

SEC/Enforcement/42/2001/156

April 5, 2005

By Special Messenger

By Courier Service

1. Excelsior Shoes Limited
345, Segunbagicha, Dhaka-1000.
2. The Managing Director
Excelsior Shoes Limited
345, Segunbagicha, Dhaka-1000.
3. The Company Secretary
Excelsior Shoes Limited
345, Segunbagicha, Dhaka-1000.

Subject: Non-compliance of securities laws in connection with submission of the audited financial statements for the years ended September 30, 2002 and 2003- WARNING.

As per section 2 (g) of the Securities and Exchange Ordinance, 1969 (ORDINANCE No. XVII OF 1969) Excelsior Shoes Limited is an issuer (herein after referred to as "issuer").

As per rule 12, sub-rule (3A) of the Securities and Exchange Rules, 1987, as amended through the Notification No. SEC/LSD/SER-1987/149 dated 4th January 2000, gazetted on 16 February 2000, the issuer company's financial statements is required to be audited within one hundred and twenty days from the date on which the issuer's financial year ends and a copy of such audited financial statements should be submitted to the Commission and the Stock Exchanges within fourteen days thereof, which the issuer (Excelsior Shoes Limited) failed to comply with by not submitting the audited financial statements for the years ended on September 30, 2002 and 2003 within the stipulated period.

A show-cause notice was issued on 13/10/04 to the issuer for the said failure. In reply through letter dated 19/10/04 the issuer stated that it could not prepare the audited financial statements due to shortage of manpower.

The above reasons were not considered acceptable. As such, the Directors and the Managing Director were called for hearing on 2/1/2005. Mr. Ruhul Amin, Director and Mr. K.H Reza, Company Secretary attended the said hearing and mentioned that on 01/01/05 they had submitted the audited financial statements for the years ended June 30, 2002 and 2003.

Failure to furnish the audited financial statements for the years ended September 30, 2002 and 2003 within the stipulated time is a clear violation/contravention of the abovementioned rules.

However, the Commission, after considering furnishing of the said statements on 01/01/2005 by Excelsior Shoes Limited as well as the submissions made to SEC through letter dated 28/12/2004 has decided to dispose of the proceedings against Excelsior Shoes Limited and others concerned for the stated violation, by placing on record the Commission's dissatisfaction on the defaults made by the company, its directors and its officials concerned, with a warning to ensure compliance of all securities related laws in future.

Please note that this disposal does not absolve the issuer or any of its directors or officers concerned from their lawful responsibilities/obligations to the persons, if any, affected as a result of the issuer's above said defaults.

For Securities and Exchange Commission

Mansur Alam
Executive Director

Copy for information:

Chief Executive Officer, Dhaka Stock Exchange Ltd.

Chief Executive Officer, Chittagong Stock Exchange Ltd.

Distribution:

Executive Director, (R & D), SEC

Executive Director, (CFD), SEC

Director, (MIS), SEC