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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

විනිමය පාලන දෙපාර්තමේන්තුව

செலாவணிக் கட்டுப்பாட்டுத் திணைக்களம்

Exchange Control Department

7/8 මහල, අංක 30, ජනාධිපති මාවත,
කෑ. පෙ. 590, කොළඹ 01, ශ්‍රී ලංකාව

7/8 மாடி, இல. 30 சனாதிபதி மாவத்தை கொழும்பு 1
த. பெ. இல. 590, கொழும்பு 01, இலங்கை

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Ref: 06/04/02/2009

January 27, 2009

DIRECTIONS TO AUTHORIZED DEALERS,

Dear Sirs,

**PAYMENT OF A BONUS INTEREST IN RUPEES ON THE INTEREST ON
RESIDENT FOREIGN CURRENCY (RFC) ACCOUNTS AND NON RESIDENT
FOREIGN CURRENCY (NRFC) ACCOUNTS**

Authorized Dealers are hereby informed that in order to promote inward remittances, the Government of Sri Lanka will pay a bonus interest in Sri Lanka rupees on the interest paid by Authorized Dealers on RFC and NRFC accounts, with effect from February 01, 2009 subject to the following conditions:

1. The calculation of bonus interest shall be based on the foreign currency interest that accrues on deposits from 01/02/2009 onwards.
2. The bonus interest shall be equal to 20 per cent of the foreign currency interest that accrues after 01/02/2009 and paid by the Authorized Dealers to their customers in US Dollars or other designated foreign currencies on RFC and NRFC Accounts. Such bonus interest shall be paid in Sri Lanka rupees.
3. Authorized Dealers shall use the monthly average exchange rate of the previous month as made available on the Central Bank web site (www.cbsl.gov.lk) for the calculation of bonus interest.
4. The bonus interest calculated as above, shall be payable to the customer on the same day on which the foreign currency interest is paid.

5. The bonus interest, calculated in Sri Lanka rupees, shall be credited to a rupee account opened in the name of the account holder or to any other account nominated by the account holder.
6. The Bonus interest paid in Sri Lanka rupees will be exempt from income tax.
7. Authorized Dealers shall not reduce the prevailing interest rate offered by them to RFC and NRFC account holders, as a consequence of implementing this scheme.
8. The bonus interest paid on RFC and NRFC accounts for each month shall be claimed by the Authorized Dealer by submitting details of the bonus interest as per the attached format. Authorized Dealers shall send such details as a consolidated statement of all branches to the Chief Accountant of the Central Bank of Sri Lanka (CBSL) with a copy to the Controller of Exchange on or before the 15th day of the following month. Authorized Dealers are also required to submit an account number to the Chief Accountant of CBSL, to which such reimbursement would be made in Sri Lanka rupees by the CBSL.
9. Authorized Dealers shall immediately inform all the RFC and NRFC account holders the operation of this scheme and obtain from them the particulars of the rupee accounts to which the bonus interest should be credited.
10. Details with regard to payment of bonus interest shall be made available for inspection by the CBSL, at any time.

Yours faithfully


Controller of Exchange

To: Chief Accountant
Finance Department
Central Bank of Sri Lanka
Colombo 1

Consolidated statement of payment of bonus interest paid by Authorized Dealers on RFC and NRFC accounts

Name of the Bank:

Reporting Month :

Type of foreign currency (FC)	Interest paid on NRFC accounts in FC (1)	Interest paid on RFC accounts in FC (2)	Total of (1) & (2) (3)	Monthly Average Exchange Rate of the previous month (4)	Bonus paid in rupees to customers (3) x (4) x 0.2

I have examined the relevant documents and confirm that the above-mentioned information is true and correct. I further confirm that the aforesaid bonus was paid to the customers.

Date :.....

.....

DD/MM/YY

Signature and Seal of the
Authorized Dealer

cc: Controller of Exchange
Exchange Control Department
Central Bank of Sri Lanka

GUIDELINES TO AUTHORIZED DEALERS ON DIRECTION NO. 06/04/02/2009 DATED 27/01/2009 IN RESPECT OF CALCULATION OF BONUS INTEREST

Example 1:

Prevailing balance of a <u>savings account</u> as at 28/02/2009	- USD 1000
Interest Rate	- 5%
Payment date	- 15 th of each and every month
Monthly average exchange rate of the previous month	- 112.50
Percentage of rupee bonus	- 20%
Calculation of bonus interest for February 2009	- $1000 \times 112.50 \times \frac{15}{365} \times \frac{5}{100} \times \frac{20}{100}$
	= Rs. 46.23

Example 2:

Prevailing balance of a one year <u>fixed deposit account</u> maturing 15/03/2009 – USD 5000	
Interest Rate	- 6%
Payment date	- 15/03/2009
Monthly average exchange rate of the previous month	- 112.50
Percentage of rupee bonus	- 20%
Calculation of bonus interest	- $5000 \times 112.50 \times \frac{43}{365} \times \frac{6}{100} \times \frac{20}{100}$
	= Rs. 795.20