

Golden Key Reinstalling Depositors' Confidence By Compensation

A compensation payment plan is underway to pay depositors of the Golden Key Credit Card Company. This plan was initiated following a request made by representatives of the Golden Key Depositors Association and Golden Key All Depositors Association to President Maithripala Sirisena, Ranil Wickremesinghe, Prime Minister and Ravi Karunanayake, Minister of Finance.

Measures were taken to resolve the issue by recovering and repaying money to the depositors. Accordingly, the depositors were paid under four phases. A total of 791 million rupees were paid to 8,052 depositors under phase one, while 685 million rupees were paid to 7,036 depositors under phase two. Phase three saw the payment of 574 million rupees to 5,777 depositors, while under phase four, 11 million rupees were distributed among 457 depositors who made investments of less than one million rupees. However, following the fourth phase, the payment plan was halted due to Supreme Court orders pertaining to the Golden Key Credit Card Company case. The Company faced legal restrictions in liquefying its assets, in order to attain the necessary finances to pay the depositors.

“Due to legal restrictions, Golden Key did not have funds to pay the depositors, and the depositors too were facing numerous economic hardships. Taking this into account, representatives of the two associations met the President, Prime Minister and Minister Ravi Karunanayake and requested them to interfere in the matter and give us a solution. Then under the instructions of the President and the Prime Minister, Minister Ravi Karunanayake got involved. His efforts regarding the solving of this issue should be greatly appreciated as he was very keen on resolving of this issue immediately,” said Dushanthi Hapugoda, President - Golden Key All Depositors' Association and Director - Golden Key Credit Card Company.

Accordingly, under Minister Ravi Karunanayake's instructions, the Treasury and the Central Bank will be providing funds worth 8.5 billion rupees to the company to settle the payments to depositors. Hence, the payment plan was resumed,

where the rest of the depositors will be paid back in groups. As such, a portion of 41 percent from their total deposit will be paid under this plan.

Wasantha Gunathilake, President - Golden Key Depositors Association and Director - Golden Key Credit Card Company opined that this solution, which is a significant achievement in terms of getting justice for depositors, was a result of not giving up the fight for justice. "I and Mrs Hapugoda were appointed to this Board of Directors to represent the depositors and throughout this seven year period, our goal has been nothing but to recover the money and help the depositors to get their money back. We are the ones who stood for them and voiced their concerns. Had we given up, the government would not have gotten involved and none of the depositors would have been able to get their money back."

They further stated that up to date, 2.16 billion rupees worth of assets that belonged to the company has been identified and used to recover funds to pay the depositors. They also emphasised that the government's involvement in this regard has greatly affected the re-instilling of peoples' confidence in independent private sector finance companies. "Now people know that the government and the Central Bank will back them in case of any issue with regards to a finance company. This is a great benefit to boost businesses in this industry. In order to gain more deposits, people must be given that assurance as they invest or deposit their hard-earned money in finance companies expecting a return on investment. We must once again mention the efforts of Minister Ravi Karunanayake and the Ministry of Finance in taking prompt action to resolve this matter. Without their help this success would have never been achieved."