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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

**PRIMARY DEALER COMPANIES (RISK WEIGHTED CAPITAL ADEQUACY RATIO - AMENDMENT)
DIRECTION NO.2 OF 2015**

This direction is issued under Regulation 11(1)(o) of the Local Treasury Bills (Primary Dealers) Regulations No. 01 of 2009 dated 24.06.2009 and Regulation 11(1)(o) of the Registered Stock and Securities (Primary Dealers) Regulations No. 01 of 2009 dated 24.06.2009 made by the Minister of Finance under the Local Treasury Bills Ordinance No. 8 of 1923 and the Registered Stock and Securities Ordinance No. 7 of 1937, respectively, and shall be effective from 28.10.2015.

Lakshman Arjuna Mahendran
*Chairman of the Monetary Board and
Governor of the Central Bank of Sri Lanka*

Colombo.

Date: 28.10.2015

1. This Direction may be cited as Primary Dealer Companies (Risk Weighted Capital Adequacy Ratio – Amendment) Direction No.2 of 2015.
 2. Paragraph 1 of the Direction on Risk Weighted Capital Adequacy Framework (RWCAF) for Primary Dealers dated 22.06.2006 (herein referred to as ‘the Direction’) is hereby amended as follows:
 - (i) Paragraph 1 (a):
By repeal of words “the higher of Rs. 300 million” thereof and the substitution therefor, of “the higher of Rs. 1,000 million”
 - (ii) Paragraph 1 (c):
By repeal of words “A minimum risk weighted capital adequacy ratio (CAR) of 8%” thereof and the substitution therefor, of “A minimum risk weighted capital adequacy ratio (CAR) of 10%”
 3. Paragraph 3 of the Direction is hereby amended as follows:
 - (i) Paragraph 3.3:
By repeal of words “minimum capital is Rs. 300 million” thereof and the substitution therefor, of “minimum capital is Rs. 1,000 million”
 - (ii) Paragraph 3.4:
By repeal of words “the higher of Rs. 300 million” thereof and the substitution therefor, of “the higher of Rs. 1,000 million”
- The following paragraph shall be inserted immediately after paragraph 3.6 of the Direction and shall read as paragraph 4 thereof.
4. Definitions
 - (i) “For the purpose of computing the risk weighted capital adequacy ratio, the constituents of capital shall be Tier I Capital and Tier II Capital as defined in the Local Treasury Bills (Primary Dealers) Regulations, No. 01 of 2009 and the Registered Stock and Securities (Primary Dealers) Regulations, No. 01 of 2009.”
 - (ii) “In this Direction, unless the context otherwise requires:
“Primary Dealer Company” means a company which is appointed in terms of the Local Treasury Bills Ordinance No. 8 of 1923 and the Registered Stock and Securities Ordinance No. 7 of 1937 and excludes a Licensed Commercial Bank so appointed as a Primary Dealer.