



CENTRAL BANK OF SRI LANKA

27 December 2024 BANKING (SPECIAL PROVISIONS) ACT DIRECTIONS No. 02 of 2024

**Amendments to Banking (Special Provisions) Act Directions No. 01 of 2023 -
Administration and Management of the Sri Lanka Deposit Insurance Scheme**

**1 Substitution of
Direction 7 (iii) of
the Banking
(Special Provisions)
Act Directions No.
01 of 2023**

In the exercise of the powers conferred on the Central Bank of Sri Lanka by the Banking (Special Provisions) Act, No. 17 of 2023 (hereinafter referred to as 'the Act'), the Banking (Special Provisions) Act Directions No. 01 of 2023 on 'Administration and Management of the Sri Lanka Deposit Insurance Scheme' issued by the Central Bank of Sri Lanka is hereby amended by the substitution of the following in place of the existing Direction 7 (iii) thereof:

7 (iii) As per Section 55 (2) of the Act, in the event a Member Institution fails to pay the premium in full on the due date, such Member Institution shall be liable to pay to the Central Bank a penalty on the defaulted amount for the period of such default. Such penalty shall be calculated at the prevailing weighted average yield rate of Treasury bills (primary auction) of 364 days plus 750 basis points until the premium is paid in full.

Any payments made after the due date shall be firstly applied to recover the penalty accrued up to that date. Only the remaining amount, if any, shall be considered as the premium.

2 Effective Date

This Direction shall come into operation with effect from 15.01.2025, and accordingly any penalty payable in respect of a month or quarter, as the case may be, ended 31.12.2024 shall be calculated as prescribed in this Direction.

A handwritten signature in blue ink, appearing to read 'Nandalal Weerasinghe'.

Dr. P Nandalal Weerasinghe

*Chairman of the Governing Board and
Governor of the Central Bank of Sri Lanka*