



Have You Deposited Your Money in Institutions Legally Permitted to Accept Deposits?

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in the interest of the general public

*** What is a deposit?** A deposit as specified in section 86 of the Banking Act is:

- A sum of money accepted by a party for the business of making such money available to others by way of lending or in other ways in the normal course of business,
- Repayable on demand or at other time as agreed by the depositor and the deposit-taker and
- Offered a return by way of interest or premium or other benefits by the deposit-taker.

*** Deposit-taking business should be carried on only with the permission of the relevant authorities**

*** What are the institutions permitted to accept deposits?**

- Institutions permitted by the Central Bank under the Banking Act and the Finance Companies Act.

Licensed Commercial Banks (in Alphabetical Order)

1. Bank of Ceylon
2. Citibank, N.A.
3. Commercial Bank of Ceylon Ltd.
4. Deutsche Bank AG
5. DFCC Vardhana Bank Ltd.
6. Habib Bank Ltd.
7. Hatton National Bank Ltd.
8. ICICI Bank Ltd.
9. Indian Bank
10. Indian Overseas Bank
11. MCB Bank Ltd.
12. National Development Bank Ltd.
13. Nations Trust Bank Ltd.
14. Pan Asia Banking Corporation Ltd.
15. People's Bank
16. Public Bank Berhad
17. Sampath Bank Ltd.
18. Seylan Bank Ltd.
19. Standard Chartered Bank
20. State Bank of India
21. The Hongkong & Shanghai Banking Corporation Ltd.
22. Union Bank Ltd. (Incorporated in Pakistan)
23. Union Bank of Colombo Ltd.

Registered Finance Companies (in Alphabetical Order)

1. Alliance Finance Co. Ltd.
2. Arpico Finance Co. Ltd.
3. Asia Asset Finance Ltd.
4. Asian Finance Ltd.
5. Associated Motor Finance Co. Ltd.
6. Bartleet Finance Ltd.
7. Central Finance Co. Ltd.
8. Central Investments & Finance Ltd.
9. Ceylinco Investments & Realty Ltd.
10. Chilaw Finance Ltd.
11. Commercial Credit Ltd.
12. Edirisinghe Trust Investments Ltd.
13. Industrial Finance Ltd.
14. Janashakthi Finance & Investments Ltd.
15. L B Finance Ltd.
16. Lanka ORIX Finance Co. Ltd.
17. Mercantile Investments Ltd.
18. Merchant Credit of Sri Lanka Berhad
19. Nanda Investments Ltd.
20. Senkadagala Finance Co. Ltd.
21. Silvereen Finance Co. Ltd.
22. Singer Finance (Lanka) Ltd.
23. Sinhaputra Finance Ltd.
24. Swarnamahal Financial Services Ltd.
25. The Finance & Guarantee Co. Ltd.
26. The Finance Co. Ltd.
27. The Multi Finance Co. Ltd.
28. Trade Finance & Investments Ltd.
29. Vallibel Finance Ltd.

Licensed Specialised Banks (in Alphabetical Order)

1. Ceylinco Savings Bank Ltd.
2. DFCC Bank
3. Housing Development Finance Corporation Bank of Sri Lanka
4. Kandurata Development Bank
5. Lankaputhra Development Bank Ltd.
6. National Savings Bank
7. Rajarata Development Bank
8. Ruhuna Development Bank
9. Sabaragamuwa Development Bank
10. Sanasa Development Bank Ltd.
11. S M E Bank Ltd.
12. State Mortgage and Investment Bank
13. Uva Development Bank
14. Wayamba Development Bank

*** Other Institutions permitted**

- Co-operative societies registered under the Co-operative Societies Law and building societies incorporated under the National Housing Act.
- Any other societies or organizations established primarily not-for-profit-purpose may accept deposits from their members after obtaining the approval of the Central Bank.

*** Others who solicit deposits do not have legal authority to do so.**

*** What are the strategies generally used by unauthorised institutions to attract deposits?**

- Claiming to be "banks" or "finance companies"
- Displaying a certificate of registration as a company or an organisation.
- Soliciting deposits without use of the word "deposits" but calling them "investments", "placement of funds" or "savings certificates" or "in any other form".
- Offering very high rates of interest or other benefits.
- Promising loans immediately after depositing money.
- Offering jobs to young members of families who make large deposits.
- Employing such young members to visit households to canvas deposits.

*** Can an institution use a word "bank", "banker" or "banking" in its name?**

- A word meaning "bank" can be used only with the approval of the Central Bank.

*** What is the role of the Central Bank in protecting deposits?**

- The Central Bank regulates and supervises banks and finance companies licensed by it (see the list above) to oversee that those institutions are managed prudently for the safety and soundness.
- Requirements to maintain capital, liquid assets, provision for bad loans, etc., at prudent levels and periodical examinations are some of major regulatory and supervisory measures.
- The Board of Directors and managers of such institutions are responsible for management of these institutions with sound corporate governance principles to ensure that your money is safe.

*** What should be the responsibility of depositors?**

- Depositors should not consider only the interest rate to make the decision in depositing or investing money.
- They should assess financial health of the institutions and be vigilant of their performances because there are inherent risks in all investment decisions. Financial information published periodically by the institutions in the newspapers or displayed at their branches should also be examined.
- They should refrain from depositing money with institutions operating without permission of the authorities.

*** The publication of the above list of banks and finance companies should not in any way be construed as a recommendation by the Central Bank to the public to deposit or invest their money in any one of the institutions named in the list.**



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For further inquiries

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