

Board Investment Committee Report



Measures on strengthening the capital structure of the Bank was a key focus area of the Committee.

Composition of the Committee

Board Investment Committee (the BIC) consists of following members whose profiles are given on pages 14 to 19.

- Board members**
- Mr K G D D Dheerasinghe* (Chairman)
 - Mr S Renganathan
(Managing Director/Chief Executive Officer)
Appointed w.e.f. July 27, 2018
 - Mr J Durairatnam
(Managing Director/Chief Executive Officer)
Retired on July 26, 2018
 - Mr K Dharmasiri* (Director)
 - Mr G S Jadeja (Director)
 - Mr S C U Manatunge
(Director/Chief Operating Officer)
Appointed w.e.f. July 30, 2018

- Regular attendees by invitation**
- Mr K D N Buddhipala (Chief Financial Officer)
 - Mr K A P Perera
(Deputy General Manager – Treasury)
 - Ms T A Bernard (Assistant General Manager –
Corporate and Investment Banking)
 - Mr S K K Hettihamu (Chief Risk Officer)

Secretary to the Committee
Mr A Wijesiriwardane
(Assistant General Manager – Treasury)

*Independent Non-Executive Director

Attendance at Meetings

Name	Eligible to attend/ Attended
Mr K G D D Dheerasinghe	12/12
Mr S Renganathan	12/12
Mr J Durairatnam	06/06
Mr K Dharmasiri	12/12
Mr G S Jadeja	12/08
Mr S C U Manatunge	06/06

The Committee held twelve (12) meetings during the year under review. The proceedings of the Committee meetings were regularly reported to the Board of Directors.

Charter of the Committee

The Committee is responsible for the investment-related decisions of the Bank. Hence, the Committee will oversee investment activities by providing assistance and guidance, evaluate strategic relevance and financial viability of various investment proposals, monitoring, the Bank’s various investment activities, in accordance with investment policies of the Bank.

Within this framework, the Committee performs the following duties:

- Approve investment proposals, borrowings and execution of agreements.
- Review existing investment portfolio performance, monitor adherence to investment policies and decisions of the Investment Committee.
- Review and recommend significant investment decisions to be undertaken by the Bank to the Board of Directors.
- Review, amend and approve investment policies and operational parameters relating to investments of the Bank.

Methodology adopted by the Committee

The Committee meets monthly and reviews progress of strategic and significant investments, liquidity situation of the Bank, market developments and the country’s economic outlook. The Committee also reviews the monthly performance of Treasury and Investment Banking Division, where the interest rate risk, repricing risk and other market risks are discussed.

The Committee from time to time would issue instructions to Executive Officers of the Bank on investment-related activities.

Activities in 2018

- Issuance of Basel III compliant subordinated debt by the Bank to meet its capital adequacy requirements.
- Review of the Bank’s Foreign Currency Investment Limit from time to time in alignment with the growth in Foreign Currency balance sheet and investment opportunities.
- Evaluation of business risks associated in Treasury operations with the evolving regulatory framework for Government debt operations in Sri Lanka.
- Evaluate and approve strategic equity investments by the Bank.
- Investment in foreign currency bonds issued by local banks.

K G D D Dheerasinghe
Chairman – Board Investment Committee

Colombo
February 22, 2019