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இலங்கை மத்திய வங்கி  
CENTRAL BANK OF SRI LANKA

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வங்கி மேற்பார்வைத் திணைக்களம்

Bank Supervision Department

02/17/500/0540/001

05 April 2013

To: CEOs of All Licensed Specialised Banks

**Definition of Liquid Assets under Section 76J (1) of the  
Banking Act No. 30 of 1988, as Amended**

The Monetary Board has determined that investments in Gilt Unit Trusts (GUTs) by Licensed Specialised Banks shall be treated as liquid assets in terms of item 3.11 of the Liquid Assets Direction of licensed specialised banks issued under Section 76J (1) of the Banking Act, No. 30 of 1988, subject to the following conditions.

- (a) GUTs should be open ended mutual funds.
- (b) Underlying investment portfolio of GUTs should always be Sri Lanka Government Securities.
- (c) Only 90% of investments in GUTs should be treated as liquid assets.

Licensed Specialised Banks are further informed that, the eligible value of the investments in GUTs be reported under code number 4.1.2.4.0.0 of the monthly web based return on Statutory Liquid Assets Ratio for Domestic Banking Unit (BSD-MF-04-LD).

Yours faithfully

(Mrs.) T M J Y P Fernando  
Director of Bank Supervision