

SEC/Enforcement/347/2005/698
December 19, 2005

By Special Messenger

Western Securities Investment Management Limited
Depository Participant (DP)
Room # 707
Shahnawaz Bhaban (6th Floor),
9C, Motijheel
Dhaka-1000

Attention: Managing Director/Chief Executive Officer

Subject: Non-compliance of securities laws - WARNING

It appeared from the copy of letter dated July 12, 2005 of Central Depository Bangladesh Limited, addressed to the Managing Director of Western Securities Investment Management Limited, that in your House had been balance of 19 shares of Beximco Infusion Limited on July 10, 2005, i.e. on record date, in the Clearing Account which means you did not make timely payout to your clients' account depriving the clients the benefits arising from the corporate action.

The Commission, in exercise of its power conferred by section 14 of the Securities and Exchange Commission Act, 1999, has issued a directive vide No. SEC/CDS/2:22/99/187 dated July 18, 2004, to all concerned to ensure, among others, to the effect “ P) তি KWঞWতU তKvb W/cwRUwi AskMhbKvi x ঞKqwi s ঞmvtে (Clearing Account) D³ তKvঞúvbxি তKvb ঞmKDwi ঞU i vLতZ cvi তেb bvÓ.

It appeared that by doing so, Western Securities Investment Management Limited (DP) has contravened the above directive of the Commission.

The Depository Participant's aforementioned non-compliance/contravention appeared to be deliberate attracting penal provision of section 14(2) of the Securities and Exchange Commission Act, 1999.

A show-cause-cum hearing notice No. SEC/Enforcement/347/2005/478 dated September 13, 2005 was issued to you under said section 14(2) of the Securities and Exchange Commission Act, 1999 to appear for hearing for above said non-compliance/contravention, along with written explanation, on September 25, 2005.

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The DP in a written statement dated September 25, 2005 submitted at the time of hearing held on September 25, 2005 has mentioned that unwillingly those shares had remained in the clearing account on record date. They also apologized for the mistake. The DP has further mentioned that it has already paid out the concerned shares to the client concerned.

The Commission, considering your admission of default, paying out the concerned shares to the client and assurance of future compliance with the securities laws, has decided to dispose of the proceedings against you by placing on record the Commission's dissatisfaction on the defaults/contraventions made by you, 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 your above said defaults.

For the Securities and Exchange Commission

Mansur Alam
Executive Director

Copy for information:

Chief Executive Officer, Chittagong Stock Exchange Ltd.
Chief Executive Officer, Central Depository Bangladesh Limited
Executive Director (R&D), SEC
Executive Director (CDS), SEC
Executive Director (Registration), SEC
Director (MIS), SEC
Chairman's Office, SEC

Mansur Alam
Executive Director