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*Paper: Transformability*

## **Banking system of ancient Sri Lanka**

This study is an analysis of the monetary transactions in the Anurādhapura period, which runs from the 6<sup>th</sup> B.C. to 1017 A.C. It is obvious that Sri Lanka has experienced an open economic system in ancient times, and the rulers had given state patronage for trading whereby, trading had never been discouraged. As it had been the tradition in India, and also in that of Sri Lanka as well, the king had inherited ownership of state land and water resources.

It is believed that in ancient Sri Lanka, there existed a system which is similar to that of the present day banking system in order to deposit money and grain, and this particular financial institution is introduced as “Niyamatana”. The inscriptions of Thonigala, Kaludiyapokuna, Labuatabedigala clearly provide further information, related to this particular practice. As these inscriptions are studied, it is understood that in this particular place, the practice of Niyamathana, not only with grain but also with money being deposited, and with the interest and deposits took place. A ceremony called Ariyawansa was conducted at the temples, as part of this system.

During this period, the monasteries had the income, earned by their land, reservoirs, rivers, canals, and various types of donations, gifted by the devotees. As recounted in the Thonigala inscription, the interest taken from the grain, and kept at “Niyamathana” was utilized to perform the Ariyawansa function at the Yahiyapawasa monastery. During that time there were many employees who depended on the salary given out of the income of the monastery.

As far as all the said details are taken into account, it could be understood that the traders, the rulers and the monks had been involved in monetary transactions in ancient Sri Lanka.

**Keywords: Niyamathana, Ariyawansa**