

SEC/Enforcement/303/2006/1095

October 8, 2006

By Courier service

1. Mona Food Industry Limited, 146/4, Green Road, Dhaka-1205.
2. Directors, Mona Food Industry Limited, 146/4, Green Road, Dhaka-1205.
3. Managing Director, Mona Food Industry Limited, 146/4, Green Road, Dhaka-1205.
4. Company Secretary, Mona Food Industry Limited, 146/4, Green Road, Dhaka-1205.

Subject: Non-compliance of securities laws: In connection with the disseminating price sensitive information regarding AGM held on December 26, 2005– WARNING

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

The issuer has violated the Commission's Order No.GmBim/GmAvi GgAvBiW/2000-985/2248/c002/1 Zwi L 19 W/tm=†, 2000Bs and Notification No.SEC/CMRRCD/2001-14/24/Admin/03-03 dated November 26, 2001, gazetted on December 10, 2001, by not disseminating price sensitive information concerning non-declaration of dividend and the date of AGM along with book closure date and publish the same in the newspapers.

The issuer's aforesaid failures/activities tantamount to non-compliance of the securities law, which appeared deliberate and clear contravention of the above-mentioned order attracting penal provisions of the Securities and Exchange Ordinance, 1969.

A show-cause cum hearing notice dated August 2, 2006 was issued to the issuer's directors as well as to the company secretary to explain the defaults and to appear at the hearing on August 20, 2006. Mr. D.H Bahar, Managing Director and Mr. Md. Siraj Miah, company secretary appeared at the hearing. The issuer has submitted an explanation letter dated August 20, 2006 stating that they have already explained the reason vide letter dated May 31, 2006 and the said default occurred due to oversight by their share department. The issuer apologized for the said defaults.

The Commission, considering their submissions has decided to dispose of the proceedings against Mona Food Industry Limited and others concerned by placing on record the Commission's dissatisfaction on the default/contravention made by you/issuer, 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.

Copy for information:

Executive Director (R&D), SEC
Executive Director (SRMID), SEC
Director (MIS), SEC, Chairman's Office, SEC