

bs-GmBwm/Gbtdvmtg>U/1154/2013/640

Zwilt 01 Wtm̄i 2013

Avt`k

Synet Securities Limited
Al-Hamra Shopping City (5th Floor)
Zindabazar
Sylhet-3100

weiq: Avt`k|

Kwgkbi 01 Wtm̄i 2013 ZwiLi Avt`k bs-GmBwm/Gbtdvmtg>U/1154/2013/639 Gi mZ`wqZ
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AeM̄Zi Rb̄ Abwj̄c:

- 1| wbevnx cwiPvjK, AvBb, weGmBwm
- 2| wbevnx cwiPvjK, GmAviAvB, weGmBwm
- 3| wbevnx cwiPvjK, GgAvBGm, weGmBwm
- 4| tPqviḡvb ḡtnv`̄qi `̄Bi, weGmBwm

Av#`k

th#nZ, Kigkb, Sylnet Securities Limited tk Zvi Avte`bμ#g, wawiz kZvax#b wmkDwiUR μq weμq KgKvÊ ciPvjbv Kivi Rb" wmkDwiUR I G · #PÄ Kigkb (AZ:ci ÔKigkbô e#j D#jLZ) wmkDwiUR I G · #PÄ Kigkb AvBb, 1993 (1993 m#bi 15 bs AvBb) Gi 10(1) G c`Ë flgZve#j wmkDwiUR I G · #PÄ Kigkb (÷K-Wjvi, ÷K-teiKvi I Ab#gw`Z ciZibia) weagvjv, 2000 Gi wea 5(5) mn ciVZ ÷K-teiKvi/Wjvi tiR#ókb mwUrd#KU c`vb K#i#Q;

th#nZ, an inspection team was constituted to inspect Sylnet Securities Limited vide Commission's Order No. SEC/SRI/INS/CSE-MEM/2010/831 dated May 14, 20. The inspection report stated, among others, the following

A. Financing of Z group Shares:

Synet Securities Limited provided loan facilities to the following client to purchase of "Z" Category share violating the securities law.

CLIENT NAME: Redwan Ahmed **CLIENT CODE #** 01057

Date	Script name	Qty.	Amount	Opening Ledger balance	Closing Ledger balance
17.08.2011	Lafsurceml	400	243,725.00	-12,494.33	-257,559.82
18.08.2011	Lafsurceml	150	92,850.00	-257,559.82	-206,519.10
24.06.2012	Lafsurceml	2000	81,800.00	16,969.63	-65,198.47

Contravention: Through the aforesaid activities Sylnet Securities Ltd. violated **SEC Directive No. SEC/CMRRCD/2001-43/169 dated October 01, 2009**

B. Short sale:

Surveillance department provided a list of sort sale generated by automated surveillance system of BSEC. Inspection Team collected relevant documents from Sylnet Securities Limited and Central Depository Bangladesh Limited to examine whether short sale genuinely took place in those account or not. After examination, it is found that Sylnet Securities Limited was involved in short selling of listed securities to the following BO accounts:

1) Rabindra Kumar Paul (BO ID- 1204310021895911, Account No.05034)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Cinfidcem	03.04.2013	500	40	0	40	Yes

2) Saypur Rahman (BO ID- 1204310026079527 Account No.05134)

Instruments	Sale Date	Sale Qty	Holding of previous	Share credit status on selling date (DP49) or Buy information	Sellable	Short Sell
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			Day of selling shares (DP A6)	(transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Quantity	
ABBank	08.04.2013	5,300	1,352	0	1,352	Yes

3) Md. Lutfur Rahman (BO ID- 1204310038579835 Account No.26001)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
BEXIMCO	20.03.2013	300	0	0	0	Yes
One Bank	20.03.2013	3,500	1,100	0	1,100	Yes
SPPCL	20.03.2013	100	0	0	0	Yes

4) Monsur Alam Choudhury (BO ID- 1204310003476231 Account No.00004)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
NBL	19.03.2013	2,000	1,565	0	1,565	Yes
ABBank	04.04.2013	2,500	1,260	0	1,260	Yes

5) Md. Iftakhar Ahmed (BO ID- 1204310028620279 Account No.01979)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
KPCL	18.04.2013	12,000	5,000	0	5,000	Yes

6) Mst. Sultana Yasmin (BO ID- 1204310044978376 Account No.08364)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Olympic	07.04.2013	2,000	1,100		1,100	Yes

7) Abdul Sumsul Bacchu BO ID-1204310042855777 Account No.16212)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
First	07.04.2013	400	100	0	100	Yes

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8) Koyes Ahmed (BO ID- 1204310030815583 Account No.10155)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Micement	04.04.2013	300	0	0	0	Yes

9) Anwara Begum Maya (BO ID- 1204310039032530 Account No.22268)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
GHCL	09.04.2013	250	0	0	0	Yes

10) Md. Abdus Sobur (BO ID- 1204310017194881 Account No.00971)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
INTECH	15.04.2013	1,000	0	0	0	Yes

11) Rupak Chowdhury (BO ID- 1204310034041451 Account No.07779)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Exim bank	27.04.2013	100	14	0	14	Yes

12) Md. Ruhul Amin Chowdhury (BO ID- 1204310037351969 Account No.22100)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Padmaoil	27.04.2013	450	380	400	400	Yes

13) Monir Hussain (BO ID- 1204310043557868 Account No.22524)

Instruments	Sale Date	Sale Qty	Holding of previous	Share credit status on selling date (DP49) or Buy information	Sellable Quantity	Short Sell
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			Day of selling shares (DP A6)	(transaction ledger) of same script on T-3 or T-0 (for trading on spot market)		
MJLBD	10.04.2013	500	200	200	200	Yes
ABBank	16.04.2013	2,000	650	650	650	Yes
MJLBD	16.04.2013	500	0	0	0	Yes

14) Altab-UI-Islam (BO ID- 1204310007697730 Account No.00464)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Firstbank	05.05.2013	2,500	0	500	0	Yes

15) Obaidur Rahman Chudhury (BO ID- 1204310000322709 Account No.00219)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Malekspin	08.05.2013	5000	0	0	0	Yes

16) Shahed Ahmed (BO ID- 12040021500251 Account No.01306)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Aftabauto	02.05.2013	1,700	725	0	725	Yes

17) Md. Shahidul Islam (BO ID- 1204310042649513 Account No.08258)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Eximbank	05.05.2013	2,000	1,846	0	1,846	Yes

18) Santus Deb (BO ID- 1204310020896815 Account No.01277)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
ABBank	07.05.2013	10,000	0	0	0	Yes

19) Rejuan Ahmed Raju (BO ID- 1204310035959757 Account No.09484)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
All Tex	08.05.2013	500	0	0	0	Yes

20) Syed Nasir Bakth (BO ID- 1204310004022812 Account No.00042)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Aftabauto	09.05.2013	1,550	300	0	300	Yes

21) Md. Mamun Al Rashid (BO ID- 1204310042680760 Account No.18328)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
United Air	09.05.2013	200	183	0	183	Yes

22) Kartik Chowdhury (BO ID- 1204310037460740 Account No.20186)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
Jamuna bank	12.05.2013	1,000	385	0	385	Yes

23) Jadab Chandra Deb & Mira Rani Deb (BO ID- 1204310018027516 Account No.01296)

Instruments	Sale Date	Sale Qty	Holding of previous Day of selling shares (DP A6)	Share credit status on selling date (DP49) or Buy information (transaction ledger) of same script on T-3 or T-0 (for trading on spot market)	Sellable Quantity	Short Sell
GP	05.05.2013	1,000	0	0	0	Yes

Contravention: Through the aforesaid activities, Sylnet Securities Limited violated regulation 4 of the Dhaka Stock Exchange (Short Sale) Regulation, 2006.

C. Transaction in Dealer account:

The inspection team requested to Sylnet Securities Limited to provide the transaction ledger of their Dealer account from 01.01.2011 to 30.04.2013. However, Sylnet Securities Limited didn't provide any transaction ledger of the Dealer account, but informed that "we have not been maintaining any transaction in our Dealership Account"

Contraventions: As such Sylnet Securities Limited has violated the rules 11 of the Securities and Exchange Commission (SEC) Act, 2000.

D. Transaction in Directors account:

Some Directors of Sylnet Securities Limited traded shares with credit facilities. Details are given below:

Md. Saifuddin Khaled being a Director of Sylnet Securities Limited availed margin loan in his Client Code 00001 maintained with Sylnet Securities Limited.

Table-1

Client Code	Name of the Director	Date	Ledger balance/ Closing balance (In Taka)
00001	Md. Saifuddin Khaled	20.09.2012	-10,18,476
		26.09.2012	-18,95,249
		30.09.2012	-8,55,675
		01.10.2012	-8,78,206
		02.10.2012	-9,25,574
		03.10.2012	-10,31,588
		04.10.2012	-12,72,690
		07.10.2012	-12,60,783
		16.10.2012	-1,57,348

Mr. ATM Shoeb being a Director of Sylnet Securities Limited availed margin loan up to Taka 40,13,454 in his Client Code 00002 maintained with Sylnet Securities Limited.

Table-2

Client Code	Name of the Director	Date	Ledger balance/ Closing balance (In Taka)
00002	A T M Shoeb	03.01.2013	-40,13,454
		06.01.2013	-35,29,797
		07.01.2013	-36,00,625
		08.01.2013	-40,00,625
		09.01.2013	-35,71,949
		10.01.2013	-27,75,265
		20.01.2013	-23,72,657
		31.01.2013	-31,65,726
		03.02.2013	-32,95,711
		07.02.2013	-32,02,434
		12.02.2013	-24,63,435
		24.03.2013	-1,22,406
		31.03.2013	-3,73,196
		04.04.2013	-8,53,361
		07.04.2013	-8,79,951
		09.04.2013	-10,12,381
		10.04.2013	-21,47,659
		23.04.2013	-5,10,454

Mr. Monsur Alam Choudhury being a Director of Sylnet Securities Limited availed margin loan in his Client Code 00004 maintained with Sylnet Securities Limited.

Table-3

Client Code	Name of the Director	Date	Ledger balance/ Closing balance (In Taka)
00004	Monsur Alam Choudhury	01.01.2013	-5,18,441
		02.01.2013	-7,30,470
		08.01.2013	-2,74,587
		09.01.2013	-2,36,978
		03.02.2013	-2,25,254
		06.02.2013	-4,46,847
		07.02.2013	-5,70,155
		11.02.2013	-5,81,774
		12.02.2013	-6,88,339
		13.02.2013	-7,65,025
		14.02.2013	-7,51,204
		04.03.2013	-8,52,213
		10.03.2013	-8,97,449
		27.03.2013	-6,65,421
		28.03.2013	-5,28,365
		31.03.2013	-5,31,515
		03.04.2013	-2,44,744
		19.05.2013	-2,67,761

Mr. Atiqur Rahman being a Director of Sylnet Securities Limited availed margin loan in his Client Code 00005 maintained with Sylnet Securities Limited.

Table-4

Client Code	Name of the Director	Date	Ledger balance/ Closing balance (In Taka)
00005	Atiqur Rahamn	02.12.2012	-4,13,690
		17.12.2012	-4,13,599
		20.12.2012	-4,12,429
		24.12.2012	-4,11,540
		30.12.2012	-4,13,564
		06.01.2013	-4,13,806
		09.01.2013	-4,14,743
		20.01.2013	-4,15,465
		29.01.2013	-4,19,695
		03.02.2013	-4,20,237
		11.02.2013	-4,22,565
		12.02.2013	-4,23,402
		17.02.2013	-4,23,012

Mr. Mollik Khosruzzaman being a Director of Sylnet Securities Limited availed margin loan in his Client Code 00010 maintained with Sylnet Securities Limited.

Table-5

Client Code	Name of the Director	Date	Ledger balance/ Closing balance (In Taka)
00010	Mollik Khosruzzaman	25.09.2012	-2,21,298
		26.09.2012	-2,72,210
		02.10.2012	-2,66,343
		03.10.2012	-2,56,946
		08.10.2012	-2,52,646
		09.10.2012	-2,10,501
		10.10.2012	-2,08,068
		11.10.2012	-2,07,873
		14.10.2012	-1,36,123
		15.10.2012	-1,22,996

Mr. Anwar Hussain being a Director of Sylnet Securities Limited availed margin loan in his Client Code 00006 maintained with Sylnet Securities Limited.

Table-6

Client Code	Name of the Director	Date	Ledger balance/ Closing balance (In Taka)
00006	Anwar Hussain	01.08.2012	-65,17,244
		02.08.2012	-65,19,479
		05.08.2012	-57,62,598
		06.08.2012	-60,52,972
		07.08.2012	-64,46,954
		08.08.2012	-64,27,533
		12.08.2012	-77,95,946
		26.08.2012	-98,03,507
		27.08.2012	-1,05,34,330
		28.08.2012	-1,05,38,314
		29.08.2012	-80,16,441
		30.08.2012	-81,90,490
		02.09.2012	-84,78,061
		03.09.2012	-1,04,55,823
		04.09.2012	-1,04,46,177
		05.09.2012	-1,04,84,185
		17.09.2012	-1,04,17,055
		27.09.2012	-47,86,006
		22.10.2012	-40,70,436

Mr. Hanif Alam Choudhury being a Director of Sylnet Securities Limited availed margin loan in his Client Code 00007 maintained with Sylnet Securities Limited.

Table-7

Client Code	Name of the Director	Date	Ledger balance/ Closing balance (In Taka)
00007	Hanif Alam Choudhury	01.01.2013	-15,46,749
		02.01.2013	-13,11,962
		03.01.2013	-9,75,622
		06.01.2013	-11,61,486
		07.01.2013	-9,56,467
		09.01.2013	-7,63,850
		13.01.2013	-10,05,296
		16.01.2013	-11,33,552
		23.01.2013	-9,59,721
		27.01.2013	-10,65,437
		04.02.2013	-17,35,193
		05.02.2013	-22,31,551
		07.02.2013	-20,46,159
		13.02.2013	-22,95,722
		17.02.2013	-28,56,167
		27.02.2013	-30,18,185
		07.03.2013	-18,03,007
		13.03.2013	-24,17,308
		25.03.2013	-11,40,580
		03.04.2013	-7,70,630
		10.04.2013	-3,56,268

Mr. Obaidur Rahman Choudhury being a Director of Sylnet Securities Limited availed margin loan in his Client Code 00219 maintained with Sylnet Securities Limited.

Table-8

Client Code	Name of the Director	Date	Ledger balance/ Closing balance (In Taka)
00219	Obaidur Rahman Choudhury	05.02.2013	-82,380
		06.02.2013	-65,464
		13.02.2013	-2,05,687
		14.02.2013	-1,83,262
		17.02.2013	-1,30,535
		18.02.2013	-1,34,511
		19.02.2013	-1,23,718
		20.02.2013	-1,25,892
		24.02.2013	-1,33,073
		25.02.2013	-1,11,907
		13.03.2013	-57,375
		14.03.2013	-68,297
		18.03.2013	-76,136
		19.03.2013	-69,087

Contraventions: From the aforesaid activities it evident that Sylnet Securities Limited violated the Commission Order No.SEC/CMRRCD/2001-43/51 dated July 2010 by utilizing loan facilities to their directors.

E. The inspection officers found that Sylnet Securities limited received cash above Tk. 5.00 lac, which are given below:

AZGe, tmtnZ, Klgkb, DljLZ hveZxq weiq wePbveK, Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969) Gi section 22 [hv The Securities and Exchange (Amendment) Act, 2000 Øviv msþkwaZ] G c`E flgZveþj Sylnet Securities Limited Gi Dci 5 (cvP) j fl UvKv Rwigbv avh" Kij hv AÎ Avþ`þki ZvIL nþZ 15 (cþbi) w`þbi gþa" `evsjvþ`k wmwKDwiUR A`vÛ G · þPÄ Klgkb Gi AbKþj Bm`KZ e`vsK Wvdu/tc-AWvþi i gva`tg Klgkb Rgv KiþZ nþe|

evsjvþ`k wmwKDwiUR A`vÛ G · þPÄ Klgkb Avþ`kμtg,

Aa`vcK W: Gg Lvqi"j tnvþmb
þPqvig`vb

wZibt

Sylnet Securities Limited
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