SEC/Enforcement/254/2004/1202
December 17, 2007

1. Oriental Bank Limited, T.K Bhaban (14^{th} 15^{th} and 16^{th} floor), 13, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215.

2. Managing Director, Oriental Bank Limited, T.K Bhaban (14^{th} 15^{th} and 16^{th} floor), 13, Kazi NazrulIslam Avenue, Kawran Bazar, Dhaka-1215.

3. Company Secretary, Oriental Bank Limited, T.K Bhaban (14^{th} 15^{th} and 16^{th} floor), 13, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215.

Sub: Non-compliance of securities law: In connection with the delayed submission of half yearly financial statements for the half year ended on June 30, 2007: Warning

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

As per rule 13 of the Securities and Exchange Rules, 1987, issued under the said Ordinance, as amended through Notification No.SEC/LSD/SER-1987/149 dated 4^{th} January 2000, gazetted on 16th February 2000, every issuer shall, within one month of close of first half year, transmit to the stock exchange in which its securities are listed, to the security holders and to the Commission half yearly financial statements which shall be prepared in the same manner and form as the annual financial statements. The issuer company failed to comply with it by not submitting the half yearly financial statements for the half-year ended on June 30, 2007 within the stipulated time.

Failure to submit the said financial statement is clear violation/contravention of the above mentioned Rules attracting penal provision of section 22 of the Securities and Exchange Ordinance, 1969.

A show-cause cum hearing notice was issued on November 4, 2007 to the issuer and its directors as well as Company Secretary to appear at the hearing on November 29, 2007. In course of hearing the issuer submitted a written explanation vide letter dated November 29, 2007 stating, among others, that the reason for the delayed for submission of above half yearly financial statements are their bank passing a transitional period, Moratorium imposed on January 25, 2007 by Government of Bangladesh, Bangladesh Bank has pronounced the Oriental Bank Limited (Re-construction) Scheme 2007 on August 2007 in order to re-capitalize and bring the bank into new shape. According to this scheme, depositors are entitled to receive profit on their deposits for different period depending on the nature and tenure of their deposits held with the bank considering a cut off date to be January 25, 2007. This required recalculating profit on all deposites accounts and making reversal of profit credited to accounts earlier where applicable. In some cases they had to re-calculate and reverse profit for the period covering 2/3 years back and had to account for the total reversed amount in the financial position as on June 30, 2007 with retrospective effect. They also requested to take the matter with consideration.

The Commission, taking into consideration of submission of the half yearly financial statements on November 28, 2007, has decided to dispose of further proceedings against Oriental Bank Limited and others concerned for the above stated violation, by placing on record the Commission's dissatisfactions on the default, violation/contravention made by the issuer with a strong 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 result of the issuer's above said default.
For Securities and Exchange Commission

Md. Mizanur Rahman
Director (Enforcement)

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