

**SEC/Enforcement/292/2004/329**  
**March 29, 2006**

Bangladesh Autocars Limited  
110 Tejgaon I/A, Dhaka-1208

The Managing Director  
Bangladesh Autocars Limited  
110 Tejgaon I/A, Dhaka-1208

The Company Secretary  
Bangladesh Autocars Limited  
110 Tejgaon I/A, Dhaka-1208

**Sub: Non compliance of securities law-Warning**

This refers to the Commission's Notification No. SEC/CMRRCD/2001-14/24/Admin/03-03 dated November 26, 2001, gazetted on December 10, 2001, issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969), imposed the following further conditions to the consent already accorded by it, or to be accorded by it in future, to the issue of capital in Bangladesh, or to the public offer of securities for sale, namely: -

“1. The board of directors of the issuer company of a listed security, while considering/adopting any audited financial statements, shall, in the same board meeting, also fix the date of relevant annual general meeting and take specific decisions with regard to:

(a) recommending or not recommending dividend for the shareholders on the basis of said financial statements; and

(b) the shareholders who shall be entitled for such dividend, if recommended.

2. The decision about recommending or not recommending dividend and entitlement for such dividend, if recommended, cannot be changed prior to holding of the annual general meeting in terms of condition 1 above.”

Bangladesh Autocars Limited through letter dated 27<sup>th</sup> October, 2004 informed the Commission, among others, that the 25<sup>th</sup> AGM of the issuer would be held on 30.12.2004 and the book-closure would be 01-12-2004 to 30-12-2003 (both days inclusive).

Thereafter, the issuer through letter dated 24<sup>th</sup> November 2004 informed the Commission, among others, that the book closing date has been revised as 4<sup>th</sup> December to 30<sup>th</sup> December 2004.

It revealed from above that the issuer has contravened the Commission's Notification under reference because the issuer cannot re-fix the date of book-closure until holding of concerned AGM.

The issuer's aforesaid activity tantamount to non-compliance of the securities laws which appeared to be deliberate and clear contravention of the provisions of the Notification mentioned above attracting penal provisions of section 22 of the Securities and Exchange Ordinance, 1969.

A show cause notice No.SEC/Enforcement/292/2004/384 dated July 27, 2004 was issued for explaining the contravention of the Commission's Notification No. SEC/CMRRCD/2001-14/24/Admin/03-03 dated November 26, 2001, gazetted on December 10, 2001. In reply, Bangladesh Autocars Limited through letter dated August 3, 2005 submitted " Mercy prayer" stating, among others, that the date of book closure of 25<sup>th</sup> AGM of the company disclosed on 27<sup>th</sup> October 2004 was unwilling printing mistake.

A hearing notice No. SEC/ Enforcement/292/2004/422 dated August 16, 2005 was issued to the issuer. The issuer's officials appeared at the hearing and mentioned that due to printing mistake, book closure date was mentioned as 01-12-2004 to 30-12-2004, instead of 04-12-2004 to 31-12-2004, in its first letter dated October 27, 2004. In support of their statement the issuer submitted relevant documents on August 21, 2005.

The Commission, considering the all above, has decided to dispose of the proceedings against it and others concerned for the stated violation with warning to ensure compliance of securities related laws carefully.

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, including change in its record date concerned.

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