



CENTRAL BANK OF SRI LANKA

01 January 2025

CIRCULAR

No. 01 of 2025

ADDENDUM TO THE CIRCULAR NO. 04 OF 2024 ON RELIEF MEASURES TO ASSIST THE AFFECTED SMALL AND MEDIUM ENTERPRISES

The Central Bank of Sri Lanka hereby issues the following Addendum to further clarify Circular No. 04 of 2024 on Relief Measures to Assist the Affected Small and Medium Enterprises (SMEs) with a view to ensuring effective implementation of the relief measures specified in the cited Circular in a consistent manner across all licensed banks.

Licensed banks shall establish a Relief Banking Unit for the purpose of extending and monitoring the relief measures under the cited Circular for the effective implementation of such relief measures while the existing Business Revival Units established under Circular No. 02 of 2024 on Guidelines for the Establishment of Business Revival Units in Licensed Banks, will continue for the intended purpose thereof.

The following will be inserted as Paragraph No. 1.4 and existing Paragraph No. 1.4 is renumbered as 1.5.

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| 1. Features of the Relief Measures | 1.4 Licensed banks may reschedule the credit facilities of eligible borrowers for a maximum period up to ten years, unless the original agreement has provided a period longer than ten years, on a case-by-case basis, considering the repayment capacity of the borrower and an acceptable revival plan. In this regard, licensed bank and the eligible borrower shall agree on the terms and conditions including the interest rates considering the prevailing benchmark interest rates. |
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The following will be inserted as Paragraphs No. 3.3

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| 3. Transparency of provision of relief measures | 3.3 Licensed banks are requested to establish a transparent grievance-handling mechanism with respect to any dispute that may arise between the bank and the borrower on the valuation of auctioned properties. |
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The following will be inserted as Paragraph No. 4.1

4. Reporting Requirement

4.1 Commencing 31.01.2025, licensed banks shall report the details of relief measures granted to borrowers under this Circular as per the Reporting Format given in Annexure A, to the Director of Bank Supervision, within 15 working days from the end of each month.

A handwritten signature in black ink, appearing to read "Nandalal Weerasinghe".

Dr. P Nandalal Weerasinghe

*Chairman of the Governing Board and
Governor of the Central Bank of Sri Lanka*

Monthly Reporting of Details of the Borrowers who Approached Banks to Avail the Relief Measures Provided Under Circular No. 04 of 2024 from 15.12.2024 to the Reporting Date