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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

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Press Release

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Special Interest Scheme for Senior Citizens over 60 years of age

With a view to providing a higher interest income for senior citizens, the Budget 2015 proposed a 12 per cent special annual interest rate scheme for deposits of citizens over 60 years of age, who maintain the fixed deposits in all licensed banks.

In keeping with such proposal, all deposit holders above 60 years of age and holding rupee fixed deposits totaling up to Rs 2,500,000 in licensed banks, will be eligible to receive an annual interest income of up to Rs. 300,000, with effect from 1 January 2015.

For this purpose, the necessary Operating Instructions have been issued to all licensed banks who will be the Participating Banks in this scheme.

- All licensed banks, operating in Sri Lanka that maintain fixed deposit accounts shall implement this special interest scheme with effect from 1 January 2015.
- The private banks that participate in the proposed scheme will be expected to actively participate in financing government development activities, in

consultation with the Department of Development Finance of the Ministry of Finance.

- All Participating Banks will be required to pay an annual interest of 12 per cent on the deposits up to Rs. 2,500,000 maintained by a senior citizen with effect from 1 January 2015, up to a maximum of Rs. 300,000 for the year.
- The Participating Banks, will, in turn, receive a special bond to be issued by the Government at an interest of 12 per cent per annum, in order to cover the additional interest cost incurred by them, under this scheme.
- The interest income on these deposits will be exempted from income tax.