

SEC/Enforcement/182/2003/259
June 01, , 2005

By Special Messenger
By Courier Service

1. Bangladesh Luggage Industries Limited, Doel Complex, Karnapara, Savar.
2. Directors, Bangladesh Luggage Industries Limited, Doel Complex, Karnapara, Savar.
3. The Managing Director, Bangladesh Luggage Industries Limited
Doel Complex, Karnapara, Savar.

Subject: Non-compliance of securities laws in connection with holding of annual general meeting in the year 2003- WARNING.

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

As per condition (a) of the Notification No. SEC/SRMI/2000-953/1950 dated 24th October 2000, gazetted on 7 November 2000, 'The issuer companies shall hold their annual general meetings in each year of the Gregorian calendar' (imposed under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969) by the Securities and Exchange Commission) but the issuer company has failed to comply with by not holding AGM in the year 2003 within the stipulated period.

Failure to hold the AGM for the year 2003 within the stipulated time is a clear violation/contravention of the abovementioned rules which attract penal provision section 22 of the Securities and Exchange Ordinance, 1969.

A show-cause notice was issued on 17/02/04 for the said failure. In reply through letter dated 28/2/04 the issuer stated that it could not be possible to hold AGM due to non-finalization of accounts for the year 2002-2003 still pending, condonation filed etc. which were not considered acceptable. As such, the individual directors, including the Managing Director, were called for hearing on 24/02/2005. Mr. Deokanadan Kejriwal, Managing Director and Mr. Safiruddin, Company Secretary appeared at the said hearing and given undertaking to the effect that they would submit all accounts by March 2005 and hold the AGM after completion of accounts.

However, the Commission, after considering the holding of the pending AGM by the issuer on 14/05/2005, has decided to dispose of the proceedings against Bangladesh Luggage Industries Limited and others concerned for the stated violation, by placing on record the Commission's dissatisfaction on the defaults made by the company, its directors 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 to the persons, if any, affected as a result of the issuer's above said defaults.

For Securities and Exchange Commission

Mansur Alam
Executive Director

Copy for information:

- CEO, Dhaka Stock Exchange Limited
- Registrar, Registrar of Joint Stock Companies

Copy for information:

- Executive Director(R & D), SEC
- Executive Director (CFD), SEC
- Director(MIS), SEC

