

**SEC/Enforcement/406/2006/345**

April 4, 2007

1. Eastern Cables Limited, BSEC Bhaban (8<sup>th</sup> floor), 102, Kazi Nazrul Islam Avenue, Dhaka-1215.
2. Directors, Eastern Cables Limited, BSEC Bhaban (8<sup>th</sup> floor), 102, Kazi Nazrul Islam Avenue, Dhaka-1215.
3. Managing Director, Eastern Cables Limited, BSEC Bhaban (8<sup>th</sup> floor), 102, Kazi Nazrul Islam Avenue, Dhaka-1215.
4. Company Secretary, Eastern Cables Limited, BSEC Bhaban (8<sup>th</sup> floor), 102, Kazi Nazrul Islam Avenue, Dhaka-1215.

Sub: Non-compliance of securities laws: In connection with the furnishing of the audited financial statements for the year ended on June 30, 2006 within time: Warning.

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

As per rule 12 sub-rule (3A) of the Securities and Exchange Rules, 1987, issued under the said Ordinance, as amended through Notification No.SEC/LSD/SER-1987/149 dated 4<sup>th</sup> January 2000, gazzeted on 16<sup>th</sup> February 2000, the issuer company's financial statements shall be audited within one hundred 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.

But the issuer failed to comply with it by not submitting the audited financial statements for the year ended on June 30, 2006, by November 14, 2006.

Failure to furnish the said financial statements within the stipulated time is a clear violation/contravention of the abovementioned rules.

A show-cause cum hearing notice dated December 26, 2006 was issued to the issuer and its directors as well as to the company secretary to explain the default and to appear at the hearing on January 21, 2007. Mr. Selim Chowdhury, director and Mr. Md, Delwar Hossain, company secretary appeared at the hearing and submitted a written explanation vide letter dated January 20, 2007 stating, among others, that they could not submit the above audited financial statements due to political unrest, continuous blockade in the country, for transferring two high officials etc. In course of hearing, the issuer committed to submit the said financial statements by February 4, 2007 and accordingly submitted through letter dated January 29, 2007.

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The Commission, taking into consideration furnishing of the said financial statements on January 31, 2007, has decided to dispose of proceedings against Eastern Cables Limited and others concerned for the stated violation, by placing on record the Commission's dissatisfaction on the default, violation/contravention made by the issuer with a warning to ensure compliance of the 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 default.

For and on behalf of the Securities and Exchange Commission

**Mansur Alam**  
**Executive Director**

**Copy for information:**

Chief Executive Officer, Dhaka Stock Exchange Limited  
Chief Executive Officer, Chittagong Stock Exchange Limited  
Executive Director (R& D), SEC  
Executive Director (CFD), SEC  
Director (MIS), SEC  
Chairman's Office