

Early Warning System

IFC-42600

CBC Equity

Quick Facts

Countries	Sri Lanka
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2020-01-20
Borrower	Commercial Bank of Ceylon PLC
Sectors	Finance
Investment Type(s)	Equity, Loan
Investment Amount (USD)	$ 65.00 million
Loan Amount (USD)	$ 50.00 million

Project Description

According to the bank's website, "The proposed project entails an equity investment through a private placement to IFC and IFC Asset Management Company (AMC) of up to US$50 million in the form of new common shares in Commercial Bank of Ceylon PLC (CBC or the Bank).CBC is the largest and leading private sector commercial bank in Sri Lanka. The Bank has over 260 branches and 800 ATMs across Sri Lanka; and a customer base of over 3.5 million. CBC expanded its operations to Bangladesh in 2003, where it currently operates 19 branches and 20 ATMs, serving mainly the corporate segment. The Bank incorporated a joint-venture in Maldives in 2016, established a microfinance subsidiary in Myanmar in 2018 and has an Italian subsidiary focused on providing remittance services."

Investment Description

- International Finance Corporation (IFC)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- COMMERCIAL BANK OF CEYLON PLC (Financial Intermediary)

Private Actors Description

According to IFC, "CBC is listed on the Colombo Stock Exchange and has over 10,000 ordinary voting shareholders. As of September 30, 2019, DFCC Bank was the largest single shareholder with a 13.6% shareholding. IFC currently holds 4.4% of the Bank’s voting shares. Top 15 shareholders hold 70.8% stake in the Bank."

Contact Information

Commercial Bank of Ceylon PLC
Nandika Buddhipala, CFO
+94 11 2486000
Nandika_Buddhipala@combank.net
Commercial House, No 21, Sir Razik Fareed Mawatha, P.O. Box 856, Colombo 1, Sri Lanka.
https://www.combank.net/

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/