

SEC/Enforcement/182/2003/349

April 4, 2007

1. Bangladesh Luggage Industries Limited, Doel Complex, Kornapara, Savar, Dhaka-1340.
2. Directors, Bangladesh Luggage Industries Limited, Doel Complex, Kornapara, Savar, Dhaka-1340.
3. Managing Director, Bangladesh Luggage Industries Limited, Doel Complex, Kornapara, Savar, Dhaka-1340.
4. Company Secretary, Bangladesh Luggage Industries Limited, Doel Complex, Kornapara, Savar, Dhaka-1340.

Subject: Non-compliance of securities laws: In connection with the delayed payment of declared dividend to Delta Life Insurance Company Limited–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 an "issuer");

From a complaint received from Delta Life Insurance Co. Limited vide letter dated November 9, 2006, it appeared that the issuer failed to pay the dividends against Folio No.4616 amounting to Tk.14,304/- despite several communication with the issuer through letter and over phone.

The issuer is required to be paid off within 60 days of declaration in terms of the erstwhile CCI's Notification No.SRO 385-Law/91, dated December 15, 1991, being the order made under section 2G of the Securities and Exchange Ordinance, 1969, but the issuer failed to comply with it by not paying the declared dividend to Delta Life Insurance Co. Limited within the stipulated time.

A reminder letter No.SEC/SRMID/96-367/919 dated December 28, 2006 was issued by SEC to the issuer company to furnish their comments on the alleged matter within 3(three) days, but the issuer did not give any reply.

Subsequently, Delta Life Insurance Co. Limited informed the Commission vide letter dated February 25, 2007 that they have received the said dividend.

The aforesaid non-compliance of the Notification is a contravention of the provision of section 2G of the Securities and Exchange Ordinance, 1969.

However, the Commission, considering the subsequent payment of dividend, has decided to dispose of the proceedings against yourselves by placing on record the Commission's dissatisfaction on the default/contravention made by yourselves, 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 default.

For the Securities and Exchange Commission

Mansur Alam
Executive Director

Copy for information:

Chief Executive Officer, Dhaka Stock Exchange Ltd.
Chief Executive Officer, Chittagong Stock Exchange Ltd.
Executive Director (R&D), SEC
Executive Director (SRMID), SEC, Director (MIS), SEC
Chairman's Office, SEC

