Securities Settlement Policy of Capital Market in Bangladesh: A Case Study on Dhaka Stock Exchange Limited

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Abstract

Securities controllers had implemented uncountable actions to sustain the capital market. Bangladesh Securities Exchange Commission (BSEC) applied series of actions like central depository, online trading, circuit breaker, the Demutualization Act, the Banking Control Act (BCA), Independent Financial Reporting Council and modifying rules for Mutual Fund Services side by side Bangladesh Bank directed the banks to recomputed bank's investment in the capital market to attract and build the confidence of the investors. Securities Settlement Policy of the Bangladesh Capital Market especially of the Dhaka Stock Exchange needs to be analyzed with chronological evaluation. This examination would involve rigorous scrutiny of significant steps of the regulatory authority of the Capital Market for boosting up the confidence of the investors. The research objectives of this study are to recognize the securities settlement policy of capital market in Bangladesh, to examine the performance of the Dhaka Stock Exchange by analyzing the indexes and the turnovers of the market over the years and to determine the confidence of the investor in the capital market of Bangladesh. More specifically, the study was descriptive and analytical type. Data were collected from the respondents of Dhaka district from January 2020 to June 2020 on a random basis. Secondary sources of data were used from various journal articles, reports, relevant publications, dissertations, books and websites etc. This investigation involved both methods as a mutual research approach which also called combined approach. Information and Data were composed from both primary and secondary sources in two stages. English version questionnaire was organized. Face-to-face interview were followed for Data collection from the respondents of this study. Ultimately, the approach was sharing in nature which confirms expressive involvement of a wide range of investors**.** In this research, for being field surveys there were 400 respondents. Mostly, the findings for a sustainable securities settlement policy of the Capital Market of Bangladesh are good governance should be ensured, rules and regulations should be implemented strictly, investors should be educated by sufficient training, coordination should be ensured among the regulators, proper monitoring and supervision should be ensured by the concerned authorities, professional portfolio analysts should be increased, market manipulation should be stopped, steps should be taken so that quality share can get the opportunity to come in the IPO process, fund flow should be increased, institutional and foreign investors should be given facilities so that they can be encouraged to participate in the market, compliance should be ensured, faster settlement procedure should be ensured for the development of the capital market of Bangladesh. Therefore, it can be concluded that after taking above steps the securities settlement policy of the capital market would get fresh momentum and the enhancement of investor's confidence for the development of a well-built capital market of the country.

Background of the Study

Capital Market of Bangladesh is facing certain difficulties at this time. These difficulties doing as an obstruction to the development of the Capital Market; therefore, security settlement policy of the capital market needs to be evaluated in this regard. At first, it is required to observe the historical presentation of the Capital Market especially of the Dhaka Stock Exchange (DSE). On April 28, 1954 the commencement of Bangladesh Capital Market in progress by way of East Pakistan Stock Exchange Association Ltd. On June 23, 1962 the stock exchange was renamed as Dhaka Stock Exchange (DSE) Limited. Until 1990s the market did not behave significantly. Specifically, in 66 year's history of Bangladesh capital market the indexes reached at the highest point in two times, firstly in 1996 and secondly in 2010.

On September 16, 1986 all share price index of Dhaka Stock Exchange was introduced and in June 1996 it was at around 1,000 point and surprisingly this share price index touched at 3,627 point on November 16 of that 1996 and at the market's top, securities were traded at an average of above 80 times of relevant earnings and all the bull ran ultimately finished in tears, the bubble was finally burst: securities market prices decreased by around 70 percent in April 1997 and this share price index then moved drop to 484.44 in January 2000. In the blink of an eye most of the investors lost their lifetime investments. Virtually, after the cruel crash in 1996 Bangladesh Capital Market had initiated rising from 2006 because listing of a small number of profitable state-owned entities and Multinational Companies (MNCs). Nearly all commercial banks together with individual investors involved themselves extremely in capital market.

Gradually, the bullish market converted into a bubble and on December 05, 2010, the Dhaka Stock Exchange General Index (DGEN) reached at the top high of 8918.5, actually 5.6 times higher than December 2006. At that time, market capitalization and turnover increased by 11.1 times and 61.7 times respectively. But in fact, when the bubble burst on December 19, 2010 the DGEN observed its major one day fall of 6.7 % and since then the market has become bearish with almost no positive movement of securities prices and then moved further down to 3458.10 in April 2013. This study will reveal in both the cases those might happened because of the securities settlement policies were not up to date and the knowledge of the investors about the portfolio management in the capital market of Bangladesh was hugely insufficient.

Objectives of the Study

The objectives of the study are as follows:
1. To recognize the securities settlement policy of capital market in Bangladesh
2. To examine the performance of the Dhaka Stock Exchange by analyzing the indexes and the turnovers of the market over the years.
3. To determine the confidence of the investor in the capital market of Bangladesh.

Methodology of the Study

This study engaged both quantitative and qualitative method as a combined research approach which also called integrated approach. Data and information were collected from both primary and secondary sources in two phases. Firstly, the study analyzed available literatures and documents to understand the theory and framework and study instruments regarding securities settlement policy of capital market in Bangladesh. Secondly, a questionnaire survey was employed to assess the risk factors, barriers of developments of capital market and experiences of Investors and members of DSE. The questionnaire was prepared in English. Filled questionnaires were back-checked daily for their completeness by the researcher. Data were collected via face-to-face interview with the respondents of the study area. The study approach was participatory in nature which ensures meaningful participation of a range of stakeholders in the entire process of the study.

Research Design of the study
Descriptive and analytical research designs were chosen. Because descriptive research design helps to describe the current practices and events while analytical research design enables to establish relationship between variables. Here, the research design of this research is survey and case study type.

Study area and Period
The study was conducted at Dhaka district in Bangladesh. The study was conducted from April 2019 to July 2020.

Sampling Method
Basically, random sampling method is used in this study. Because people whom are likely to have the required information and be willing to share it those are selected. This sampling method helps to ensure representation of different variation of service providers as well as service seekers.

Sample Size
Total 400 respondents were selected for the study.

Sampling technique
Random sampling is a sampling technique which is a probability sampling method and it occurs for representation with sound judgment by which time and money both are saved.

Sources of Data
The present study is based on both primary and secondary sources of data. Primary data were collected from the respondents of this study. Secondary data were collected from different relevant publications, dissertations, books, journal articles, reports and websites etc.

Data Collection Method

Primary data were collected through interviews and Questionnaire survey. Structured questionnaire containing both open and closed ended were used. Secondary data were collected from different relevant publications, dissertations, books, journal articles, government documents, education commission's report, policies, reports of various committees related to the risk factors, barriers of development of capital market, experiences of Investors members of DSE and websites etc.

Questionnaire Survey

For unique and exploratory research new information must be required. Questionnaire survey is the easiest and most widely used instrument for data collection in this regard. This method allows the researcher to come in direct contact with the respondents, to observe their attitude during answering time and to analyze the issue under study in ordinary setting. The questionnaire is precise enough to meet the objectives of the study of the research questions. Besides, comments and advice from participants defense on the study great support to frame up the questionnaire and other. The purpose and objectives of the study was explained to the respondents as simply as possible allocating sufficient time so that they accept the idea and can come back with spontaneous thoughts.

Validation of Data

In this study data were collected by questionnaire survey and interview method was also followed. The combinations of both the methods give the reliable and valid data. Validity refers to trustworthiness which is done through cross checking the data collect from one source to that of others.

Data Processing and Analysis

Partial data of questionnaire survey were processed using simple statistics. The rest of the data were explained carefully to meet the aim of the study and research question and also attempted to establish relation among the variables. Some important and strong statements were referred in the analysis part to add value to the findings. Computer Program Statistical Packages for the Social Sciences SPSS 16.0 was used for data analysis. Data were analyzed according to the objectives of the study. Tables, graphs and statistical analysis were done by Computer Program SPSS 16.0.

Results from Field Survey

In this field survey there are 400 respondents. Most of them are male and remaining is female. The ages of the respondents are 26 years to 54 years. The professions of the respondents are government service, semi government service, private service and business. Most of them are master's degree holder and others are bachelor. Total numbers of questions are 16; among them 10 questions are objective types and 6 questions are analytical. In case of analytical question, the respondents have provided their opinions in written form and in case of objective question they selected their choices through tic mark from five options like strongly agree, agree, neutral, disagree and strongly disagree. The discussion has been presented according the chronology of the questions:

Table1: Age of the Respondents

Age	Frequency	Percent	Valid Percent	Cumulative Percent
26	8	2.0	2.0	2.0
27	48	12.0	12.0	14.0
28	24	6.0	6.0	20.0
29	8	2.0	2.0	22.0
30	48	12.0	12.0	34.0
31	40	10.0	10.0	44.0
32	8	2.0	2.0	46.0
33	8	2.0	2.0	48.0
34	16	4.0	4.0	52.0
35	24	6.0	6.0	58.0
36	24	6.0	6.0	64.0
38	16	4.0	4.0	68.0
39	16	4.0	4.0	72.0
40	24	6.0	6.0	78.0
41	24	6.0	6.0	84.0
47	16	4.0	4.0	88.0

50	16	4.0	4.0	92.0
52	16	4.0	4.0	96.0
54	16	4.0	4.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

Chart 1: Age of the Respondents
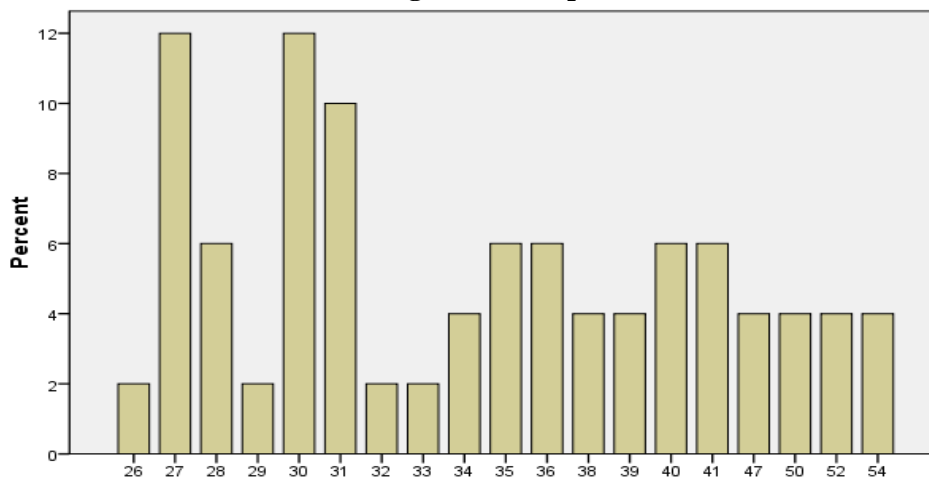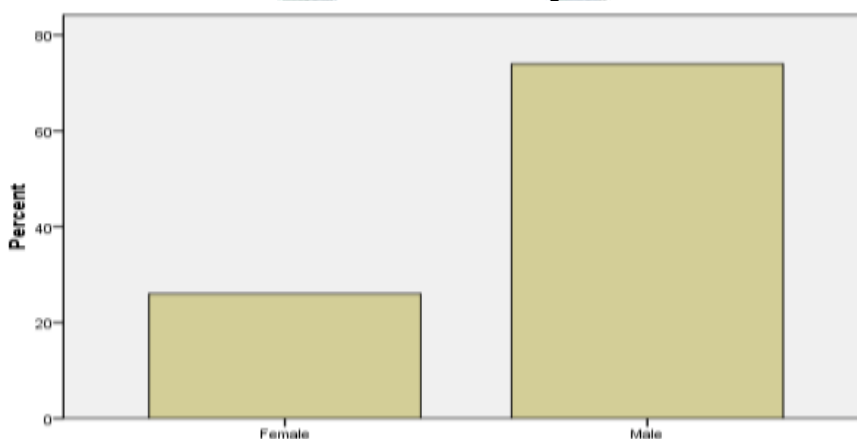

Source: Field Survey, 2020

In this study, the total numbers of respondents were 400 which have been shown in the above table and chart 1. Out of which highest age groups of 27 and 30 were almost 12% and lowest age groups were 26, 29, 32, and 33 having actually 2% of the whole participants. There are around 4% respondents involved here those age groups were 34, 38, 39,47,50,52, and 54 respectively. On the other hand, 10% of age group of 31 and 6% of age group 28 were responded.

Table 2: Gender of the Respondents

Gender	Frequency	Percent	Valid Percent	Cumulative Percent
Female	104	26.0	26.0	26.0
Male	296	74.0	74.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

Chart 2: Gender of the Respondents
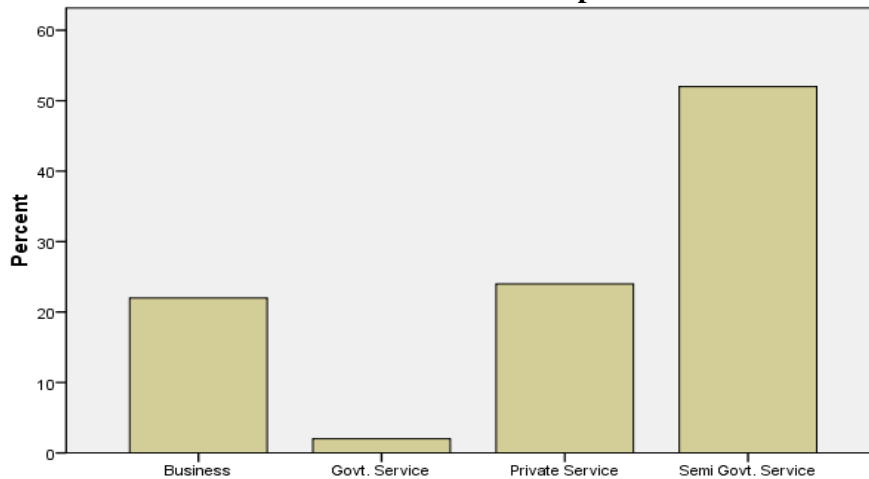

Source: Field Survey, 2020

Table 2 and the bar chart describe the gender of the respondents. From the result it was it can be seen from the chart that almost 74% respondents were male and 26% respondents were female.

Table 3: Profession of the Respondents

Profession	Frequency	Percent	Valid Percent	Cumulative Percent
Business	88	22.0	22.0	22.0
Govt. Service	8	2.0	2.0	24.0
Private Service	96	24.0	24.0	48.0
Semi Govt. Service	208	52.0	52.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

Chart 3: Profession of the Respondents
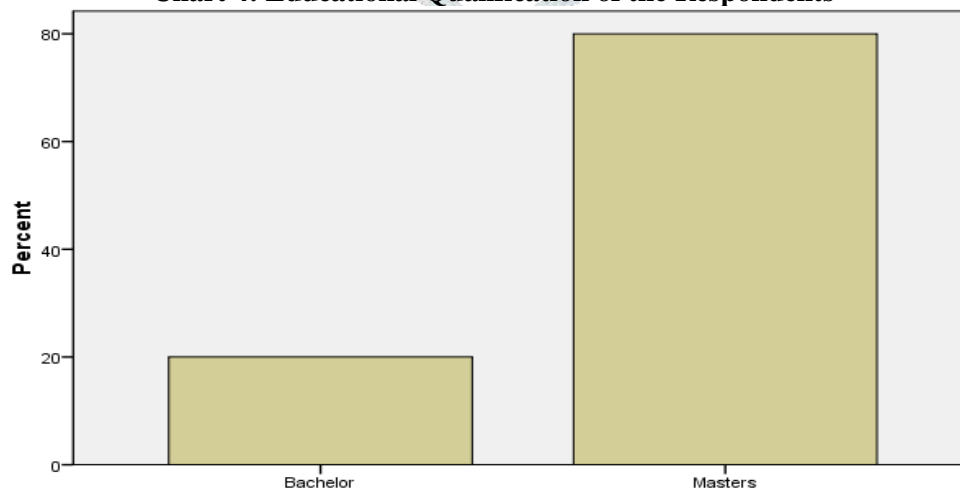

Source: Field Survey, 2020

Professions of the respondents have shown in the above table and chart. From the result it was found that the total 208 Semi Government Service holders which were 52% and only 2 % Government Service holders of the total participants were involved in this research. On the contrary, 22% business people and 24% private service holder were answered which have been shown in the above bar chart and in the table 3 named profession of the respondents.

Table 4: Educational Qualifications of the Respondents

Educational Qualifications	Frequency	Percent	Valid Percent	Cumulative Percent
Bachelor	80	20.0	20.0	20.0
Masters	320	80.0	80.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

**Chart 4: Educational Qualification of the Respondents**

Source: Field Survey, 2020

Table 4 and the above bar chart depicted the educational qualifications of the respondents. In this research study 320 respondents were master degree holder and 80 respondents were bachelor degree holders were contributed which in percent were 80% and 20% consecutively.

Table 5: Current Situation of Capital Market of Bangladesh

Current Situation of Capital Market	Frequency	Percent	Valid Percent	Cumulative Percent
Challenging and wiping out Market Capitalization	80	20.0	20.0	20.0
Fully Bearish	24	6.0	6.0	26.0
Hopeless and alarming	80	20.0	20.0	46.0
Lack of analytical investor	24	6.0	6.0	52.0
Lack of liquidity and buyer due to Codid-19	48	12.0	12.0	64.0
Lagged behind from developed countries	8	2.0	2.0	66.0
Vulnerable	128	32.0	32.0	98.0
Worst in the history of Bangladesh	8	2.0	2.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

**Chart 5: Current Situation of Capital Market of Bangladesh**
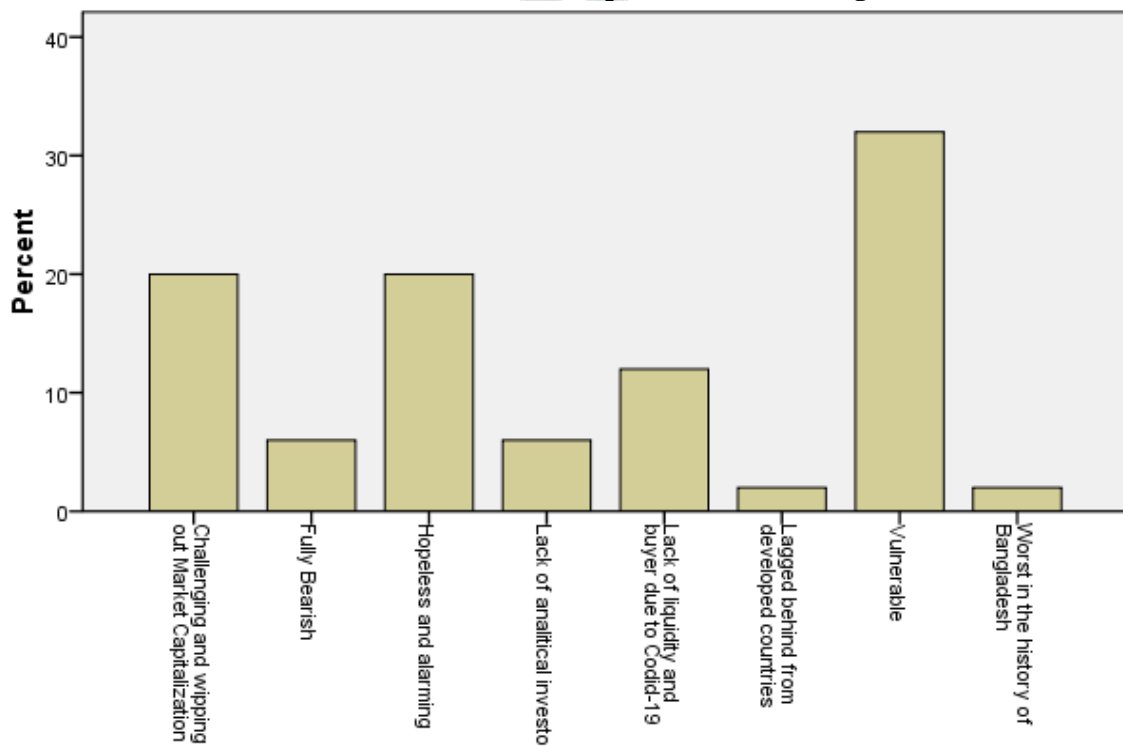
Source: Field Survey, 2020

In response to the current situation of the capital market of Bangladesh the respondents indicated eight types of circumstances which were presented in the above bar chart and table 5. Firstly, 32% respondents explained the present position of the capital market as vulnerable and only 2% respondents expressed as lagged behind from developed countries side by side worst in the history of Bangladesh. Next, 20% participants were in the view of Challenging & wiping out market capitalization and hopeless & alarming. Afterwards, around 12% respondents commented the current situation as lack of liquidity and buyer due to Covid-19. Finally, 6% respondents responded fully bearish and lack of analytical investor for being picturing the present state of affairs of the capital market.

Table 6: Whether Inadequate Systems and Surveillance are Obstacles for the Capital Market Development

Respondents' Opinion	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	144	36.0	36.0	36.0
Disagree	8	2.0	2.0	38.0
Strongly Agree	248	62.0	62.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

Chart 6: Whether Inadequate Systems and Surveillance are Obstacles for the Capital Market Development
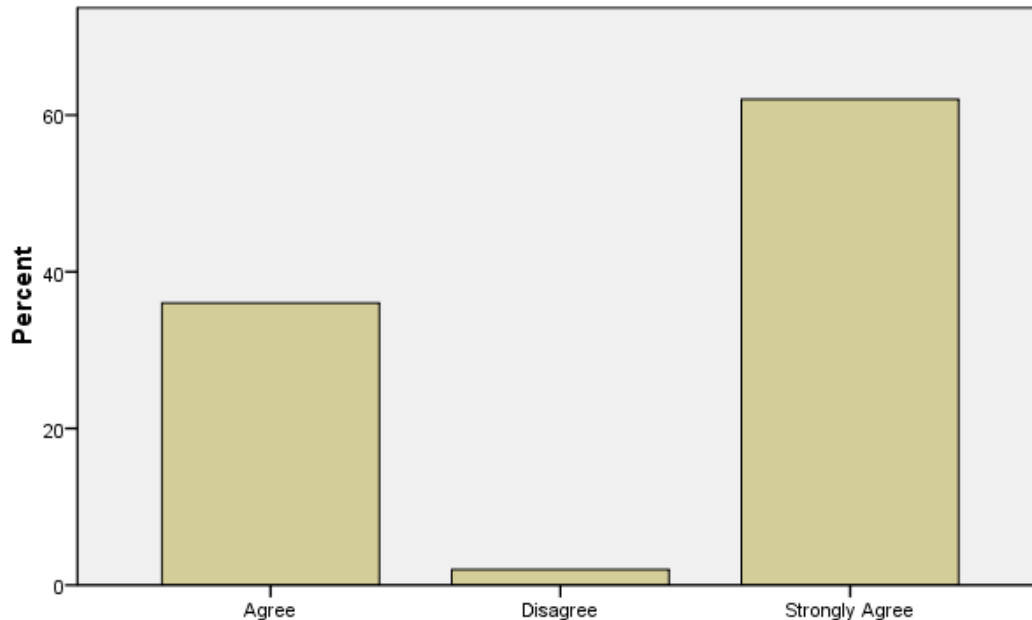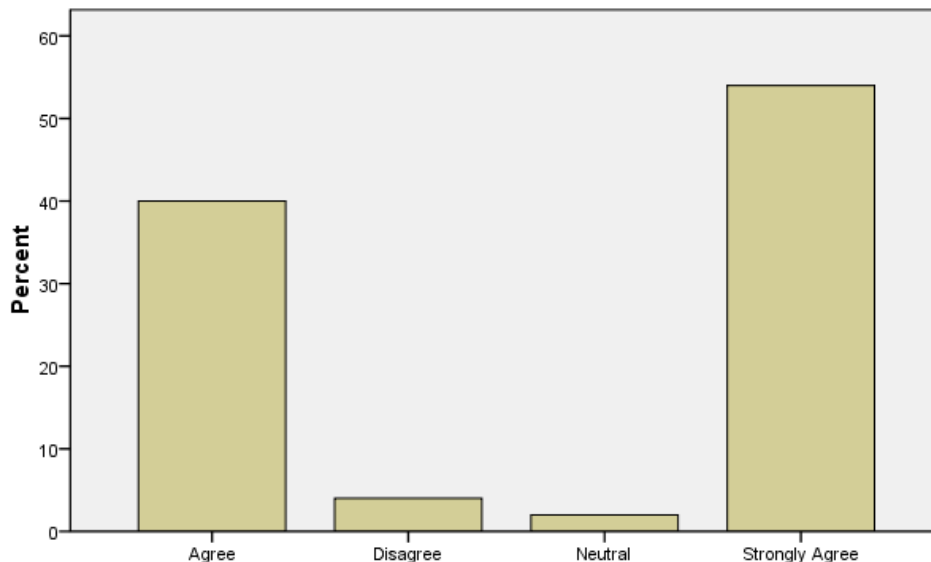

Source: Field Survey, 2020

In response to the question whether inadequate systems and surveillance are obstacles for the capital market development the participants described their position as strongly agree, agree and disagree out of total five categories in the above bar chart and table 6. On this issue most of the respondents were strongly agree which 62%, then 36% respondents were agreed but only 2% respondents were not in favor and disagreed.

Table 7: Whether Lack of Knowledge of the Investor Creates a Barrier the Path of Capital Market Development

Respondents' Opinion	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	160	40.0	40.0	40.0
Disagree	16	4.0	4.0	44.0
Neutral	8	2.0	2.0	46.0
Strongly Agree	216	54.0	54.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

Chart 7: Whether Lack of Knowledge of the Investor Creates a Barrier the Path of Capital Market Development
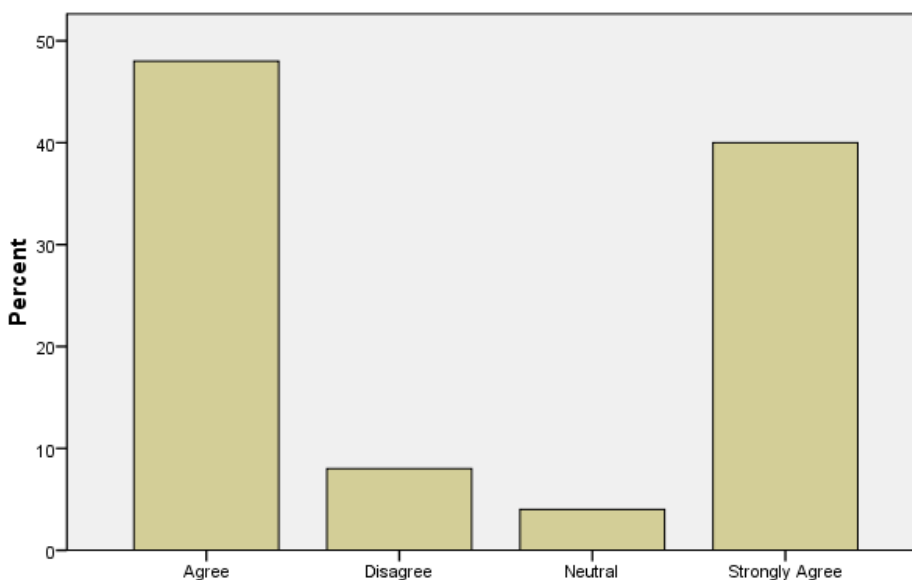

Source: Field Survey, 2020

Table 7 and the above chart shows in case of the question whether lack of knowledge of the investor creates a barrier the path of capital market development the respondents were 54% respondents strongly agreed but only 2% respondents were neutral on the issue. Then 40% participants were agreed that due to the knowledge gap of the investor are responsible for the development of the capital market of Bangladesh, however, nearly 4% respondents were disagreed of this view.

Table 8: Whether Inadequate Liquidity affects the Capital Market Badly

Respondents' Opinion	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	192	48.0	48.0	48.0
Disagree	32	8.0	8.0	56.0
Neutral	16	4.0	4.0	60.0
Strongly Agree	160	40.0	40.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

Chart 8: Whether Inadequate Liquidity affects the Capital Market Badly

Source: Field Survey, 2020

In reply to the question reveals on the above charts and table 8 whether inadequate liquidity affect the capital market badly, most of the respondents were in favor of agree which 48% and least of them were neutral and only 8% respondents were not agreed and disagreed that inadequate liquidity affect the capital market badly. Nevertheless,

40% respondents of the participants were strongly agreed that capital market was badly affected due to the shortage of liquidity.

Table 9: Whether Security Settlement Policy Up To Date

Respondents' Opinion	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	112	28.0	28.0	28.0
Disagree	104	26.0	26.0	54.0
Neutral	136	34.0	34.0	88.0
Strongly Agree	24	6.0	6.0	94.0
Strongly Disagree	24	6.0	6.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

Table 9: Whether Security Settlement Policy Up To Date
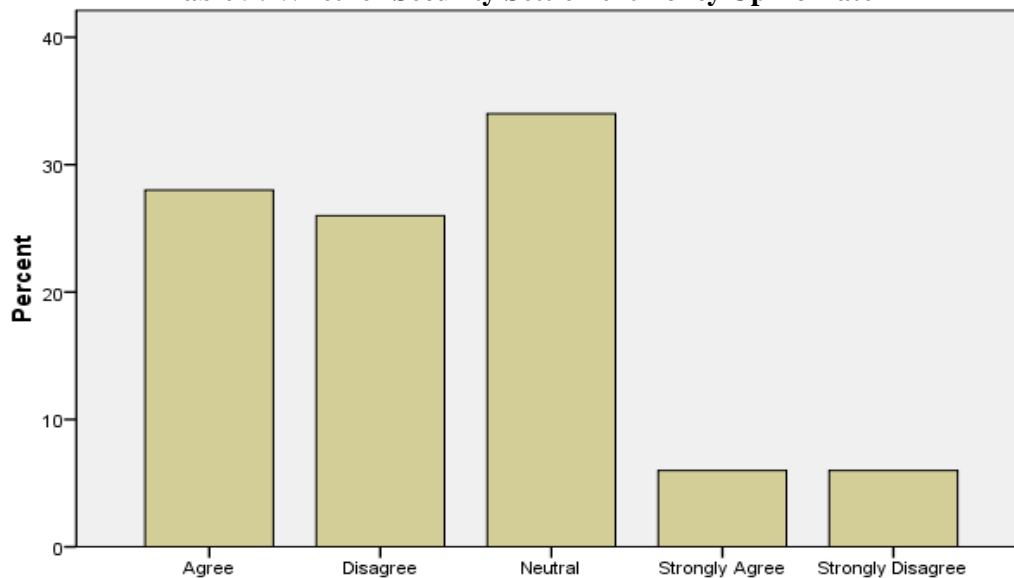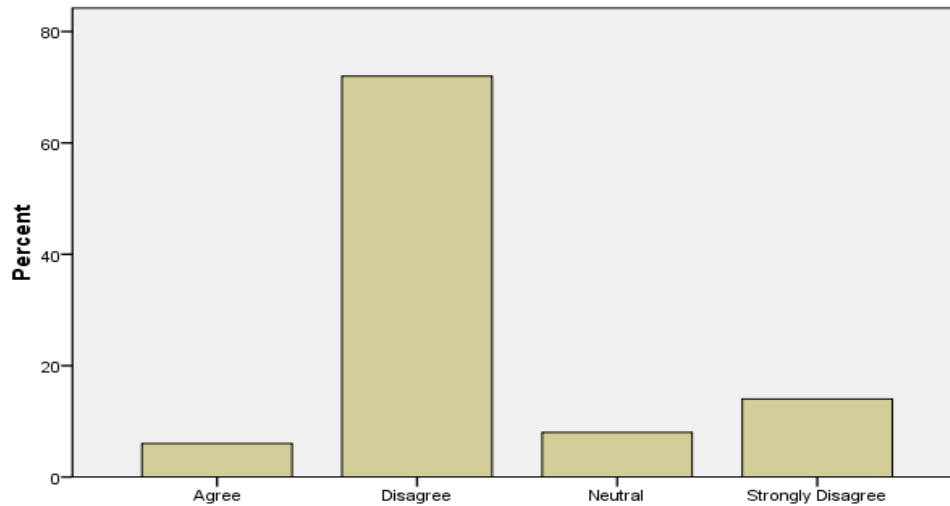

Source: Field Survey, 2020

Above bar chart and table 9 explain on the question whether security settlement policy is up to dated or not. It can be seen that most of the responded were neutral which were 34% that means they don't have any comments about whether security settlement policy up to dated nor not. 28% respondents were agreed that security settlement policy is up to date but 26% respondents were disagreed on the matter. It might be a coincidence that both strongly agree and strongly disagree were similar percentage that is 6% respondents on the same issue.

Table 10: Whether Investors of DSE are experienced enough

Respondents' Opinion	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	24	6.0	6.0	6.0
Disagree	288	72.0	72.0	78.0
Neutral	32	8.0	8.0	86.0
Strongly Disagree	56	14.0	14.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

Chart 10: Whether Investors of DSE are Experienced Enough
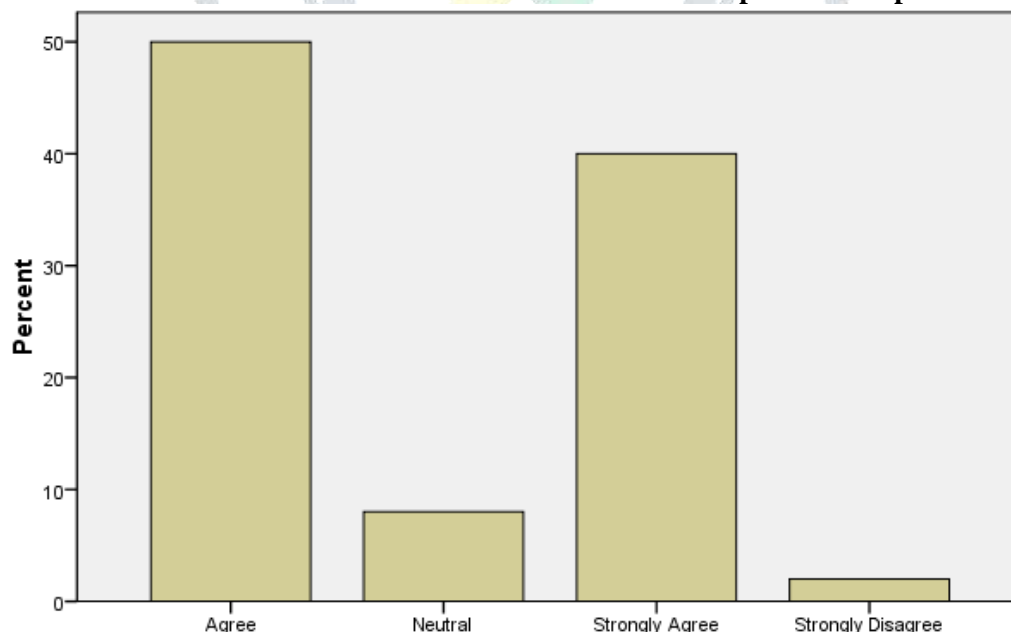

Source: Field Survey, 2020

In response to the question whether investors of DSE are experienced enough or not, the respondents expressed their opinion in the above chart and table 10 where 72% respondents were disagreed and conclude that investors are not experienced enough and further 14% respondents were strongly disagreed on this issue. Additionally, 8% of the respondents were neutral, they didn't support any side but 6% respondents were agreed that investors of DSE are experienced enough.

Table 11: Whether Rumor of Investors can affect the Development of Capital Market

Respondents' Opinion	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	200	50.0	50.0	50.0
Neutral	32	8.0	8.0	58.0
Strongly Agree	160	40.0	40.0	98.0
Strongly Disagree	8	2.0	2.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

Chart 11: Whether Rumor of Investors can affect the Development of Capital Market
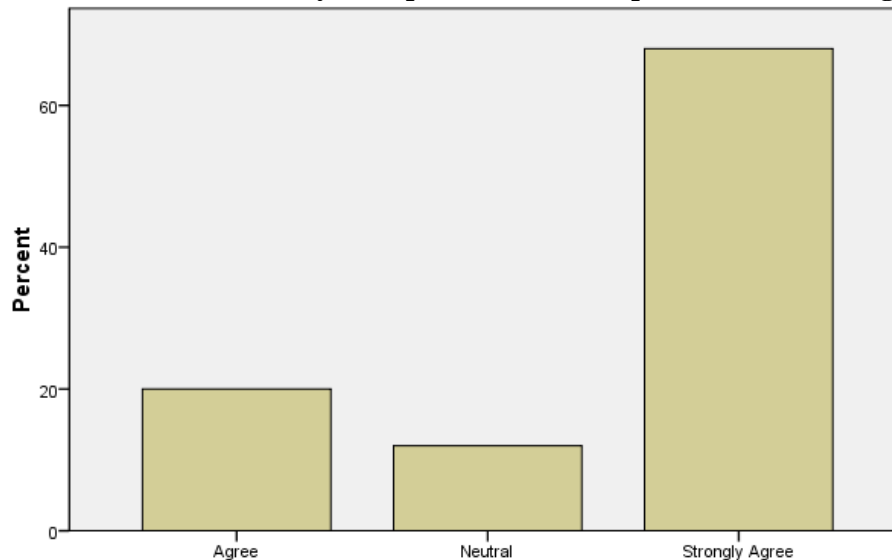

Source: Field Survey, 2020

Table 11 and the above bar chart shows that the respondents answered whether rumor of investors can affect the development of capital market or not and 50% respondents of them were agreed. Furthermore, 40% respondents were strongly agreed, so almost 90% respondents of the participants believed that investor rumors affect the developments of the capital market. On the contrary, only 2% respondents were strongly disagreed that rumor can affect the development and 8% respondents were neutral on the said issue.

Table 12: Whether there is any Manipulation in the Capital Market in Bangladesh

Respondents' Opinion	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	80	20.0	20.0	20.0
Neutral	48	12.0	12.0	32.0
Strongly Agree	272	68.0	68.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

**Chart 12: Whether there is any Manipulation in the Capital Market in Bangladesh**

Source: Field Survey, 2020

In reply to the question whether there are any manipulation in the capital market of Bangladesh, the respondents answered in the above chart and table 12 and 68% were strongly agreed which explain that there are manipulation in the capital market of Bangladesh. Additionally, 20% respondents of the participants were agreed on the same issue. However, only 12% respondents were neutral and didn't support any of the side.

Table 13: The Problems of DSE and Capital or Securities Market

The Problems of DSE and Securities Market	Frequency	Percent	Valid Percent	Cumulative Percent
Delay in Settlement	16	4.0	4.0	4.0
Failure to Impose Proper Rules and Regulation	40	10.0	10.0	14.0
Failure to Maintain Compliance	24	6.0	6.0	20.0
Irregularities in Declaration	24	6.0	6.0	26.0
Lack of Coordination among Regulators	32	8.0	8.0	34.0
Lack of Good Governance	56	14.0	14.0	48.0
Lack of Institutional and Foreign Investor	24	6.0	6.0	54.0
Lack of Professional Portfolio Analyst	32	8.0	8.0	62.0
Lack of Proper Monitoring and Supervision	32	8.0	8.0	70.0
Lack of Quality Share	32	8.0	8.0	78.0
Lack of Skilled Manpower & Educated Investor	32	8.0	8.0	86.0
Liquidity Crisis	24	6.0	6.0	92.0
Market Manipulation	32	8.0	8.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

**Chart 13: The Problems of DSE and Capital or Securities Market**
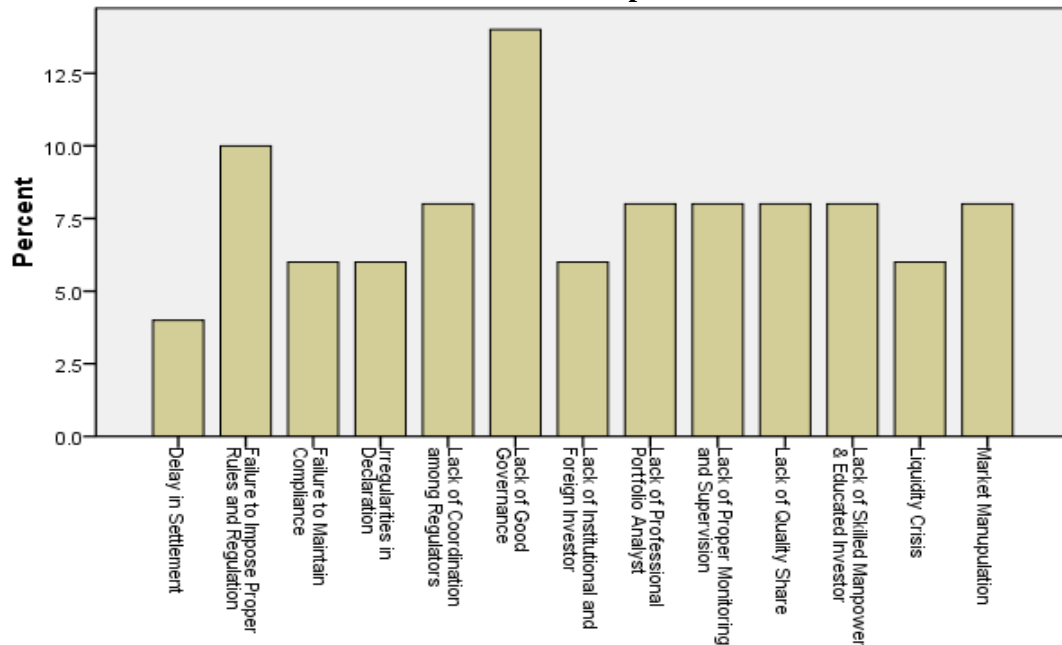
Source: Field Survey, 2020

In responses to the question what are the problems of DSE and Capital or Securities Market above chart and table 13 depicted that most of the respondents i.e. 14% raised lack of good governance. Particularly, 10% participants mentioned failure to impose proper rules and regulation. More specifically, 8% responded lack of coordination among regulators, lack of professional portfolio analyst, lack of proper monitoring and supervision, lack of quality share, lack of skilled manpower & educated investor and market manipulation each as the capital market problems. Accordingly, 6% respondents suggested failure to maintain compliance, irregularities in declaration, lack of institutional & foreign investor and liquidity crisis. Last but not the least, 4% respondents confirmed delay in settlement as the problem of the capital market of Bangladesh.

Table 14: Suggestions of the Capital Market Development

Suggestions	Frequency	Percent	Valid Percent	Cumulative Percent
Confirmation of Imposing Proper Rules and Regulations	40	10.0	10.0	10.0
Developing Skilled Manpower & Educated Investor	32	8.0	8.0	18.0
Ensuring Compliance	24	6.0	6.0	24.0
Ensuring Coordination among the Regulators	32	8.0	8.0	32.0
Ensuring Faster Settlement Procedure	16	4.0	4.0	36.0
Ensuring Good Governance	56	14.0	14.0	50.0
Ensuring Proper Monitoring and Supervision	32	8.0	8.0	58.0
Need to Increase Fund Flow	24	6.0	6.0	64.0
Need to Increase Institutional and Foreign Investor	24	6.0	6.0	70.0
Need to Increase Professional Portfolio Analyst	32	8.0	8.0	78.0
Need to stop Irregularities in Declaration by the Listed Companies	24	6.0	6.0	84.0
Need to Stop Market Manipulation	32	8.0	8.0	92.0
Supply of Quality Share	32	8.0	8.0	100.0
Total	400	100.0	100.0	

Source: Field Survey, 2020

Chart 14: Suggestions of the Capital Market Development
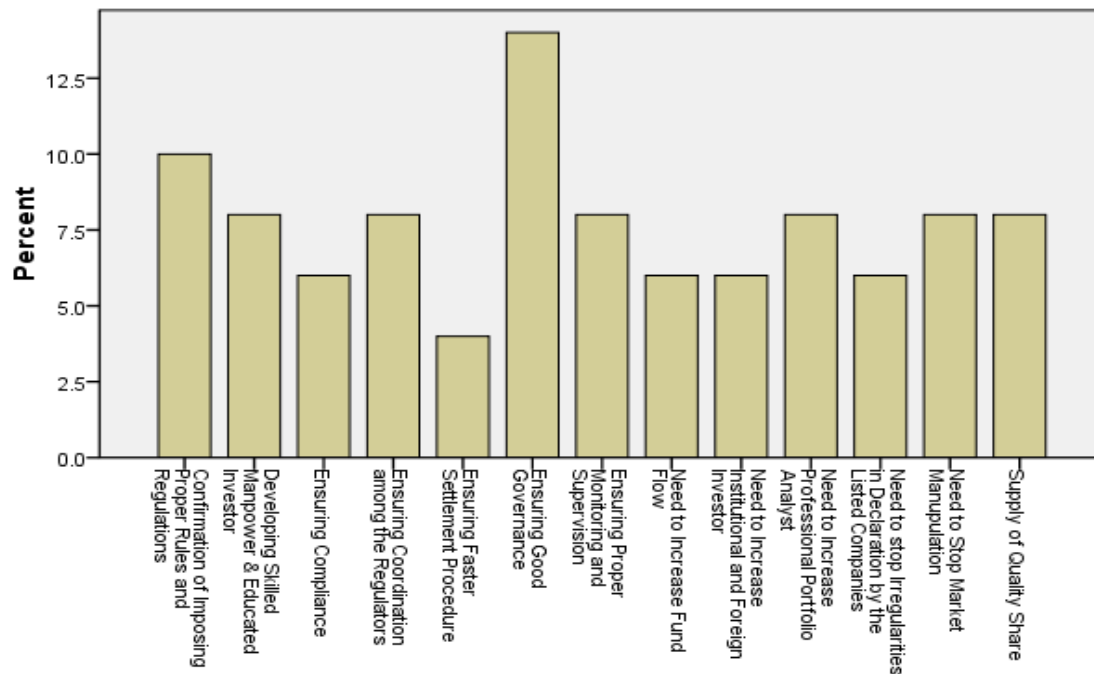
Source: Field Survey, 2020

In table 14 and the above charts have explained the suggestions of the respondents for the development of the capital market. The discussion has been continued on the basis of the significant percentage. At first, 14% respondents expressed for ensuring good governance for the development. Then, 10% participants acknowledged for the confirmation of imposing proper rules and regulations. Next, 8% responded for developing skilled manpower & educated investor, ensuring coordination among the regulators, ensuring proper monitoring and supervision, need to increase professional portfolio analyst, need to stop market manipulation, and supply of quality share. After that, 6% respondents answered in each case as need to increase fund flow, need to increase institutional and foreign investor, need to stop irregularities in declaration by the listed companies, and ensuring compliance. Finally, 4% respondents concluded ensuring faster settlement procedure as suggestion for the development of the capital market of Bangladesh.

Recommendations

The recommendations of the study are as follows:
1. Good governance should be ensured for the development;
2. Rules and regulations should be implemented strictly;
3. Market friendly manpower should be developed properly;
4. Investors should be educated by sufficient training;
5. Coordination should be ensured among the regulators;
6. Proper monitoring and supervision should be ensured by the concerned authorities;
7. Professional portfolio analysts should be increased;
8. Market manipulation should be stopped;
9. Provision should be taken so that quality share can get the opportunity to come in the IPO process;
10. Fund flow should be increased;
11. Institutional and foreign investors should be given facilities so that they can be encouraged to participate in the market;
12. Irregularities should be stopped in declaration by the listed companies;
13. Compliance should be ensured;
14. Appropriate mechanism should be announced to confine the fixing of new share price;
15. Commercial derivatives and commodity categories should be introduced;
16. Policy makers, regulatory bodies and authorities should come forward for financial sector stability;
17. Multiple channels for financial asset management should be improved;
18. Transparency, comprehensiveness and consciousness should be ensured;
19. Faster settlement procedure should be ensured for the development of the capital market of Bangladesh.

Conclusion

In 2018 the BSEC accepted DSE's offer for selling its 25% stake to the Chinese consortium of Shenzhen Stock Exchange (SZSE) and the Shanghai Stock Exchange (SSE) equivalent to 450,944,125 ordinary shares of DSE at Tk 21 each with a view to partner with the bourse were incorporated in the market. As a consequence, the market began to develop in positive pace.

The Securities regulator distributed letter to the 35 banks, plus four non-listed ones and demanded on February 10, 2020 and June 28, 2020 under the section 11(2) of the Securities and Exchange Ordinance, 1969 to inform the commission concerning the status of formation of special fund and its investments in the capital market. As well as on February 10 2020, Bangladesh Bank delivered a circular permitting all the scheduled banks to generate a Tk 2.0 billion special fund each for a period of five years for investment in the capital market.

On May 17, 2020 BSEC has started its fresh journey under the leadership of Professor Shibli Rubayat Ul Islam and Dr M Khairul Hossain has finished his tenure on May 14, 2020. New leadership of BSEC has taken some significant initiatives to boost up the investor's confidence; they noticed on July 2020, that 61 directors of 22 listed companies had not minimum 2.0 per cent shares.

The BSEC directed those directors to hold a minimum 2.0 per cent shares in their own companies within 45 days to continue their director's post. In addition to that the securities regulator has also focused within 60 working days from July 29, 2020 the listed companies and their board of directors to comply with the directive concerning holding minimum 30 percent shares jointly by the directors, other than independent ones.

Actually, Covid-19 has created an impression upon the capital market everywhere of the world; nevertheless the essence of the market will get back its place for contributing the industrialization and for the economic development. Therefore, it can be concluded that after taking above steps the securities settlement policy of the capital market has got fresh momentum and the confidence of the investors in the capital market of Bangladesh has increased and well-built than that of any time of the country.

Abbreviations

BB: Bangladesh Bank
BSEC: Bangladesh Securities and Exchange Commission
DSE: Dhaka Stock Exchange
MNCs: Multinational Companies
DGEN: Dhaka Stock Exchange General Index
SPSS: Statistical Packages for the Social Sciences
SZSE: Shenzhen Stock Exchange
SSE: Shanghai Stock Exchange
BCA: Banking Control Act

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