

SEC/Enforcement/210/2004/315

June 30, 2005

By Special Messenger

By Courier Service

1. Bangladesh Dyeing & Finishing Industries Limited
Doel Complex, Karnapara, Savar.
2. Directors, Bangladesh Dyeing & Finishing Industries Limited
Doel Complex, Karnapara, Savar.
3. The Managing Director, Bangladesh Dyeing & Finishing Industries Limited
Doel Complex, Karnapara, Savar.
4. The Company Secretary
Bangladesh Dyeing & Finishing Industries Limited
Doel Complex, Karnapara, Savar.

Subject: Non-compliance of securities laws in connection with non-submission of audited financial statements for the year ended on December 31, 2003-WARNING.

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

As per rule 12, sub-rule (3A) of the Securities and Exchange Rules, 1987, as amended through the Notification No. SEC/LSD/SER-1987/149 dated 4th January 2000, gazetted on 16 February 2000, the issuer company's financial statements is required to be audited within one hundred and twenty days from the date on which the issuer's financial year ends and a copy of such audited financial statements should be submitted to the Commission and the Stock Exchanges within fourteen days thereof, which the issuer failed to comply it by not submitting the audited financial statements for the year ended on December 31, 2003.

Failure to furnish the said financial statements within the stipulated period is a clear violation/contravention of the above mentioned rules.

A show-cause notice was issued on 10/08/2004 for the said failure. The issuer did not make any response to the show-cause notice. As such, the individual Directors, including the Managing Director were called for hearing on 09/10/2004. None appeared at the said hearing. The Commission then decided to penalize the individual directors of the issuer under section 22 of the Securities and Exchange Ordinance, 1969. Accordingly, penalty order No.SEC/Enforcement/210/2004/133 dated 22/31 March, 2005 was issued.

The issuer through subsequent letter dated 11/04/2005 requested for waiver of the penalty and informed about holding the AGM based on the relevant accounts furnished accordingly.

The Commission, after considering furnishing of the said petition has decided to waive the penalty imposed upon the individual directors vide Order No.SEC/Enforcement/210/2004/133 dated 22/31 March, 2005 and also to dispose of the proceedings against Bangladesh Dyeing 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 strong 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:

Chief Executive Officer, Dhaka Stock Exchange Ltd.
Chief Executive Officer, Chittagong Stock Exchange Ltd.

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