

April 9, 2006

1. Sreepur Textile Mills Limited, 71/1, Purana palton Line, Scout Bhaban (9-12 fl). Dhaka-1000.
2. Directors, Sreepur Textile Mills Limited, 71/1, Purana palton Line, Scout Bhaban (9-12 fl). Dhaka-1000.
3. Managing Director, Sreepur Textile Mills Limited, 71/1, Purana palton Line, Scout Bhaban (9-12 floor). Dhaka-1000.
4. Company Secretary, Sreepur Textile Mills Limited, 71/1, Purana palton Line, Scout Bhaban (9-12 floor). Dhaka-1000.

Sub: **Non-compliance of securities laws in connection with non-holding of AGM in the year 2003 within time-Disposal of alleged matter.**

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

As per condition (a) of the Notification, issued under the said Ordinance, bearing 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 (ORDINANCE No. XVII of 1969) by the Securities and Exchange Commission, but the issuer has failed to comply with it by not holding AGM in the year 2003.

Failure to hold the AGM in the said year is clear violation/contravention of the above mentioned Notification attracting penal provision of section 22 of the Securities and Exchange Ordinance, 1969.

A show-cause notice was issued on March 4, 2004. In reply to the said notice, the issuer stated through letter dated March 16, 2004, among others, that due to sudden demise of Chairman and Managing Director Mr. A.M Aga Yusuf on April 30, 2003, AGM has been postponed for 3(three) months upon permission of the RJSC and RJSC allowed time up to December 31, 2003. The election of Chairman and Managing Director had done on August 30, 2003, as a result, they could not hold AGM within the extended time. Subsequently, they filed a condonation petition to the Hon'ble High Court for the delay. The issuer's directors were called for hearing at SEC on October 9, 2004 for the stated default. Mr. M. Kamaluddin, Deputy General Manager and Mr. Yusuf Ali Khan, Company Secretary appeared at the hearing. At the time of hearing they stated, among others, that they would hold the pending AGM by September 2004 upon receipt of permission from the Hon'ble High Court.

The Commission, taking into consideration holding of the pending AGMs on November 27, 2005 by the issuer, has decided to dispose of the proceedings against Sreepur Textile Mills Limited and others concerned for stated violation, by placing on record the Commission's dissatisfaction on the defaults, violation/contravention made by the issuer company and its director.

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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:

Chief Executive Officer, Dhaka Stock Exchange Limited

Chief Executive Officer, Chittagong Stock Exchange Limited

Distributions:

Executive Director (R&D), SEC

Executive Director (CFD), SEC

Director (MIS), SEC

Chairman's Office