

ComBank Becomes Biggest Lender To SME Sector In 2020



The Ministry of Finance has confirmed that the Commercial Bank of Ceylon was the biggest lender to Sri Lanka’s SME sector in 2020 among all state-owned, private and specialized banks in the country, accounting for more than a fifth of all loans in terms of value and number.

According to the Ministry’s Annual Report for 2020, Commercial Bank lent 163.98 billion rupees or 21.57 percent of the 759.7 billion rupees in loans provided to SMEs by 19 institutions, while the 58,584 loans provided by the Bank represented 23.82 percent of the total of 245,883 loans granted in the pandemicimpacted year.

The value of Commercial Bank’s lending to SMEs was 21.6 billion rupees or 15 percent more than the next lender, Ministry’s published data reveals.

Commercial Bank was also the highest lender to the ‘Industry’ sector dispensing 45.9 billion rupees or 21.3 percent of the total via 9,654 loans.

Of the total of 163.9 billion rupees granted to the SME sector by Commercial Bank, 4.47 percent was to the Agriculture sector, 14.58 percent was to the Services sector, 28 percent was to the Industry sector and 52.9 percent was to ‘Other’ sector.

“There can be no better illustration of our commitment to our mission and to the national economy than this,” Commercial Bank Managing Director S Renganathan observed. “The data also reaffirms our status as a systemically important bank in Sri Lanka. Our role in supporting the SME will be further strengthened in the years ahead with the US$ 50 million loan the Bank recently secured from the UK’s CDC Group.”

He pointed out that Commercial Bank was the leader in providing financial relief, especially to SMEs, under the Government stimulus package during the first wave of the pandemic in 2020. “This was a noteworthy contribution in setting the trend in providing financial support to the sector, given that the country was at a total lockdown at that time and there was no assurance when the country situation would return to normality,” Renganathan said.