

APPENDIX II

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(i)

Circular No. 1/264

January 6, 1977

Central Bank's Exchange Rates for the U.S. Dollar

The following exchange rates are applicable to transactions by the Central Bank with commercial banks with respect to the U. S. Dollar until further notice.

| U. S. Dollars (per 100 Dollars) | Central Bank Buying Rates for Telegraphic Transfers | Central Bank Selling Rates for Telegraphic Transfers |
|---------------------------------|---|--|
| Forward upto three months | Rs. 871.60 | Rs. 871.85 |
| Spot | Rs. 871.60 | -/50 cts per month premium against spot* |

Over three months and upto six months on specific application to the Central Bank.

* Contracts to be taken up at the option of the commercial bank but at the contracted exchange rate if taken up before the expiry of the contract period.

A. BANDARANAYAKE
Chief Accountant

H. E. TENNEKOON
Governor

(ii)

Circular No. 204

Central Bank of Ceylon,
P. O. Box 590,
Colombo 1.
January 26, 1977.

Central Bank's Rates of interest on advances

(Reference: Sections 83 and 87 of the Monetary Law Act)

1. With effect from January 26, 1977 the rate of interest on advances by the Central Bank to commercial banks secured by the pledge of Government and Government guaranteed securities shall be $8\frac{1}{2}\%$ per annum.
2. With effect from January 26, 1977, the rate of interest on advances by the Central Bank to commercial banks secured by the pledge of usance promissory notes relating to commercial and production loans shall be $8\frac{1}{2}\%$ per annum.
3. Circular No. 34 of January 10, 1970 and Circular No. 93 of April 8, 1975 are hereby withdrawn. The provisions of paragraphs 2, 3 and 4 of Circular No. 169 of October 4, 1976 remain in force.

A. BANDARANAYAKE
Chief Accountant

H. E. TENNEKOON
Governor

(iii)

Circular No. 240

Central Bank of Ceylon,
P. O. Box 590,
Colombo 1.
August 31, 1977.

Central Bank's Rates of Interest on advances

(Reference: Sections 83 and 87 of the Monetary Law Act)

1. With effect from August 31, 1977 the rate of interest on advances by the Central Bank to commercial banks secured by the pledge of Government and Government guaranteed securities shall be 10% per annum.
2. With effect from August 31, 1977, the rate of interest on advances by the Central Bank to commercial banks secured by the pledge of usance promissory notes relating to commercial and production loans shall be 10% per annum.
3. Circular No. 204 of January 26, 1977 is hereby withdrawn.

A. BANDARANAYAKE
Chief Accountant

H. E. TENNEKOON
Governor

Circular No. 241

Central Bank of Ceylon,
P. O. Box 590,
Colombo 1.
August 31, 1977.

Commercial Bank Credit

Commercial banks are hereby informed that with effect from today the outstanding level of a bank's borrowings from the Central Bank shall not exceed 7% of the total of the following asset items of that bank as on June 30, 1977 :

- (1) Bills discounted and financed;
- (2) Loans (excluding loans granted under Government agricultural credit schemes); and
- (3) Overdrafts

subject to the provision that in the case of a bank whose outstanding borrowings from the Central Bank as of today exceeds the stipulated limit that bank is required to repay the excess on or before September 14, 1977. 'Borrowings from the Central Bank' in this context excludes refinance granted under Government agricultural credit scheme, the Guaranteed Price Scheme and from the Medium & Long Term Credit Fund.

The Central Bank, however, is prepared to consider applications from commercial banks for accommodation in excess of the stipulated limit, to enable banks to tide over temporary cash shortages. Such accommodation will be granted for an initial period of 30 days at a rate of interest of 5 percentage points above Bank rate. Thereafter the penal rate of interest will be increased at the rate of 1 percentage point for each period of 30 days beyond the initial 30 day period.

Commercial banks are hereby required to furnish to the Chief Accountant, Central Bank of Ceylon on or before September 6, 1977, the following information outstanding in their books as at June 30, 1977:

- (1) Bills discounted and financed.
- (2) Loans granted (excluding loans granted under Government Agricultural Credit Schemes)
- (3) Overdrafts granted.

The provisions of paragraph 2 of Circular No. 169 of October 4, 1976 remain in force, i.e.

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"2. With immediate effect, every commercial bank should ensure -

- (a) that the total amount of its loans and advances granted for non-essential purposes does not exceed the total amount of its loans and advances granted for such purposes and outstanding on June 30, 1976; and
- (b) that the total amount of its loans and advances granted to non-bank companies and bodies engaged in the business of lending monies to the public and/or engaged in hire purchase activities does not exceed the total amount of its loans and advances granted to such companies and bodies and outstanding on June 30, 1976."

A. BANDARANAYAKE
Chief Accountant.

H. E. TENNEKON
Governor

Circular No. 257

Central Bank of Ceylon,
P. O. Box 590,
Colombo 1.
November 16, 1977.

Working Balances in Foreign Currencies

In accordance with the policy of the Central Bank to vary, as circumstances warrant, the balances which commercial banks may hold abroad to amounts required for their normal day to day business and in view of the changes in the operations of the Central Bank in the foreign exchange market, the Monetary Board has decided to determine the limits in the aggregate of such balances that each bank may hold abroad. The amount of such limit which a bank could hold abroad will be communicated to each bank separately.

Central Bank Circular No. 5 of April 7, 1969 is hereby cancelled.

A. BANDARANAYAKE
Chief Accountant

H. E. TENNEKON
Governor.

Circular No. 258

Central Bank of Ceylon,
P. O. Box 590,
Colombo 1.
November 16, 1977.

Commercial Bank Credit

Commercial banks are hereby informed that with effect from today the outstanding level of a bank's borrowings from the Central Bank shall not exceed 4% of the total of the following asset items of that bank as on September 30, 1977.

1. Bills discounted and financed;
2. Loans (excluding loans granted under Government Agricultural Credit Schemes), and
3. Overdrafts.

subject to the provision that in the case of a bank whose outstanding borrowings from the Central Bank as at today exceeds the stipulated limit, that bank is required to repay the excess on or before November 30, 1977. "Borrowings from the Central Bank" in this context excludes refinance granted under the Government Agricultural Credit Schemes, the Guaranteed Price Scheme and from the Medium & Long Term Credit Fund.

The Central Bank, however, is prepared to consider applications from commercial banks for accommodation in excess of the stipulated limit, to enable banks to tide over temporary cash shortages. Such accommodation will be granted for an initial period of 30 days at a rate of interest of 5 percentage points above Bank rate. Thereafter the penal rate of interest will be increased at the rate of 1 percentage point for each period of 30 days beyond the initial 30 day period.

Commercial banks are hereby required to forward to the Chief Accountant, Central Bank of Ceylon, on or before November 24, 1977, the balance outstanding in their books as at September 30, 1977 in respect of :—

1. Bills discounted and financed.
2. Loans granted.
3. Loans granted under Government Agricultural Credit Schemes.
4. Overdrafts granted.

The provisions of paragraph 2 of Circular No. 169 of November 4, 1976 remain in force i.e. with immediate effect, every commercial bank should ensure -

- (a) that the total amount of its loans and advances granted for non-essential purposes does not exceed the total amount of its loans and advances granted for such purposes and outstanding on June 30, 1976, and
- (b) that the total amount of its loans and advances granted to non-bank companies and bodies engaged in the business of lending monies to the public and/or engaged in hire purchase activities does not exceed the total amount of its loans and advances granted to such companies and bodies and outstanding on June 30, 1976.

A. BANDARANAYAKE
Chief Accountant.

H. E. TENNEKOON
Governor.

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Circular No. 259

Central Bank of Ceylon,
P. O. Box 590,
Colombo 1.
November 16, 1977.

Reserve Requirements - Regulation D

Commercial Banks are hereby informed that the Monetary Board has decided that the reserves required to be maintained by commercial banks under Regulation D shall, with effect from December 2, 1977, be held only in the form of rupee reserves with the Central Bank.

Commercial banks are required to comply with the above.

A. BANDARANAYAKE
Chief Accountant

H. E. TENNEKOON
Governor

Circular No. 260

Central Bank of Ceylon,
P. O. Box 590,
Colombo 1.
November 16, 1977.

- 1. Central Bank's exchange rates for the Pound Sterling, U.S. Dollar and Indian Rupee.**
 - 2. Commercial Banks' exchange rates.**
 - 3. Rates of exchange for purchase and sale of foreign currency notes.**
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Commercial Banks are hereby informed that Circular No. 1 revised - November 4, 1977, Circular No. 2 revised - November 4, 1977 and Circular No. 254 of November 4, 1977 are hereby cancelled.

A. BANDARANAYAKE
Chief Accountant.

H. E. TENNEKON
Governor

CENTRAL BANK'S EXCHANGE RATES FOR THE ASIAN MONETARY UNIT, BANGLADESH TAKA, INDIAN RUPEE, IRANIAN RIAL, NEPALESE RUPEE AND PAKISTAN RUPEE

Applicable only to operations through Asian Clearing Union

(Rs. per 100 units of each currency)

| Date | No. of Circulars issued | ASIAN MONETARY UNIT | | BANGLADESH TAKA | | BURMESE KYAT | | INDIAN RUPEE | | IRANIAN RUPEE | | NEPALESE RUPEE | | PAKISTAN RUPEE | |
|----------|-------------------------|---------------------|---------------|-----------------|----------------|--------------|---------------|--------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|
| | | Buying Spot* | Selling Spot* | Buying Spot* | Selling Spot** | Buying Spot* | Selling Spot* | Buying Spot* | Selling Spot* | Buying Spot* | Selling Spot* | Buying Spot** | Selling Spot** | Buying Spot** | Selling Spot** |
| 77.01.03 | 197 | 1006.75 | 1007.00 | 57.40 | 57.46 | — | — | 96.44 | 96.50 | 12.31 | 12.33 | 69.60 | 69.66 | 87.82 | 87.88 |
| 77.01.10 | 200 | 1016.45 | 1016.70 | 57.26 | 57.32 | — | — | 97.37 | 97.43 | 12.43 | 12.45 | 70.27 | 70.33 | 88.66 | 88.72 |
| 77.01.17 | 202 | 1001.90 | 1002.15 | 57.34 | 57.40 | — | — | 97.62 | 97.68 | 12.20 | 12.22 | 68.95 | 69.01 | 86.99 | 87.05 |
| 77.02.01 | 205 | 1003.75 | 1004.00 | 55.92 | 55.98 | — | — | 98.01 | 98.07 | 12.30 | 12.32 | 69.50 | 69.56 | 87.70 | 87.76 |
| 77.02.18 | 207 | 1014.70 | 1014.95 | 55.78 | 55.84 | — | — | 98.01 | 98.07 | 12.45 | 12.47 | 70.35 | 70.41 | 88.76 | 88.82 |
| 77.03.01 | 209 | 1010.25 | 1010.50 | 55.78 | 55.84 | — | — | 98.01 | 98.07 | 12.36 | 12.38 | 69.86 | 69.92 | 88.15 | 88.21 |
| 77.03.16 | 213 | 842.80 | 843.05 | 46.77 | 46.83 | — | — | 82.17 | 82.23 | 10.31 | 10.33 | 58.27 | 58.33 | 73.52 | 73.58 |
| 77.03.31 | 215 | 843.50 | 843.75 | 46.86 | 46.92 | — | — | 82.34 | 82.40 | 10.31 | 10.33 | 58.27 | 58.33 | 73.53 | 73.59 |
| 77.04.18 | 217 | 843.75 | 844.00 | 46.86 | 46.92 | 108.86 | 109.02 | 82.34 | 82.40 | 10.30 | 10.32 | 58.21 | 58.27 | 73.45 | 73.51 |
| 77.05.06 | 219 | 845.55 | 845.80 | 46.86 | 46.92 | 109.19 | 109.25 | 82.34 | 82.40 | 10.30 | 10.32 | 58.24 | 58.30 | 73.48 | 73.54 |
| 77.05.16 | 221 | 846.15 | 846.40 | 46.86 | 46.92 | 99.44 | 99.50 | 82.34 | 82.40 | 10.30 | 10.32 | 58.23 | 58.29 | 73.47 | 73.53 |
| 77.06.16 | 223 | 846.55 | 846.80 | 48.86 | 46.92 | 99.48 | 99.54 | 82.34 | 82.40 | 10.31 | 10.33 | 58.28 | 58.34 | 73.53 | 73.59 |
| 77.07.01 | 225 | 846.05 | 846.30 | 46.86 | 46.92 | 99.42 | 99.48 | 82.34 | 82.40 | 10.30 | 10.32 | 58.22 | 58.28 | 73.47 | 73.53 |
| 77.07.18 | 227 | 849.85 | 850.10 | 46.86 | 46.92 | 99.87 | 99.93 | 82.34 | 82.40 | 10.30 | 10.32 | 58.20 | 58.26 | 73.43 | 73.49 |
| 77.08.01 | 230 | 854.55 | 854.80 | 46.86 | 46.92 | 100.42 | 100.48 | 82.34 | 82.40 | 10.30 | 10.32 | 58.20 | 58.26 | 73.44 | 73.50 |
| 77.08.03 | 232 | 844.00 | 844.25 | 46.86 | 46.92 | 99.18 | 99.24 | 82.34 | 82.40 | 10.17 | 10.19 | 58.48 | 57.54 | 72.53 | 72.59 |
| 77.08.19 | 234 | 842.00 | 842.25 | 46.86 | 46.92 | 98.95 | 99.01 | 82.34 | 82.40 | 10.18 | 10.20 | 57.52 | 57.58 | 72.58 | 72.64 |
| 77.08.26 | 237 | 855.20 | 855.45 | 47.60 | 47.66 | 100.50 | 100.56 | 83.63 | 83.69 | 10.34 | 10.36 | 58.43 | 58.49 | 73.72 | 73.78 |
| 77.09.05 | 242 | 877.40 | 877.65 | 49.05 | 49.11 | 103.11 | 103.17 | 86.18 | 86.24 | 10.65 | 10.67 | 60.20 | 60.26 | 75.95 | 76.01 |
| 77.09.16 | 246 | 998.95 | 999.20 | 55.09 | 55.15 | 117.39 | 117.45 | 98.56 | 98.62 | 12.17 | 12.19 | 68.77 | 68.83 | 86.77 | 86.83 |
| 77.10.03 | 248 | 999.05 | 999.30 | 56.17 | 56.23 | 117.40 | 117.46 | 98.69 | 98.75 | 12.18 | 12.20 | 68.83 | 68.89 | 86.85 | 86.91 |
| 77.10.17 | 250 | 997.65 | 997.90 | 56.17 | 56.23 | 117.24 | 117.30 | 98.69 | 98.75 | 12.11 | 12.13 | 68.42 | 68.48 | 86.33 | 86.39 |
| 77.11.07 | 255 | 1010.63 | 1010.90 | 58.25 | 58.31 | 118.77 | 118.83 | 100.17 | 100.23 | 12.19 | 12.21 | 68.88 | 68.94 | 86.91 | 86.97 |
| 77.11.16 | 261 | 1886.75 | 1887.25 | 110.10 | 110.20 | 221.72 | 221.82 | 184.12 | 184.22 | 22.63 | 22.69 | 127.92 | 128.02 | 161.41 | 161.51 |
| 77.11.23 | 264 | 1889.35 | 1889.85 | 110.25 | 110.37 | 222.03 | 222.15 | 184.38 | 184.50 | 22.66 | 22.70 | 128.10 | 128.22 | 161.63 | 161.75 |
| 77.12.16 | 267 | 1911.70 | 1912.20 | 106.85 | 106.97 | 224.65 | 224.77 | 184.38 | 184.50 | 22.63 | 22.67 | 127.94 | 128.06 | 161.43 | 161.55 |

Forward upto six months * Buying -/25 cents per month discount against spot.
In respect of last three Circulars -/50 cents per month discount against spot.
* Selling -/25 cents per month discount against spot.
In respect of last three Circulars -/50 cents per month premium against spot.

.. Buying -/03 cents per month discount against spot. In respect of last three Circulars -/06 cents per month discount against spot.
.. Selling -/02 cents per month premium against spot.
In respect of last three Circulars -/04 cents per month premium against spot.

Contracts to be taken up at the option of the commercial bank but as the contracted exchange rate if taken up before expire of the contract period.

COMMERCIAL BANKS' EXCHANGE RATES FOR THE ASIAN MONETARY UNIT, BANGLADESH TAKA, BURMESE KYAT, INDIAN RUPEE, IRANIAN RIAL, NEPALESE RUPEE, PAKISTAN RUPEE - COMMERCIAL BANKS RATES FOR CLEAN TELEGRAPHIC TRANSFERS APPLICABLE ONLY TO OPERATIONS THROUGH ASIAN CLEARING UNION

(Rs. per 100 units of each currency)

| Date | Number of Circulars issued | ASIAN MONETARY UNIT AMU | | BANGLADESH TAKA | | BURMESE KYAT | | INDIAN RUPEE | | IRANIAN RIAL | | NEPALESE RUPEE | | PAKISTAN RUPEE | |
|----------|----------------------------|---|--|-----------------|---------|--------------|---------|--------------|---------|--------------|---------|----------------|---------|----------------|---------|
| | | Buying Rs. Cts. | Selling | Buying | Selling | Buying | Selling | Buying | Selling | Buying | Selling | Buying | Selling | Buying | Selling |
| 77.01.03 | 198 | Not more than -/75 below the Central Bank's buying rate | Not more than Rs.1/50 Over the Central Bank's Selling rate | 57.37 | 57.48 | — | — | 96.41 | 96.52 | 12.28 | 12.35 | 69.57 | 69.68 | 87.79 | 87.90 |
| 77.01.10 | 201 | — | — | 57.23 | 57.34 | — | — | 97.34 | 97.45 | 12.40 | 12.47 | 70.24 | 70.35 | 88.63 | 88.74 |
| 77.01.17 | 203 | -do- | -do- | 57.31 | 57.42 | — | — | 97.59 | 97.70 | 12.17 | 12.24 | 68.92 | 69.03 | 86.96 | 87.07 |
| 77.02.01 | 206 | -do- | -do- | 55.89 | 56.00 | — | — | 97.98 | 98.09 | 12.27 | 12.34 | 69.47 | 69.58 | 87.67 | 87.78 |
| 77.02.18 | 208 | -do- | -do- | 55.75 | 55.86 | — | — | 97.98 | 98.09 | 12.42 | 12.49 | 70.32 | 70.43 | 88.73 | 88.84 |
| 77.03.01 | 210 | -do- | -do- | 55.75 | 55.86 | — | — | 97.98 | 98.09 | 12.33 | 12.40 | 69.83 | 69.94 | 88.12 | 88.23 |
| 77.03.16 | 214 | -do- | -do- | 46.74 | 46.85 | — | — | 82.14 | 82.25 | 10.28 | 10.35 | 58.24 | 58.35 | 73.49 | 73.60 |
| 77.03.31 | 216 | -do- | -do- | 46.83 | 46.94 | — | — | 82.31 | 82.42 | 10.28 | 10.35 | 58.24 | 58.35 | 73.50 | 73.61 |
| 77.04.18 | 218 | -do- | -do- | 46.83 | 46.94 | 108.93 | 109.04 | 82.31 | 82.42 | 10.27 | 10.34 | 58.18 | 58.29 | 73.42 | 73.53 |
| 77.05.06 | 220 | -do- | -do- | 46.83 | 46.94 | 109.16 | 109.27 | 82.31 | 82.42 | 10.27 | 10.34 | 58.21 | 58.32 | 73.45 | 73.56 |
| 77.05.16 | 222 | -do- | -do- | 46.83 | 46.94 | 99.41 | 99.52 | 82.31 | 82.42 | 10.27 | 10.34 | 58.20 | 58.31 | 73.44 | 73.55 |
| 77.06.16 | 224 | -do- | -do- | 46.83 | 46.94 | 99.45 | 99.56 | 82.31 | 82.42 | 10.28 | 10.35 | 58.25 | 58.36 | 73.50 | 73.61 |
| 77.07.01 | 226 | -do- | -do- | 46.83 | 46.94 | 99.39 | 99.50 | 82.31 | 82.42 | 10.27 | 10.34 | 58.19 | 58.30 | 73.44 | 73.55 |
| 77.07.18 | 228 | -do- | -do- | 46.83 | 46.94 | 99.84 | 99.95 | 82.31 | 82.42 | 10.27 | 10.34 | 58.17 | 58.28 | 73.40 | 73.51 |
| 77.08.01 | 231 | -do- | -do- | 46.83 | 46.94 | 100.39 | 100.50 | 82.31 | 82.42 | 10.27 | 10.34 | 58.17 | 58.28 | 73.41 | 73.52 |
| 77.08.03 | 233 | -do- | -do- | 46.83 | 46.94 | 99.15 | 99.26 | 82.31 | 82.42 | 10.14 | 10.21 | 57.45 | 57.56 | 72.50 | 72.61 |
| 77.08.19 | 235 | -do- | -do- | 46.83 | 46.94 | 98.92 | 99.03 | 82.31 | 82.42 | 10.15 | 10.22 | 57.49 | 57.60 | 72.55 | 72.66 |
| 77.08.26 | 238 | -do- | -do- | 47.53 | 47.68 | 100.47 | 100.58 | 83.60 | 83.71 | 10.31 | 10.38 | 58.40 | 58.51 | 73.69 | 73.80 |
| 77.09.05 | 243 | -do- | -do- | 49.02 | 49.13 | 103.08 | 103.19 | 86.15 | 86.26 | 10.62 | 10.69 | 60.17 | 60.28 | 75.92 | 76.03 |
| 77.09.16 | 247 | -do- | -do- | 55.06 | 55.17 | 117.36 | 117.47 | 98.53 | 98.64 | 12.14 | 12.21 | 68.74 | 68.85 | 86.74 | 86.85 |
| 77.10.03 | 249 | -do- | -do- | 56.14 | 56.25 | 117.37 | 117.48 | 98.66 | 98.77 | 12.15 | 12.22 | 68.80 | 68.91 | 86.82 | 86.93 |
| 77.10.17 | 251 | -do- | -do- | 56.14 | 56.25 | 117.21 | 117.32 | 98.66 | 98.77 | 12.08 | 12.15 | 68.39 | 68.50 | 86.30 | 86.41 |
| 77.11.07 | 256 | -do- | -do- | 58.22 | 58.33 | 118.74 | 118.85 | 100.14 | 100.25 | 12.16 | 12.23 | 68.85 | 68.96 | 86.88 | 86.99 |
| 77.11.16 | 262 | Not more than Rs. 1/50 below the Central Bank's Buying rate | Not more than Rs. 3/- over the Central Bank's Selling rate | 110.04 | 110.24 | 221.66 | 221.86 | 184.06 | 184.26 | 22.57 | 22.73 | 127.86 | 128.06 | 161.35 | 161.55 |
| 77.11.23 | 265 | -do- | -do- | 110.19 | 110.41 | 221.97 | 222.19 | 184.32 | 184.54 | 22.60 | 20.74 | 128.04 | 128.26 | 161.57 | 161.79 |
| 77.12.16 | 268 | -do- | -do- | 106.79 | 107.01 | 224.59 | 224.81 | 184.32 | 184.54 | 22.57 | 22.71 | 127.88 | 128.10 | 161.37 | 161.59 |

CENTRAL BANK'S EXCHANGE RATES FOR THE POUND STERLING, U.S. DOLLARS AND INDIAN RUPEES

| Circular Number and effective date | Central Bank Spot Buying Rate for Telegraphic Transfers | Central Bank Spot Selling Rate for Telegraphic Transfers | Central Bank Spot Buying Rate for Telegraphic Transfers | Central Bank Spot Selling Rate for Telegraphic Transfers | Central Bank Spot Buying Rate for Telegraphic Transfers | Central Bank Spot Selling Rate for Telegraphic Transfers |
|--|---|--|---|--|---|--|
| | (Rupees per £ 100) | | (Rupees per 100 Dollars) | | (Rupees per 100 Ind. Rs.) | |
| Circular No. 1 - Revised January 6th, 1977 | 1489.13/32* | 1490.29/32** | — | — | 9731/32+ | 981/32++ |
| Circular No. 1 - Revised March 9th 1977 | 1496.5625* | 1498.0625** | 871.40† | 871.65†† | 98.4375+ | 98.50++ |
| Circular No. 1 - Revised March 12th 1977 | 1251.25* | 1252.75** | 728.05† | 728.30†† | 82.3125+ | 82.375++ |
| Circular No. 1 - Revised Aug. 19th, 1977 | 1277.00* | 1278.50** | 733.50† | 733.75†† | 84.2500+ | 84.3125++ |
| Circular No. 1 - Revised Aug. 29th, 1977 | 1315.625* | 1317.125** | 755.50† | 755.75†† | 86.53125+ | 86.59375++ |
| Circular No. 1 - Revised Sept. 7th, 1977 | 1355.09375* | 1356.59375** | 778.15† | 778.40†† | 89.125+ | 89.1875++ |
| Circular No. 1 - Revised Sept. 12th, 1977 | 1499.75* | 1501.25** | 860.40† | 860.65†† | 98.65625+ | 98.71875++ |
| Circular No. 1 - Revised Oct. 31st, 1977 | 1515.00* | 1516.50** | 852.45† | 852.70†† | 99.65625+ | 99.71875++ |
| Circular No. 1 - Revised Nov. 2nd, 1977 | 1569.375* | 1570.875** | 849.90† | 850.15†† | 103.21875+ | 103.28125++ |
| Circular No. 1 - Revised Nov. 4th, 1977 | 1552.40625* | 1553.90625** | 859.80† | 860.05†† | 102.125+ | 102.1875++ |

Forward up to six months -

- * 0.65625 of a rupee per month discount against spot.
- ** 0.65625 of a rupee per month premium against spot.
- † 0.50 of a rupee per month discount against spot.
- †† 0.50 of a rupee per month premium against spot.
- + 0.3125 of a rupee per month discount against spot.
- ++ 0.3125 of a rupee per month premium against spot.

Contracts to be taken up at the option of the commercial bank but at the contracted exchange rate if taken up before expiry of the contract period.

Commercial Banks' Exchange Rate

| Circular Number and Effective Date | Minimum Buy- ing Rates Clean Telegraphic Transfers | Maximum Selling Rates Clean Tele- graphic Transfers |
|---|---|---|
| Rupees per 100 Indian Rupees | | |
| Circular No. 2 Revised Jan. 6th, 1977 | 97 15/16 | 98 1/16 |
| Circular No. 2 Revised March 9th, 1977 | 98.40625 | 98.53125 |
| Circular No. 2 Revised March 12th, 1977 | 82.28125 | 82.40625 |
| Circular No. 2 Revised Aug. 19th 1977 | 84.36125 | 84.48625 |
| Circular No. 2 Revised Aug. 29th 1977 | 86.50 | 86.625 |
| Circular No. 2 Revised Sept. 7th 1977 | 89.09375 | 89.21875 |
| Circular No. 2 Revised Sept. 12th 1977 | 98.625 | 98.75 |
| Circular No. 2 Revised Oct. 31st 1977 | 99.625 | 99.75 |
| Circular No. 2 Revised Nov. 2nd 1977 | 103.1875 | 103.3125 |
| Circular No. 2 Revised Nov. 4th 1977 | 102.09375 | 102.21875 |

All Circulars listed above stipulate the following rates for Sterling and United States Dollars.

Sterling

- | | | |
|-----------------------------------|---|--|
| (a) For amounts of £ 100 or below | Not more than 5 cts. per £. 1 below the central Bank's buying rate. | Not more than 2 cts. per £. 1 above the Central Bank's selling rate. |
| (b) For amounts over £ 100 | Not more than 3 cts. per £. 1 below the Central Bank's buying rate. | Not more than 1.5 cts. per £. 1 above the Central Bank's selling rate. |

United States Dollars (per 100 dollars)

| | |
|---|--|
| Not more than -/75 cts. below the Central Bank's buying rate. | Not more than Rs. 1.50 over the Central Bank's selling rate. |
|---|--|

Rates of Exchange for Purchase and

| Circular Number & Effective Date | Particulars | | Australian Dollars (per 1/-) | Austrian Schillings (per Sch. 100/-) | Belgium Francs (per B.F. 100/-) | (per B. F. 100/-) Canadian Dollars | Danish Kroner (per Kr. 10/-) | Deutsche Mark West Germany (per D. M. 10/-) | French Francs (per F.F. 10/-) |
|--|----------------------------------|------|---------------------------------|---|------------------------------------|---------------------------------------|---------------------------------|---|----------------------------------|
| Circular No. 199 January 6th, 1977 | Central Bank's Buying | Rate | 9.00 | 49.85 | 23.20 | 8.20 | 14.30 | 35.30 | 16.80 |
| | Central Bank's Selling | Rate | 9.05 | 49.90 | 23.25 | 8.25 | 14.35 | 35.35 | 16.85 |
| Circular No. 211 dated Mar. 9th, 1977 | Commer: Banks' Minim. Buying | Rate | 8.95 | 49.80 | 23.15 | 8.15 | 14.25 | 35.25 | 16.75 |
| | Central Bank's Buying | Rate | 9.10 | 48.75 | 22.55 | 7.90 | 14.10 | 34.60 | 16.60 |
| Circular No. 212 dated Mar. 12th, 1977 | Central Bank's Selling | Rate | 9.15 | 48.80 | 22.60 | 7.95 | 14.15 | 34.65 | 16.65 |
| | Commer: Banks' Minim. Buying | Rate | 9.05 | 48.70 | 22.50 | 7.85 | 14.05 | 34.55 | 16.55 |
| Circular No. 212 dated Mar. 12th, 1977 | Central Bank's Buying | Rate | 7.60 | 40.60 | 18.80 | 6.60 | 11.75 | 28.80 | 13.85 |
| | Central Bank's Selling | Rate | 7.65 | 40.65 | 18.85 | 6.65 | 11.80 | 28.85 | 13.90 |
| Circular No. 236 dated Aug. 19th, 1977 | Commercial Banks' Minimum Buying | Rate | 7.55 | 40.55 | 18.75 | 6.55 | 11.70 | 28.75 | 13.80 |
| | Central Bank's Buying | Rate | 7.65 | 42.20 | 19.50 | 6.45 | 11.60 | 29.90 | 14.15 |
| Circular No. 239 dated Aug. 29th, 1977 | Central Bank's Selling | Rate | 7.70 | 42.25 | 19.55 | 6.50 | 11.65 | 29.95 | 14.20 |
| | Commercial Banks' minimum Buying | Rate | 7.60 | 42.15 | 19.45 | 6.40 | 11.55 | 29.85 | 14.10 |
| Circular No. 239 dated Aug. 29th, 1977 | Central Bank's Buying | Rate | 7.90 | 43.80 | 20.20 | 6.65 | 11.95 | 31.00 | 14.60 |
| | Central Bank's Selling | Rate | 7.95 | 43.85 | 20.25 | 6.70 | 12.00 | 31.05 | 14.65 |
| Circular No. 244 dated Sept. 7th, 1977 | Commercial Banks' Minimum Buying | Rate | 7.85 | 43.75 | 20.15 | 6.60 | 11.90 | 30.95 | 14.55 |
| | Central Bank's Buying | Rate | 8.15 | 44.75 | 20.70 | 6.85 | 11.95 | 31.80 | 15.05 |
| Circular No. 244 dated Sept. 7th, 1977 | Central Bank's Selling | Rate | 8.20 | 44.80 | 20.75 | 6.90 | 12.00 | 31.85 | 15.10 |
| | Commercial Banks' Minimum Buying | Rate | 8.10 | 44.70 | 20.65 | 6.80 | 11.90 | 31.75 | 15.00 |
| Circular No. 244 dated Sept. 12th, 1977 | Central Bank's Buying | Rate | 9.00 | 49.50 | 22.85 | 7.60 | 13.25 | 35.20 | 16.60 |
| | Central Bank's Selling | Rate | 9.05 | 49.55 | 22.90 | 7.65 | 13.30 | 35.25 | 16.65 |
| Circular No. 244 dated Sept. 12th, 1977 | Commercial Banks' Minimum Buying | Rate | 8.95 | 49.45 | 22.80 | 7.55 | 13.20 | 35.15 | 16.55 |
| | Central Bank's Buying | Rate | 9.05 | 50.10 | 22.95 | 7.25 | 13.20 | 35.70 | 16.70 |
| Circular No. 252 dated Oct. 31st, 1977 | Central Bank's Selling | Rate | 9.10 | 50.15 | 23.00 | 7.30 | 13.25 | 35.75 | 16.75 |
| | Commercial Banks' Minimum Buying | Rate | 9.00 | 50.05 | 22.90 | 7.20 | 13.15 | 35.65 | 16.65 |
| Circular No. 253 dated Nov. 2nd, 1977 | Central Bank's Buying | Rate | * | * | * | * | * | * | * |
| | Central Bank's Selling | Rate | * | * | * | * | * | * | * |
| Circular No. 253 dated Nov. 2nd, 1977 | Commercial Banks' Minimum Buying | Rate | * | * | * | * | * | * | * |
| | Central Bank's Buying | Rate | * | * | * | * | * | * | * |
| Circular No. 254 dated Nov. 4th, 1977 | Central Bank's Selling | Rate | * | * | * | * | * | * | * |
| | Commercial Banks' Minimum Buying | Rate | * | * | * | * | * | * | * |
| Circular No. 269 dated Dec. 21st, 1977 | Central Bank's Buying | Rate | 16.85 | 97.40 | 44.50 | 13.50 | 25.35 | 69.65 | 31.05 |
| | Central Bank's Buying | Rate | 16.75 | 95.65 | 44.15 | 13.45 | 25.15 | 68.85 | 30.90 |
| Circular No. 271 dated Dec. 29th, 1977 | Central Bank's Buying | Rate | 16.65 | 96.35 | 44.50 | 13.35 | 25.30 | 69.80 | 31.40 |

* In view of unsettled conditions in the International foreign exchange markets the rates for the purchase, and sale of these currencies are not quoted.

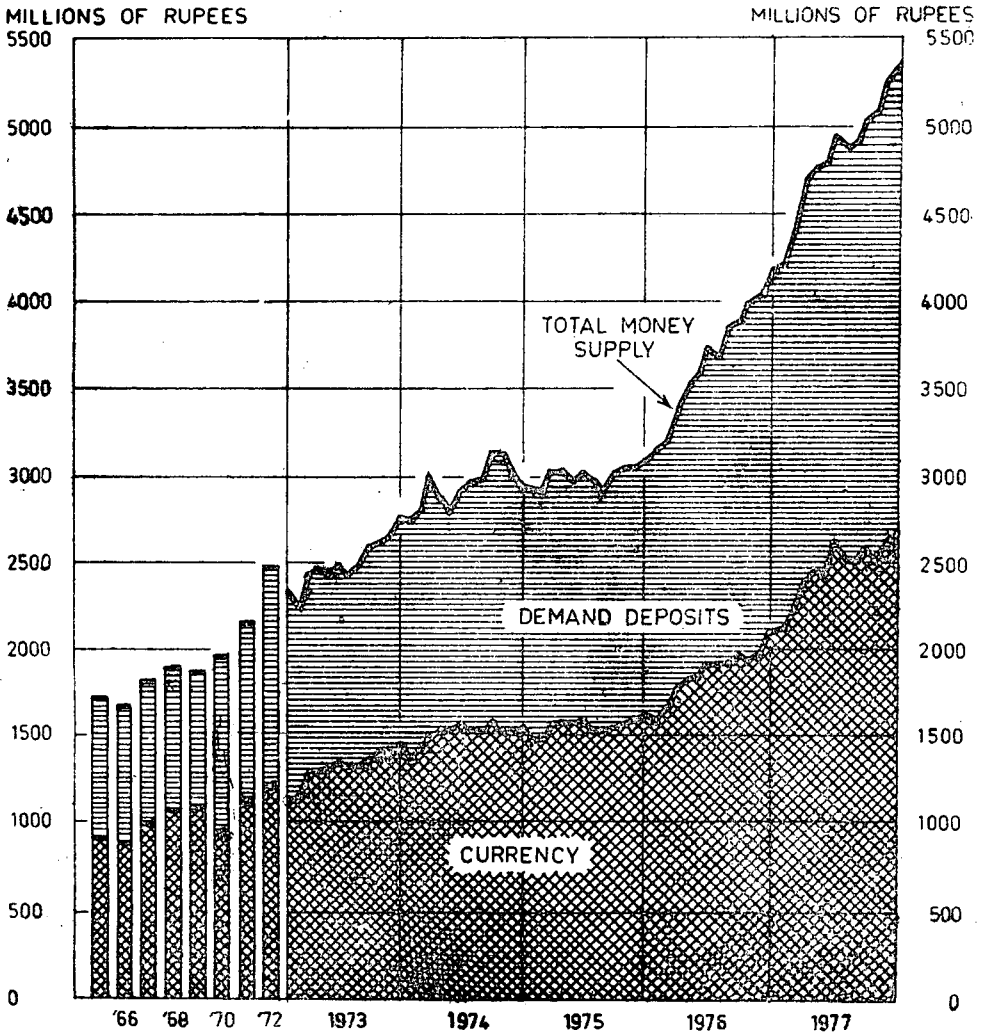
Sale of Foreign Currency Notes

| Hongkong Dollar (per £ 10/-) | Italian Lira (per Lira 1000/-) | Japanese Yen (per Yen 100/-) | Kuwait Cinar (per Dinar 1/-) | Malaysian Ringgit (per \$ 10/-) | Netherland Guilders (per G. 10/-) | Norwegian Krone (per Kr. 10/-) | Saudi Arabian Riyals (per Riyals 10/-) | Singapore Dollars. (per \$ 10/-) | Swedish Kroner. (per Kr. 10/-) | Swiss Francs (per S. Frs. 10/-) | United Arab Emirates Dirhams. (per Dirham 10/-) | U. K. Pounds. (per £. 1/-) | U. S. Dollars. (per \$ 1/-) |
|---------------------------------|-----------------------------------|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|-----------------------------------|---|-------------------------------------|-----------------------------------|------------------------------------|---|-------------------------------|--------------------------------|
| 17.90 | 9.50 | 28.40 | 29.30 | 32.85 | 33.85 | 16.05 | 23.75 | 33.75 | 20.15 | 33.90 | 21.10 | 14.15 | 8.25 |
| 17.95 | 9.55 | 28.45 | 29.35 | 32.90 | 33.90 | 16.10 | 23.80 | 33.80 | 20.20 | 33.95 | 21.15 | 14.20 | 8.30 |
| 17.85 | 9.45 | 28.35 | 29.25 | 32.80 | 33.80 | 16.00 | 23.70 | 33.70 | 20.10 | 33.85 | 21.05 | 14.10 | 8.20 |
| 17.90 | 9.40 | 29.35 | 28.75 | 33.30 | 33.30 | 15.75 | 23.50 | 33.70 | 19.65 | 32.50 | 21.35 | 14.20 | 8.25 |
| 17.95 | 9.45 | 29.40 | 28.80 | 33.35 | 33.25 | 15.80 | 23.55 | 33.75 | 19.70 | 32.55 | 21.40 | 14.25 | 8.30 |
| 17.85 | 9.35 | 29.30 | 28.70 | 33.25 | 33.15 | 15.70 | 23.45 | 33.65 | 19.60 | 32.45 | 21.30 | 14.15 | 8.20 |
| 14.95 | 7.75 | 24.50 | 24.10 | 27.75 | 27.65 | 13.10 | 19.65 | 28.05 | 16.35 | 27.00 | 17.80 | 11.85 | 6.90 |
| 15.00 | 7.80 | 24.55 | 24.15 | 27.80 | 27.70 | 13.15 | 19.70 | 28.10 | 16.40 | 27.05 | 17.85 | 11.90 | 6.95 |
| 14.90 | 7.70 | 24.45 | 24.05 | 27.70 | 27.60 | 13.05 | 19.60 | 28.00 | 16.30 | 26.95 | 17.75 | 11.80 | 6.85 |
| 14.95 | 7.85 | 26.10 | 24.65 | 28.30 | 28.30 | 13.20 | 19.80 | 28.45 | 15.80 | 28.60 | 17.85 | 12.10 | 6.95 |
| 15.00 | 7.90 | 26.15 | 24.70 | 28.35 | 28.35 | 13.25 | 19.85 | 28.50 | 15.85 | 28.65 | 17.90 | 12.15 | 7.00 |
| 14.90 | 7.80 | 26.05 | 24.60 | 28.25 | 28.25 | 13.15 | 19.75 | 28.40 | 15.75 | 28.55 | 17.80 | 12.05 | 6.90 |
| 15.45 | 8.15 | 26.85 | 25.40 | 29.05 | 29.30 | 13.55 | 20.40 | 29.30 | 16.30 | 30.10 | 18.40 | 12.50 | 7.15 |
| 15.50 | 8.20 | 26.90 | 25.45 | 29.10 | 29.35 | 13.60 | 20.45 | 29.35 | 16.35 | 30.15 | 18.45 | 12.55 | 7.20 |
| 15.40 | 8.10 | 26.80 | 25.35 | 29.00 | 29.25 | 13.50 | 20.35 | 29.25 | 16.25 | 30.05 | 18.35 | 12.45 | 7.10 |
| 15.90 | 8.35 | 27.55 | 26.15 | 30.05 | 30.10 | 13.50 | 21.20 | 30.20 | 15.15 | 30.85 | 18.95 | 12.85 | 7.35 |
| 15.95 | 8.40 | 27.60 | 26.20 | 30.10 | 30.15 | 13.55 | 21.05 | 30.25 | 15.20 | 30.90 | 19.00 | 12.90 | 7.40 |
| 15.85 | 8.30 | 27.50 | 26.10 | 30.00 | 30.05 | 13.45 | 20.95 | 30.15 | 15.10 | 30.80 | 18.90 | 12.80 | 7.30 |
| 17.55 | 9.30 | 30.55 | 28.50 | 33.25 | 33.25 | 15.00 | 23.25 | 33.40 | 16.80 | 34.30 | 21.05 | 14.25 | 8.15 |
| 17.60 | 9.35 | 30.60 | 28.55 | 33.30 | 33.30 | 15.05 | 23.30 | 33.45 | 16.85 | 34.35 | 21.10 | 14.30 | 8.20 |
| 17.50 | 9.25 | 30.50 | 28.45 | 33.20 | 33.20 | 14.95 | 23.20 | 33.35 | 16.75 | 34.25 | 21.00 | 14.20 | 8.10 |
| 17.25 | 9.20 | 32.40 | 28.50 | 33.60 | 33.35 | 14.80 | 23.10 | 33.80 | 16.90 | 36.25 | 20.85 | 14.35 | 8.10 |
| 17.30 | 9.25 | 32.45 | 28.55 | 33.65 | 33.40 | 14.85 | 23.15 | 33.85 | 16.95 | 36.30 | 20.90 | 14.40 | 8.15 |
| 17.20 | 9.15 | 32.35 | 28.45 | 33.55 | 33.30 | 14.75 | 23.05 | 33.75 | 16.85 | 36.20 | 20.80 | 14.30 | 8.05 |
| * | * | * | * | * | * | * | * | * | * | * | * | 14.90 | 8.05 |
| * | * | * | * | * | * | * | * | * | * | * | * | 14.95 | 8.10 |
| * | * | * | * | * | * | * | * | * | * | * | * | 14.85 | 8.00 |
| * | * | * | * | * | * | * | * | * | * | * | * | 14.75 | 8.15 |
| * | * | * | * | * | * | * | * | * | * | * | * | 14.80 | 8.20 |
| * | * | * | * | * | * | * | * | * | * | * | * | 14.70 | 8.10 |
| 31.90 | 16.90 | 61.35 | 52.70 | 62.35 | 64.50 | 28.55 | 42.15 | 63.05 | 31.35 | 72.65 | 38.10 | 27.70 | 14.75 |
| 31.85 | 16.80 | 81.25 | 52.45 | 62.05 | 63.65 | 28.30 | 42.10 | 62.80 | 31.15 | 71.90 | 37.80 | 27.75 | 14.75 |
| 31.65 | 16.75 | 60.90 | 52.15 | 61.75 | 64.55 | 28.55 | 41.80 | 62.70 | 31.25 | 72.95 | 37.50 | 28.00 | 14.60 |

APPENDIX IV
CHARTS

MONEY SUPPLY

1965-72 END YEAR FIGURES, 1973 ONWARDS END MONTH FIGURES



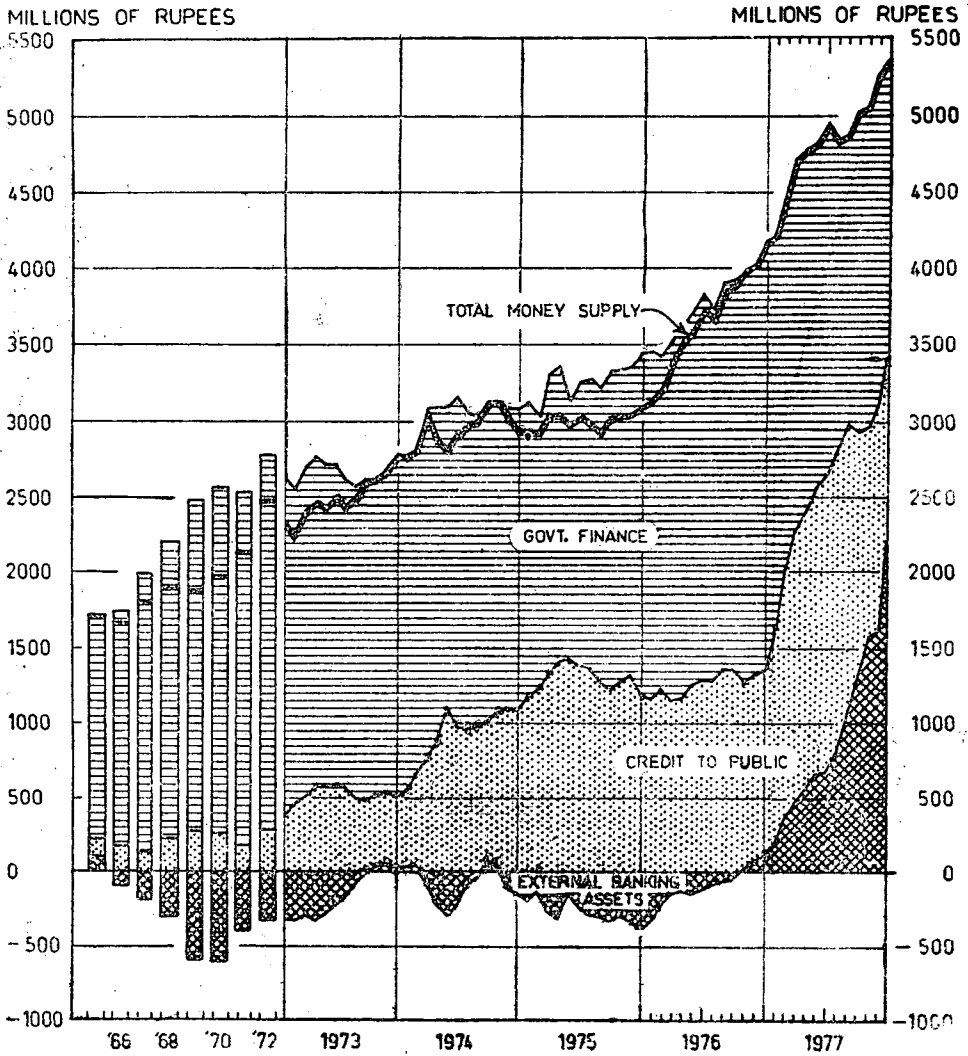
Dept. of Economic Research

Source: Central Bank of Ceylon

Money Supply is defined as "all currency and demand deposits owned by persons other than commercial banks and the Government".

SOURCES OF MONEY SUPPLY

1965-72 END YEAR FIGURES: 1973 ONWARDS END MONTH FIGURES



Dept. of Economic Research

Source: Central Bank of Ceylon

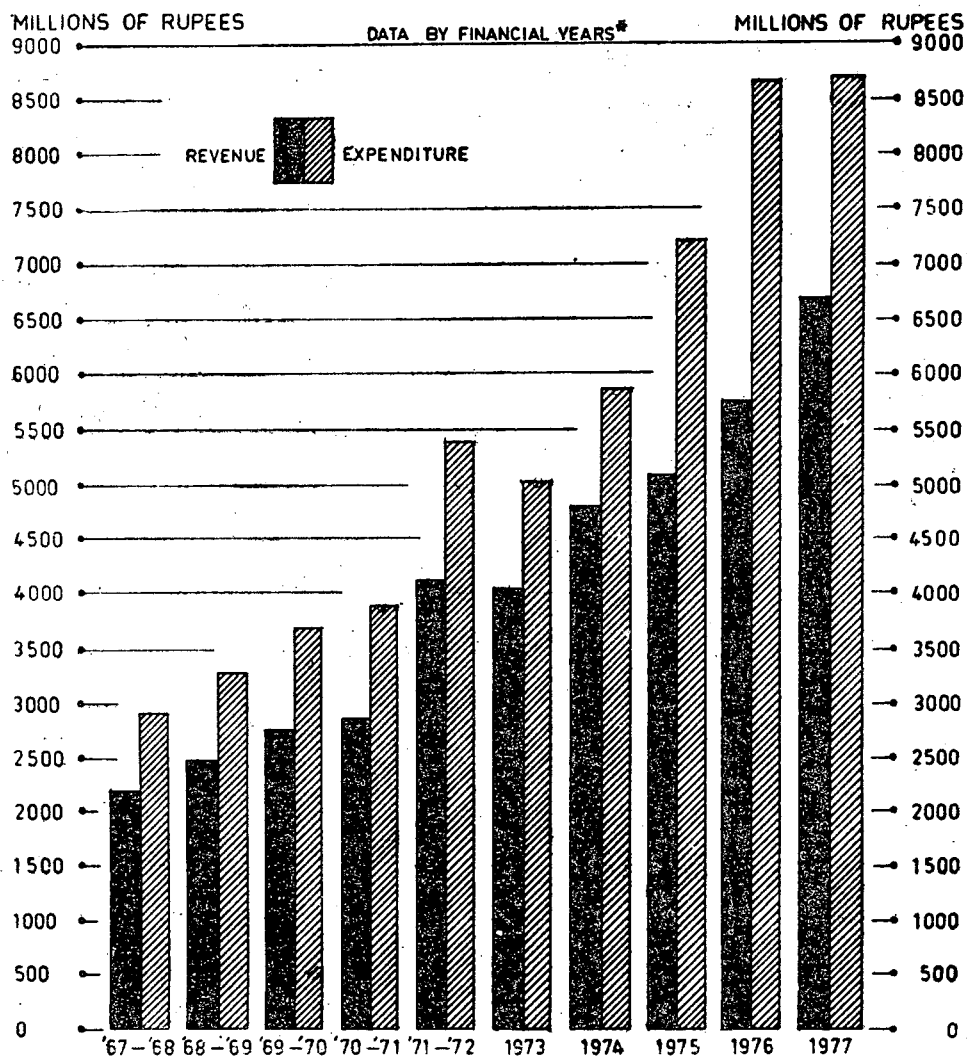
This chart indicates the origin of Money Supply in Sri Lanka.

- "Government Finance" shows the claims of the banking system on the Government net of rupee cash holdings of the Government.
- "Credit to Public" shows the claims of the Banking system on the private sector net of time and savings deposits.

Whenever net external banking assets were negative the total money supply line is below the line limiting Government Finance.

Changes in external banking assets attributable to exchange rate changes with contra entry in the International Reserve Revaluation Account have been excluded commencing January 1977.

GOVERNMENT REVENUE & EXPENDITURE



Dept. of Economic Research

Source: General Treasury

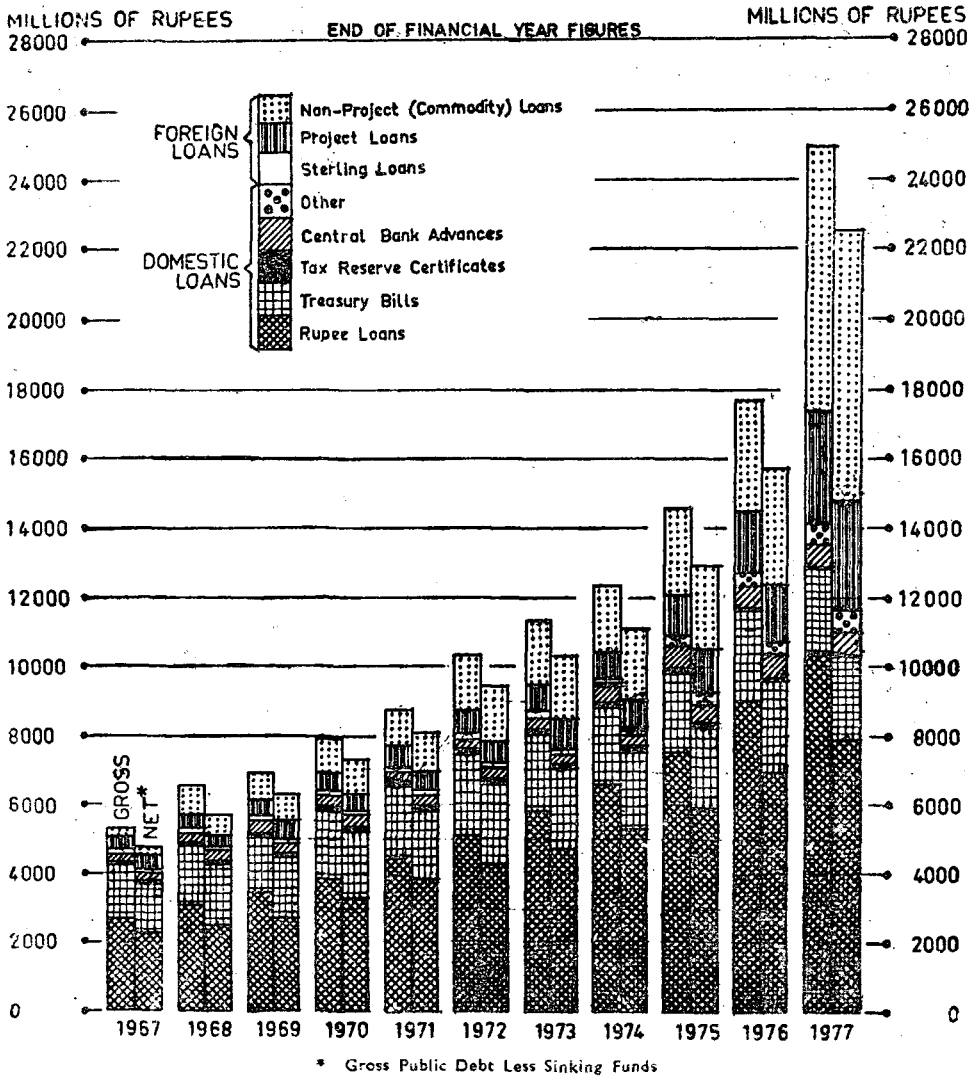
* Financial years upto and including 1970/71 are for 12 months ending on the 30th. September. Financial year 1971/72 relates to 15 months from October 1, 1971 to December 31, 1972. Financial years from 1973 relate to the year ending 31st. December.

Data on expenditure refer to total voted expenditure (excluding sinking fund contributions, direct repayments of public debt from revenue and special payments to international financial organisations) together with expenditure financed from the National Development Reserve and net payments on advance account operations. See also Table 10 Appendix III.

1977 figs. are provisional

COMPOSITION OF PUBLIC DEBT

(SHOWING GROSS & NET* PUBLIC DEBT)



1977 figs. are provisional

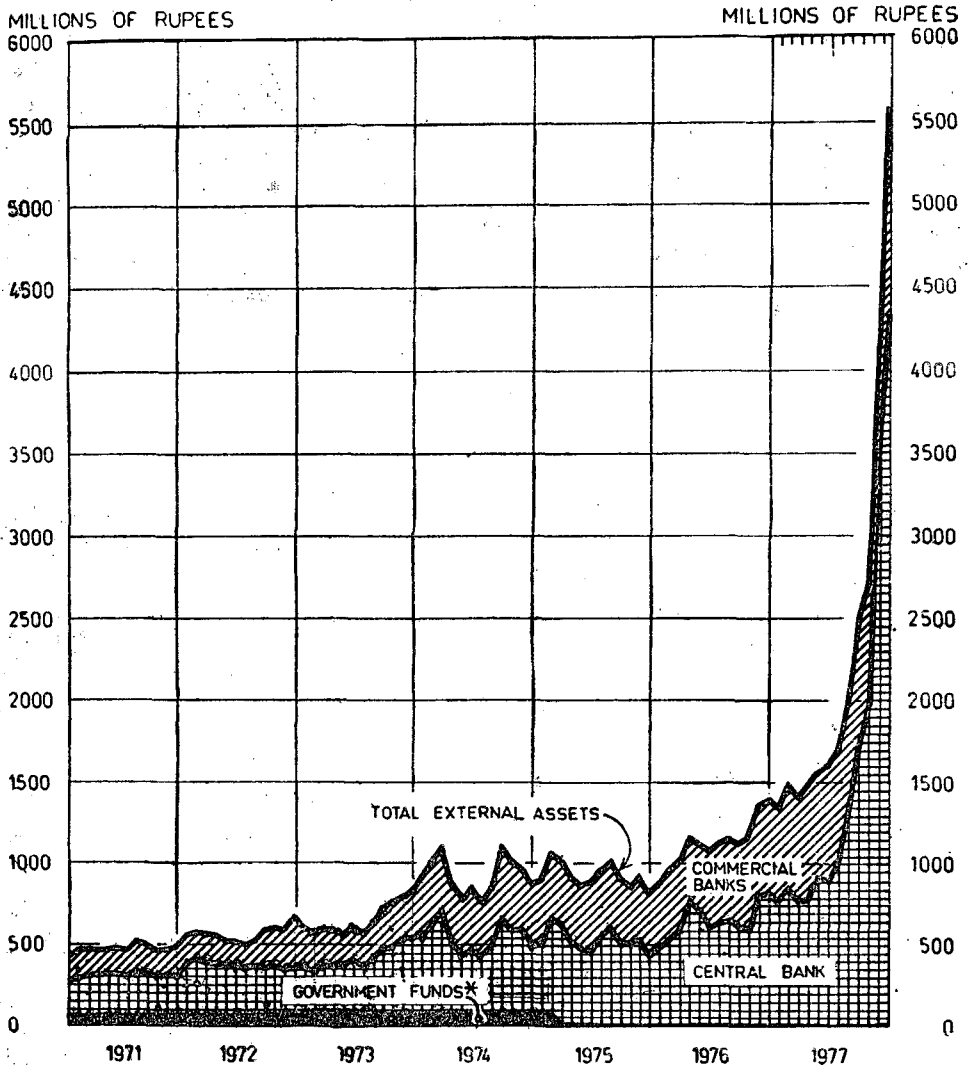
Dept. of Economic Research

Source: Central Bank of Ceylon

Data for all years up to 1971 relate to financial years ending on 30th. of September. Data for 1972 relate to the financial year 1971/72 covering a period of 15 months from October 1971 to December 1972. Data from 1973 relate to financial years ending on 31st. December.

EXTERNAL ASSETS OF SRI LANKA

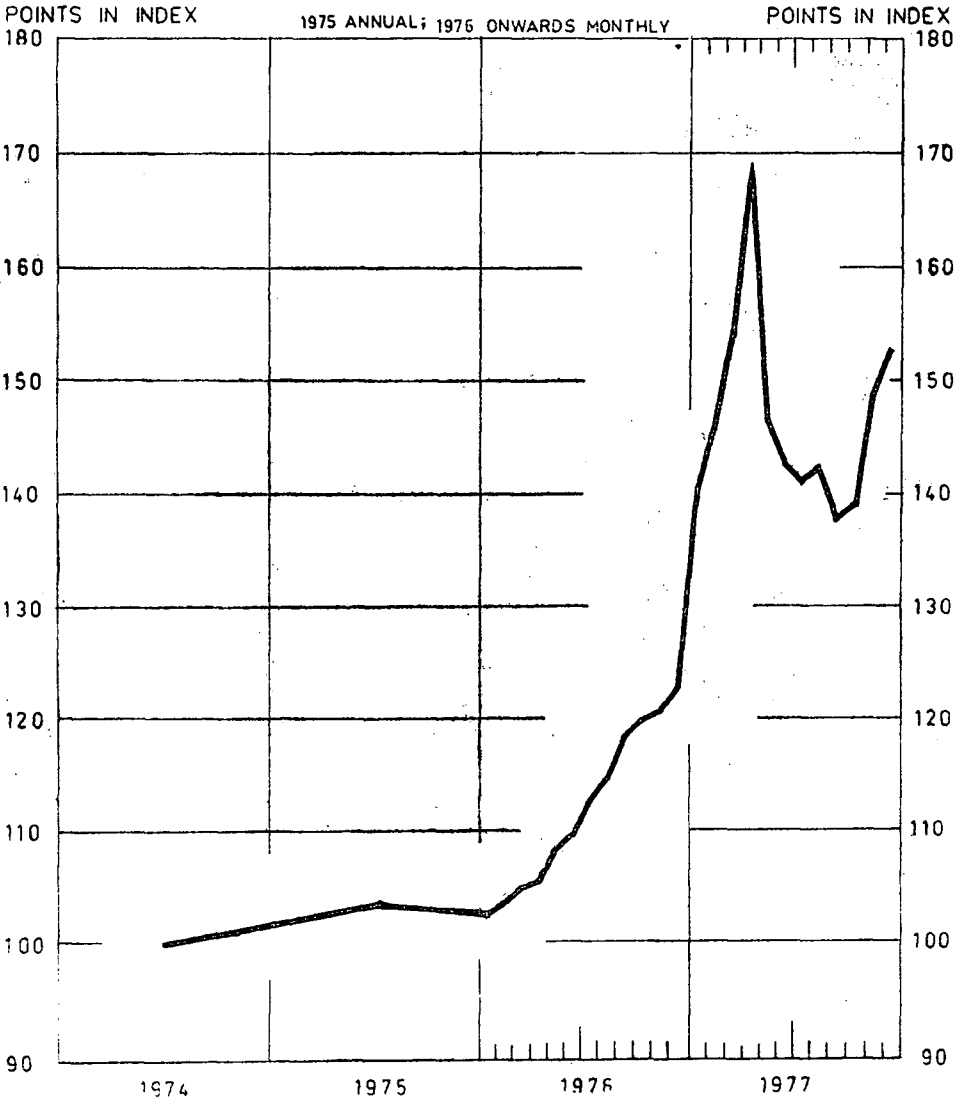
END OF MONTH FIGURES



* Includes Sterling loan sinking funds and rupee loan sinking funds and special loans.

WHOLESALE PRICE INDEX

1974 = 100



WAGE RATE INDEX NUMBERS

1952 = 100

