

Media Release

26th June 2019

The SEC files charges on market manipulation

The Securities and Exchange Commission of Sri Lanka (SEC) filed action in the Magistrate's Court Colombo Fort against two investors on charges of having committed the offence of Market/Price Manipulation with regard to the shares of E-Channelling PLC.

The action was filed on the basis of evidence elicited during the course of an investigation conducted by the SEC and upon receiving the formal opinion of the Honourable Attorney General.

Rule 12 of the SEC Rules published in the Gazette Extraordinary No.1215/2 dated 18th December 2001 prohibits any person from creating or causing to create or from doing anything that is calculated to create a false or misleading appearance or impression of active trading or false or misleading appearance or impression with respect to the market for or the price of any securities listed on a licensed stock exchange.

Section 51(1)(a) of the Securities and Exchange Commission of Sri Lanka Act No.36 of 1987, as amended (SEC Act) makes a contravention of any Rules made under the SEC Act an offence and any person who is found guilty of an offence under the Act shall be liable on conviction after summary trial by a Magistrate to imprisonment of either description for a period not exceeding five years or to a fine not less than fifty thousand rupees and not exceeding ten million rupees or to both such imprisonment and fine.

The Magistrate's Court Colombo Fort has issued summons on the two accused namely Mohammed Imtiaz Samsudeen and Muhammed Bafiq Nizar.

The matter is pending in Court and shall be taken up on 29th August 2019.

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Director General

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