



বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন  
সিকিউরিটিজ কমিশন ভবন  
ই-৬/সি আগারগাঁও, শের-ই-বাংলা নগর প্রশাসনিক এলাকা, ঢাকা-১২০৭  
www.sec.gov.bd



No. SEC/CMRRCD/2009-193/08

1 September 2020

## ORDER

Whereas, the Bangladesh Securities and Exchange Commission (hereinafter referred to as the 'Commission') deems it to be proper that in the interest of investors in securities and the capital market, certain directives shall be issued to the stock exchanges with regard to redefinition of "Z-category companies", Clearing Day for Securities and Fund of Z-category companies and placement and adjustment of Z-category companies:

Now, therefore, in exercise of the power conferred by section 20A of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), the Bangladesh Securities and Exchange Commission hereby directs the following to the Dhaka Stock Exchange Limited and the Chittagong Stock Exchange Limited, namely:-

1. Any listed company shall be shifted or transferred to the "Z-category" immediately for any of the following reasons or events:
  - (a) if the issuer fails to declare cash dividend for a period of 2 (two) consecutive years from the date of declaration of last dividend, or the date of listing with the stock exchange, as the case may be;
  - (b) if the issuer fails to hold its Annual General Meeting (AGM) within a stipulated time as per relevant laws:

Provided that in case of non-holding of AGM in the consequence of any writ petition or any legal process pending before the court, i.e. being sub-judice matter or in the event of *force majeure* maximum 2 (two) years may be considered for placement or adjustment of securities to "Z-category";

- (c) if the issuer company is not in operation or production or exploration continuously for a period of minimum 6 (six) months excluding any such period for renovation or BMRE (Balancing, Modernization, Rehabilitation and Expansion) or in the event of *force majeure*;
- (d) if net operating loss or negative cash flows from operation is reported for a period of 2 (two) consecutive years;
- (e) if negative balance of retained earnings exceeds its paid up capital.



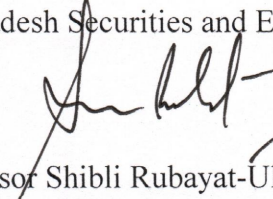
বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন  
সিকিউরিটিজ কমিশন ভবন  
ই-৬/সি আগারগাঁও, শের-ই-বাংলা নগর প্রশাসনিক এলাকা, ঢাকা-১২০৭  
www.sec.gov.bd



2. Any listed company shall be placed or adjusted to “Z-category” subject to approval of the Commission for any non-compliance with any provision of securities laws, rules, regulations, notifications, orders, directives as well as failure to comply with the continuous listing requirements as per listing regulations of the stock exchanges and the agreement thereof.
3. The stock exchange shall review such compliances and non-compliances by the listed companies regularly and shall place a company or adjust to “Z-category” subject to prior approval of the Commission.
4. Clearing Day for contracts listed under Z-category other than contracts in spot market or contracts with contract (howla) type Delivery Versus Payment “DVP” shall be the third day following the Trading Day (i.e. T+3).
5. The stock exchanges are advised to disseminate this order to all the issuer companies along with continuous displaying in the websites of the stock exchanges.
6. This Order shall supersede the Order No. SEC/CMRRCD/2008-178/679 dated 15 January 2008 and SEC/CMRRCD/2008-178/680 dated 15 January 2008.

This Order shall have immediate effect.

By order of the Bangladesh Securities and Exchange Commission

  
11/9/2020  
Professor Shibli Rubayat-Ul-Islam  
Chairman.