SEC/Enforcement/420/2006/843
July 9, 2007

1. Sonali Aansh Industries Limited, 18, Rajuk Avenue, Lal Bhaban, Dhaka-1000.

2. Directors, Sonali Aansh Industries Limited, 18, Rajuk Avenue, Lal Bhaban, Dhaka-1000.

3. Managing Director, Sonali Aansh Industries Limited, 18, Rajuk Avenue, Lal Bhaban, Dhaka-1000.

4. Company Secretary, Sonali Aansh Industries Limited, 18, Rajuk Avenue, Lal Bhaban, Dhaka-1000.

Sub: Non-compliance with securities related laws in connection with the submission of the half yearly financial statements for the period ended on December 31, 2006: Warning.

As per section 2(g) of the Securities and Exchange Ordinance, 1969 (ORDINANCE No. XVII of 1969) Sonali Aansh Industries 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 4th January 2000, gazzeted 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 December 31, 2006 within the stipulated time.

As per rule 13A of the Securities and Exchange Rules, 1987, the financial statements of an issuer of a listed security shall be prepared in accordance with the forms prescribed for the purpose of preparing the financial statements and the audit report which may be adapted or amended, if deemed necessary, for compliance with the International Accounting Standards (IAS) and International Standards of Auditing (ISA), but the issuer company has failed to comply with it by not preparing the said half yearly financial statements for the half year ended on December 31, 2006.

Failure to submit the said financial statement within the stipulated time is a clear violation/contravention of the abovementioned rules attracting penal provision of section 22 of the Securities and Exchange Ordinance, 1969.

A show-cause cum hearing notice dated April 24, 2007 was issued to the issuer and its directors as well as the company secretary to explain the default and also to appear at the hearing on May 2, 2007 and subsequently rescheduled on June 18, 2007. Mr. Md. Shamsul Haque, adviser (A&F), Mr. Maqsood Ahmad, company secretary appeared at the hearing. In course of hearing, the issuer submitted the said financial statements by complying with the International Accounting Standards (IAS) and International Standards of Auditing (ISA) of BAS-34.

The Commission, considering the subsequent submission of the said half yearly financial statements as per BAS-34 of International Accounting Standards(IAS), has decided to dispose of the proceedings by placing on record the Commission's dissatisfaction on the default, made by the issuer with a 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 a result of the issuer's above stated default.

For Securities and Exchange Commission

Md. Mizanur Rahman
Director (Enforcement)

Copy for information:
Chief Executive Officer, Dhaka Stock Exchange Ltd.
Chief Executive Officer, Chittagong Stock Exchange Ltd.
P.O to Executive Director (R&D), SEC
P.O to Executive Director (CFD), SEC
P.O to Director (LSD), SEC, P.O to Director (MIS), SEC, Chairman's Office, SEC