

SEC/Enforcement/342/2005/170
February 22, 2006

1. Dynamic Textile Industries Limited
House No. 40/1, Road No. 91, Gulshan North Avenue, Dhaka-1212
2. Directors
Dynamic Textile Industries Limited, House No. 40/1, Road No. 91, Gulshan North Avenue, Dhaka-1212
3. The Managing Director
Dynamic Textile Industries Limited, House No. 40/1, Road No. 91, Gulshan North Avenue, Dhaka-1212
4. The Company Secretary
Dynamic Textile Industries Limited, House No. 40/1, Road No. 91, Gulshan North Avenue, Dhaka-1212

Subject: Non-compliance of securities laws – WARNING

CCI's Notification No. SRO 385-Law/91 dated 15.12.1991 requires that dividend shall be payable within 60 (sixty) days of its declaration. It appeared from the issuer's letter dated June 23, 2005 that dividend had not been paid within the stipulated time to Mr. M. K. I. Chowdhury (Folio No. 14128), a shareholder of Dynamic Textile Industries Limited. It also appeared that the issuer earlier submitted compliance report to SEC in respect of the above matter which appeared incorrect/false.

The issuer's aforesaid activities tantamount to non-compliance of the securities laws which appeared to be deliberate and clear contravention of the provisions of the notification mentioned above attracting penal provisions of the Securities and Exchange Ordinance, 1969.

A show cause-cum-hearing notice No.SEC/Enforcement/342/2005/662 dated December 13, 2005 was issued to the above persons to appear for explanation and hearing for above said non-compliance/contravention, along with the written explanation, if any, on December 28, 2005.

The person appeared at the hearing and submitted letter dated December 28, 2005 mentioning that the complain lodged by the aforesaid Mr. Chowdhury against the company was completely wrong because in the context to his complain, they received a letter from SEC vide office memo No.SEC/SRMID/94-186/768 dated 13.06.2005. Whereas as per the company's relevant documents, it shows that Mr. M.K.I. Chowdhury has already en-cashed his dividend warrant on 12.05.2005.

From the above, it appeared that the issuer has delayed in paying of the declared dividend to Mr. Chowdhury.

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The Commission, considering the all above, as well as assurance given in course of hearing for future compliance with the securities laws, has decided to dispose of the proceedings against yourselves by placing on record the Commission's dissatisfaction on the defaults/contraventions made, with a warning to ensure compliance of all securities related laws in future.

Please note that this disposal does not absolve you from your lawful responsibilities/obligations to any person, if affected as a result of your above said defaults.

For the Securities and Exchange Commission

Mansur Alam
Executive Director