

Order

Whereas, as per section 2(i) of the Securities and Exchange Ordinance, 1969 (XVII of 1969), Nouvelle Securities Ltd. is a member of Dhaka Stock Exchange Limited;

Whereas, the Securities and Exchange Commission issued Stock Broker Registration Certificate to Nouvelle Securities Ltd. under article 10(1) of the Securities and Exchange Ordinance, 1969, read with article 5 (5) of the Securities and Exchange Rules, 2000, to conduct securities trading related activities under certain terms & conditions stipulated in the said certificate;

Whereas, as per Order No. SEC/SRMID/94-231/1641 dated January 31, 2008, money adjustment facility will be applicable in respect of A, B, N and G category securities. Therefore, money adjustment facility will not be applicable in respect of Z category securities.

Whereas, on the basis of the investigation report of Dhaka Stock Exchange Limited a show cause-cum-hearing notice No. SEC/Enforcement/840/2010/726 dated October 14, 2010 was issued to Nouvelle Securities Ltd. to appear at the hearing on the October 31, 2010. In the show cause-cum-hearing notice among others following were mentioned:-

“Whereas, record shows that Lt. Col. Md. Mizanur Rahman (client code 03326) client of **Nouvelle Securities Ltd.** bought shares of CTGVEG in his account and sold some other share(s) to adjust the ledger balance which indicates that the client has used money adjustment facilities in respect of ‘Z’ category securities trading.

Name	Lt. Col. Md. Mizanur Rahman			Client code:	03326	
Buy Date	Instrument	Buy Quantity	Ledger Balance of previous day	Cash/Cheque received	Amount used to buy CTGVEG	Ledger Balance at the end of the day
28.03.10	CTGVEG	950	306,678.87	600,000.00	1,033,192.38	261,944.99

Contravention: Nouvelle Securities Ltd. Violated SEC’s Order No. SEC/SRMID/94-231/1641 dated January 31, 2008 by allowing money adjustment facilities in purchasing shares of Chittagong vegetable oil industries ltd which is a Z category company.”

Whereas, hearing was conducted as per schedule. Mr. Alimuzzaman (Manager) attended the hearing on behalf of Nouvelle Securities Ltd. and submitted a reply letter No. NSL-SEC: 02-10/2010 dated October 28, 2010. Vide written explanation they stated among others that committed violation was a mistake on their part, not done deliberately, they will be more careful regarding the trading in shares of Z category security in future.

Whereas, the above mentioned written statement proves that the mentioned allegation against Nouvelle Securities Ltd. is correct. Their explanation is not acceptable to the Commission.

Whereas, the aforesaid activities are tantamount to non-compliance of securities law, deliberate and clear contravention of the above mentioned Order. The said violation attracts penal provision of section 22 of the Securities and Exchange Ordinance, 1969.

SEC/Enforcement/840/2010/

June 14, 2011

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 Nouvelle Securities Ltd for the stated violation.

Now, therefore, 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 (Tk.One) Lac upon Nouvelle Securities Ltd which is to be deposited to the Commission in the form of Bank Draft/Payorder favouring 'Securities and Exchange Commission' within 15 days from the date of issuance of this order.

By order of the Securities and Exchange Commission

Professor Dr. M. Khairul Hossain
Chairman

Distribution:

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