

রেজিস্টার্ড নং ডি এ-১

বাংলাদেশ



গেজেট

অতিরিক্ত সংখ্যা  
কর্তৃপক্ষ কর্তৃক প্রকাশিত

রবিবার, নভেম্বর ৬, ২০২২

[ বেসরকারি ব্যক্তি এবং কর্পোরেশন কর্তৃক অর্থের বিনিময়ে জারীকৃত বিজ্ঞাপন ও নোটিশসমূহ ]

**Bangladesh Securities and Exchange Commission**

**NOTIFICATION**

Dated : 03 October 2022

No. **BSEC/CMRRCD/2009-193/46/Admin/138**.—Whereas the Bangladesh Securities and Exchange Commission (hereinafter referred to as the 'Commission') deems it fit that in the interest of investors and the securities market, exemption from the provisions of section 2A (2) (a) of the Securities and Exchange Ordinance, 1969 should be given as well as certain further conditions should be imposed to the issuer of listed securities or the issuer of securities traded at the Small and Medium-sized Enterprises (SME) platform or Over-the-Counter (OTC) platform or at Alternative Trading Board (ATB) in any stock exchange in Bangladesh;

Now, therefore, in exercise of the powers conferred by section 2D of the Securities and Exchange Ordinance, 1969 (XVII of 1969), the Commission hereby grants further exemption to all issuer companies listed with any stock exchange other than the issuer companies as mentioned at the following condition No.3 from the provisions of section 2A (2) (a) of the said Ordinance in respect of issuance of capital through bonus shares or stock dividend;

Thereafter, in exercise of the powers conferred by section 2CC of the said Ordinance, the Commission hereby imposes the following further conditions to the issuer of listed securities or issuer of securities trading at SME platform or OTC platform or at ATB in any stock exchange in Bangladesh, namely :-

1. Any issuer company of listed securities may issue bonus shares or declare stock dividend only for the purposes of:
  - (a) company's BMRE (Balancing, Modernization, Rehabilitation and Expansion) or any of BMRE components; or

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- (b) regulatory requirements to raise capital; or
  - (c) profitable investment or reinvestment.
2. Immediately after declaration of stock dividend or bonus shares, every issuer company of listed securities shall, among others, disclose the following as price sensitive information (PSI):-
- (a) the reasons for declaration of stock dividend or bonus shares and purposes or utilization of such retained amount as capital;
  - (b) that the company has declared such stock dividend or bonus shares out of the accumulated profit or retained earnings; and
  - (c) that the company has not declared such stock dividend or bonus shares from capital reserve or revaluation reserve or any unrealized gain or out of profit earned prior to incorporation of the company or through reducing paid up capital or through doing anything so that the post-dividend retained earnings become negative or a debit balance;.
3. The following issuer company shall not issue bonus shares or declare stock dividend without prior consent of the Commission:
- (a) The issuer company who is listed with any stock exchange by raising funds or capital through any public offer or directly listed with any stock exchange but not completed 3 (three) years of operation as a listed company from the date of listing with the stock exchange(s) or until full utilization of funds or capital raised through public offer, whichever comes later; or
  - (b) The issuer company of listed securities who has raised capital through rights share offer or repeat public offer (RPO) but not completed 3 (three) years of operation from the last date of subscription of rights share or RPO or until full utilization of rights issue or RPO funds or capital, whichever comes later; or
  - (c) The issuer company of listed securities who has failed to declare at least @10% cash dividend for a period of immediate preceding 2(two) years from the date of declaration of current year's dividend; or
  - (d) The issuer company of listed securities who is not in operation or production or business continuously for a period of minimum 1(one) year excluding any such period for renovation or BMRE (Balancing, Modernization, Rehabilitation and Expansion) or in the event of Force Majeure; or
  - (e) The issuer company of listed securities whose shares or securities have been trading under Z-Category in the Main Board or trading at the SME platform or OTC platform or ATB of any stock exchange; or
  - (f) Any issuer of listed securities as directed by the Commission.

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4. If any issuer company as mentioned at condition No.3 above declares stock dividend or bonus shares, it shall make application to the Commission for its consent in the following manners:
- (a) Immediately after decision of the board of directors in its meeting regarding issuance of bonus shares or declaration of stock dividend, the issuer company shall disseminate price sensitive information, among others, announcing record date with an explicit announcement that such stock dividend or issuance of bonus shares shall be subject to approval of the Commission;
  - (b) Within 3 (three) working days of recommendation of such stock dividend or bonus shares at the board meeting, the issuer company shall make application to the Commission for its consent for issuance of bonus shares under rule 3 of the Securities and Exchange Commission (Issue of Capital) Rules, 2001;
  - (c) On receipt of application from the issuer company under rule 3 of the Securities and Exchange Commission (Issue of Capital) Rules, 2001, the Commission shall examine it, and if it is satisfied that all requirements of rule 3 of the said Rules as well as condition No. 1 and 2 of this Notification are fulfilled, it shall accord consent in writing to issue of bonus shares within 15 (fifteen) working days of receipt of the application;
  - (d) If the Commission finds that the application does not fulfill the requirements of rule 3 of the Securities and Exchange Commission (Issue of Capital) Rules, 2001 as well as condition No. 1 and 2 of this Notification, it may, within 10 (ten) working days of receipt of the application, direct the issuer company to fulfill the requirements within such time as determined by the Commission, and on fulfillment of such requirements, the Commission shall accord its consent in writing to issue bonus shares within 5(five) working days of such fulfillment;
  - (e) The Commission may call for further information or documents, in addition to the requirements of rule 3 of the Securities and Exchange Commission (Issue of Capital) Rules, 2001 as well as condition No. 1 and 2 of this Notification, if it so deems necessary;
  - (f) If the Commission finds that the application does not fulfill all the requirements of rule 3 of the Securities and Exchange Commission (Issue of Capital) Rules, 2001 as well as condition No. 1 and 2 of this Notification or where a direction has been given under sub-rule (2) of rule 4 of the said Rules or under clause (d) above or finds any significant misrepresentation/deviation in financial statements as per International Financial Reporting Standards (IFRS) or it is apparent that after issuing proposed bonus share- the company can't generate sufficient revenue to declare at least 10% dividend in next financial

- year, as the case may be, and the issuer company has failed to fulfill such requirements, it may reject the application, stating the reason therefore.
- (g) The issuer company shall pay application fee and consent fee as per rule 6 of the Securities and Exchange Commission (Issue of Capital) Rules, 2001.
- (h) The issuer company shall disseminate the receipt of the Commission's decision regarding bonus shares or stock dividend as price sensitive information within such time as determined by the Commission in the consent or rejection letter.
- (i) The issuer of listed securities shall within 30 (thirty) days of approval in the Annual General Meeting, pay off the dividend through transfer of stock dividend into the beneficial owner's (BO) account of the shareholder in case of dematerialized share, or through issuance and delivery of the share certificate to the shareholder in case of paper share.
- (j) The issuer company shall submit a dividend compliance report to the Commission in the format as prescribed by the Commission, within 7 (seven) working days of paid off such dividend.
- (k) In case of cash dividend, the issuer company shall follow the applicable provisions of listing regulations and relevant securities laws with regard to declaration, price sensitive information, record date, entitlement, approval, pay off and compliance report, etc. for such cash dividend.
5. Without prejudice to the requirements of condition No. 3 and 4 above, the issuer company of listed securities other than the issuer company as mentioned at condition No. 3 above need not to apply to the Commission for consent of stock dividend or issuance of bonus shares.
6. This Notification supersedes the Commission's earlier Notification No. BSEC/CMRRCD/2009-193/23/Admin/123 dated June 30, 2021, ORDER No. SEC/CFD-71/2001/Admin/02-06 dated February 17, 2002, Gazette on March 27, 2002 and Notification No. BSEC/CMRRCD/2009-193/222/Admin/91 dated 23 May 2019, Gazette on July 15, 2019.
7. This Notification shall have immediate effect.

By order of the Bangladesh Securities and Exchange Commission

**Professor Shibli Rubayat-UI-Islam**  
Chairman.

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মোহাম্মদ ইসমাইল হোসেন, উপপরিচালক (উপসচিব), বাংলাদেশ সরকারী মুদ্রণালয়, তেজগাঁও, ঢাকা কর্তৃক মুদ্রিত।  
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