SEC/Enforcement/732/2008/
October 5, 2008

1. Bangladesh Welding & Electrodes Limited, 87, Motijheel C/A, Dhaka-1000.

2. Directors, Bangladesh Welding & Electrodes Limited, 87, Motijheel C/A, Dhaka-1000.

3. Managing Director, Bangladesh Welding & Electrodes Limited, 87, Motijheel C/A, Dhaka-1000.

4. Company Secretary, Bangladesh Welding & Electrodes Limited, 87, Motijheel C/A, Dhaka-1000.

Sub: Non-compliance of securities laws in connection with non-submission of half yearly financial statements for the half year ended on June 30, 2008: Warning.

As per section 2(g) of the Securities and Exchange Ordinance, 1969 (ORDINANCE No. XVII of 1969) Bangladesh Welding & Electrodes 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, gazetted on 16th February 2000, every issuer shall, within one month of close of first half year, to transmit 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 which the issuer company has failed to comply with it by not submitting the half yearly financial statements for the half year ended on June 30, 2008 within July 31, 2008.

Failure to submit the said financial statement is 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 August 14, 2008 was issued to the issuer and its directors as well as to the company secretary to explain the default and to appear at the hearing on August 31, 2008. In course of hearing the issuer submitted a letter dated August 30, 2008 stating, among others, that for better control of accounts, they tried to enter in to a computerized system, but due to virus attack they failed to recover the accounts, some documents were destroyed. They tried to re-write the entire books of accounts manually after scrutinizing all bills, vouchers, invoices, and money receipts, import documents that took abnormal time to complete the accounts. They also mentioned in the letter that they would submit the said financial statements by September 15, 2008 and accordingly submitted.

The Commission, taking into consideration of delayed submission of the said half yearly financial statements on September 15, 2008, has decided to dispose of proceedings against Bangladesh Welding & Electrodes Limited and others concerned for the stated violation, by placing on record the Commission's dissatisfaction on the default, violation/contravention made by the issuer with a warning to ensure compliance of the securities related laws in future.

Please note that their 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 stated default.

For Securities and Exchange Commission

Md. Mizanur Rahman
Executive Director