bs-GmBwm/Gb‡dvm©‡g›U/1020/2012/ ZvwiLt ‡g 2014 Bs

Av‡`k

‡h‡nZz, Kwgkb, GbweGj wmwKDwiwUR wjwg‡UW (wWGmB m`m¨ bs-203) †K Zvi Av‡e`bµ‡g, wbawiZ kZvax‡b wmwKDwiwUR µq weµq KgKv‡Ê cwiPvjbv Kivi Rb¨ wmwKDwiwUR I G·‡PÄ Kwgkb (AZ:ci ÒKwgkbÓ e‡j DwjwLZ) wmwKDwiwUR I G·‡PÄ Kwgkb AvBb, 1993 (1993 m‡bi 15 bs AvBb) Gi 10(1) G c`Ë ¶gZve‡j wmwKDwiwUR I G·‡PÄ Kwgkb (÷K-wWjvi, ÷K-‡evKvi I Ab‡gvw`Z cÖwZwbwa) wewagvjv, 2000 Gi wewa 5(5) mn cwVZ ÷K‡evKvi/wWjvi †iwR‡óókb mvwU©wd‡KU c`vb K‡i‡Q;

‡h‡nZz, an inspection Order No SEC/SRI/INS/DSE-MEM/2010/878, Dated June 12, 2013, the inspecting team was constituted to inspect NBL Securities Ltd. The inspection report stated, among others, the following:

1. "NBL Securities Ltd received cash more than Tk 05 (five) lac through more than one vouchers from its following clients:

Sl No	Date	Client Code	Number of Vouchers	Total Amount of Cash Received
01	18.04.2013	20257	20	Tk 10,000,000
02	10.06.2012	20107	14	Tk 67,75,000
03	22.04.2013	20261	03	Tk 760,000
04	10.05.2012	20214	02	Tk 567,000
05	11.07.2012	20176	02	Tk 6,85,783

As per Section 8 (1)(cc)(i) of Securities and Exchange Rules, 1987, " all receipts and payments in respect of all transactions, or series of transactions, for one customer in excess of taka five lac shall be carried out other than by cash".

As per Section 11 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (ষ্টক ডিলার, ষ্টক ব্রোকার ও অনুমোদিত প্রতিনিধি) বিধিমালা, 2000, "mb`cvß e¨w³i KZe¨ |- c‡Z¨K ÷K wWjvi, ÷K †evKvi Ges Ab‡gvw`Z cÖwZwbwa m‡ev©”P mZZv I wek¦¯Zvi mwnZ Zvnvi KvRKg cwiPvjbv Kwi‡eb Ges AvBb, Aa¨v‡`k, GB wewagvjv Ges wØZxq Zdwm‡j weaZ AvPiY wewammn wbeÜb mb‡`i mKj kZvejx h_vh_fv‡e cvjb Kwi‡eb|"

Contravention: The aforesaid activities are violation of Section 8 (1)(cc) (i) of Securities and Exchange Rules, 1987 and Section 11 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (ষ্টক ডিলার, ষ্টক ব্রোকার ও অনুমোদিত প্রতিনিধি) বিধিমালা, 2000.

2. NBL Securities Ltd has been maintaining 04 (four) consolidated customers' account as furnished below:

Sl No	Bank Name	Branch Name	Account Number
01	National Bank Ltd	Dilkusha Branch	236003404
02	National Bank Ltd	Sk. Mujib Road Branch	36000986
03	National Bank Ltd	Anderkilla Branch	010136000319
04	One Bank Ltd	Principal Branch	0025366026

Contravention: The aforesaid activity is a violation of section 8A (1) Securities and Exchange Rules, 1987.

3. NBL Securities Ltd has extended credit facilities to its following directors:

Sl No	Name	Client Code	Date of Latest Negative Balance	Balance (in Tk)
01	Mrs. Parveen Haque Sikder	00291	02.07.2012	-116,298.59
02	Ms. Lisa Fatema Haque	01575	03.07.2011	-720,019.16

As per Commission Order No.SEC/CMRRCD/2001-43/51 dated July 22, 2010, **"the members of stock exchange shall not provide credit facilities to their directors or their spouses or any of their dependent persons or stock-dealer concerned".**

Contravention: The aforesaid activity is a violation of Directive no. SEC/CMRRCD/2001-43/51 dated 22.07.2010.

4. NBL Securities Ltd extended margin loan facilities for more than Tk. 10.00 (ten) crore to its following clients:

Sl No	Client Name	Client Code	Loan Amount	As on
01	Peoples Securities Ltd	00223	92,49,30,513	31.05.2013
02	Mr. Anwar Hossain Khan	00387	34,85,60,613	31.05.2013
03	Mr. Md. Ruhul Amin	00224	34,69,70,271	31.05.2013
04	Hazi Shakhawat Anwara Eye Hospital Ltd	00045	25,17,17,308	31.05.2013
05	Mr. Mirza Abbas Uddin Ahmed	02606	12,74,53,632	31.05.2013

As per Commission's Directive No. SEC/CMRRCD/2001-43/53 dated July 25, 2010 **"no member (stock broker) shall be extended Margin Loan facilities to their approved individual clients or their spouse or any of their dependent persons in single or joint name more than Tk. 10.00 (ten) crore".**

Contravention: The aforesaid activity is a violation Commission's Directive No. SEC/CMRRCD/2001-43/53 dated July 25, 2010.

5. NBL Securities Ltd got Stock-Dealer registration certificate on 20.02.2011 but they did not make transaction in their dealer account from 20.02.2011 to 19.06.2013.

As per section 11 of সনদের শর্তাবলী of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (ষ্টক ডিলার, ষ্টক ব্রোকার ও অনুমোদিত প্রতিনিধি) বিধিমালা, 2000, "óK wWjvi ev óK †evKvi†K Dnvi †¶‡Î c‡hvR¨ cwZ A_ erm‡i wmwKDwiwU µq-weµq Kwi‡eb|"

Contravention: The aforesaid activity is a violation of section 11 of সনদের শর্তাবলী of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (ষ্টক ডিলার, ষ্টক ব্রোকার ও অনুমোদিত প্রতিনিধি) বিধিমালা, 2000."

‡h‡nZ, Kwgkb Dc‡iwjwLZ cwZ‡e`b Abhvqx wmwKDwiwUR AvBb cwicvj‡b e¨\_Zvi `i"b GbweGj wmwKDwiwUR wjwg‡UW Gi eive‡i GKwU show-cause-cum-hearing notice mÎ bs- SEC/Enforcement/1020/2012/602 ZwiL 28 A‡±vei 2013 †ciY K‡i Ges 11 b‡f¤i 2013 Zwi‡L kbvbxi w`b avh¨ K‡i Ges avh¨KZ Zwi‡L D³ †evKvi/wWjvi Gi CEO (Current Charge) Mr. A.K.M, Fazlul Karim, Dcw¯Z n‡q 11 b‡f¤i 2013 Zwi‡Li c‡Îi gva¨‡g wjwLZ e³e¨ `wLj K‡ib| hv‡Z Ab¨v‡b¨i g‡a¨, wb‡gv³ welq¸wji D‡jL Av‡Q:-

(1) "Sometimes, we had received over 5(five) lacs taka as cash deposit from the mentioned clients as they executed trade orders through our traders over phone and came to us with cash as payment. At that time, we had nothing to do but receive the cash, otherwise Negative balance would show in cash codes (# 20257, 20107 & 20261) & Margin loan violation occurred in codes (#20214 & 20176).

Moreover, as per corrective action, we have further informed to all clients through issuing internal notice regarding to avoid cash dealings over five lacs for single customer which is strictly supervised by relevant Branch In-charge and Compliance Officer.

(2) Regarding maintaining more than 1 account as Consolidated Customer account, please be informed that NBL Securities Ltd. (NBL SL) is a wholly owned subsidiary company of National Bank Limited (NBL); therefore, our Customer account is being maintained with NBL since opening of our brokerage operation. Please note that, NBL is yet to introduce the full- fledged Online Banking for Automated cheque clearing facilities. Thus, we are unable to clear or issue client's cheque for customers outside Dhaka through a central account. Therefore, for our clients of outside Dhaka branches (Sk. Mujib Road branch & Anderkilla branch) we had to open 2(two) separate Bank accounts to facilitate Cheque clearing for them since opening.

And to settle DSE & CSE Payment a bank account is maintained with "One Bank Limited, Principal Branch" as NBL is not an enlisted bank of both Exchanges for Clearing & Settlement purpose.

So, these 4 Bank accounts are being maintained for smooth business operation & uninterrupted customer services.

(3) Regarding Code # 0291, on 02/07/2012 Negative balance of Tk.116,298/- showed due to charging CDBL fees in this client code which was adjusted accordingly. In code #1575, Tk.720,019/- negative balance was created by mistake which was regularized on 28/12/2011. Here, we apologized for the said violation occurred inadvertently. Please note that all Directors' code of our company is under our close monitoring not to have same repetition in future.

(4) Regarding SL#4 of your letter, please note that by Commissions Directive No. SEC/CMRRCD/2009-193/88 dated January 09 2011, the Honorable Commission repeals the order of July 25, 2010 Directive No. SEC/CMRRCD/ 2001-43/53 as said in your notice.

(5) Regarding Stock Dealer account operation, it may be mentioned here that NBL is one of the largest contributors in the capital market and always committed to facilitate support whenever

required. Being one of the largest Margin loan facilitators, NBL SL has been suffering severely in this Market debacle. Despite this, NBL SL did not go for 'forced sale' at that time considering the long standing relationship with clients and request from market regulators & overall situation which caused Negative Equity of Tk.250 crore approx through our Stock Broker Margin Loan operation. Considering the above, decision for fund investment in share market through Stock Dealer account was under process which caused some delay to invest.

However, we have started our Dealer operation from 20.06.2013 which will be continued with full compliance.

In the premises stated above, we would like to leave ourselves at your kind disposal. We can only say that the violations as stated are not deliberate. Despite of the above explanation, if our step is considered/held wrong then our humble prayer to you to consider the same as a step with marginal error in such a vulnerable market condition.

In view of the above, we seek unconditional apology for the said unintentional violations of securities law and we want to ensure that all efforts will be made from our side to avoid the repetition of the same incidents in the future."

‡h‡nZ, GbweGj wmwKDwiwUR wjwg‡UW Gi wjwLZ e³e¨ †_‡K m¯úó cZxqgvb nq †h, ïbvbxi †bwU‡ki Awf‡hvMmgn GbweGj wmwKDwiwUR wjwg‡UW ¯xKvi K‡i‡Q hv hv B"QvKZ weavq section 22 of the Securities and Exchange Ordinance, 1969 and section 12 of wmwKDwiwUR I G·‡PÄ Kwgkb (óK wWjvi, óK †evKvi I Ab‡gwi`Z cwZwbwa) wewagvjv, 2000 Abhvqx kw¯‡hvM¨ Acivа, hv †Kvbfv‡eB ¶gv‡hvM¨ b‡n;

‡h‡nZ, Kwgk‡bi we‡ePbvq, wmwKDwiwUR AvBb cwicvj‡b DwjwLZ e¨_Zvi Rb¨, Z_v cwRevRv‡ii Dbq‡bi cvkvcwk evRv‡ii ksLjv I ¯"QZv i¶vi ¯v‡_ D³ †evKvi/wWjvi †K Rwigvbv Kiv c‡qvRb I mgxPxb;

AZGe, †m‡nZ, Kwgkb, DwjwLZ hveZxq welq we‡ePbvceK, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 22 [hv The Securities and Exchange (Amendment) Act, 2000 Øviv ms‡kwaZ] and section 12 of wmwKDwiwUR I G·‡PÄ Kwgkb (óK wWjvi, óK †evKvi I Ab‡gwi`Z cwZwbwa) wewagvjv, 2000 G c`Ë ¶gZve‡j GbweGj wmwKDwiwUR wjwg‡UW Gi Dci 03 (wZb) j¶ UvKv Rwigvbv avh¨ Kij hv AÎ Av‡`‡ki ZwiL n‡Z 15 (c‡bi) w`‡bi g‡a¨ Ô evsjv‡`k wmwKDwiwUR I G·‡PÄ KwgkbÕ Gi AbK‡j Bm¨KZ e¨vsK WvdU/†c-AW©v‡ii gva¨‡g Kwgk‡b Rgv Ki‡Z n‡e|

evsjv‡`k wmwKDwiwUR I G·‡PÄ Kwgk‡bi Av‡`kµ‡g,

Aa¨vcK W: Gg Lvqi"j †nv‡mb
‡Pqvig¨vb

weZibt
GbweGj wmwKDwiwUR wjwg‡UW
wWGmB m`m¨ bs-203
18 w`jKkv ev/G
XvKv-1000|

bs-GmBwm/Gb‡dvm‡g›U/1020/2012/232 ZwiLt 18 ‡g 2014

GbweGj wmwKDwiwUR wjwg‡UW
wWGmB m`m¨ bs-203
18 w`jKkv ev/G
XvKv-1000|

welq: Av‡`k|

Kwgk‡bi 18 ‡g 2014 Zwi‡Li Av‡`k bs-GmBwm/Gb‡dvm‡g›U/1020/2012/231 Gi mZ¨wqZ Abwjwc Avcbvi AeMwZ I c‡qvRbxq e¨e¯v Mn‡bi Rb¨ GZ`ms‡M msh³ Kiv n‡jv|

evsjv‡`k wmwKDwiwUR I G· ‡PÄ Kwgk‡bi c‡¶

gxi †gvkviid †nv‡mb †PŠaix
cwiPvjK

weZibt

e¨e¯vcbv cwiPvjK, XvKv óK G· ‡PÄ wjwg‡UW

AeMwZi Rb¨ Abwjwc:

1| wbevnx cwiPvjK, AvBb, weGmBwm
2| wbevnx cwiPvjK, Gm Avi AvB, weGmBwm
3| wbevnx cwiPvjK, GgAvBGm, weGmBwm
4| †Pqvig¨vb g‡nv`‡qi `ßi, weGmBwm