



**MONETARY BOARD
CENTRAL BANK OF SRI LANKA**

31 March 2021

FINANCE BUSINESS ACT DIRECTIONS

No. 03 of 2021

AMENDMENTS TO DIRECTIONS ON LIQUID ASSETS

Issued under Section 12 of the Finance Business Act, No.42 of 2011

The Monetary Board hereby issues following amendments to the Directions on liquid assets of the Licensed Finance Companies (LFCs), considering the challenging operating environment due to the prolonged impact of the second wave of the COVID-19 pandemic.

Accordingly, the following will replace Direction 5 of the Finance Business Act (Amendments to Directions on Liquid Assets) Direction No.07 of 2020.

5. Validity Period
- 5.1 The Directions 2, 3 and 4.1 shall be effective for an extended period of three (3) months until 30.06.2021, in order to facilitate the LFCs to overcome the stress on liquidity due to the present challenging environment.
- 5.2 LFCs shall take necessary measures to ensure that the liquid assets requirement in terms of the Finance Companies (Liquid Assets) Direction No. 04 of 2013 are complied on the expiration of the extension given in 5.1 above.

Prof. W D Lakshman

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