

Shakib's gold business sans permission, BSEC seeks explanation

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Bangladesh Securities and Exchange Commission has ordered two companies owned by Cricket all-rounder Shakib Al Hasan to explain their commodity exchange business without obtaining permission.

The companies are Reliable Commodities Exchange Company and Buraq Commodities Exchange Company.

Buraq has a licence to import gold, said Bangladesh Bank spokesman Serajul Islam. Reliable does not have a gold import licence but both firms have been operating gold futures trading. Gold futures are agreements to buy and sell quantities of gold on a particular date in the future at a fixed price.

Only commodities exchange businesses can conduct such operations, but no company in Bangladesh has permission to run commodities exchange business.

“Only the BSEC has the authority to give permission for futures contracts,” said Sheikh Shamsuddin Ahmed, a commissioner of the stocks regulator.

In a response to a question on gold import licence, Shamsuddin said, “Not all

businesses need our permission. The important thing is the pattern of a business.”

Quoting section 8 (4) of Securities and Exchange Ordinance 1969, he said a person or company not member of the stock exchange will be barred from entering commodity future contract and launching business.

Dewan Aminul Islam, vice-president of Bangladesh Jewellers Association, said Shakib has a licence to trade in gold. “The show-cause notices might have been issued for the commodities exchange business.”

Shakib did not respond to requests for comments.

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