

PART 3

MAJOR ADMINISTRATIVE MEASURES ADOPTED BY THE MONETARY BOARD IN 1978.

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Circular No. 289

**Central Bank of Ceylon,
P. O. Box 590,
Colombo 1.**

March 27, 1978.

Commercial Bank Credit

The attention of commercial banks is invited to paragraph 2(b) of Circular No. 169 dated October 4, 1976 and to the last paragraph of Circular No. 258 dated November 16, 1977 whereby commercial banks were required to ensure that the total amount of their loans and advances granted to non-bank companies and bodies engaged in the business of lending moneys to the public and/or engaged in hire purchase activities, does not exceed the total amount of their loans and advances granted to such companies and bodies and outstanding on June 30, 1976.

It has now been decided to modify these regulations to exclude credit granted for financing capital equipment and new commercial vehicles.

Accordingly, commercial banks are hereby informed that they may grant loans and advances to non-banking companies and bodies engaged in the business of lending moneys to the public and/or engaged in hire purchase activities in excess of the total amount of their loans and advances granted to such companies and bodies and outstanding on June 30, 1976 provided, however, that such excess represents finance granted for the purchase of capital equipment or new commercial vehicles.

A. Bandaranayake
Chief Accountant

W. M. Tilakaratna
Senior Deputy Governor

Circular No. 306

Central Bank of Ceylon,
P. O. Box No. 590,
Colombo - 1.

29th June, 1978.

Commercial Bank Credit

Commercial banks are hereby informed that, with immediate effect and until further notice, they should not increase their advances to Government Corporations and Statutory Boards, other than financial and lending institutions, over the level of such advances outstanding as at June 28, 1978.

The term 'advances' for purpose of this credit ceiling refers to the following asset items of commercial banks:-

Loans
Overdrafts
Import bills financed
Local bills financed

A. Bandaranayake
Chief Accountant

H. E. Tennekoon
Governor

Circular No, 311

Central Bank of Ceylon,
P. O. Box No. 590,
Colombo 1.

July 13, 1978.

Commercial Bank Credit

The attention of commercial banks is invited to Circular No. 306 dated June 29, 1978 on the above subject.

Commercial banks may increase, with immediate effect, the total of their advances to Government Corporations and Statutory Boards, other than financial and lending institutions, by five percent (5%) over the total of such advances as at June 28, 1978.

The term 'advances' shall have the same meaning as in Circular No. 306.

A. Bandaranayake
Chief Accountant

E. Eramudugolla
Senior Deputy Governor

Circular No. 317

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

August 7, 1978.

Commercial Bank Credit

The attention of commercial banks is invited to Circular No. 306 dated June 29, 1978 and to Circular No. 311 dated July 13, 1978, on the above subject.

Commercial banks are hereby informed that they may increase the total of their advances to Government Corporations and Statutory Boards, other than financial and lending institutions, by seventeen per cent (17%) over the total of such advances as at June 28, 1978.

The term 'advances' has the same meaning as in Circular No. 306.

A. Bandaranayake
Chief Accountant

H. E. Tennekoon
Governor

**Central Bank's Exchange Rates for Telegraphic Transfers for the Asian Monetary Unit, Bangladesh Taka, Burmese Kyat Indian Rupee Iranian, Rial Nepalese Rupee and Pakistan Rupee,
for operations through the Asian Clearing Union**

(Rs. per 100 Units of each currency)

Date	Circular No.	Asian Monetary Unit		Bangladesh Taka		Burmese Kyat		Indian Rupee		Iranian Rial		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‡
78-01-02	272	1,891.15	1,891.65	107.26	107.38	222.23	222.35	188.78	188.90	22.29	22.33	125.41	125.53	158.23	158.35
78-02-01	277	1,862.25	1,862.75	107.45	107.57	218.84	218.96	188.50	188.62	21.76	21.80	122.74	122.86	154.87	154.99
78-02-16	280	1,861.75	1,862.25	103.61	103.73	218.78	218.90	188.50	188.62	21.76	21.80	122.74	122.86	154.87	154.99
78-03-13	284	1,887.15	1,887.65	103.22	103.34	221.76	221.88	188.31	188.43	21.76	21.80	122.74	122.86	154.87	154.99
78-03-16	287	1,885.70	1,886.20	101.71	101.83	221.60	221.72	185.55	185.67	21.76	21.80	122.74	122.86	154.87	154.99
78-04-04	291	1,925.80	1,926.30	100.59	100.71	226.31	226.43	183.51	183.63	22.25	22.29	130.47	130.59	158.32	158.44
78-04-18	293	1,931.65	1,932.15	101.35	101.47	227.00	227.12	184.89	185.01	22.07	22.11	129.68	129.80	157.07	157.19
78-05-02	296	1,929.70	1,930.20	102.63	102.75	226.77	226.89	182.33	182.45	22.41	22.45	131.65	131.77	159.46	159.58
78-05-16	298	1,947.80	1,948.30	103.67	103.79	228.90	229.02	184.51	184.63	22.59	22.63	132.75	132.87	160.80	160.92
78-06-01	300	1,932.80	1,933.30	103.05	103.17	227.14	227.26	188.19	188.31	22.60	22.64	132.77	132.89	160.82	160.94
78-06-16	303	1,948.25	1,948.75	103.56	103.68	228.95	229.07	189.12	189.24	22.60	22.64	132.77	132.89	160.82	160.94
78-07-04	307	1,943.50	1,944.00	103.49	103.61	228.40	228.52	189.00	189.12	22.27	22.31	130.83	130.95	158.47	158.59
78-08-01	313	1,944.85	1,945.35	106.51	106.63	228.55	228.67	194.51	194.63	22.08	22.12	129.73	129.85	157.13	157.25
78-08-03	319	—	—	—	—	—	—	191.74	191.86	—	—	—	—	—	—
78-08-16	321	1,975.75	1,976.25	107.64	107.76	232.18	232.30	194.17	194.29	21.90	21.94	128.69	128.81	155.87	155.99
78-08-25	323	1,961.10	1,961.60	104.57	104.69	230.46	230.58	190.26	190.38	21.98	22.02	129.15	129.27	156.43	156.55
78-09-01	325	1,960.50	1,961.00	104.50	104.62	230.39	230.51	189.63	189.75	21.98	22.02	129.15	129.27	156.43	156.55
78-09-18	327	1,966.40	1,966.90	105.26	105.38	231.09	231.21	190.68	190.80	21.98	22.02	129.15	129.27	156.43	156.55
78-09-20	329	1,994.85	1,995.35	106.78	106.90	234.43	234.55	193.44	193.56	22.30	22.34	131.01	131.13	158.69	158.81
78-09-26	331	1,994.85	1,995.35	108.57	108.69	234.43	234.55	196.69	196.81	22.30	22.34	131.01	131.13	158.69	158.81
78-10-02	334	1,999.55	2,000.05	108.83	108.95	234.98	235.10	196.22	196.34	22.25	22.29	130.72	130.84	158.34	158.46
78-10-16	336	2,024.30	2,024.80	105.33	105.45	237.89	238.01	197.50	197.62	22.22	22.26	130.56	130.68	158.15	158.27
78-10-24	338	2,052.00	2,052.50	106.77	106.89	241.15	241.27	195.57	195.69	22.22	22.26	130.56	130.68	158.15	158.27
78-11-03	341	2,114.85	2,115.35	107.09	107.21	248.53	248.65	200.77	200.89	22.22	22.26	130.56	130.68	158.15	158.27
78-11-09	344	2,038.65	2,039.15	101.92	102.04	239.58	239.70	190.34	190.46	22.22	22.26	130.57	130.69	158.15	158.27
78-11-17	346	2,026.25	2,026.75	101.44	101.56	238.12	238.24	189.43	189.55	22.22	22.26	130.56	130.68	158.15	158.27
78-11-27	348	1,989.35	1,989.85	99.59	99.71	233.79	233.91	188.19	188.31	22.22	22.26	130.56	130.68	158.15	158.27
78-12-01	350	1,996.40	1,996.90	99.68	99.80	234.61	234.73	188.51	188.63	22.22	22.26	130.57	130.69	158.15	158.27
78-12-18	353	1,992.10	1,992.60	100.68	100.80	234.10	234.22	190.35	190.47	22.22	22.26	130.56	130.68	158.15	158.27

* Buying -/50 cts. per month discount against spot.

** Selling -/50 cts. per month premium against spot.

† Buying -/06 cts. per month discount against spot.

‡ Selling -/04 cts. 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 Rates for operations through the Asian Clearing Union

Date	Circular No.	Asian Monetary Unit (Per AMUs 100/-)		Bangladesh Taka (per Takas 100/-)		Burmese kyat (per Kyats 100/-)		Indian Rupees (per Rupees 100/-)		Iranian Rial (per Rials 100/-)		Nepalese Rupees (per Rupees 100/-)		Pakistan Rupees (per Rupees 100/-)			
		Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling		
78-01-02..	263	Not More Than Rs. 1.50 below the Central Bank buying rate	Not more than Rs. 3.00 over the Central Bank Selling rate	107.20	107.42	222.17	222.39	188.72	188.94	22.23	22.37	125.35	125.57	158.17	158.39		
78-02-01..	278			107.39	107.61	218.78	219.00	188.44	188.66	21.70	21.84	122.68	122.90	154.81	155.03		
78-02-16..	281			103.55	103.77	218.72	218.94	188.44	188.66	21.70	21.84	122.68	122.90	154.81	155.03		
78-03-13..	283			103.16	103.38	221.70	221.92	188.25	188.47	21.70	21.84	122.68	122.90	154.81	155.03		
78-03-16..	288			101.65	101.87	221.54	221.76	185.49	185.71	21.70	21.84	122.68	122.90	154.81	155.03		
78-04-04..	292			100.53	100.75	226.25	226.49	183.45	183.67	22.19	22.33	130.41	130.63	158.26	158.48		
78-04-18..	294			101.29	101.51	226.94	227.16	184.83	185.05	22.01	22.15	129.62	129.84	157.01	157.23		
78-05-02..	297			102.57	102.79	226.71	226.93	182.27	182.49	22.35	22.49	131.59	131.81	159.40	159.62		
78-05-16..	299			103.61	133.83	228.84	229.06	184.45	184.67	22.53	22.67	132.69	132.91	160.74	160.96		
78-06-01..	301			102.99	103.21	227.08	227.30	188.13	188.35	22.54	22.68	132.71	132.93	160.76	160.98		
78-06-16..	304			103.50	103.72	228.89	229.11	189.06	189.28	22.54	22.88	132.71	132.93	160.76	160.98		
78-07-04..	308			103.43	103.65	228.34	228.56	188.94	189.16	22.21	22.35	130.77	130.99	158.41	158.63		
78-08-01..	314			106.43	106.67	228.49	228.71	194.45	194.67	22.02	22.16	129.67	129.89	157.07	157.29		
78-08-03..	316			—	—	—	—	191.68	191.90	—	—	—	—	—	—	—	—
78-08-16..	320			107.58	107.80	232.12	232.34	194.11	194.33	21.84	21.98	128.63	128.85	155.81	156.03		
78-08-25..	324			104.51	104.73	230.40	230.62	190.20	190.42	21.92	22.06	129.09	129.31	156.37	156.59		
78-09-01..	326			104.44	104.66	230.33	230.55	189.57	189.79	21.92	22.06	129.09	129.31	156.37	156.59		
78-09-18..	328			105.20	105.42	231.03	231.25	190.62	190.84	21.92	22.06	129.09	129.31	156.37	156.59		
78-09-20..	330			106.72	106.94	234.37	234.59	193.38	193.60	22.24	22.38	130.95	131.17	158.63	158.85		
78-09-26..	332			108.51	108.73	234.37	234.59	196.63	196.85	22.24	22.38	130.95	131.17	158.63	158.85		
78-10-02..	335			108.77	108.99	234.92	235.14	196.16	196.38	22.19	22.33	130.66	130.88	158.28	158.50		
78-10-16..	337			105.27	105.49	237.83	238.05	197.44	197.66	22.16	22.30	130.50	130.72	158.09	158.31		
78-10-24..	339			106.71	106.93	241.09	241.31	195.51	195.73	22.16	22.30	130.50	130.72	158.09	158.31		
78-11-03..	342			107.03	107.25	248.47	248.69	200.71	200.93	22.16	22.30	130.50	130.72	158.09	158.31		
78-11-09..	345			101.86	102.08	239.52	239.74	190.28	190.50	22.16	22.30	130.51	130.73	158.09	158.31		
78-11-17..	347			101.38	101.60	238.06	238.28	189.37	189.59	22.16	22.30	130.50	130.72	158.09	158.31		
78-11-27..	349			99.73	99.75	233.73	233.95	188.13	188.35	22.16	22.30	130.50	130.72	158.09	158.31		
78-12-01..	351			99.62	99.84	234.55	234.77	188.45	188.67	22.16	22.30	130.51	130.73	158.09	158.31		
78-12-18..	354			100.62	100.84	234.04	234.26	190.29	190.51	22.16	22.30	130.50	130.72	158.09	158.31		

Central Bank's Rates for the Purchase of Foreign Currency Notes

Circular No. & Effective Date	Australian \$ per \$ 1	Austrian Schillings per Sch. 100/-	Belgium Francs per B. F. 100/-	Canadian Dollars per \$ 1/-	Danish Kroner per kr. 10/-	Deutsche Mark (W. Germany) per D. M. 10/-	French Francs per F. F. 10/-	Hongkong Dollars per \$ 10/-	Italian Lire per Lire 1000/-	Japanese Yen per Yen 1000/-	Kuwaiti Dinar per dinar 1/-	Malaysian Ringgit per R. 10/-	Netherlands Guilders per Gld. 10/-	Norwegian Kroner per kr. 10/-	Saudi Arabian Riyal per Ri. 10/-	Singapore Dollars per \$ 10/-	Swedish Kroner per kr. 10/-	Swiss Francs per Sw. Fr. 10/-	United Araba Emi- rates Dirhams per dh. 10-	U. K. Pounds per. £ 1/-	US n per \$ 1/-	Omani Riyals per Riyal 1/-	Qatar Riyals per Ri. 10/-	Baharian Dinars per Bah. Din. 1/-
Jan. 4, 1978 274	16.55	97.35	44.70	13.20	25.25	70.35	31.40	31.30	16.65	60.75	51.55	61.30	64.95	28.60	41.35	62.30	31.35	75.70	37.00	28.50	14.40			
Jan. 12, 1978 275	16.55	96.05	44.85	13.15	25.15	69.45	31.10	31.50	16.60	60.40	51.80	61.45	64.75	28.20	41.80	62.40	31.25	74.35	37.20	28.35	14.50			
Jan. 27, 1978 276	16.45	95.20	44.20	13.00	25.20	68.35	30.50	31.30	16.60	59.85	51.50	61.00	63.75	28.10	41.55	61.85	31.00	72.85	37.00	28.10	14.40			
Feb. 14, 1978 279	16.35	95.75	44.10	12.95	25.15	68.80	29.65	31.25	16.70	59.75	51.45	61.00	64.25	26.50	41.55	61.95	30.85	74.65	37.15	28.00	14.40			
Feb. 21, 1978 282	16.35	98.00	45.15	12.80	25.65	70.70	29.95	31.20	16.85	60.25	51.55	61.05	65.60	27.05	41.45	62.00	31.15	78.80	37.00	28.05	14.35			
Feb. 28, 1978 283	16.35	98.05	45.05	12.90	25.70	70.50	30.15	31.20	16.85	60.30	51.70	61.05	65.85	26.95	41.60	62.10	31.15	76.95	37.10	27.85	14.35			
Mar. 15, 1978 286	16.35	97.75	45.30	12.80	25.50	70.15	30.25	31.25	16.75	61.70	51.90	61.15	65.70	26.85	41.65	62.30	31.05	73.50	37.15	27.45	14.40			
Mar. 29, 1978 290	16.60	99.30	46.00	12.80	26.00	71.60	31.30	31.35	17.00	65.20	52.50	61.55	66.90	27.30	42.00	62.90	31.65	77.30	37.45	27.35	14.50			
June 01, 1978 302	16.90	98.90	45.60	13.25	26.45	71.30	32.35	31.95	17.20	67.35	53.60	62.25	66.55	27.50	43.10	63.90	32.20	79.05	38.35	27.25	14.85			
June 26, 1978 305	16.95	99.65	45.60	13.15	26.40	71.70	32.65	31.90	17.30	72.10	54.05	62.65	66.75	27.45	42.95	64.00	32.40	79.85	38.20	27.40	14.80			
July 04, 1978 309	16.90	98.55	45.20	13.10	26.15	71.40	32.85	32.95	17.30	72.90	53.65	62.35	66.30	27.30	42.60	63.50	32.30	80.60	37.90	27.45	14.70			
July 10, 1978 310	16.80	98.85	45.30	13.05	26.10	71.40	32.95	31.50	17.25	72.60	53.55	62.20	66.20	27.15	42.45	63.50	32.30	80.75	37.75	27.50	14.65			
July 25, 1978 312	16.75	98.85	45.25	12.95	26.20	71.30	33.10	31.30	17.30	73.80	53.55	62.05	65.95	27.15	42.55	64.00	32.15	81.95	37.55	28.10	14.55			
Aug. 08, 1978 318	16.90	101.55	46.45	12.85	26.75	73.20	33.65	31.25	17.45	78.25	53.85	63.45	67.55	27.75	43.20	65.10	32.95	86.35	37.75	28.35	14.65			
Aug. 15, 1978 321	17.05	98.45	48.25	12.85	27.50	76.05	34.85	30.65	17.95	80.30	54.15	64.85	70.05	28.70	43.55	66.15	33.80	92.95	37.75	29.15	14.65			
Aug. 23, 1978 322	16.85	101.15	46.55	12.90	26.45	72.90	33.25	31.35	17.40	76.30	53.60	63.40	67.45	27.70	44.10	64.60	32.95	87.65	37.85	28.20	14.65			
Sept. 26, 1978 333	17.05	104.90	48.05	12.50	27.45	75.75	33.60	31.00	17.85	78.25	54.20	64.50	69.70	28.55	44.25	65.95	33.45	98.60	38.15	29.05	14.70			
Oct. 23, 1978 340	17.25	112.00	51.95	12.40	29.15	81.45	35.20	31.10	18.15	80.95	54.80	68.15	74.45	30.10	44.75	69.10	34.55	97.15	38.15	29.45	14.70	42.60	54.80	38.15
Nov. 30, 1978 352	16.65	104.20	48.45	12.50	27.45	76.15	33.20	30.40	17.25	74.55	53.35	66.40	70.30	28.60	43.65	66.60	33.10	84.55	38.20	28.55	14.65	42.45	38.25	38.20