

Company Profile

Name of Stock Exchange	Colombo Stock Exchange
Country/Region	Sri Lanka
Name of CEO	Mr. Rajeeva Bandaranaike
Capital (US\$)	USD 18.5 Million
Number of Officers and Employees -	150
Ownership and Governance (Main Shareholders)	Mutual Organization

Brief History

The Colombo Stock Exchange (CSE) was incorporated in 1984 as a company limited by guarantee of its members. The CSE took over the operations of the stock market from the Colombo Stock Brokers Association which had conducted the stock market operations in Sri Lanka from 1896 – 1984.

Practices and Procedures

The CSE is licensed by the Securities and Exchange Commission (SEC) of Sri Lanka. The CSE is governed by its Articles of Association, Companies’ Act of Sri Lanka No 07 of 2007 and Securities and Exchange Commission of Sri Lanka Act No 36 of 1987(As amended). The regulations for the conduct of the stock market are governed through the following rules.

1. Stock Broker Rules
2. Listing Rules
3. ATS Rules
4. CDS Rules

Trading	
Days	Mon - Fri
Hours	Equity 09.30 – 14.30 Debt 09.30 - 14.30
Market segmentation	Main Board for equity and Corporate debt Diri Savi Board for equity and Corporate debt Empower Board for equity
System	Automated Trading System (Equity & Debt) Central Depository System Broker Connectivity through WAN
Mechanisms	Continuous order driven market based on price time Priority

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Market-Maker /Specialists	No
Instruments	Equity , warrants, Corporate Debt
Currency	Sri Lankan Rupees
Real time information	Live Market Feed
Clearing & Settlement	
Central Depository	Equity and Debt market
Period	T+3 for Equity T+1 and T+2 for Debt
Registered	Equity and Debt
Settlement	Book Entry
Clearing	Book Entry
DVP	Only for Debt Securities
	For Equities, Securities settle on T & Funds settle on T + 3
Clearing Institution	No.
Risk Sharing	-
Margin/Lending	Yes.
Custodians	Commercial Banks
Taxes	
Cash Dividends	14% Withholding tax
Interest Income	10% Withholding tax
Capital Gains	No
Structure & Regulations	
Legal	Mutual exchange. A company limited by guarantee.
Regulation	Self
Securities market regulations	Securities and Exchange Commission (SEC)
Trading rules	Stock Exchange
Surveillance	Yes.
Corporate actions	Yes.
Trading halts regulations	Yes.
Investor protection	Under SEC Act
Foreign Participation	
Foreign investors	Permitted
Investment limitations	None. Except Single owner restrictions on ownership in banks and in certain industries as defined in the Foreign Exchange Act
Repatriation	No restrictions. All funds have to be channeled through a Inward Investment Account

(IIA) opened through any licensed commercial bank.

Minimum Listing Requirements

MAIN BOARD

Eligibility to be listed on the Main Board

- ❖ Stated Capital of not less than Rupees Five Hundred Million (Rs.500, 000,000/-) at the time of listing,
- ❖ Net profit after tax for three (3) consecutive years immediately preceding the date of application,
- ❖ Positive Net Assets as per the consolidated audited financial statements for the last two (2) financial years immediately preceding the date of application, and,
- ❖ On the date of listing, the applicant Entity shall meet the Minimum Public Holding Requirement by selecting any of the options as set out in the table below:

Option	Minimum PUBLIC HOLDING REQUIREMENT		
	Float Adjusted Market Capitalization	Public Holding Percentage	Number of Public Shareholders
1	Rs. 10.0 Bn.	-	500
2	Rs. 7.5 Bn.	5%	500
3	Rs. 5.0 Bn.	7.5%	500
4	Rs.2.5 Bn.	10%	500
5	-	20%	500

DIRISAVI BOARD

Eligibility to be listed on the Dirisavi Board

- ❖ Stated Capital of not less than Rupees Hundred Million (Rs.100, 000,000/-) at the time of listing,
- ❖ Positive Net Assets as per the consolidated audited financial statements for the financial year immediately preceding the date of application,
- ❖ On the date of listing, the applicant

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Entity shall meet the Minimum Public Holding Requirement by selecting any of the options as set out in the table below:

Option	Minimum PUBLIC HOLDING REQUIREMENT		
	Float adjusted market capitalization	Public holding percentage	Number of public shareholders
1	Rs. 1 Bn	7.5%	200
2	-	10%	200

- ❖ An operating history of at least one (1) year immediately preceding the date of application.

EMPOWER BOARD

Eligibility to be listed on the Empower Board

- ❖ Stated Capital of or above Rupees Twenty Five Million (Rs.25,000,000/-) and below Rupees Hundred Million (Rs.100,000,000/-) at the time of listing.
- ❖ Additionally, in the event of an Initial Public Offering, the applicant Entity shall have a Stated Capital of not less than Rupees Ten Million (Rs.10,000,000/-) as at the date of Listing Application.
- ❖ Positive Net Assets as per the audited financial statements for the financial year immediately preceding the date of application.
In the event the applicant Entity is a parent Entity, Positive Net Assets as per the consolidated audited financial statements for the financial year immediately preceding the date of application.
- ❖ An operating history of at least two (2) years immediately preceding the date of application.
- ❖ An unmodified audit opinion for the Financial Year immediately preceding the date of the Initial Listing Application or an audit opinion which does not contain an emphasis of matter on “going

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concern” as set out in the Independent Auditor’s Report of audited financial statements contained in the annual report of the Entity.

- ❖ Total assets of or below Rupees Six Hundred Million (Rs. 600,000,000/-) as at the date of the Initial Listing Application.

Contact Information

Nalin Fonseka

Head of Central Depository Systems
Colombo Stock Exchange
Tel – 94112356430 Fax -94112440396
Email – nalin@cse.lk

Nadeera Athukorale
Assistant Manager CDS
Colombo Stock Exchange
Tel – 94112356439 Fax -94112440396
Email – nadeera@cse.lk

Vindhya Colombage
Senior Executive CDS
Colombo Stock Exchange
Tel – 94112356448 Fax -94112440396
Email – vindhya@cse.lk

Remarks