



**Securities and Exchange Commission of Pakistan
Securities Market Division**

No. SMD/CIW/Misc./09/2015

Islamabad, November 8, 2023

Circular No. ¹⁶..... of 2023

Adoption of revised timelines for approval of IPO application and listing of Securities.

To simplify and streamline the Initial Public Offering (IPO) and listing process, the Securities and Exchange Commission of Pakistan (SECP) has reduced the overall IPO timelines in consultations with market participants and the securities exchange. The revised timelines will optimize the capital formation function of the securities exchange by enabling potential issuers to fulfil their capital raising needs in an efficient and timely manner.

For this purpose, the SECP in exercise of the powers conferred under section 172 of the Securities Act, 2015 hereby notifies the revised timelines attached as **Annexure-A** for immediate adoption by all stakeholders, including the Pakistan Stock Exchange Limited, Consultants to the Issue (CTI), Issuers, Book Runners and other market participants.

All stakeholders are advised to strictly adhere to the revised timelines in true letter and spirit.

A handwritten signature in blue ink, which appears to read 'Abdul Rehman Warraich', is written over a horizontal line.

**Abdul Rehman Warraich
Commissioner (SMD)**

Annexure-A

i. Fixed Price Method

Steps Involved	Role of different parties	Timeline in working days
Submission of the IPO/ Prospectus application	CTI/Issuer to simultaneously submit IPO application signed by the CEO to the PSX and SECP through PRIDE.	0
Public Comments Period	On receipt of application, PSX to place prospectus on its website for seeking public comments.	5 working days
Regulatory Review Period	From the date of placement of prospectus on website for public comments, parallel review of SECP and PSX to evaluate the IPO application; and convey deficiencies/comments to CTI/Issuer for incorporation in the prospectus.	
Response period	CTI/Issuer to address the public comments, deficiencies and observations of the Regulators and submit revised updated prospectus along with a due diligence certificate certifying that all issues have been addressed. If some issues are not addressed, the CTI shall highlight list of those issues in the due-diligence certificate along with rationale for not addressing the same.	5 working days
PSX approval	On receipt of due diligence certificate, PSX to convey its decision to the CTI, Issuer and SECP.	2 working days
SECP approval	On receipt of PSX approval, SECP to convey its decision to the CTI, Issuer and the PSX.	2 working days
Total Approval Time (A)		14 working days
Post Approval timelines involving Fixed Price Method		
Dates for publication of Prospectus	CTI to apply and obtain dates from PSX for publication of prospectus.	1 working day
Publication of Prospectus and placement on Website	i. CTI to publish the prospectus in one English and one Urdu newspaper. ii. Placement of the prospectus on website of the Issuer, Securities Exchange and Consultant.	1 working day
Public Subscription	As per Securities Act, prospectus has to be published in newspaper not less than seven days and not more than thirty days before the public subscription. <i>Public subscription dates to be decided keeping in view requirements of the Securities Act, 2015.</i>	7 working days

Steps Involved	Role of different parties	Timeline in working days
Refunds/Credit of securities	<ul style="list-style-type: none"> i. Processing of refund applications. ii. Credit of securities. iii. Central Depository Company (CDC) to confirm that securities have been credited. 	5 working days
PSX to issue listing notification	PSX to issue notification for listing of securities.	1 working day
Total Post Approval Time (B)		15 working days
Total IPO Time (A+B)		29 working days

Note: These timelines are subject to submission of quality Prospectus and complete documents along with requisite disclosures by CTI.

ii. Book Building

Steps Involved	Role of different parties	Timeline in working days
Submission of the IPO/Prospectus application	CTI/Issuer to simultaneously submit IPO application signed by the CEO to the PSX and SECP through PRIDE.	0
Public Comments period	On receipt of application, PSX to place prospectus on its website for seeking public comments.	
Regulatory Review Period	From the date of placement of prospectus on website for public comments, parallel review of SECP and PSX to evaluate the IPO application; and convey deficiencies/comments to CTI/Issuer for incorporation in the prospectus.	5 working days
Response period	CTI/Issuer to address the public comments, deficiencies and observations of the Regulators and submit revised updated prospectus along with a due diligence certificate certifying that all issues have been addressed. If some issues are not addressed, the CTI shall highlight list of those issues in the due-diligence certificate along with rationale for not addressing the same.	5 working days
PSX approval	On receipt of due diligence certificate, PSX to convey its decision to the CTI, Issuer and SECP.	2 working days
SECP approval	On receipt of PSX approval, SECP to convey its decision to the CTI, Issuer and the PSX.	2 working days
Approval Time (A)		14 working days
Post approval timelines involving Book Building		

Steps Involved	Role of different parties	Timeline in working days
Dates for publication of Prospectus	CTI to apply and obtain dates from PSX for publication of prospectus.	1 working day
Publication of Prospectus and placement on Website	<ul style="list-style-type: none"> i. CTI to publish the prospectus in one English and one Urdu newspaper. ii. Placement of the prospectus on website of the Issuer, Book Runner, Securities Exchange and Consultant. 	1 working day
Registration of bidders	Book runner to register the bidders.	2 working days
Bidding period	Bidders to enter the bid into the book building system.	2 working days
Publication of supplement to the Prospectus and processing of Refund applications	<p>Issuer to publish the supplement to the prospectus in the newspaper.</p> <p>Book runner to refund the money to unsuccessful bidders.</p>	1 working day
Public Subscription period	<p>As per Securities Act, prospectus has to be published in newspaper not less than seven days and not more than thirty days before the public subscription.</p> <p><i>Public subscription dates to be decided keeping in view requirements of the Securities Act, 2015.</i></p>	2 working days
Refunds/Credit of securities	<ul style="list-style-type: none"> i. Processing of refund applications. ii. Credit of securities. iii. CDC to confirm that securities have been credited. 	5 working days
PSX to issue listing notification	PSX to issue notification for listing of securities.	1 working day
Post Approval Time (B)		15 working days
Total IPO Time (A+B)		29 working days

Note: These timelines are subject to submission of quality Prospectus and complete documents along with requisite disclosures by CTI.