



**DEPARTMENT OF FOREIGN EXCHANGE  
CENTRAL BANK OF SRI LANKA**

**DIRECTIONS No. 9 OF 2020 UNDER FOREIGN EXCHANGE ACT, No.12 of 2017**

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**Directions issued to Authorized Dealers on Special Deposit Accounts (SDAs)**

In terms of the Regulations published in the *Gazette (Extraordinary)* Notifications No. 2170/4, dated 08 April, 2020, the subsequent Regulations published in the *Gazette (Extraordinary)* Notifications No. 2182/32, dated 01 July, 2020 and *Gazette (Extraordinary)* Notifications No. 2196/22, dated 06 October, 2020 (the regulations) and Section 9 of the Foreign Exchange Act, No. 12 of 2017 (FEA), Authorized Dealers (ADs) are hereby granted permission to facilitate the following debits in addition to the debits specified in the Directions No 06 of 2020 dated 06 July, 2020 issued to ADs on SDAs. Further, ADs are required to comply with the conditions under paragraph 3 of these Directions in addition to the conditions specified in the Directions No 06 of 2020.

**2. Permitted Debits**

- (a) Transfer of maturity proceeds including the interest of SDAs into an Inward Investment Account (IIA) of the same account holder, provided that such SDA holder is eligible to maintain an IIA in terms of the Regulations No. 2 of 2017 (Opening and Maintenance of Accounts for the purpose of engaging in Capital Transactions) published in the *Gazette (Extraordinary)* No. 2045/56 dated 17 November 2017.
- (b) Transfer of maturity proceeds including the interest of SDAs into a Personal Foreign Currency Account (PFCA) of the same account holder, provided that such SDA holder is eligible to maintain PFCAs in terms of the Regulations No. 3 of 2017 (Opening and Maintenance of Foreign Exchange Accounts) published in the *Gazette (Extraordinary)* No. 2045/56 dated 17 November 2017.

**3. Other Conditions:**

- (a) ADs may continue to maintain SDAs opened under the Regulations, as normal term deposits in the name of “Special Deposit Account” in the Domestic Banking Unit beyond the designated date of maturity of such SDAs. These SDAs so maintained beyond the date of maturity shall only be offered with the normal deposit interest rates offered by the ADs for other term deposits.

(b) ADs shall maintain documentary evidences pertaining to SDAs beyond any statutory record keeping requirements until the closure of such SDA.

#### **4. Reporting Requirement**

(a) ADs are required to furnish information to this department on monthly basis as per the format at Annex 1 to these Directions with effect from the month of October 2020 on or before the 15<sup>th</sup> day of the following month, via email to [dfem@cbsl.lk](mailto:dfem@cbsl.lk).

(b) ADs are required to continue to report information requested at Annex 2 of the Directions No. 6 of 2020 on SDAs, if such SDAs are to be continued as per the paragraph 9(d) of the said Directions.

**Additional Director**

**Department of Foreign Exchange**

**07.10.2020**

**Monthly statement of the Special Deposit Accounts (SDAs) continued to be operated as normal term deposits**

**Name of the Bank** .....

**Reporting month and year** .....

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Currency type*	No. of A/Cs as at the beginning of the month	Balance as at the beginning of the month	SDAs continued to be operated as normal term deposits during the month		Debits					Closing balance as at the end of the month	No. of A/Cs as at the end of the month
			No. of A/Cs	Amount	Withdrawals in Sri Lanka	Outward Remittances	Transfers to				
							IAs	PFCAs	A/Cs in OBU		
USD											
EUR											
LKR											

\*You may extend the rows needed for other designated currencies.

Authorized Dealers are required to furnish both scanned copy of the reports and the MS excel version of the same as above.

We verify the above information extracted/generated from the books of accounts of the bank is accurate.

Name of the Authorized officer:

Name and the seal of the Compliance officer:

Signature:

Signature:

Date:

Date: