SEC/Enforcement/913/2011/158 **April 15, 2012**

Order

Whereas, as per section 2(g) of the Securities and Exchange Ordinance, 1969 (ORDINANCE No. XVII of 1969) Fine Foods Limited is an issuer (herein after referred to as an "issuer");

Whereas, on the basis of the enquiry report of Securities and Exchange Commission a show cause-cum-hearing notice No. SEC/Enforcement/913/2011/158 dated March 21, 2011 has been issued to Mr. Sujit Saha to appear at the hearing. In the show cause-cum-hearing notice among others following have been mentioned;-

"Whereas, enquiry team reported that you are the chairman of Fine Foods Limited .Therefore, as per sub rule **(A)** of rule 2 (**0**) of Securities and Exchange Commission (prohibition of insider trading) rules 1995 you are "insider" person.

Whereas, as per rule 3(1) and 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995

" Except for the purpose of any act, article of a company or for any purpose of any regulation applicable to a company no insider shall provide any price sensitive information to anybody."

" No person shall on his own behalf or on behalf of others can not do or involve in insider trading or shall not provide any help or personal advice in this regard."

Whereas, an enquiry was conducted by Securities and Exchange Commission regarding share trading of Fine Foods Limited.

Whereas, from DSE's Website it is found that on October 28,2010 the board of directors of Fine Foods Limited has recommended stock dividend @25% for the year ended on June 30,2010 and on September 13, 2010 the board of directors has decided to hold an EGM to increase Authorised Capital from 10.00 crore to 100.00 crore.These are price sensitive informations.

Whereas, enquiry team reported that "The Enquiry team observed the following relations among the group of people. Details as follows:

i.

Sl. No.	Name	Address	Parents Information	Introducer Name	Relationship
01.	Mr. Sujit Saha	**Present:** H# 162, Flat # F2, Shantinagar, Dhaka. **Parmanent:** Vill+PO: Hilachia, PS: Bajitpur, Dist.: Kishoregonj	F: Sujit Chandra Saha M: Taposi Rani Saha		Chairman, Fine Foods Ltd (FFL)
02.	Mr. Juton Saha	**Present:** H# 162, Flat # F2, Shantinagar, Dhaka. **Parmanent:** Vill+PO: Hilachia, PS: Bajitpur, Dist.: Kishoregonj	F: Sujit Chandra Saha M: Taposi Rani Saha	Kamrul H. Chowdhury	Brother of Chairman, FFL
03.	Ms. Kshma Saha	**Present:** 90/A, Sarath Gupta Road (1st Fl),	F: Sujit Chandra Saha M: Taposi Rani Saha	Mr. Subrata Paul	Sister of Chairman,

		Narinda, Dhaka. **Parmanent:** Vill: Chandragram, PO+PS: Bajitpur, Dist.: Kishoregonj	W/O: Narayan Chandra Saha		FFL
04.	Ms. Sheuli Saha	**Present:** Present: 43/1 Siddeswari Road (3rd Fl.), Dhaka. **Parmanent:** 76 Sir Iqbal Road, Khulna.	F: Sujit Chandra Saha M: Taposi Rani Saha W/O: Joydeb Kumar Saha	Mr. Juton Saha	Sister of Chairman, FFL
05.	Mr. Joydeb Kumar Saha	Do	F: Late Mongal Chandra Saha M: Rani Bala Saha H/O: Ms. Sheuli Saha	Mr. Juton Saha	Brother in law of Chairman of FFL
06.	Shakti Rani Saha & Samir Kumar Saha	**Present:** Rabbani Paradise (5th Fl.), Flat # D6, 52 Chamelibag, Dhaka **Parmanent:** Malpara, Po+PS+Dist.: Munshigonj	F: Late Animesh Saha M: Junu Rani Saha Spous: Samir Kumar Saha	Mr. Juton Saha	
07.	Mr. Prodip Kumar Das	**Present Parmanent:** 434 Muradpur, Haji Lalmia Sharkar Road, Dhaka	F: Late Jatindra Chandra Das M: Jharna Rani Das Spouse: Shipra Das	Mr. Sujit Saha, Chairman of FFL	
08.	Ms. Shipra Paul	**Present:** 198 Shantibagh, Eastern Link, Flat # 204, Motijheel, Dhaka **Parmanent:** Vill+PO: Hiachia, PS: Bajitpur, Dist.: Kishoregonj	F: Hirandra Chandra Paul M: Biva Paul	Mr. Shubrata Paul	Parmanent address related with Chairman of FFL
09.	Ms. Mishu Paul	**Present:** CTG-5, Century Tower Complex, 119/1 Outer Circular Road, Dhaka	F: Narayan Chandra Paul M: Tapashi Paul		
10.	Mr. Subrata Shekhar Bhakta	**Present:** 12 Siddeswari Lane, Rajmoti Palace, Flat# C2, Ramna, Dhaka **Parmanent:** Vill+PO: Khankhanpur, Dist.: Rajbari	F: Sachindra Mohon Bhakta M: Gita Bhakta	Kamrul H. Chowdhury	
11.	Mr. Shankar Kumar Roy	**Present & Parmanent:** 63 BB Road, Narayangonj	F: Late Khitish Chandra Roy M: Late Gita Roy	Md. Naderuzzaman	
12.	Mr. Narayan Chandra Roy & Mukti Rani Roy	**Present & Parmanent:** 186 President Road, Narayangonj	F: Late Rakhal Chandra Roy M: Late Suniti Roy	Md. Ali	

ii.

Sl. No.	Name	Address	Parents Information	Introducer Name	Relationship
01.	Md. Shamsul Alam	51 Nayapaltan (4th floor), Paltan, Dhaka	F: Md. Abdur Rob M: Mrs. Ambia Khatun	Kamrul H. Chowdhury	
02.	Shah Alam	Do	Do	Do	

	Mintu				
03.	Md. Jahangir Alam	Do	Do	Shah Alam Mintu	
04.	Mrs. Shajia Jesmin	Do	F: ABM Zia M: Mrs. Rashida Khanom Spouse: Md. Shamsul ALam	Badal Mia	Wife of Md. Shamsul Alam (Authorized person Md. Shamsul Alam)
05.	Md. Afzal Hossain	Mailing Address: 37 Fulbaria Super Mkt 91) 3rd Floor, Dhaka Parmanent: 6/4 Hasinur Green Cottage, F# B4, Segun Bagicha, Dhaka	F: Alhaj Md. Abu Bakar Siddiqui M: Mrs. Rezia Akter	Md. Ataur Rahman	Kishoregonj

It appears from the above that above persons are related each other and they traded huge quantity of share of Fine Foods Ltd. As per section **2(0)(A)** and **2(0)(A\)** of Securities and Exchange Commission (prohibition of insider trading) rules 1995 above mentioned persons are "insider"

Whereas, from the enquiry report it appeared that you have violated rule 3(1) and rule 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995 by disclosing above mentioned price sensitive informations to your above named relatives and by doing insider trading through them , by counselling and by assisting them to doing insider trading before the price sensitive news came before the general investors."

Whereas, hearing has been conducted in this connection. Mr. Sujit Saha, Chairman of Fine Foods Ltd (FFL) has attended the hearing and submitted an explanation letter No. NIL dated April 05, 2011. In the letter among others the following were mentioned:

"According to your letter no. SEC/Enforcement/913/2011/158 dated march 21,2011, my statements are stated below:
Fine Foods limited is an agro-base production company. By facing various types of turbulence like natural disasters, unfriendly environments, political pressures etc effectively, it has been succeeded ultimately. Before my conducting the company, the company was a loss project. With the help of my effort and dedication, honesty, knowledge and experience, I have been able to turn Loss Company into a profitable company. I would like to let you know that if I would have any bad intention stated in your letter to unduly help my relatives, friends, my familiar people, my villagers etc I never provide relentless effort to make the company the profitable one.

To the best of my knowledge those who transact in the share market do their business by their own personal investment through their personal account each. It is noticeable here that those who are stated in the letter are in no way dependent on me or others. Rather they run their business by their own wit and knowledge.

So, I would like to let you know with my firm belief that to the best of my knowledge personally I would in no way disclose or transfer the company data or information to others. I did never do any activities violating SEC's laws.

Since, I therefore did not violate the laws stated in the letter, I would earnestly request you to get rid me of the issued allegations stated in the letter and oblige thereby. "

SEC/Enforcement/913/2011/158 **April 15, 2012**

Whereas, after being heard of Mr. Sujit Saha and his below named relatives, the Commission has observed that Mr. Sujit Saha is related to the following persons who have bought and sold huge quantity of shares of Fine Foods Limited before the publish of Price sensitive information:

Sl. No.	Name	Address	Relationship with Mr.Sujit Saha	Allegation against the related persons as per enquiry report
01.	Mr. Juton Saha	**Present:** H# 162, Flat # F2, Shantinagar, Dhaka. **Parmanent:** Vill+PO: Hilachia, PS: Bajitpur, Dist.: Kishoregonj	Brother	**Violation of** rule 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995 **by purchasing 1,42,058 shares from** 03.02.10 to 19.08.10 (before publish of the price sensitive information) and **selling 1,40,550 shares from** 12.04.10 to 13.10.10 (before publish of the price sensitive information)
02.	Ms. Kshma Saha	**Present:** 90/A, Sarath Gupta Road (1st Fl), Narinda, Dhaka. **Parmanent:** Vill: Chandragram, PO+PS: Bajitpur, Dist.: Kishoregonj	Sister	**Violation of** rule 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995 **by purchasing 3,83,000 shares from** 08.08.10 to 10.08.10 (before publish of the price sensitive information) and **selling 3,83,000 shares from** 10.09.10 to 22.09.10 (before publish of the price sensitive information)
03.	Ms. Sheuli Saha	**Present:** Present: 43/1 Siddeswari Road (3rd Fl.), Dhaka. **Parmanent:** 76 Sir Iqbal Road, Khulna.	Sister	**Violation** rule 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995 **by purchasing 25,000 shares from** 06.06.10 to 05.08.10 (before publish of the price sensitive information) and **selling 26,000 shares from** 12.08.10 to 06.10.10 (before publish of the price sensitive information)
04.	Mr. Joydeb Kumar Saha	Do	Brother in law	**Violation of** rule 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995 **by purchasing 15,000 shares from** 26.04.10 to 05.08.10 (before publish of the price sensitive information) and **selling 15,000 shares from** 03.10.10 to 04.10.10 (before publish of the price sensitive information)
05.	Mr. Prodip Kumar Das	**Present Parmanent:** 434 Muradpur, Haji Lalmia Sharkar Road, Dhaka	Introduced by Mr.Sujit Saha	**Violation of** rule 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995 **by purchasing 58,500 shares from** 08.07.10 to 29.07.10 (before publish of the price sensitive information) and **selling 2,000 shares on** 24.08.10 (before publish of the price sensitive information).
06.	Ms. Shipra Paul	**Present:** 198 Shantibagh, Eastern Link, Flat # 204, Motijheel, Dhaka **Parmanent:** Vill+PO: Hiachia, PS: Bajitpur, Dist.: **Kishoregonj**	Parmanent address related with Mr.Sujit Saha	**Violation of** rule 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995 **by purchasing 2,90,000 shares from** 01.08.10 to 11.08.10 (before publish of the price sensitive information) and **selling 1,00,000 shares on** 24.08.10 (before publish of the price sensitive information).

07.	Md. Afzal Hossain	Mailing Address: 37 Fulbaria Super Mkt 91) 3rd Floor, Dhaka Parmanent: 6/4 Hasinur Green Cottage, F# B4, Segun Bagicha, Dhaka	**MP** (**Kishoregonj -5)** of the home district of Mr.Sujit Saha	**Violation of** rule 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995 **by purchasing 2,96,000 shares from** 29.07.10 to 29.09.10 (before publish of the price sensitive information) and **selling** 2,86,000 **shares on** 22.08.10 (before publish of the price sensitive information).

Whereas, the above mentioned related persons have bought and sold a huge quantity of shares of Fine Foods Limited before the publish of Price sensitive information, it is definite that they did this by taking the opportunity of early knowing of the aforesaid Price sensitive information vide Mr. Sujit Saha .Therefore it is proved that Mr. Sujit Saha has violated rule 3 (1) and rule 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995 by disclosing above mentioned price sensitive informations to the above named relatives and by counseling and by assisting them to doing insider trading before the price sensitive news came before the general investors.

Whereas, aforesaid written explanation of Mr. Sujit Saha 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 rule 3 (1) and rule 4(1) of Securities and Exchange Commission (prohibition of insider trading) rules 1995. The said violation attracts penal provision of section 18 Securities and Exchange Commission Act 1993.

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 Mr. Sujit Saha for the stated violation.

Now, therefore, Securities and Exchange Commission, in exercise of the power conferred by section 18 Securities and Exchange Commission Act 1993. hereby imposes penalty for Tk.50.00 (Tk.Fifty) Lac only upon Mr. Sujit Saha, chairman of Fine Foods Limited 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:
Mr.Sujit Saha
S/O Sujit Chandra Saha and Taposi Rani Saha
H# 162, Flat # F2
Shantinagar
Dhaka.

Note: This is a translation of the original order. If there is any conflict between original order and translation, provision of the original order will prevail.