SEC/Enforcement/160/2003/886 **By special messenger**
August 3, 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 the furnishing of the audited financial statements for the year ended on December 31, 2005 within time: Warning.

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 rule 12 sub-rule (3A) of the Securities and Exchange Rules, 1987, issued under the said Ordinance, as amended through Notification No.SEC/LSD/SER-1987/149 dated 4th January 2000, gazzeted on 16th February 2000, the issuer company's financial statements shall 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. But the issuer has failed to comply with it by not submitting the audited financial statements for the year ended on December 31, 2005, by May 13, 2006.

Failure to furnish the said financial statements within the stipulated time is a clear violation/contravention of the abovementioned rules attracting penal provision of Securities and Exchange Ordinance, 1969.

A show-cause cum hearing notice dated July 3, 2006 was issued to the issuer and its directors to explain the said default and also to appear at the hearing on July 13, 2006. Mr. Mahboob Hossain, Deputy Managing Director appeared at the hearing and submitted a letter dated July 12, 2006 stating that they were not able to submit the said financial statements due factory layout, absence of factory accounts employees etc. and the auditor would hand over the account by next week . The issuer committed to submit the said financial statements by July 20, 2006 and accordingly, submitted the same on July 19, 2006 vide letter dated July 19, 2006.
The Commission, taking into consideration furnishing of the said financial statements on June 20, 2006, has decided to dispose of the delayed submission by placing on record the Commission's dissatisfaction on the default, violation/contravention made by the issuer with a warning to ensure compliance of the 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 default.

For Securities and Exchange Commission

(A.K.M Ziaul Hasan Khan)
Director

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

Copy for information:
Executive Director (R& D), SEC
Executive Director (CFD), SEC
Director (MIS), SEC, Chairman's Office