



**BANGLADESH SECURITIES AND EXCHANGE COMMISSION**  
Securities Commission Bhaban  
E-6/C Agargaon, Sher-e-Bangla Nagar  
Administrative Area, Dhaka-1207, Bangladesh



BSEC/CI/BB-14/2018/299

December 24, 2020

**Managing Director**

Lub-rref (Bangladesh) Limited  
B-6(part) 9-10 & 23-24, BSCIC Industrial Estate, Block-A,  
Sagorika Road, Chittagong-4219

**Manager to the Issue:**

Chief Executive Officer  
NRB Equity Management Limited  
Al-Raji Complex, Suit# G-602, 603(6<sup>th</sup> floor)  
166-167, Shaheed Nazrul Islam Sarani,  
Purana Paltan, Dhaka-1000

**Registrar to the Issue:**

Managing Director  
BetaOne Investments Limited  
Medona Tower, Level-13  
28 Mohakali C/A, Dhaka-1213

**Subject: Consent for raising of capital through Initial Public Offer (IPO) and issuance of prospectus by Lub-rref (Bangladesh) Limited**

This refers to your application dated August 19, 2018 and subsequent applications and correspondences as well as the Commission's consent letter for electronic bidding by the Eligible Institutional investors ref. no. BSEC/CI/BB-14/2018/189 dated September 03, 2020 concerning the above subject, which contains, among others, an authenticated draft prospectus, 'Due Diligence Certificates' and the audited Financial Statements of the issuer company as of 30 June, 2019 along with the Auditor's Report thereon by the company's auditors, namely, **Ashraf Uddin & Co**, Chartered Accountants.

The Commission hereby accords its consent under section 2A, Sub-sections (2)(a) and (2)(b), read with section 2B of the Securities and Exchange Ordinance, 1969 and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, based on all the above documents and information provided to the Commission, to issue 45,243,144 ordinary shares of the company, from which 22,621,544 ordinary shares are reserved for Eligible Investors (EIs) at their own bid price and quantity on highest to lowest bid basis in a descending order of individual bid price till exhaustion of the quota for EI category and remaining 22,621,600 ordinary shares at a 10% discounted price from the cut-off price i.e. Tk. 27.00 per share for General Public including NRBs totaling Tk. 1,500,000,000.00 under the Book-building method through publication of the prospectus of Lub-rref (Bangladesh) Limited (hereinafter referred to as 'Issuer' or 'Company'), subject to the following conditions imposed under section-2CC of the said Ordinance, as mentioned under Part-A, B, C, D & E namely:-

**PART-A**

1. The Company shall go for Initial Public Offer (IPO) for 45,243,144 ordinary shares, from which 22,621,544 ordinary shares are reserved for Eligible Investors (EIs) at their own bid price and quantity on highest to lowest bid basis in a descending order of individual bid price till exhaustion of the quota for EI category and remaining 22,621,600 ordinary shares at a 10% discounted price from the cut-off price i.e. Tk. 27.00 per share for General Public including NRBs totaling **Tk. 1,500,000,000** following the Securities and Exchange Ordinance, 1969, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Depository Act 1999 and rules made there under.

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“মুজিববর্ষের অঙ্গীকার উন্নয়ন-অর্থায়নের উৎস হবে পুঁজিবাজার”



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2. The abridged version of the prospectus, as approved by the Commission, shall be published by the issuer in 4 (Four) national daily newspapers (two in Bangla and two in English), **within 02 (two) working days** of issuance of this consent letter. The issuer shall post the full prospectus, vetted by Commission, in the issuer's website and shall also put on the websites of the Commission, stock exchanges, and the issue manager, **within 03 (three) working days** from the date of issuance of this letter and shall remain posted till the closure of the subscription list. The issuer shall submit to the Commission, the stock exchanges and the issue manager a diskette containing the text of the vetted prospectus in "MS- Word" format.
3. The company shall submit **40 (Forty)** copies of the printed prospectus to the Commission for official record within **05 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspaper.
4. The issuer company and the issue manager shall ensure the transmission of the prospectus and its abridged version for NRBs through email to the Bangladesh Embassies and Missions abroad within **05 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspaper. A compliance report shall be submitted in this respect to the Commission jointly by the Issuer and the Issue Manager within **02 (Two) working days** from the date of said transmission of the prospectus.
5. The following declaration shall be made by the company in the prospectus, namely: -

**"DECLARATION ABOUT LISTING OF SHARES WITH THE STOCK EXCHANGE (S):**

None of the stock exchange(s), if for any reason, grants listing within **30 (Thirty) days** from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within **15 (Fifteen) days** from the date of refusal for listing by the stock exchanges or from the date of expiry of the said **30 (Thirty) days**, as the case may be.

In case of non-refund of the subscription money within the aforesaid **15 (Fifteen) days**, the Directors of the company, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of **2% (two percent)** above the bank rate, to the subscribers concerned.

The issue manager, in addition to the Issuer company, shall ensure due to compliance of the above-mentioned conditions and shall submit compliance report thereon to the Commission within **07 (Seven) days** of the expiry of the aforesaid **15 (Fifteen) days'** time period allowed for refund of the subscription money."

6. All applicants shall apply for a minimum lot of 200 shares worth Taka 5,400/- (**Taka five thousand four hundred only**) or its multiples.
7. The IPO shall stand canceled in case of under- subscription in GP category above 35%. In such an event, the issuer and issue manager shall inform the Commission **within 2 (two) working days** and release the subscription money **within 10 (ten) working days** after receiving verification report from CDBL and the information from exchanges regarding subscription.
8. **20% of the securities reserved for other general public excluding NRB shall be reserved for ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারী. In case of under-subscription under any of sub-categories of General Public category, the unsubscribed portion shall be added to other sub-category of General Public category. In case of over subscription in the general public category, the issuer and the issue manager shall jointly conduct an open lottery.**
9. **An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case, an applicant submits more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of**



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- the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.
10. The applicants who have applied for more than two applications using the same bank account, their application will not be considered for the lottery and the Commission will forfeit 15% of their subscription money.
  11. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information in the application shall make the application liable to rejection and subject to forfeiture of 25% of the application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited application money or share (unit) will be deposited in the account of the Bangladesh Securities and Exchange Commission (BSEC). This is in addition to any other penalties as may be provided for by the law.
  12. The company shall furnish the list of allottees to the Commission and the stock exchange(s) simultaneously in which the shares will be listed, **within 24 (Twenty-Four) hours** of allotment.
  13. Shares not allotted at the time of according this consent, but allotted after listing, in favor of sponsors, directors or shareholders having 10% or more shares, other than alternative investment funds, through stock dividends, shall be subject to a lock-in period of 02(two) years from the date of issuance of the prospectus.
  14. If any share of Sponsors/Directors/Promoters is in paper format, it shall be handed over to securities custodian registered with the Commission and shall remain held till completion of lock-in period and the name of the securities custodian shall be furnished to the Commission jointly by the issuer and issue manager, along with a confirmation thereof from the custodian, within one week of listing of the shares with the stock exchange(s). Or they (shares of Sponsors/ Directors/ Promoters) can be demated and shall remain in lock-in under CDBL system and issuer shall submit a dematerialization confirmation report generated by CDBL and attested by Managing Director of the company along with the lock-in confirmation to the Commission within one week of listing of the shares with the stock exchange(s). In respect of shares other than Sponsors/Directors/Promoters, the issuer will ensure their lock-in of those shares and submit a statement to this effect to the Commission.
  15. The company shall not declare any dividend/bonus shares before listing of its capital with any Exchange from the date of this consent for raising capital.
  16. The company shall not engage itself into any merger/amalgamation or acquisition activities without taking "No Objection" from the Commission, on the scheme of the said merger/amalgamation or acquisition, as recommended by the Board of Directors, before approval by the shareholders in General Meeting.
  17. The trading of Securities in the platform of the exchanges shall be started within 10 (ten) working days of listing approval.

**PART-B**  
**Application Process**

**Step-1 (Applicant)**

1. An applicant for public issue of securities shall submit an application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. the subscription closing date), which shall be the **25<sup>th</sup> (twenty-fifth)** working day from the date of publication of an abridged version of the prospectus.



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2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
  - a) Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and the Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains Foreign Currency account debiting the same account and provide the customer with a **certificate mentioning the FC account number which has been debited to issue the FDD. The applicant shall also submit the certificate with their application.** No banker shall issue more than two drafts from any Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in the respective customer account maintained with the Stockbroker/Merchant Banker.
  - b) Eligible investors shall submit an application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by exchange(s).

**Step-2 (Intermediary)**

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely "Public Issue Application Account". The Stockbroker/Merchant Banker shall:
  - a) Post the amount separately in the customer account (other than NRB and Foreign applicants), and upon the availability of fund, block the amount equivalent to the application money;
  - b) Accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the "Public Issue Application Account" maintained with its bank within the first banking hour of **next working day** of the cut-off date;
  - c) Instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.
5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall prepare a list containing the draft information against the respective applicant's particulars.
6. The Stockbroker/Merchant Banker shall prepare category wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and within 03 (three) working days from the cut-off date, send to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts **and certificates** received from Non-resident Bangladeshi (NRB) and foreign applicants and a copy of the list containing the draft information.
7. **On the next working day**, the Exchanges shall provide the Issuer with the information received from the Stockbroker/ Merchant Bankers, the drafts **and certificates** submitted by Non-resident Bangladeshi (NRB) and Foreign applicants and the list containing the draft information. Exchanges shall verify and preserve the bankers' certificates in their custody.



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8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers up to 6 months from listing of the securities with the exchange.

### **Step-3 (Issuer)**

9. The Issuer shall prepare a consolidated list of the applications and send the applicants' BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall post the consolidated list of applicants on its website and websites of the Exchanges. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
10. **On the next working day**, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parent s' Name, Joint Account and Bank Account information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit a report of the final status of subscription to the Commission and the Exchanges **within 10 (ten) working days** from the date of receiving information from the Exchanges.
12. The issuer and the issue manager shall conduct category wise lottery with the valid applications within 03 (three) working days from the date of reporting on valid and invalid applications to the Commission and the Exchanges on any recognized and licensed digital platform along with the existing system to ensure physical and social distance due to COVID-19 pandemic situation.

Provided that IPO lottery shall be conducted on the licensed digital platform made by any of the following institutions under the supervision of Central Depository Bangladesh Limited (CDBL):  
Bureau for Research Testing and Consultation (BRTC), BUET;  
Computer Science Department, Dhaka University; and  
Bangladesh Computer Council.

13. The Issuer and issue manager shall arrange to post the lottery result on their **websites within 06 (six) hours** and on the websites of the Commission and Exchanges within 12 (twelve) hours of the lottery.
14. **Within 02 (two) working days** of conducting a lottery, the Issuer shall:
- Send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Exchange.
  - Send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the Commission and Exchanges mentioning the penalty amount against each applicant.
  - Issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Exchange in electronic form.
  - Send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

### **Step-4 (Intermediary)**

15. **On the next working day**, Exchanges shall distribute the information and allotment letters to the stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
- remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow Account opened for subscription purpose, and unblock the amount of unsuccessful applicants;
  - send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;
16. **On the next working day** of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall request its banker to:
- Release the amount blocked for unsuccessful (other than NRB and foreign) applicants;



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- b) Remit the aggregate amount of successful applicants and the penalty amount of unsuccessful applicants (other than NRB and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purposes.
17. **On the next working day** of receiving a request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
18. **Simultaneously**, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5 (five) per withdrawal.
19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account (**FC account which has been debited to apply by NRB or foreign applicants**) through banking channel within 10 (ten) working days from the date of lottery.
- Miscellaneous:**
20. The Issuer, Issue Manager(s), Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of an abridged version of the prospectus.
22. The amount deposited and blocked in the "Public Issue Application Account" shall not be withdrawn or transferred during the blocking period. The amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
23. The Issuer shall pay the costs related to data transmission if claimed by the Exchange concerned up to an amount of Tk. 2,00,000 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk. 5 (Taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting an application.
25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.
27. The concerned Exchange is authorized to settle any complaints and take necessary actions against any Stockbroker/ Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.



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**Part-C**

1. The issue manager shall carefully examine and compare the published prospectus and its abridged version on the date of publication with the copies vetted by the Commission. If any discrepancy is found, both the issuer and the issue manager shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to the Commission and the stock exchanges concerned. In this regard, the issue manager shall submit a compliance report to the Commission within 5 working days from the date of such publications.
2. The fund collected through Public Offering shall not be utilized prior to listing with Exchange(s) and that utilization of the said fund shall be affected through banking channel, i.e. through account payee cheque, pay order or bank drafts etc.
3. **The company shall furnish a status report on the utilization of Public Offering proceeds audited by foreign-affiliated auditors and authenticated by the board of directors to the Commission and the Exchanges within 15 (Fifteen) days of the closing of each month until such fund is fully utilized, as mentioned in the schedule contained in the prospectus. The issuer shall simultaneously post the status report on its website and Exchanges shall also post the same in company information contained in websites of the Exchanges. In the event of any irregularity or inconsistency, the Commission may employ or engage any person to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus.**
4. **While auditing the utilization of IPO proceeds, the auditors will perform their jobs under the following terms of reference (TOR) and confirm the same in their report/certificate:**
  - (a) **Whether IPO proceeds have been utilized for the purposes/heads as specified in the prospectus;**
  - (b) **Whether IPO proceeds have been utilized in line with the condition (if any) of the Commission's consent letter;**
  - (c) **Whether the utilization of IPO proceeds have been completed within the time schedule/implementation schedule as specified in the published prospectus;**
  - (d) **Whether utilization of IPO proceeds is accurate and for the purpose of the company as mentioned/specified in the published prospectus; and**
  - (e) **The auditors should also confirm that: (i) assets have been procured/imported/constructed maintaining proper/required procedure as well as at a reasonable price; and (ii) auditors' report has been made on verification of all necessary documents/papers/vouchers in support of IPO proceeds making reconciliation with Bank Statement.**
5. All transactions, excluding petty cash expenses, shall be affected by crossed cheques or bank transfers.
6. Proceeds of the public offering shall not be transferred to any other bank account before listing with the Exchange(s). The proceeds shall not be used for any purpose other than those specified in the prospectus without any valid ground. **Any material deviation in this respect must have prior approval of at least 51% of the public shareholders, other than sponsors and directors, in a general meeting through a board-approved agenda and due notification to the shareholders. Before the said general meeting, such deviation as recommended by the board of directors shall be published as price-sensitive information with detailed description and reasons for such deviation. If approved by the shareholders, the meeting resolution shall be submitted to the Commission along with reasonable explanations and the decision shall be published as price-sensitive information.**
7. If any quarter or half-year of the financial year-end after publication of the abridged version of prospectus and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the said quarterly/half-yearly financial statements in accordance with the Commission's Notification SEC/CMRRCD/2008-183/admin/03-34 dated September 27, 2009 and Rules 13 of the Securities and Exchange Rules, 1987.



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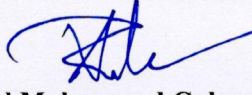
8. In the event of rising issues concerning Price Sensitive Information as defined under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ) বিধিমালা ১৯৯৫ after publication of the abridged version of prospectus and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the information as price-sensitive in accordance with the Commission's Notification No. SEC/SRMI/200-953/1950 dated October 24, 2000.

**PART-D**

1. As per provision of the Depository Act, 1999 & Regulations made thereunder, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the depository system of Central Depository Bangladesh Ltd. (CDBL) and any further issuance of shares (including rights/bonus) will be made in dematerialized form only.
2. The issuer and the issue manager shall ensure due to compliance of all the above conditions, the 'Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015' and the listing regulations of the Exchanges.
3. The Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the issuer company.

Thanking you.

By order of the Bangladesh Securities and Exchange Commission

 24.12.2020

**Syed Muhammad Golam Mowla**  
Assistant Director

**Distribution:**

1. Ashraf Uddin & Co., Chartered Accountants;
2. NRB Equity Management Limited;
3. BetaOne Investments Limited;
4. Citizen Securities & Investments Limited;
5. BMSL Investment Limited;
6. Unicap Investments Limited;
7. Southeast Bank Capital Services Limited;
8. BLI Capital Limited;
9. NBL Capital & Equity Management Ltd;

**Copy to (not listed on the basis of seniority):**

1. Chairman, National Board of Revenue;
2. Registrar of Joint Stock Companies and Firms;
3. Managing Director, Dhaka Stock Exchange Limited;
4. Managing Director, Chittagong Stock Exchange Limited;
5. Managing Director & Chief Executive Officer, CDBL;
6. Head of all Departments, BSEC;
7. Office of the Chairman, BSEC;
8. Office of the Commissioners, BSEC; and
9. Office copy.