



Media Release

June 17, 2020

Colombo:

Initiative to Digitalize the Colombo Stock Market launched

A Joint Committee between the Securities and Exchange Commission of Sri Lanka (SEC) and the Colombo Stock Exchange (CSE) was formed with the objective of identifying measures and mechanisms required for the Colombo Stock market to conduct its core activities digitally.

The first phase of this initiative was launched and under this initiative, it has been decided to convert paper-based statements to electronic form and to facilitate companies listed on the CSE to pay dividends electronically to shareholders.

Under the existing rules, Stockbroker Firms and the CDS use paper-based statements except where Accountholders and clients of Stock Broker Firms have specifically requested for statements to be sent electronically.

Similarly, the existing listing rules have provided for the issue of Annual Reports in a CD ROM form and most companies follow this method of issuing Annual Reports.

The Stock Broker rules have been amended to make it mandatory for the Stock Broker Firms to dispatch Bought and Sold Notes and statements of Accounts by electronic means to their clients.

The CDS Rules have also been amended to make it mandatory for the CDS to forward the CDS statements in electronic form to an email address provided by the Accountholder through the relevant Stock Broker Firm / CDS Participant.

The Listing rules have been amended with a view to facilitating Listed companies to credit the dividend proceeds directly to the respective bank accounts of the entitled shareholders who have provided accurate information of their bank accounts.

The Listing rules have been further amended to provide the flexibility for listed Companies to issue the Annual Report in a mode other than in printed form.

In order to facilitate a smooth transition, all CDS accountholders will be requested to furnish the following details to their Stockbroker/Participant prior to the 10th of September 2020.

1. e-mail address
2. Mobile number
3. Bank account number, name of bank and branch

The above information must be provided by submitting the duly completed CDS 28 - e-Service form by the CDS Accountholders to the registered Stockbroker/Participant. The Form can be downloaded from www.cse.lk, www.cds.lk, or the same can be collected from Stockbrokers/Participants.

About CSE

The Colombo Stock Exchange (CSE) operates the only stock market in Sri Lanka and is responsible for providing a transparent and regulated environment where companies and investors can come together. The CSE is a company that is limited by guarantee established under the Laws of Sri Lanka. The CSE is licensed by the Securities and Exchange Commission of Sri Lanka (SEC) and is a mutual exchange consisting of 14 Members and 14 Trading Members. All Members and Trading Members are licensed by the SEC to operate as Stockbrokers. For more information, please visit: www.cse.lk.

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