

Bank Of Ceylon Marks Its 82nd Anniversary



Prime Minister Mahinda Rajapaksa officially launches the "Export Circle" via virtual screen in the presence of Kanchana Ratwatte, Chairman, BOC and D.P.K. Gunasekera, General Manager, BOC.



Kanchana Ratwatte, Chairman, BOC.



D.P.K. Gunasekera, General Manager, BOC.

Conscious of its duty to continuously power the wheels of the Sri Lanka economy, Bank of Ceylon celebrated its 82nd Anniversary on an austere note. With the COVID-19 pandemic challenging the operational system of all industries, Bank continued to support economic revival through many frontiers.

BOC ensured that the benefits accruing to it through the extraordinary measures

introduced by CBSL in its policymaking initiatives trickled down to the ultimate beneficiaries—customers through moratoriums and concessionary loan schemes.

While recording healthy financial results, BOC continued to ensure that the integrity of the country's banking sector, including payment and settlements, continued without interruption while aiding the country in its economic revival through SME and local entrepreneurship development.

Collaborating with the Ministry of Health and Government Medical Officers Association (GMOA) in their efforts in facing up to the challenges of the pandemic, the Bank of Ceylon embarked on a centralized communication hub assisting the affected home-based patients connecting them digitally with medical officials to provide immediate information and advisory facility.



BOC launched the 'Export Circle' section as a part of its 82nd year anniversary celebration.

The Bank extended support by implementing the CBSL announced moratorium to over 550 billion rupees during the first and 250 billion rupees during the second pandemic. Bank of Ceylon topped the industry in granting loans under the "Saubhya" Working Capital Loan scheme, disbursing 39 billion rupees to over 18,000 borrowers. The Bank of Ceylon launched the "Export Circle," focusing on

promoting the export industry, and added a new Business Unit as Revival and Rehabilitation Unit to support corporate sector companies to revive themselves when confronted with difficult situations.

The Senior Management of the Bank engaged with entrepreneurs and SMEs to support critical business issues covering all provinces of the country. The “Mithuru” Micro Finance program of the Bank also served over 2,155 small groups, with prominence given to the Northern, Eastern, North Central, and Central provinces. Total disbursements amount over 536 million rupees up to Q2 of 2021.

The Bank also introduced the BOC “Divi Udana” loan scheme to revitalize the ailing economy by kick-starting SMEs and ensuring their funding needs are met. It further introduced “Sashreeka” loan scheme promoting organic fertilizer and locally produced pesticides production among entrepreneurs.

Amidst these unexpected challenges, the Bank’s Profit Before Tax for the six months ended June 30, 2021 stood at 27.1 billion rupees, moving forward with stable performance while managing headwinds caused by low interest rates, cash-flow deferments, and operational restrictions. Profit After Tax (PAT) for the period was 22.1 billion rupees. The Bank’s total assets grew by 11 percent and reached the 3.3 trillion rupees level reaching another milestone and preserving its industry leadership. The key contributors are growth in loans and investment books which denotes about 93 percent of the assets of the Bank. The Bank’s gross loan book surpassed the two trillion rupees mark during 2020 and now stands at 2.5 trillion rupees reporting 16 percent growth during the first half of this year. Both Government and Private sector lending contributed to development during the period.

The Bank’s deposit base (more than 23 percent of the industry) increased during the period despite low-interest rates. The Bank’s deposit base of 2.6 trillion rupees represents 35 percent of the Current and Saving deposit (CASA) base, generating funds at low cost. The Bank’s Tier I Capital and Total Capital ratio stood at 11.5 percent and 15.0 percent, respectively, by the end of June 2021, which were above regulatory norms. Despite cash flow deferments on loan installments, the Bank maintained a better trade-off between liquid assets and liabilities. All liquidity ratios were maintained well above the regulatory norms.