

*Securities and Exchange Commission of
Sri Lanka Act, No. 19 of 2021*

[Certified on 21st of September, 2021]

L.D.—O. 8/2017

AN ACT TO ESTABLISH THE SECURITIES AND EXCHANGE COMMISSION OF SRI LANKA; TO REGULATE MARKET INSTITUTIONS, CERTAIN PUBLIC OFFERS OF SECURITIES, MARKET INTERMEDIARIES; TO PROTECT INVESTORS AND TO PROVIDE FOR ENFORCEMENT MEASURES; TO DEAL WITH MARKET MISCONDUCT; AND TO OVERCOME THE CHALLENGES ENCOUNTERED BY SECURITIES MARKET REGULATORS AND TO REPEAL THE SECURITIES AND EXCHANGE COMMISSION OF SRI LANKA ACT, No. 36 OF 1987 AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows: -

1. This Act may be cited as the Securities and Exchange Commission of Sri Lanka Act, No. 19 of 2021. Short title

PART I

CHAPTER 1

PRELIMINARY

2. This Act applies to securities, securities markets and related matters except as otherwise provided in this Act. Application of the Act
3. The object and purpose of this Act shall be – Object and purpose of this Act
- (a) to establish the Securities and Exchange Commission of Sri Lanka;
- (b) to create, maintain and regulate a fair, orderly, efficient and transparent securities market;

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- (c) to protect the interests of local and foreign investors;
and
- (d) to ensure the maintenance of high professional
standards in the provision of services in relation to
securities markets.

CHAPTER 2

SECURITIES AND EXCHANGE COMMISSION OF SRI LANKA

Establishment of
the Securities
and Exchange
Commission of
Sri Lanka

4. (1) There shall be established a Commission which shall be called the Securities and Exchange Commission of Sri Lanka (hereinafter referred to as the “Commission”) to administer the provisions of this Act.

(2) The Commission shall, by the name assigned to it by subsection (1), be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in such name.

Constitution of
the Commission

5. (1) The Commission shall consist of –

- (a) six persons possessing professional expertise and standing in respect of matters relating to the securities market, and possessing special knowledge or wide experience and proven competency in the fields of law, finance, accounting, economics, banking or business to be appointed by the Minister as members (hereinafter referred to as “appointed members”) in order to reflect the multidisciplinary character of the Commission, of whom at least five persons shall be from the private sector;