

(3) A determination made under this section shall apply uniformly to all companies and bodies corporate incorporated outside Sri Lanka, which apply for a licence after each such determination.

Issue of licence.

5 (1) Where the Monetary Board is satisfied that a licence may be issued to a company or a proposed company to carry on banking business, it may, with the approval of the Minister, issue a licence to the company or proposed company to carry on banking business in Sri Lanka subject to such terms and conditions as may be imposed by the Monetary Board.

(2) The licence issued under subsection (1) shall specify—

- (a) whether it authorizes the company to carry on domestic banking business or off-shore banking business or both such businesses;
- (b) the place or places or the area within which such banking business may be carried on; and
- (c) the terms and conditions subject to which such licence is issued.

(3) Every licensed commercial bank shall display a copy of the licence issued to it under subsection (1) in a conspicuous place at its principal place of business in Sri Lanka and each of its branches.

Limits imposed on all licensed commercial banks.

6. Subject to the provisions of section 17, no licensed commercial bank shall—

- (a) carry on any banking business other than the business specified in the licence; or
- (b) carry on any other form of business other than those specified in Schedule II to this Act.

Bank of Ceylon, People's Bank &c., not to be restricted by preceding provisions in the exercise of powers

7. Nothing contained in the provisions of section 6 shall be construed so as to restrict the Bank of Ceylon or the People's Bank, established under the Bank of Ceylon Ordinance (Chapter 397), the Peoples Bank Act, No. 29 of 1961, respectively and any Regional Rural Development Bank established under the Regional Rural Development Bank Act, No. 15 of 1985, in the exercise of the powers conferred on each such bank by and under the aforesaid statutes applicable to each of such banks, respectively.

Payment of licence fee

8 (1) Every licensed commercial bank shall pay to the Central Bank an annual licence fee as may be determined by the Monetary Board, having regard to the different classes of banking business carried on by such bank.

(2) The Monetary Board shall inform each such licensed commercial bank the amount payable as licence fee, and the manner in which such fee shall be paid.

(3) Where a licence fee is determined in respect of classes of banking business such fee shall apply to all banks carrying on such classes of business.

9 (1) Where the Monetary Board is satisfied that any licensed commercial bank has —

- (a) failed to commence business within nine months of the issue of the license under section 5; or
- (b) failed to pay any debts incurred by it, on such debt becoming due; or
- (c) had a petition or action for relief filed against such licensed commercial bank, and has had appointed in respect of such bank under any bankruptcy law or any other law which provides for relief of debtors or which relates to debtors, a liquidator or receiver; or
- (d) ceased to carry on banking business; or
- (e) contravened any provisions of this Act or any direction, order or other requirement imposed under this Act; or
- (f) furnished false, misleading or inaccurate information or documents to the Monetary Board or in the case of a proposed company the applicant for the licence has furnished such information or documents in connection with its application for the licence; or
- (g) carried on, or is carrying on, its business in a manner likely to be detrimental to the interests of its depositors;

the Monetary Board may give notice that it would cancel the licence issued to such bank and shall communicate such notice to such licensed commercial bank.

(2) A licensed commercial bank may tender objections in writing to the Monetary Board against the notice of intended cancellation under subsection (1), within fourteen days of the date of receipt of such notice, giving reasons why the licence issued to it under section 5 shall not be so cancelled.

(3) The Monetary Board may, within thirty days from the last date for tendering objections under subsection (2), after considering the objections if any, tendered to it under that subsection and after hearing the licensed commercial bank in support of its objections, either withdraw the notice given under subsection (1) with or without conditions or cancel the license issued to the licensed commercial bank, and shall notify the bank in writing accordingly.

(4) A licensed commercial bank aggrieved by a decision of the Monetary Board made under subsection (3) to impose conditions on the withdrawal of the notice given under subsection (1) or to cancel its licence, may within fourteen days of the date of receipt of the notification given under that subsection, appeal against such decision to the Court of Appeal.

(5) Until rules are made under Article 136 of the Constitution of the Democratic Socialist Republic of Sri Lanka relating to appeals under this section, the rules