

SEC/Enforcement/496/2006/113

February 4, 2007

1. Modern Cement Limited, 195, Motijheel C/A, Suit-1307, Dhaka-1000.
2. Directors, Modern Cement Limited, 195, Motijheel C/A, Suit-1307, Dhaka-1000.
3. Managing Director, Modern Cement Limited, 195, Motijheel C/A, Suit-1307, Dhaka-1000.
4. Company Secretary, Modern Cement Limited, 195, Motijheel C/A, Suit-1307, Dhaka-1000.

Subject: Non-compliance of securities laws: In connection with submission of the audio-visual recording of AGM held on December 28, 2006– WARNING

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

In accordance with provision (c) of the Commission's Order No.SEC/CFD-71/2001/Admin/02/05 dated January 3, 2002 published in the Bangladesh Gazette on January 30, 2002, the issuer shall make continuous and uninterrupted audio-visual recording of the entire proceedings of its annual general meeting and shall furnish a copy of the same in unedited form within the shortest possible time but not later than three working days from the date of holding of the annual general meeting to the Commission and the Stock Exchange(s). But the issuer has violated the abovementioned order by not submitting the audio-visual recording of proceedings of AGM held on December 28, 2006.

A show-cause cum hearing notice dated September 10, 2006 was issued to the issuer and its directors as well as to the company secretary to explain the said default and also to appear at hearing on September 14, 2006. Mr. Anisur Rahman, Managing Director and Mr. Ahmed Imranul Hoque, Company Secretary appeared at the hearing. In course of hearing, they submitted a written explanation vide letter dated September 14, 2006 stating, among others, that their former company secretary was knowledgeable about the SEC rules, but he left the organization in March 2004. Mr. Imranul Hoque took responsibility of company secretary without having any technical expertise. They apologized for the unintentional mistake/ lapse and assured that they would follow the SEC rules in future.

The Commission, taking into consideration the above and assurance for future compliance, has decided to dispose of the matter with a warning to ensure compliance of all securities related laws in future.

Please note that this disposal does not absolve you from your lawful responsibilities/obligations to any person, if affected, as a result of the said default.

For the Securities and Exchange Commission

Mansur Alam
Executive Director

Distribution:

Chief Executive Officer, Dhaka Stock Exchange Ltd.
Chief Executive Officer, Chittagong Stock Exchange Ltd.

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