

**SEC/Enforcement/483/2006/1040**  
**September 24, 2006**

Popular Pharmaceuticals Limited (Issuer)  
House No. 11/A, Road No. 2, Dhanmondi R/A, Dhaka-1205

Managing Director  
Popular Pharmaceuticals Limited  
House No. 11/A, Road No. 2, Dhanmondi R/A, Dhaka-1205

Directors  
Popular Pharmaceuticals Limited  
House No. 11/A, Road No. 2, Dhanmondi R/A, Dhaka-1205

Company Secretary  
Popular Pharmaceuticals Limited  
House No. 11/A, Road No. 2, Dhanmondi R/A, Dhaka-1205

**Sub: Non-compliance with securities related laws in connection with raising of capital without prior consent of the Commission: Warning.**

As per section 2 (g) of the Securities and Exchange Ordinance, 1969 (ORDINANCE No. XVII OF 1969) Popular Pharmaceuticals Limited is an issuer (herein after referred to as “issuer”).

As per section 2A (2)(a) of the said Ordinance, no company shall make an issue of capital in Bangladesh without prior consent of the Commission.

Rule 3 (1) of the Securities and Exchange Commission (Issue of Capital) Rules, 2001, as amended, reads as under:

“A company (thereinafter referred to as the applicant) intending to issue capital in Bangladesh shall make an application to the Securities and Exchange Commission for consent.”.

It appeared from the issuer’s letter dated nil (received on April 4, 2006) that the issuer applied for Commission’s post-facto consent in respect of further capital amounting to Tk.55.00 crores, already raised by it without obtaining prior consent from the Commission.

The issuer’s aforesaid activities tantamount to non-compliance of the securities laws.

A show cause cum hearing notice No.SEC/Enforcement/483/2006/827 dated July 24, 2006 was issued to you to explain the above said non-compliance and also to provide an opportunity of being heard to the issuer and others concerned. The hearing was conducted on August 15, 2006.

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The persons appeared at hearing submitted a letter dated August 15, 2006 mentioning, among others, that due to oversight and inadvertence it failed to obtain prior consent from the Commission for which it expressed deepest and sincerest regret for the contravention and apologized for the same.

The Commission, after considering the submissions made by the issuer through its above said letter, and also at the time of hearing, has decided to dispose off the proceedings against it and others concerned for the stated violation, by placing on record the Commission's dissatisfaction on the default made by the issuer company and its officials concerned, with a warning to ensure compliance of all 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, if any, to the person(s) affected as a result of the issuer's above said default.

For Securities and Exchange Commission

**Mansur Alam**  
**Executive Director**

**Copy for information:**

Registrar of Joint Stock Companies and Firms, 24-25, Dilkusha C/A, Dhaka-1000  
Executive Director, (R & D), SEC  
Director (CID), SEC  
Director, (MIS), SEC  
Chairman's Office, SEC