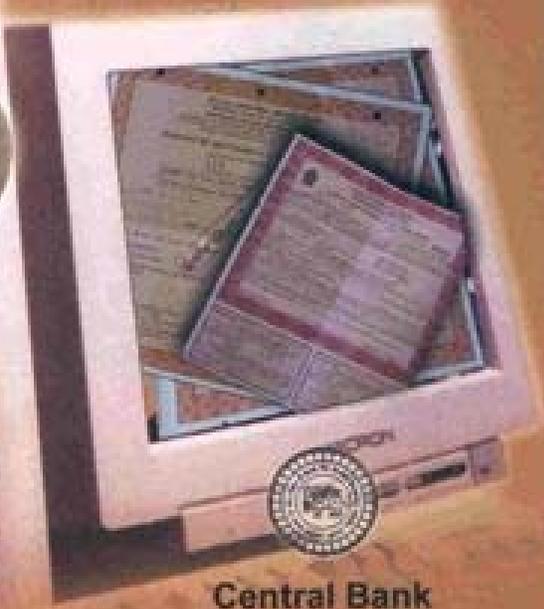


LankaSecure

Scripless
Securities
Settlement
System
&
Central
Depository
System



Central Bank
of Sri Lanka

Preamble

In terms of Section 113 of the Monetary Law Act (MLA), Central Bank of Sri Lanka (CBSL) as the fiscal agent of the Government, is responsible for the management of Public Debt. Accordingly, the Public Debt Department (PDD) of the CBSL is engaged in activities relating to the issuance, servicing and management of domestic debt and servicing of foreign debt on behalf of the Government. Domestic debt is confined mainly to instruments such as Rupee Loans, Treasury Bonds and Treasury Bills. The Rupee Loans and Treasury Bonds are issued under the provisions of Registered Stock and Securities Ordinance (RSSO) whilst Treasury Bills are issued under the provisions of Local Treasury Bills Ordinance (LTBO). The issue of instruments provided in the Treasury Certificates of the Deposits Act (TCDA) and Tax Reserve Certificates Act (TRCA) would also result in public debt. However, such debt instruments have not been issued in the recent past. The issue of foreign loans comes under the purview of Foreign Loans Act. In 2001, for the first time US Dollar denominated Sri Lanka Development Bonds (SLDBs) were issued under the provisions of Foreign Loans Act. All foreign loans issued by the Government are serviced by the PDD. The other activities of the PDD include the appointment and supervision of Primary Dealers (PDs) and developing the government debt securities market.

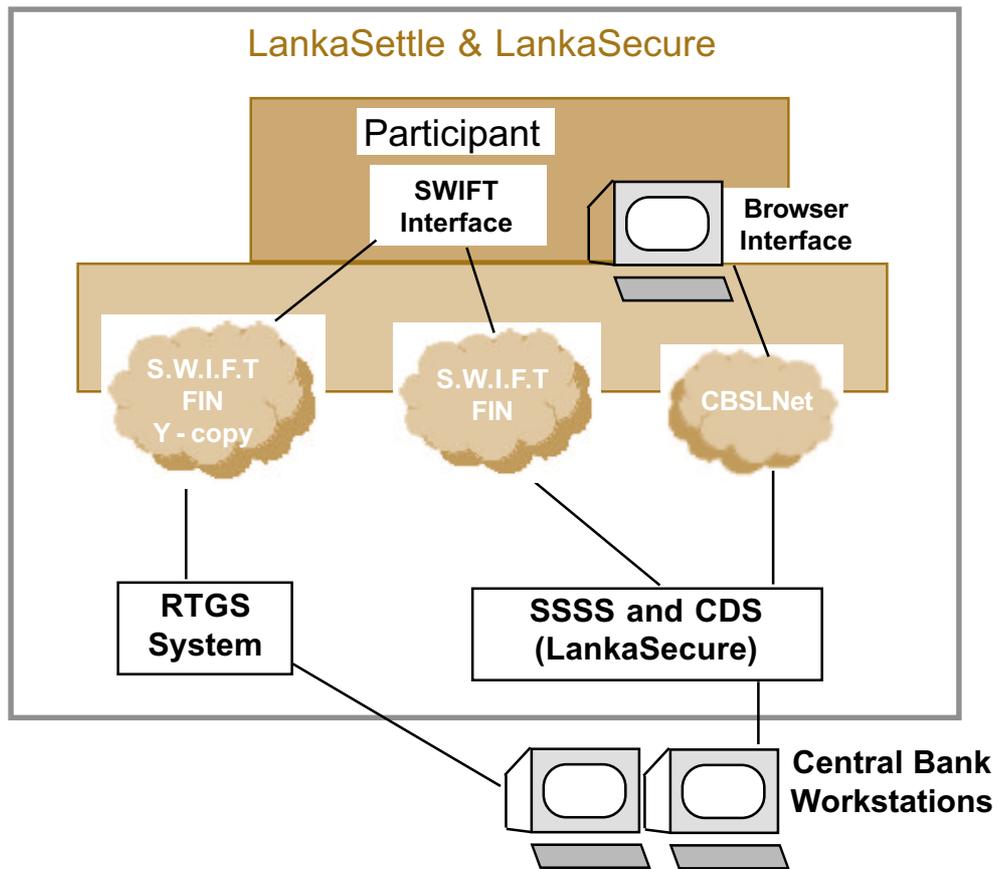
The government securities have been hitherto issued in the form of scrip (paper) securities. With the introduction of Scripless Securities Settlement System (SSSS), initially Treasury Bills and Treasury Bonds will be issued in scripless form. The SSSS is based on a computer network where trading and ownership of government securities are recorded on an electronic platform. In the SSSS, the PDs and licensed commercial banks who have been appointed as Dealer Direct Participants will hold accounts on their behalf and on behalf of other investors who will be their customers. Any other institution permitted by the Central Bank as a direct participant will hold accounts on their own behalf only.

Investor risks associated with holding and trading of paper based securities will be totally eliminated under the SSSS. The investor will not be subject to the hassle of dealing with physical certificates of government securities hitherto experienced. The new system will operate on Delivery Vs Payment (DVP) basis. The other advantage in the SSSS includes the saving of time as the system will operate more efficiently. The efficiency of the system will improve liquidity in government debt securities market thus benefiting the investor since dealers can reduce their margins due to enhanced liquidity. Further, investors will have access to an advanced system which will operate on the state-of-the-art technology.

Public Debt Department
Central Bank of Sri Lanka
Colombo 1
13 February 2004

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What are Scripless Government Securities?

Government securities such as Treasury Bills and Treasury Bonds have hitherto been issued in the form of paper certificates. They are called scrip securities. The scripless government securities are the securities issued in data entry form without a paper certificate. Initially, Treasury Bills and Treasury Bonds are issued in scripless form. To enable primary issues and recording of secondary market transactions of scripless securities, a computer based central depository and a settlement system have been installed. The transactions will be settled through an electronic settlement arrangement known as the Scripless Securities Settlement System (SSSS). The SSSS and the Central Depository System (CDS) are named as 'LankaSecure'.

Reasons for Moving from Scrip to Scripless Securities

There are a number of benefits associated with scripless securities as listed below.

- ◆ The scripless securities will improve efficiency in the government debt securities market. Since LankaSecure operates electronically on-line, trading will be convenient to all market participants i.e., primary dealers, banks and investors. The settlement of all securities transactions will be recorded in the computer system of CDS, instantaneously.
- ◆ Given the electronic infrastructure, the volume of transactions in government securities is expected to increase by manifold. In the scrip based system, securities are transferred by endorsement and delivery. With the introduction of the SSSS, the need for physical delivery and verification of certificates will not arise. Therefore, the introduction of the SSSS will reduce human intervention and the need for physical verification of securities thus resulting in the enhancement of efficiency.
- ◆ The scripless securities will eliminate the risks associated with paper based securities. Risks involved in physical movement of scrips will be reduced to zero in CDS which will maintain all records electronically. LankaSecure is the registry as well as the custodian for government securities.
- ◆ The payments on settlement of scripless securities transactions are based on a Real Time Gross Settlement System (RTGS) where funds are transferred

instantaneously. In the past, with the scrip environment, this process involved a time lag as the securities had to be submitted physically and payment was made by cheques.

- ◆ Introduction of electronic infrastructure will assist in popularising government securities among the investors. The government securities ownership will be broad based and the depth of the market will increase.
- ◆ Increased efficiency in trading and settlement will enhance the liquidity of government securities.
- ◆ The spreads between buying and selling prices of government securities will reduce and this would assist in minimizing the cost of borrowing to the government as bond prices are likely to go up.

Scripless Securities Settlement System (SSSS)

In the SSSS, settlement of securities will take place instantaneously as and when transactions take place. Whenever, a transaction takes place, securities will be transferred from one account to another in the form of an electronic data entry. In an outright buying or selling transaction for instance, there will be a buyer who will receive securities and his account will be credited with securities and there will be a seller whose securities account will be debited. The corresponding funds transfer will take place through the RTGS where licensed commercial banks and primary dealers are participants. The corresponding accounting entries will be made to the settlement account of relevant primary dealers or the licensed commercial banks. The settlement of securities through the SSSS and funds through the RTGS will be confirmed electronically to the participants involved.

Central Depository System (CDS)

The Central Depository System is a computer based data base which will maintain records of holdings of government securities. The CDS will maintain the accounts of System's participants and individual accounts of each and every single holder of securities. The transfer of holdings of scripless securities is recorded electronically in the CDS according to instructions received from participants, i.e. primary dealers and licensed commercial banks. CDS known as "LankaSecure" will issue monthly statements confirming the balances held by the investors in the CDS. It will also

advise the participants involved in a transaction whenever a transaction has taken place.

Legal Framework of Scripless Securities

The Local Treasury Bills Ordinance (Amendment) Act No.31 of 1995 and the Registered Stock and Securities Ordinance (Amendment) Act No.32 of 1995 provide the necessary legal provisions for the issue of Treasury Bills and Treasury Bonds in scripless form. The establishment of a central depository and a settlement system for transactions on electronic basis were made possible by the Monetary Law Act as amended by Act No.32 of 2002. The Local Treasury Bills Ordinance (Amendment) Act No. 1 of 2004 and the Registered Stock and Securities Ordinance (Amendment) Act No. 2 of 2004 provide for converting existing Treasury Bills and Treasury Bonds which had been issued in scrip form into scripless form. The system rules, regulations and guidelines issued to the participants in terms of the above legislations will facilitate the operations of LankaSecure.

Benefits of the SSSS to Investors

- ◆ Investor risks associated with holding and trading of paper based securities will be totally eliminated under the SSSS. The investor will also not have to undergo the hassle of dealing with physical certificates of securities as at present.
- ◆ There will be a substantial saving of time as the System will operate on line. This will improve liquidity of government debt securities thus benefiting the investors as spreads between buying and selling prices are likely to reduce due to enhanced liquidity and increased competition among the market participants.
- ◆ Investors will have access to a much more safe system which will minimize errors and omissions usually encountered in the manual system.
- ◆ Since the records of transactions and holdings are maintained electronically in a centralised database (i.e. LankaSecure) with a hot back up, the risk of loss of information due to technical failures is minimum.
- ◆ Investors can verify their positions of holdings of securities in the System at any point of time through the facility called 'browser workstation' available with participants of the System. A participant can access his own account and accounts of his clients.

Location of LankaSecure

LankaSecure established by the Central Bank is located in the Public Debt Department of the Central Bank. All participants of the system will be linked online to LankaSecure. Each participant will be provided with a browser workstation.

Participants of LankaSecure

There are two categories of participants of LankaSecure i.e. direct participants and dealer direct participants. They include,

- (a) Primary dealers and licensed commercial banks.
- (b) Any other institution permitted by the Monetary Board.

The 'dealer direct participants' i.e. primary dealers and licensed commercial banks are allowed to maintain their own accounts and accounts on behalf of their customers. The direct participants are permitted to maintain their accounts only for the purpose of their own holdings. The dealer direct participants are also direct participants as they maintain their own securities accounts. Primary dealers and licensed commercial banks are the only institutions permitted by the Central Bank with the status of dealer direct participants in the CDS at the moment. The Employees' Provident Fund (EPF) is a direct participant who maintains accounts on their own behalf.

Relationship of Investors with LankaSecure

Investors can open and maintain accounts in LankaSecure through dealer direct participants i.e., primary dealers and licensed commercial banks. All transactions relating to investors are recorded in investor accounts through their primary dealers and licensed commercial banks. Each investor will have a separate account in LankaSecure. Investors can maintain any number of accounts in LankaSecure as they wish. They can maintain their accounts under one or more participant(s). Transfer of securities are electronically recorded in these accounts.

Opening an Account with LankaSecure

Accounts can be opened by primary dealers and licensed commercial banks on behalf of investors/clients. Investors have to provide name, address and their personal details such as the national identity/passport number, to open an account in LankaSecure. The accounts will have other information such as type of securities, maturity date and the value of transactions. Investors will have to provide this information to a primary dealer or a licensed commercial bank from whom securities have been purchased. Since all statements of holdings of securities will be directed to the names and addresses available in the accounts, investors are expected to ensure accuracy of the information they provide.

Upon receipt of required information from the investor, the relevant primary dealer or licensed commercial bank will communicate electronically with LankaSecure and takes steps to open account(s) and record the securities transactions of the investor.

Identification of Securities

A new feature in LankaSecure will be the identification of securities by International Securities Identification Numbers (ISINs). The Colombo Stock Exchange (CSE) will issue these numbers for securities issued by the CBSL. The participants will identify securities by ISINs when they trade. The format of the ISIN is as follows.

L	K					Y	Y	M	D	D	
Country Code		Security Type	Duration			Maturity Date				Check Digit	

Codes are used to define security type and duration. In maturity date, Month (M) is defined by a sequential letter of the alphabet (e.g. A=January, B=February, L=December).

<i>Security Type (e.g.)</i>	<i>scripless form Duration (e.g.)</i>
A - Treasury Bills	091 - 91 days
B - Treasury Bonds – With Coupon	182 - 182 days
C - Treasury Bonds – Without Coupon	364 - 364 days
D - Central Bank Securities issued in	002 - 2 years
	003 - 3 years
	010 - 10 years
	030 - 30 years

Types of Accounts in LankaSecure

The following types of accounts are maintained in LankaSecure.

- OWN - securities owned by the participants/Central Bank.
- ILF - securities under Intra-day Liquidity Facility (ILF).
- PLG - securities that are under pledges.
- CSL - securities of resident customers.
- CSF - securities of foreign customers.
- STI - securities under statutory requirements.
- CRP - securities under repos that are tradable.
- REP - securities under repos that are non tradable.
- PAP - securities purchased at primary auctions.
- DOP - securities held by the CBSL under repos.
- DRP - securities held by the CBSL under reverse repos.

Unit Size and Marketable Parcel of Securities

Scripless securities will be issued with face values expressed in multiples of one Sri Lanka Rupee.

Trades in LankaSecure will specify the securities to be transferred in number of units of a series. A unit has a face value of one Sri Lanka Rupee.

The minimum marketable parcel is one unit i.e. a face value of one Sri Lanka Rupee.

Types of Transactions in LankaSecure

LankaSecure will record only final transactions. LankaSecure is a trade recording system but not an on-line funding system and it will record the movements of securities resulting from the following transactions.

- ◆ Outright trading (Delivery Vs Payment and Receive Vs Payment).
- ◆ Delivery Free and Receive Free (only the movement of securities) without a corresponding funds settlement.
- ◆ Repurchase and Reverse Repurchase transactions.
- ◆ Repositioning (Delivery Free transactions simply moves securities between accounts of the same participant).
- ◆ Cancellation of transactions.

Recording of Transactions

All transactions in scripless securities will be carried out and recorded by LankaSecure. Transactions that are based on the following criteria being satisfied by the counterparties involved will be recorded in the CDS.

- ◆ Buyer and seller details.
- ◆ Bank identification code (BIC).
- ◆ Securities identification number (ISIN).
- ◆ Settlement date.
- ◆ Value and volume of the transaction.
- ◆ Price of the securities.

Once the messages for both buyer and seller are matched on the basis of the above, the system will transfer the securities from the seller's account to the buyer's account. The primary dealers and licensed commercial banks may engage in transactions on behalf of their customers.

Recording of Repurchase (repo) Transactions

A repo is a sale of securities with an agreement to buy back on an agreed date. Once the buyer and seller of a repo have agreed on the terms of the repo, details

of the transaction will be reported to LankaSecure. There will be three separate types of accounts (as indicated under 12 above) in LankaSecure for recording the repo transactions. After the funds are settled for the underlying repo transaction by the buyer, ownership of securities will be transferred to his repo account in LankaSecure.

The procedure for recording a repo transaction is quite similar to that of outright transactions. There is a provision for freezing securities under repos preventing further transactions on the securities that have been given for the repo. On the reversal date, the buyer and seller are expected to settle their obligations through reversing the entries in the repo account held in LankaSecure.

Maintaining Records of Transactions and Ownership of Securities in LankaSecure

The investor-wise records of transactions will be maintained in LankaSecure. LankaSecure will be the registry of transactions and holdings of securities. It will also be the custodian.

Accounts will be created automatically in LankaSecure based on instructions received from participants. The investors will have to deal with LankaSecure through dealer direct participants who are primary dealers and/or licensed commercial banks. The instructions by an investor regarding a transaction should always be sent to LankaSecure through a primary dealer or a licensed commercial bank with whom the investor maintains his securities account.

Transferring Securities in LankaSecure

Securities will be moved from one account to another in LankaSecure, only on request made by customers through the relevant participant. Once the deal is agreed upon by the counter parties involved, transaction will take place on any of the following basis as the case may be i.e., Delivery Vs Payment (DvP), Receive Vs Payment (RvP), Deliver Free (DF), Receive Free (RF) and Repositioning.

Investors have to go to a primary dealer or a licensed commercial bank in order to initiate a transaction. Trading can be initiated by originating a message by a participant. Once the transaction is matched between the two parties, the securities will be moved from the seller's account to the buyer's account. The corresponding funds transfer will take place through the RTGS.

Cancellation of a Transaction

The following are the principles for cancellation of a transaction.

- ◆ A settled transaction can never be cancelled.
- ◆ The originator of a transaction can cancel any unmatched transaction.
- ◆ Once a movement of securities is matched, both parties must agree to the cancellation by imputing a cancellation request by each party.
- ◆ The CBSL can cancel any unmatched or matched transaction as the circumstances demand or justify.
- ◆ Cancellation of a securities transaction will have to be initiated by a SWIFT message or instructions via browser workstation.
- ◆ Unsettled transactions are cancelled by the system automatically by end of the business day.

DVP2 Settlement Concept

- ◆ According to DVP2 settlement concept, all payments due from the CBSL to participants will be netted against the payments due from the participants and the securities are issued on gross basis.
- ◆ Until all outstanding government securities are converted into scripless securities, a procedure defined as ‘modified net batch settlement’ is used for settlements based on certificated securities.

Under the ‘modified net batch settlement procedure’,

- ◆ Net amount due from the CBSL or from the participants will be identified in advance.
- ◆ Any amount due from the CBSL to participants will be settled at the start of the day by the CBSL.
- ◆ Participants have to settle net amounts due from them to the CBSL before 1.00 p.m..on the settlement date.
- ◆ Securities due from primary auctions are issued in scripless form after the net settlements are completed.
- ◆ Participants may use ILF for net settlements if required.

Under the SSSS 'DVP2 settlement procedure' will be adopted .

Under the 'DVP2 settlement procedure',

- ◆ Payments (maturities and coupons) will be estimated by LankaSecure prior to the payment date.
- ◆ Payments due from participants (i.e. payments on account of primary auctions by the primary dealers) will be taken into account for the purpose of computing the net amount due.
- ◆ Scripless securities will be issued when the net funds due from participants are settled, at start of the day.
- ◆ If required, for net settlements participants may use ILF.

Settlement Procedure of LankaSecure

- ◆ Settlements for transactions may be based on T+0 to T+n where n is 10 days.
- ◆ Funds settlements for securities transaction will be made through RTGS.
- ◆ Participants have to ensure that sufficient funds are available in the RTGS account since lack of funds would cause problems in the settlement of securities.
- ◆ If funds are required to settle any transaction, the Intra-day Liquidity Facility (ILF) can be used by the System's participants.
- ◆ The ILF is a daylight secured overdraft facility that can be obtained by primary dealers and licensed commercial banks from the CBSL by providing necessary collateral.
- ◆ Transactions will have to be settled fully and the System will not accept any partial settlement.

In the event of a transaction involving a customer, the relevant customer account will be credited with securities in the case of a purchase and debited with securities in the case of a sale. The corresponding entry regarding the funds transfer will be made to the RTGS account of the relevant primary dealer or the licensed commercial bank.

Payments of Maturity Proceeds and Coupons

- ◆ With regard to outstanding scrip securities which were not converted into scripless securities, maturity and coupon payments will be made on the scrips submitted to the PDD.
- ◆ Maturity and coupon payments of scripless securities will be computed on due dates and notified to participants by LankaSecure.
- ◆ All payments are made to the credit of settlement accounts of the RTGS at start of the day.
- ◆ When there is an intervening holiday on any due payment date, payments will be made on the business day immediately preceding in the case of Treasury Bills and the business day immediately following in the case of Treasury Bonds as is the practice at present with scrip securities.
- ◆ It is an obligation of the participants to make payments due to their customers on the due date of payment.
- ◆ All investors will receive a statement from LankaSecure confirming the payments made to the relevant primary dealer or the licensed commercial bank on account of maturity proceeds and coupon payments due to the investor.
- ◆ If any fund due to an investor thus received by a participant has not been made to the relevant investor, it should be refunded immediately to the CBSL by the participants.

Participants can verify the payments due to them on their behalf and on their customer's behalf on account of maturities and coupons through the 'browser workstation' prior to any date of payment.

Mode of Communication

The mode of communication regarding transactions in LankaSecure is SWIFT (Society for Worldwide Interbank Financial Telecommunication). Payment instructions will be submitted by SWIFT – a payment message gateway. SWIFT is a safe, world wide accepted messaging system used for financial transactions. A standard format will be used by all participants in the System. LankaSecure will operate on the SWIFT messaging system. All participants of LankaSecure will

maintain a SWIFT connectivity. In the event of a transaction, the participant who initiates the transaction will originate the relevant SWIFT message to communicate with LankaSecure.

Role of Participants in LankaSecure

Primary dealers and licensed commercial banks who are participants of the System also play the role of intermediaries in LankaSecure. LankaSecure will be based on an on-line connection with its participants. Primary dealers and licensed commercial banks also act as custodians for their customers in LankaSecure. This role of custodianship has the following responsibilities.

- ◆ to promptly and accurately record the name, address and national identity number/passport number or company registration number of the customer when a customer obtains legal ownership of a security;
- ◆ to promptly and accurately record any change of ownership of a security.
- ◆ to account and make payment, on any coupon or maturity proceeds due to a customer.
- ◆ to effect transactions on their customer's behalf, provided however, such transactions are legal and do not place the participant in breach of the System Rules.

Intra-day Liquidity Facility

The facility of providing liquidity for funds settlement of the participants in the RTGS is called the Intra-day Liquidity Facility (ILF). The ILF has the following features.

- ◆ The ILF is provided to the participants based on collateral provided by lodging government securities in the scripless form in the ILF accounts.
- ◆ LankaSecure will transfer securities to ILF accounts at the start of the day.
- ◆ Securities for the ILF are valued at official prices determined by the CBSL.
- ◆ Securities under the ILF will be reversed to the participant's account at the end of the day provided however, the participant has settled all payments due to the CBSL on account of RTGS.
- ◆ No interest is charged for ILF, if repaid during the day.

Operating Procedure and Business Hours of LankaSecure

The 'modified net batch settlement procedure' is used to make net settlements based on certificated securities. In order to facilitate this procedure the following will be adhered to within timeframes indicated.

- ◆ The PDD will notify each Primary Dealer and/or Licensed Commercial Bank the amounts to be settled to the CBSL on net basis before 3.00 p.m. of the previous day.
- ◆ A primary dealer and/or a licensed commercial bank should settle the net amounts due to the CBSL by generating MT202 SWIFT message on the commencement of business on the value date. i.e., by debiting RTGS account.
- ◆ If the net amount is due from the CBSL to a primary dealer and/or licensed commercial bank, the CBSL will generate MT202 outward SWIFT message to effect the payment to the recipient through the RTGS settlement account. i.e., the net amount due will be credited to the participant's RTGS account on the commencement of business of the value date.
- ◆ Participants are allowed to settle their dues on DVP2 until 1.00 p.m. of the business day.
- ◆ The business hours of LankaSecure is from 7.30 a.m. to 5.30 p.m. of the business day. The time table of LankaSecure is consistent with the time table of RTGS.

Statements to Investors by LankaSecure

LankaSecure will issue statements containing the following to an account holder.

- ◆ A monthly statement confirming the transactions that took place during the month. If no transactions have taken place during the month no statement will be generated by the system.
- ◆ A statement confirming the outstanding balance held by each investor as at end of each month/quarter.
- ◆ A statement indicating the maturity proceeds and/or interest payments whenever such payments are made to an investor.

These statements will be issued directly to the name and address of the investor, as registered in the CDS of LankaSecure. The statements issued by LankaSecure

are not transferable or tradable instruments. They will only confirm the transactions that took place within a specific period of time or outstanding balances as at a given date. In addition to these statements, participants are allowed to issue their own statements to their clients.

Online Inquiries Regarding Transactions and Holdings

Inquiries regarding transactions and/or holdings of securities can be made only through a participant of the System with whom the investor maintains his account(s) in LankaSecure. Through the 'browser workstation', account holders (both participants and customers) can view their positions without any payment. The customer inquiry will be directed to LankaSecure by the relevant System's participant. This is a facility available in addition to regular statements issued by LankaSecure. No System's participant will have access to information relating to accounts maintained by the other participants.

Authenticity of Statements Issued by LankaSecure

The statements issued by LankaSecure will provide official confirmation of the securities holdings or transactions that have taken place. In addition, all investors, through their respective participant of LankaSecure can view details of their accounts through the 'browser workstation'. This facility will enable the investor to verify the information contained in the statements issued by LankaSecure.

Confidentiality of LankaSecure

Information recorded in LankaSecure will be treated strictly confidential. There will not be any access to information by any authority or individual other than the CBSL. The participants will have limited access to information relating to their customer holdings and accounts maintained on their own behalf.

The CBSL will have access to records in LankaSecure. However, the CBSL will use only aggregated and averaged information for analytical purposes and for releasing information to the market. The CBSL will also use aggregate information in its regulatory and supervisory work. Under no circumstances, the Central Bank will use individual customer specific information.

Security Features of LankaSecure

Security features of LankaSecure are very advanced. Since records are maintained electronically with a hot backup, it will be difficult to steal or lose information. The records are updated concurrently as and when the transactions are carried out. Transmission of information from the participants to LankaSecure will take place electronically within a matter of a few seconds. Therefore, the probability of omissions will be very remote.

There will be hot back-up site where records are updated simultaneously. The service providers have ensured maximum safety available in similar systems used in other countries in the world.

The CBSL will have a disaster recovery plan for LankaSecure. In the event of a failure of the System, facilities will be available to continue operations from the backup site. In addition to the hot backup, there will be a cold backup.

Cost and Charges Payable by the Users

The participants of the RTGS/SSSS/CDS are primary dealers and licensed commercial banks. The cost of RTGS to these System's participants will be Rs.240 per transaction excluding charges for SWIFT. There is no separate fee for services of LankaSecure. Since there is no fee levied by LankaSecure, there is no additional cost to the primary dealers and licensed commercial banks on account of their services to investors.

Primary dealers and licensed commercial banks will incur a cost on account of SWIFT messaging system. There will not be any charge levied both on participants and their customers for the statements issued by LankaSecure. Since LankaSecure will also function as the custodian there will be a cost saving to primary dealers and licensed commercial banks, who will no longer be expected to provide custodial service to their customers.

Further Information

Any clarification and/or further information on LankaSecure may be obtained from the Public Debt Department of the Central Bank or any primary dealer or a licensed commercial bank who are the participants of the systems.

A list of primary dealers and licensed commercial banks is given below.

Commercial Banks

- 1 Commercial Bank of Ceylon Ltd.
- 2 Hatton National Bank Ltd.
- 3 Sampath Bank Ltd.
- 4 Seylan Bank Ltd.
- 5 Standard Chartered Bank
- 6 Citi Bank N A
- 7 Deutsche Bank
- 8 Habib Bank Ltd.
- 9 Indian Bank
- 10 Indian Overseas Bank
- 11 Union Bank (Pakistan) Ltd.
- 12 DFCC Vardhana Bank Ltd.
- 13 Muslim Commercial Bank Ltd.
- 14 Nations Trust Bank Ltd.
- 15 NDB Bank Ltd.
- 16 Pan Asia Bank Ltd.
- 17 Public Bank Berhad
- 18 State Bank of India
- 19 Union Bank of Colombo Ltd.

Primary Dealers

- 1 Bank of Ceylon
- 2 Capital Alliance Ltd.
- 3 Ceylinco Shriram Securities Ltd.
- 4 Commercial Bank Primary Dealer Limited.
- 5 First Capital Treasuries Ltd.
- 6 HNB Securities Ltd.
- 7 Hongkong & Shanghai Banking Corporation.
- 8 NSB Fund Management Co. Ltd.
- 9 People's Bank
- 10 Sampath Surakum Ltd.
- 11 Seylan Bank Asset management Ltd.
- 12 NatWealth Securities Ltd.