Bangladesh Securities and Exchange Commission

NOTIFICATION

Dated : 20 June 2019

No.BSEC/CMRRCD/2009-193/226/Admin/97—Whereas, the Bangladesh Securities and Exchange Commission deems it fit that the consent already accorded by the Commission, or to be accorded by it in future, to the issue of capital in Bangladesh, or public offer of securities for sale shall be subject to certain further conditions in the interest of investors and the capital market;

Now, therefore, in exercise of the power conferred by section 2CC of the Securities and Exchange Ordinance, 1969, (Ordinance No. XVII of 1969), the Commission hereby imposes the following further conditions to the consent already accorded by it, or to be accorded by it in future, to the issue of capital in Bangladesh, or public offer of securities for sale, namely :

1. Condition for Initial Public Offer (IPO).—

No issuer of a listed security shall utilize more than 1/3 (one-third) of the fund raised through IPO for the purpose of loan repayment.

2. Conditions for Rights Issue.—

   (1) No issuer of a listed security shall take decision to issue rights shares within 2 (two) years from the date of publication of prospectus for IPO and before full utilization of fund raised through IPO or previous rights issue or repeat public offer (RPO), as the case may be.
(2) No issuer of a security de-listed from any stock exchange and/or traded through the over-the-counter (OTC), shall take decision to issue rights shares before completion of 03 (three) financial years after the re-listing of its security with any stock exchange.

The Notification No. SEC/CMRRCD/2009-193/164/Admin/58 dated 18 December 2014 is hereby repealed.

This Notification shall have immediate effect.

By order of the Bangladesh Securities and Exchange Commission

Dr. M. KHARUL HOSSAIN

Chairman.