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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

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வங்கி மேற்பார்வைத் திணைக்களம்

Bank Supervision Department

Ref. : 02/17/500/0540/001

04 December 2013

To: Chief Executive Officers of Licensed Commercial Banks

Dear Sir/Madam

Definition of Liquid Assets under Section 86 of the Banking Act, No. 30 of 1988

In terms of Item (g) of the definition of “liquid assets” under section 86 of the Banking Act, No. 30 of 1988, as amended, the Monetary Board has determined that investments in International Sovereign Bonds issued by the Government of Sri Lanka shall be treated as liquid assets.

2. Licensed commercial banks shall:

- (i) take into account the daily market value of their investment in the International Sovereign Bonds in computing their liquid assets ratio for the purpose of complying with the provisions of section 21 of the Banking Act; and
- (ii) report the eligible value of the investments in International Sovereign Bonds under:
 - (a) code number 4.1.2.4.0.0 of the monthly web based return on Statutory Liquid Assets Ratio for Domestic Banking Unit (BSD-MF-04-LD); and
 - (b) code number 4.2.2.4.0.0 of the monthly web based return on Statutory Liquid Assets Ratio for Off-shore Banking Unit (BSD-MF-04-LF),
as the case may be.

Yours faithfully

(Mrs.) T M J Y P Fernando
Director of Bank Supervision