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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

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Press Release

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Satisfactory progress being made on Consolidation effort

As already set out in the Road Map 2014 and beyond, the Central Bank conducted a seminar on 17 January 2014 to explain the need and the rationale for the Consolidation in the banking and non-banking financial institutions (NBFIs) beginning 2014. At such seminar, the key components of the Consolidation Plan were announced to the Chairmen and Chief Executive Officers of banks and non-bank financial institutions (NBFIs), key management of the audit firms which are eligible to audit banks and NBFIs, and representatives of the Institute of Chartered Accountants of Sri Lanka and the Institute of Personnel Management. Subsequently, the Central Bank senior management held one-on-one meetings with almost all boards of directors and senior management of the local banks and NBFIs, at which the expectations of the Consolidation process was further clarified and specific issues pertaining to particular institutions were discussed in detail. The Central Bank also informed the banks and NBFIs to approach the Consolidation process in a professional manner by seeking specialised IT, Legal, Tax and HR services in order to ensure the objectivity and integrity of the process. In addition, the Central Bank requested all banks, NBFIs and others who are involved in the process to continue a close dialogue with the Central Bank and obtain guidance if the need arises. In this regard, the members of the special unit headed by the Assistant Governor were introduced to the banks and NBFIs at these

meetings. In keeping with the request of the Central Bank, banks and NBFIs agreed to submit their preliminary proposals re. the Consolidation effort by 31 March 2014.

A meeting was also held with key office bearers of the Ceylon Bank Employees' Union, at which all clarifications sought were provided by the Governor of the Central Bank and other senior officials of the Central Bank. The Central Bank also held discussions with leading Consulting firms with regard to their provision of consultancy services in respect of valuations, accounting and other services. These meetings helped to provide a clear understanding of the process which will help all stakeholders to move forward with clarity and certainty.

In the meantime, the Central Bank also wishes to inform the general public that the Consolidation process will not, in any way, affect their current transactions and deposits with the banks and finance companies, with whom they are presently transacting.