



**GOVERNING BOARD
CENTRAL BANK OF SRI LANKA**

12 January 2026

FINANCE BUSINESS ACT DIRECTIONS

No.01 of 2026

AMENDMENTS TO MAXIMUM INTEREST RATES ON DEPOSITS AND DEBT INSTRUMENTS

Issued under Section 12(1) of the Finance Business Act, No.42 of 2011 read with Section 133(1) of the Central Bank of Sri Lanka Act, No.16 of 2023

The Governing Board hereby issues the following amendments to the Directions on maximum interest rates to be paid in respect of deposits and debt instruments of Finance Companies (FCs).

Accordingly, the following will replace Direction 4.2, Direction 5.1 and Direction 6.1 of the Finance Business Act (Maximum Interest Rates on Deposits and Debt Instruments) Directions No.01 of 2025.

4. Reference rates 4.2 The maximum interest rates in respect of time deposits and other types of innovative deposits (such as recurring deposits) of tenure of one month and above, and up to “less than two years”, and in respect of debt instruments will be reviewed quarterly, based on the simple average WAYR of the latest four primary auctions for T-bills in the immediately preceding quarter.

5. Maximum interest rates on deposits 5.1 The maximum annual nominal interest rates that may be offered or paid by an FC on LKR time deposits and other types of innovative products for which interest is paid at maturity shall not exceed the interest rates derived in accordance with Table 1 below:

Table 1: Maximum interest rates for deposits

Tenure of the Deposit	Maximum Interest Rate Per Annum
1 month and less than 3 months	91 days T-bills WAYR + 1.10%
3 months and less than 6 months	182 days T-bills WAYR + 1.25%
6 months and less than 1 year	364 days T-bills WAYR + 1.50%
1 year and less than 2 years	364 days T-bills WAYR + 3.00%



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**6. Maximum
interest rates on
debt instruments**

6.1 The maximum annual nominal interest rates that may be offered or paid by an FC on debt instruments for which interest is paid at maturity shall not exceed the interest rates derived in accordance with Table 2 below:

Table 2: Maximum interest rates for debt instruments

Tenure of the Debt Instrument	Maximum Interest Rate Per Annum
Less than 1 year	364 days T-bills WAYR + 1.50%
1 year and less than 2 years	364 days T-bills WAYR + 3.75%

Dr. P. Nandalal Weerasinghe

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