

**SEC/Enforcement/570/2007/669**

**June 11, 2007**

Anlima Yarn Dyeing Limited (Issuer)  
Suite # 4/3, City Heart, 67 Naya Paltan, Dhaka-1000

Directors

Anlima Yarn Dyeing Limited, Suite # 4/3, City Heart, 67 Naya Paltan, Dhaka-1000

The Managing Director

Anlima Yarn Dyeing Limited, Suite # 4/3, City Heart, 67 Naya Paltan, Dhaka-1000

Company Secretary

Anlima Yarn Dyeing Limited, Suite # 4/3, City Heart, 67 Naya Paltan, Dhaka-1000

**Sub: Non compliance of securities law concerning payment of declared dividend: Warning**

As per section 2(g) of the Securities and Exchange Ordinance, 1969 (ORDINANCE No. XVII Of 1969) Anlima Yarn Dyeing Limited is an issuer (herein after referred to as “issuer”).

Anlima Yarn Dyeing Limited on December 20, 2000, December 12, 2001, December 22, 2002, December 24, 2003 and December 23, 2004 declared dividend @ 12%, 12%, 10%, 5% and 5% for the shareholders for the years ended on 2000, 2001, 2002, 2003 and 2004 respectively which were to be paid off within 60 days of declaration in terms of the erstwhile CCI’s Notification No. Gm, Avi, I bs-385-AvBb---/91 Zwi L: W/tm† 15, 1991; being the order made under section 2G of the Securities and Exchange Ordinance, 1969.

It appeared from the complaint letter dated March 30, 2007 received from Professor Md. Alee Murtuza, Ex. Vice-Chancellor, Bangladesh University of Engineering & Technology (BUET), Dhaka, a shareholder of Anlima Yarn Dyeing Limited, that the issuer made late payment of the declared dividend to the complainant by revalidating the concerned warrants on March 1, 2007, which were issued on February 15, 2001, February 2, 2002, February 10, 2003, February 10, 2004 and February 15, 2005 respectively, but allegedly not delivered/despached; though the dividend warrant for the year 2005 issued to the same address of the complainant and received by him timely.

It also appeared that the Commission, previously vide its letter No.SEC/Enforcement/231/2004/246 dated July 14, 2004 warned the issuer for failure to pay off the dividend, declared on December 24, 2003, to the shareholders within 60 days of declaration, as required by above mentioned notification.

The aforesaid non-compliance is a clear and deliberate contravention of the provisions of section 2G of the Securities and Exchange Ordinance, 1969, attracting section 22 of the said Ordinance, 1969.

A show cause cum hearing notice No.SEC/Enforcement/570/2007/380 dated April 12, 2007 was issued to the issuer for explaining the said non-compliance. The hearing was conducted on April 18, 2007.

Mr. Mahmudul Haque, Managing Director and Mr. Abul Kalam Mazumder, Executive Vice President of Anlima Yarn Dyeing Limited appeared at hearing and submitted a letter dated April 18, 2007 mentioning, among others, that they dispatched the dividend warrants for the years 2000, 2001, 2002, 2003 and 2004 through courier service within due time, but those returned undelivered with remarks like, “c0cK † †k bvB, gwj K Awcl†m bvB, c0cK†K cvl qv hvq bvB, W/Kvbn mmWK bq0, which were not informed to SEC. They also mentioned that they published a notification in the Daily Financial Express and the Daily Jugantor on March 29, 2005 in respect of distribution of unclaimed dividend.

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The Commission, considering the all above, has decided to dispose of the proceedings against the issuer and its officials concerned by placing on record the Commission's dissatisfaction on the default/contravention made by them, with a 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 officials 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:**

Professor Md. Alee Murtuza, Ex. Vice-Chancellor, Professor of Civil Engineering, Bangladesh University of Engineering & Technology (BUET), Dhaka.

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

**Re: Anlima Yarn Dyeing Limited**

22. Para 1-5 are relevant. Anlima Yarn Dyeing Limited (issuer) on December 20, 2000, December 12, 2001, December 22, 2002, December 24, 2003 and December 23, 2004 declared dividend @ 12%, 12%, 10%, 5% and 5% for the shareholders for the years ended on 2000, 2001, 2002, 2003 and 2004 respectively which were to be paid off within 60 days of declaration in terms of the erstwhile CCI's Notification No. Gm, Avi, I bs-385-AvBb---/91 Zwi L: Wtmt 15, 1991; being the order made under section 2G of the Securities and Exchange Ordinance, 1969.
23. It appeared from the complaint letter dated March 30, 2007 (page 5) received from Professor Md. Alee Murtuza, Ex. Vice-Chancellor, Bangladesh University of Engineering & Technology (BUET), Dhaka, a shareholder of Anlima Yarn Dyeing Limited, that the issuer made late payment of the declared dividend to the complainant by revalidating the concerned warrants on March 1, 2007 (page 3-4), which primarily prepared on February 15, 2001, February 2, 2002, February 10, 2003, February 10, 2004 and February 15, 2005 respectively, but not issued/despached; though the dividend warrant for the year 2005 issued to the same address of the complainant and received by him timely.
24. It also appeared that the Commission, vide its earlier letter No.SEC/Enforcement/231/2004/246 dated July 14, 2004 (page 2) warned the issuer for failure to pay off the declared dividend to the shareholders within 60 days of declaration as required by above mentioned notification. Despite the said warning, the issuer repeated the same offence in respect of the above allegation.
25. The aforesaid non-compliance with the terms of the aforementioned Notification is a clear and deliberate contravention of the provisions of section 2G of the Securities and Exchange Ordinance, 1969, attracting section 22 of the said Ordinance, 1969.
26. A show cause cum hearing notice No.SEC/Enforcement/570/2007/380 dated April 12, 2007 (page 11) was issued to the issuer for explaining the said non-compliance. The hearing was conducted on April 18, 2007. Mr. Mahmudul Haque, managing director and Mr. Abul Kalam Mazumder, Executive Vice President of Anlima Yarn Dyeing Limited appeared at hearing. On behalf of the Commission, Mr. Mohammad Ali Khan, Member (Law & Enforcement) conducted the hearing. The other officer present in the hearing was Mr. Prodip Kumar Basak, Deputy Director (Enforcement), SEC.
27. The persons appeared at hearing submitted a letter dated April 18, 2007 (page 82) mentioning, among others, that they dispatched the dividend warrants for the years 2000, 2001, 2002, 2003 and 2004 through

courier service within due time but those returned undelivered. They also mentioned that they published a notification in the Daily Financial Express and the Daily Jugantor on March 29, 2005 (pages 51-52).

28. Subsequently, the issuer was called by the Commission through letter No.SEC/Enforcement/570/2007/407 dated April 23, 2007 (page 86) for further discussion, which was held on May 3, 2007. At the time of discussion they submitted the copies of courier service delivery reports (pages 91-92).
29. As per instruction of the Member (Law & Enforcement) at page 82, a warning letter may be issued to the company. So, a draft letter has been prepared and placed at pages 93-94.
30. Submitted please for kind approval of para 29.

**SEC/Enforcement/570/2007/380**  
**April 12, 2007**

**By Special Messenger**  
**By Fax No. 02-8317184**

Anlima Yarn Dyeing Limited (Issuer)  
Suite # 4/3, City Heart, 67 Naya Paltan, Dhaka-1000

Directors

Anlima Yarn Dyeing Limited, Suite # 4/3, City Heart, 67 Naya Paltan, Dhaka-1000

The Managing Director

Anlima Yarn Dyeing Limited, Suite # 4/3, City Heart, 67 Naya Paltan, Dhaka-1000

Company Secretary

Anlima Yarn Dyeing Limited, Suite # 4/3, City Heart, 67 Naya Paltan, Dhaka-1000

Subject: **Show-cause-cum hearing notice: Non-compliance of securities laws in connection with payment of declared dividend**

Whereas, as per section 2 (g) of the Securities and Exchange Ordinance, 1969 (ORDINANCE No. XVII OF 1969) Anlima Yarn Dyeing Limited is an issuer (herein after referred to as issuer);

Whereas, Anlima Yarn Dyeing Limited on December 20, 2000, December 12, 2001, December 22, 2002, December 24, 2003 and December 23, 2004 declared dividend @ 12%, 12%, 10%, 5% and 5% for the shareholders for the years ended on 2000, 2001, 2002, 2003 and 2004 respectively which were to be paid off within 60 days of declaration in terms of the erstwhile CCI's Notification No. Gm, Avi, I bs-385-AvBb---/91 Zwi L: Wtmt 15, 1991; being the order made under section 2G of the Securities and Exchange Ordinance, 1969;

Whereas, it appeared from the complaint letter dated March 30, 2007 received from Professor Md. Alee Murtuza, Ex. Vice-Chancellor, Bangladesh University of Engineering & Technology (BUET), Dhaka, a shareholder of Anlima Yarn Dyeing Limited, that the issuer made late payment of the declared dividend to the complainant by revalidating the concerned warrants on March 1, 2007, which

primarily prepared on February 15, 2001, February 2, 2002, February 10, 2003, February 10, 2004 and February 15, 2005 respectively, but not issued/despached; though the dividend warrant for the year 2005 issued to the same address of the complainant and received by him timely;

Whereas, it also appeared that the Commission, vide its earlier letter No.SEC/Enforcement/231/2004/246 dated July 14, 2004 warned the issuer for failure to pay off the declared dividend to the shareholders within 60 days of declaration as required by above mentioned notification;

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Whereas, despite the said warning, the issuer repeated the same offence in respect of the above allegation;

Whereas, the aforesaid non-compliance with the terms of the aforementioned Notification is a clear and deliberate contravention of the provisions of section 2G of the Securities and Exchange Ordinance, 1969, attracting section 22 of the said Ordinance, 1969

Now, therefore, you are hereby given an opportunity of being heard by the Commission and, accordingly, requested to appear for hearing on **April 18, 2007 at 11 A.M.** at the Commission's Board Room, as provided under section 22 of the Securities and Exchange Ordinance, 1969, along with a directors' list and your written explanation, if any, showing cause as to why appropriate action should not be taken by the Commission against the issuer, its directors, the managing director and the company secretary as well, for the above stated contravention/non-compliance, failing which the Commission will be constrained to take appropriate measure exparte in this respect.

For the Securities and Exchange Commission

(Prodip Kumar Basak)  
Deputy Director

**Copy for information:**

Professor Md. Alee Murtuza, Ex. Vice-Chancellor, Professor of Civil Engineering, Bangladesh University of Engineering & Technology (BUET), Dhaka  
Chief Executive Officer, Dhaka Stock Exchange Ltd.  
Chief Executive Officer, Chittagong Stock Exchange Ltd.  
P.O to Member (Enforcement), SEC  
P.O to Executive Director (Enforcement), SEC  
P.O to Executive Director (SRMID), SEC

Chairman's Office, SEC