS) Ltd. (client code# A0502), Mr. Bulbul Ahmed (client code# A0492), A. R. Consultation (client code# A0490), Empire securities Holding (client code# A0484) and Equity Capital (MCS) Limited (client code# A0459) acted as both buyer and seller for the trade of 'PF1STMF'shares dated 22.02.2011, as shown below:

Broker	Buyer	Inst. Code	Price	Qty.	Counterparty	Seller	No of Howla	Execution Time
SCM BROKER	A0502	PF1STMF	Tk.13.90	150000	DSESCM	A0502	1	13:38:16:897
SCMBROKER	A0492	PF1STMF	Tk.14.10	6000	DSESCM	A0492	3	13:41:22:011 to 13:41:22:296
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SCMBROKER	A0484	PF1STMF	Tk.14.10	20000	DSESCM	A0484	10	13:42:30:940 to 13:42:31:821
SCMBROKER	A0459	PF1STMF	Tk.14.10	47500	DSESCM	A0459	19	13:43:40:542 to 13:43:41:938

Whereas, the above clients are related to each other;

Account No.	Name of Principal Applicant	Type of Account	Name of Stock-broker	Name of Involved Merchant Bank	Nominee	Remarks
A0502	New Capital Finance & Commerce (MCS) Ltd.	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Secretary and Bulbul Ahmed is the president.
A0492	Bulbul Ahmed	Individual	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	Rabeya Akter	Bulbul Ahmed's Own account
A0484	Emipre Securities Holding	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Manager and Bulbul Ahmed is the chairman.
A0459	Equity Capital (MCS) Limited	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Secretary.
A0490	A.R. Consultation	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Proprietor.

Contravention: The above named clients have violated Section 17 (e) (iii) of Securities and Exchange Ordinance, 1969 by acting as both buyer and seller of the same trade. Their aforesaid transactions involve no change in beneficial ownership.

Unquote

Whereas, Abdur Rahim has attended the hearing. He has represented the accused. He has not submitted any explanation letter.

Whereas, Bulbul Ahmed has executed his unlawful trade through the account. Bulbul Ahmed has business relation wtih Mr.Abdur Rahim . Bulbul Ahmed bearing code no. A0492 is one of the clients of Prime Finance and Investment Ltd. (traded through Vision Capital Management ltd.). Through this account Bulbul Ahmed has acted as both buyer and seller of his sale and buy of huge quantity of shares of PHOENIX FINANCE 1ST MUTUAL FUND on 22/02/2011 in order to manipulate the number of trade contract, trade volume and share price. Through this transaction no beneficial ownership has been changed. Such type of transaction is the clear contravention of section 17 e (iii) of the Securities and Exchange Ordinance, 1969 (XVII of 1969).His explanation has not been accepted by the Commission.

Whereas, the aforesaid activities are tantamount to non-compliance of securities law that appears deliberate and clear contravention of the section 17 (e) (iii) 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 Bulbul Ahmed.

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.02.00 (Tk.Two) Lac upon Bulbul Ahmed 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

217

Order

Whereas, on the basis of the investigation report of Dhaka Stock Exchange Limited on trading in shares of PHOENIX FINANCE 1ST MUTUAL FUND, a show cause-cum-hearing notice No. SEC/Enforcement/961/2011/392 dated June 24, 2013 was issued to New Capital Finance & Commerce (MCS) Ltd where Mr.Abdur Rahim is secretary. New Capital Finance & Commerce (MCS) Ltd bearing code no. A0502 is one of the clients of Prime Finance and Investment Ltd. (traded through Vision Capital Management ltd.).The account has been operated by Mr.Abdur Rahim. In the show cause-cum-hearing notice among others following have been mentioned;-

Quote

Whereas, as per section 17 (e)(ii) (iii) and (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-

effect any transaction in such security which involves no change in its beneficial ownership;

Whereas, an investigation has been conducted by DSE regarding trading in shares of PF1STMF By Prime Finance Capital Management Limited through vision capital management Ltd. Surveillance department of BSEC has reviewed the report and observed the following;

5. "After checking the relevant documents, it was found that the following clients named New Capital Finance & Commerce (MCS) Ltd. (client code# A0502), Mr. Bulbul Ahmed (client code# A0492), A. R. Consultation (client code# A0490), Empire securities Holding (client code# A0484) and Equity Capital (MCS) Limited (client code# A0459) acted as both buyer and seller for the trade of 'PF1STMF'shares dated 22.02.2011, as shown below:

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SCMBROKER	A0459	PF1STMF	Tk.14.10	47500	DSESCM	A0459	19	13:43:40:542 to 13:43:41:938

Whereas, the above clients are related to each other;

Account No.	Name of Principal Applicant	Type of Account	Name of Stock-broker	Name of Involved Merchant Bank	Nominee	Remarks
A0502	New Capital Finance & Commerce (MCS) Ltd.	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Secretary and Bulbul Ahmed is the president.
A0492	Bulbul Ahmed	Individual	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	Rabeya Akter	Bulbul Ahmed's Own account
A0484	Emipre Securities Holding	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Manager and Bulbul Ahmed is the chairman.
A0459	Equity Capital (MCS) Limited	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Secretary.
A0490	A.R. Consultation	Institutional	Vision Capital Management Ltd.	Prime Finance Capital Management Ltd.	N/A	Abdur Rahim is the Proprietor.

Contravention: The above named clients have violated Section 17 (e) (iii) of Securities and Exchange Ordinance, 1969 by acting as both buyer and seller of the same trade. Their aforesaid transactions involve no change in beneficial ownership.

Unquote

Whereas, hearing has been conducted with New Capital Finance & Commerce (MCS) Ltd. Abdur Rahim has attended the hearing. He has represented the accused. He has not submitted any explanation letter. Abdur Rahim has confessed the allegation verbally. He has stated that he has done the reported transaction in order to recover his invested capital from the market. He has stated that he was not mentally sound during that period.

Whereas, Abdur Rahim has executed his unlawful trade through five number of accounts. One of the account is New Capital Finance & Commerce (MCS) Ltd. where Mr.Abdur Rahim is secretary. New Capital Finance & Commerce (MCS) Ltd bearing code no. A0502 is one of the clients of Prime Finance and Investment Ltd. (traded through Vision Capital Management ltd.).The account has been operated by Mr.Abdur Rahim. Through this account Abdur Rahim has acted as both buyer and seller of his sale and buy of huge quantity of shares of PHOENIX FINANCE 1ST MUTUAL FUND on 22/02/2011 in order to manipulate the number of trade contract, trade volume and share price. Through this transaction no beneficial ownership has been changed. Such type of transaction is the clear contravention of section 17 e (iii) of the Securities and Exchange Ordinance, 1969 (XVII of 1969).His explanation has not been accepted by the Commission.

Whereas, the aforesaid activities are tantamount to non-compliance of securities law that appears deliberate and clear contravention of the section 17 (e) (iii) 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 New Capital Finance & Commerce (MCS) Ltd..

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.02.00 (Tk.Two) Lac upon New Capital Finance & Commerce (MCS) Ltd. 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