As per Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021:

Requirements to be fulfilled prior to filing application for issuance of debt securities, asset backed securities (ABS) or islamic shari'ah based securities including Sukuk (ISBS)	
SL	**General conditions to be fulfilled prior to making an application**
(a)	it has a good track record of profitability and liquidity generating from net operating cash flows: Provided that if the issue is to support any new project or green field project, its forecasted financial position shall indicate a significant profitability, liquidity and ability to pay-back the obligations by generating sufficient net operating cash flows: Provided further that such forecast shall have reasonable basis.
(b)	the issue is rated by a credit rating company and its periodical surveillance rating shall be done by the said rating company in line with the provisions of the Credit Rating Companies Rules, 1996 up to the full and final redemption or conversion of the issued securities: Provided that if any issue of debt securities or ISBS or ABS is offered in foreign currency or outside the country, the issue may also be rated by any global credit rating agency.
(c)	it has a valid enforceable interest over its assets and the right to create charges thereon in course of issuance of the debt securities or debt instruments, or ABS or ISBS
(d)	it has appointed a trustee registered with the Commission for the issue
(e)	the issue shall not be rated below the minimum investment grade of triple 'BBB' or equivalent rating in the long term and "ST-3" or equivalent rating in the short term: Provided that the Commission may relax the above rating requirement for any issue if it is offered outside the country
(f)	its financial statements are prepared and presented as per International Financial Reporting Standards (IFRS), and duly audited as per International Standards on Auditing (ISA) and other applicable legal requirements: Provided that in case of issuance of ISBS, the issuer or originator shall prepare and present its financial statements following the relevant shari'ah standards and accounting standards issued by Auditing and Accounting Organization of Islamic Financial Institution (AAOIFI)
(g)	the issue has been approved by the board of directors or governing body of the issuer or originator
(h)	in case it is a listed company, the information concerning the issue is disseminated as price sensitive information immediately upon the decision of its board of directors or governing body in accordance with the provisions of relevant rules or regulations or order or directive of the Commission, with an explicit announcement while disseminating the information that the issue shall be subject to approval of the Commission
(i)	it shall not apply for issuance of any debt securities or ISBS for providing loan to or acquisition of shares of any person or entity, whose function is closely related with it through a common source of control having mostly common ownership and management including parent, subsidiaries, associates and sisters concerns
(j)	the issuer or originator itself or any of its director, sponsor and the Chief Executive Officer is not bank defaulter as per latest CIB report
(k)	it shall submit a copy of resolution of the board of directors or the governing body as the case may be, in case of submission of guarantee
(l)	for issuance of ISBS, it shall submit a copy of detailed shari'ah pronouncement from the respective shari'ah supervisory board (SSB) preferably in Bengali version duly signed by each shari'ah scholar of the SSB: Provided that the Commission may take opinion on the shari'ah pronouncement from the shari'ah supervisory board (SSB) formed by the Commission or from any other established Shari'ah Board or Darul Ifta
(m)	it shall submit a due diligence certificate as per Annexure-II by the trustee to the issue, if applicable, after examining all the documents including the legal and title documents of the issue
SL	**Additional conditions to be fulfilled before filing an application under public issue or offer**
(a)	if it is a public limited company and it has minimum existing shareholders` equity (excluding revaluation reserve) of Tk. 30 (thirty) crore: Provided that a trust or statutory body including local government authority, city corporation, government infrastructure development project or public private partnership (PPP) project as an applicant, it is neither be a public limited company nor does it need to have minimum capital requirement under these rules
(b)	its total debt including the proposed issue along with redeemable preference share, if any, does not exceed 70% (seventy percent) of its total tangible assets: Provided that aforementioned total debt to total tangible assets ratio shall not be applicable for a bank, financial institution, insurance company or trust as an applicant: Provided further that the Commission may consider variation of aforementioned total debt to total tangible assets ratio, if it thinks appropriate taking into account the industry scenario of the issuer or originator
(c)	it has utilized at least 90% of the fund raised through issuance of capital previously
(d)	if it is a subsidiary, its parent entity shall make guarantee for the debt securities issued or to be issued: Provided that in case of issuance of ISBS, the originator or issuer, as applicable, shall state the obligation in the IM
(e)	it has got its latest financial statements audited by the panel of auditors as declared by the Commission from time to time

(f)	the issue shall not be rated below the single "A" or equivalent rating in the long term and "ST-2" or equivalent rating in the short term
Requirements for filing application for issuance of debt securities, ABS or ISBS	
SL	**General requirements**
(a)	An issuer or originator, as applicable, (hereinafter referred to as applicant) shall submit the application, to the Commission for consent of issuance of debt securities, ABS or ISBS as per Part-I of Schedule 'A' and simultaneously to the exchange(s), if it intends to make listing of its securities as per requirements of these rules and relevant listing regulations of the exchange(s): Provided that in case of filing application under these rules for issuance of asset backed securities (ABS), the issuer or originator shall also ensure the compliance of requirements of the সিকিউরিটিজ ও একচেঞ্জ কমিশন (সম্পদ ভিত্তিক সিকিউরিটি ইস্যু) বিধিমালা, ২০০৪. Provided further that in case of filing of application under these rules for issuance of Sukuk, the issuer or originator shall also ensure the compliance of requirements of the Bangladesh Securities and Exchange Commission (Investment Sukuk) Rules, 2019 and relevant islamic shari'ah principles
(b)	The applicant shall pay an amount of Tk. 10,000 (Taka ten thousand) (non-refundable) for private offer or public issue or offer as application fee, along with the application, by way of payment order or demand draft issued in favor of the Bangladesh Securities and Exchange Commission
(c)	Along with the application, the applicant shall submit the information memorandum (IM) as per Schedule – B, the documents as specified in Part-II of Schedule – 'A' and the due diligence certificate by the trustee as per Annexure-II: Provided that the Commission may require the issuer or originator to submit or disclose any additional documents or information as it deems necessary: Provided further that if any securities is offered in foreign currency or outside the country, the issuer or originator shall disclose, among others, foreign exchange risk and risk management and mitigation policy in the IM
(d)	All debt securities, ABS or ISBS issued or to be issued under public issue or offer or private offer shall be in dematerialized form
SL	**Additional requirements for public issue of debt securities, ABS or ISBS**
(a)	all the required documents as per Annexure - I,II, III and IV shall be submitted with the application
(b)	resolution taken in the board of directors meeting or in the general meeting of the shareholders shall be submitted for issuance of any debt securities or ABS or ISBS: Provided that if any debt securities or ISBS is offered with conversion option or exchange option to any equity securities (i.e., ordinary shares), the special resolution shall be taken by the shareholders in the general meeting for such conversion or exchange option with three fourth majority of shareholders by value present in the meeting
(c)	any amendment to the IM, signed by the said persons, shall also have to be filed with the Commission and the exchange(s), in accordance with sub-rule (1)
(d)	the Commission may require the issuer or originator, or its directors, officers, issue manager(s), auditors, valuer(s), to submit additional disclosure, information, documents, certification and clarification, as the case may be, to produce or to disclose, in the information memorandum for sale of securities, within such time as may be stipulated
(e)	the issuer or originator, or its directors, officers, issue manager(s), auditor(s), valuer(s) shall fulfill such requirements within such time
(f)	the exchange(s) shall submit its observation, if any, on the proposed public issue or offer to the Commission mentioning specific non conformity of these rules or any other securities law, as applicable, and applicable financial reporting standards, within 10 (ten) days of receiving the application: Provided that if any exchange fails to submit its observation within the stipulated time, the Commission shall assume that the respective exchange has no observation on the submitted documents of the applicant
SL	**Conditions and distribution of securities having conversion or exchange option features**
(a)	the issuer or originator shall disclose the detailed criteria and procedures for exercising of conversion or exchange option in the IM
(b)	conversion or exchange option shall not be exercised within 02 (two) years of issuance of such securities
(c)	such exchange or converted equity securities shall not be issued exceeding 30% (thirty percent) of the issue size in a single financial year: Provided that such exchange or converted equity securities in total shall not be issued exceeding 60% (sixty percent) of the pre- issue or existing paid up capital of the issuer or originator: Provided further that on application of the issuer or originator, the Commission may relax the above requirement on merit basis: Provided further that if the issuer or originator is a listed company, sponsors or promoters and directors shall jointly hold at least 30 (thirty) percent ordinary shares and each director shall hold at least 2 (two) percent ordinary shares of the paid-up capital of the company after issuance of exchange or converted securities
(d)	if the issuer or originator is a listed company, the distribution ratio of securities having conversion or exchange option features shall be as follows: (i) At least 40% of the issue shall be offered to the existing shareholders as rights option: Provided that the un-exercised option or un-subscribed portion of the existing shareholders shall be a part of the public offer;

	(ii) Maximum 30% of the issue may be made through private offer: Provided that the un-subscribed portion of the private offer shall be a part of the public offer; and (iii) (iii) At least 30% of the issue shall be reserved for public issue or offer: Provided that considering the application of issuer or originator, as applicable, the Commission may redistribute the above distribution ratio on merit basis
(e)	The issuer or originator, as applicable, shall notify the holder of securities to exercise the conversion or exchange option in two widely circulated national daily newspapers one in Bengali and another in English or in the trading platform of the stock exchange if securities are listed as well as invite the holder of securities at least 30 (thirty) working days prior to execution or exercise of the option: Provided that such notice and invitation shall contain details of conversion or exchange exercise ratio, date and process including other information related to conversion or exchange option: Provided further that the holder of securities shall also intimate his option to the issuer or originator, as applicable, regarding exercise the conversion or exchange option at least 10 (ten) days prior to the execution or exercise date: Provided further that if any holder of securities does not intimate his option regarding exercise of the conversion or exchange option within the time as mentioned above to the issuer or originator, the right of his exercise option shall not be considered.

As per amendments to the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021:

Additional requirements for issuance of sustainable bond under private offer or public issue or offer:	
SL	**General focus on use of proceeds for any type of Sustainable Bond**
(i)	Proceeds or fund raised by issuance of any type of sustainable bond to finance or re-finance shall be invested in such project, company or organization which is engaged in business venture with intention to generate a measurable, quantifiable and beneficial or positive environment and climate impact for the society, or to the blue economy, or to achieve positive social outcomes in the society in addition to financial returns as justified with internationally recognized criteria; and that shall be properly assessed and quantified by an eligible expert: Provided that a summary report of benefits of environmental and social benefits as mentioned above shall be included in the Information Memorandum (IM): Provided further that in case of sustainability-linked bond, the issuer shall also incorporate in the IM about its sustainability strategy delineating a description of the types of activities that shall be funded and also a clear set of Key Performance Indicators (KPI) against which progress on sustainability shall be monitored, as well as associated Sustainability Performance Targets (SPTs)
(ii)	All designated green projects or social projects shall provide clear environmental benefits or social benefits respectively, which shall be assessed and, where feasible, quantified by the issuer
(iii)	The utilization of proceeds from the sustainable bond shall be described in the documentation and Information Memorandum (IM) for issuance of such Bond
(iv)	In the event that all or a proportion of the proceeds are or may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing and refinancing, and where appropriate, also clarify which investments or project portfolios may be refinanced and, to the extent relevant, the expected look back period for refinanced green projects or social projects: Provided that "Look-back period" refers to a maximum 03 (three) years in the past that an issuer shall look back to identify assets or earlier disbursements to such eligible green projects or social projects that shall be included in the sustainable bond reporting
(v)	The issuer shall disclose the following information: (a) The categories of eligible green projects or social projects as mentioned at Part-1 of Schedule-E, to which the sustainable bond proceeds shall be allocated; and/or (b) The information on specific green projects or social projects in the case where the issuer has identified the specific projects to which the sustainable bond proceeds shall be allocated: Provided that the issuer may also follow the reference projects as mentioned at Part-2 of Schedule-E
SL	**Selection and evaluation of projects**
(i)	The issuer of sustainable bond shall clearly communicate to investors: (a) The environmental and/or social sustainability objectives; (b) The process by which the issuer determines how the projects fit within the eligible green projects or social projects categories; and (c) The related eligibility criteria, including, if applicable, exclusion criteria or any other process applied to identify and manage potentially material environmental and social risks associated with the green projects or social projects
(ii)	The issuer shall establish the process for project evaluation and selection prior to the issuance of the sustainable bond and disclose the same to investors in the Information Memorandum (IM) for the issuance of the sustainable bond

(iii)	The issuer shall position this information within the context of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental or social sustainability
(iv)	The issuer shall also disclose any green or social standards or certifications referenced in project selection
(v)	The issuer shall conduct project evaluation and selection internally; and such evaluation and selection process shall be reviewed by an external reviewer, having required subject knowledge and experience in the subject area
(vi)	The issuer shall make the following information available on a website designated by the issuer at the time of the issuance and throughout the tenure of sustainable bond: (a) The process for project evaluation; (b) The use of proceeds; (c) External review report on the process; (d) The annual allocation, any changes in KPIs and achieved outcomes for SLB; (e) The credentials and methodology of the external reviewer(s); and (f) Provision of post-issuance or verification report prepared by an independent reviewer
SL	**Management of Proceeds**
(i)	Prior to the issuance of the sustainable bond, the issuer shall disclose in the Information Memorandum (IM) about the process for managing the net proceeds from the sustainable bond.
(ii)	For use of proceeds of the bond, the proceeds or fund of the "Sustainable Bond" shall be placed in an escrow or specified bank account
(iii)	Utilization of such proceeds or fund shall also be made from the escrow or specified bank account as per use of proceeds mentioned in the Information Memorandum (IM): Provided that any change in the utilization of proceeds, the issuer/originator/beneficiary shall obtain prior consent from the Commission by submitting duly approved minutes of the Board of Directors and No Objection Certificate (NOC) from the trustee
SL	**Reporting**
(i)	The issuer shall submit to the trustee and disclose on its designated website a quarterly report on the use of proceeds until full allocation and utilization, and an annual report thereafter throughout the tenure of the bond
(ii)	The quarterly report shall include: (a) a list of projects or activities to which bond proceeds have been allocated; (b) the amount allocated and utilized to each project; (c) a brief description of expected and actual environmental or social impact indicators
(iii)	The issuer may present the information in generic terms or on an aggregated portfolio basis (e.g., percentage allocated to certain project categories), where maintained confidentiality agreements, competitive considerations, or number of underlying projects, etc
(iv)	The issuer shall use qualitative performance indicators, and where feasible, quantitative performance measures (e.g., number of beneficiaries, reduction in unemployment, increase in number of public transport users, increase in literacy rate, increase in life expectancy, amount of Greenhouse Gases (GHGs) reduced/avoided/captured, etc.) including qualitative performance indicators (where quantitative indicators are not feasible) and disclose the key underlying methodology and/or assumptions used in the quantitative determination, as applicable
(v)	The annual report shall consolidate the quarterly data, include verified impact metrics, and be accompanied by the external reviewer's confirmation on use of proceeds
(vi)	The issuer shall provide to the investors annual report and the external review on the annual report, if any, through an official website designated by the issuer throughout the tenure of the respective sustainable bond
(vii)	The issuer shall disclose such report on its official website and notify investors and the trustee, within 15 (fifteen) working days of publication
(viii)	Any material change in project allocation and utilization or impact performance shall also be disclosed on its website and notify the investors and the trustee, within 15 (fifteen) days of such change
SL	**External Review for projects under Sustainability Bond**
(i)	The issuer shall appoint external reviewer for their issuances or programs
(ii)	The external reviewer shall be an expert in the subject area having sound knowledge and experience
(iii)	The external review may be partial, covering only certain aspects of the issuer's bond framework or full, assessing alignment with all four core components as stated sustainability bond standards at per sub-rule (3) of rule 4 above: Provided that the issuer of any sustainability bond shall comply with the principles of social projects and green projects as applied in combination of the standards of both green and social projects: Provided further that the proceeds allocated for the combined project shall not be used for ineligible projects specified for social projects or green projects.
(iv)	The external reviewer shall have the relevant expertise and experience in the components of the bond which they are reviewing
(v)	The external reviewer shall also disclose their relevant credentials and expertise, and the scope of the review conducted in the external review report.