



CENTRAL BANK OF SRI LANKA

17 July 2025

BANKING ACT DETERMINATION

No. 01 of 2025

**AMENDMENTS TO THE BANKING ACT DETERMINATION NO. 04 OF 2024 ON
APPROVED SECURITIES FOR ACCOMMODATION GRANTED TO RELATED
PARTIES OF LICENSED BANKS**

Banking Act Determination No. 04 of 2024 dated 01.10.2024 on Approved Securities for Accommodation granted to Related Parties of Licensed Banks is hereby amended by inserting Determination 2.1 (a) (iv) and Determination 4.2 immediately after Determination 2.1 (a) (iii) and Determination 4.1, respectively, as given below.

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| 2. Approved Securities in respect of Accommodation granted to Related Parties | 2.1(a)(iv) | In the case of licensed banks facilitating the opening of Letters of Credit (LCs) on behalf of the Ministries and Departments of the Government of Sri Lanka (GOSL) and the State Owned Enterprises, accommodation may be granted by such licensed banks with a letter of undertaking issued by the General Treasury to the respective licensed bank and the borrower, providing applicable assurance on the availability of adequate provisions in the approved budget of GOSL to finance the liabilities committed under these LCs and the timely release of funds at the settlement of LCs, and provided further that such letters of undertaking are disclosed in detail as commitments in the financial statements of GOSL. |
| 4. Regulatory Submissions | 4.2 | Additionally, licensed banks shall submit details of accommodation granted as per Determination 2.1 (a) (iv) to the Director of Bank Supervision as at the end of each quarter commencing 30.09.2025, within one month in the reporting format given in Annex I hereto. |

Dr. P. Nandalal Weerasinghe

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

Banking Act Determination No. 04 of 2024 on Approved Securities for Accommodation Granted to Related Parties of Licensed Banks

	Details of Accommodation Granted as Letters of Credit (LCs) on behalf of Ministries & Departments of the Government of Sri Lanka and State Owned Enterprises with a Letter of Undertaking issued by the General Treasury As per Determination 2.1(a)(iv)
Bank Name:	
Reporting Date:	(Quarter ended as at) DD-MM-YYYY

All amounts to be reported in LKR '000

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