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THE PROFESSIONAL BANKER

ASSOCIATION OF PROFESSIONAL BANKERS
SRI LANKA

OUR VISION

The power of Professionalism in Banking in Sri Lanka

OUR MISSION

To sustain the highest standards of professionalism and Integrity among Bankers

To Advance the Public Interest

To Influence the Achievement of the Highest Ethical Standards and
Governance in Banking Industry

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EDITORIAL

The Association of Professional Bankers – Sri Lanka (APB) functions as a forum that brings together banking professionals and leading personalities in the corporate sector, and stimulates intellectual dialog on the contemporary banking scenario. Sri Lankan Banking Industry is no exception to the global challenges that need to be addressed in order to sustain progress and fulfill development potential. On the other hand, there are plenty of opportunities for banks in Sri Lanka, which stems from the endeavors taken to meet such challenges due to the country's enviable location for trade, remarkable natural resources, relatively educated workforce and the sound Banking System of which the country could certainly be proud of.

In the given context our desire is to engage with the banking professionals and readers to solicit your valuable contributions, as we aim for higher standards in all aspects of the APB E-Journal and all other APB Publications.

We hope to issue this version and the future E-Journals with new features that offer valuable managerial insights and member interactions.

In our enduring efforts to enhance the quality of the APB E-Journal, we welcome your submissions as well as feedback as writers, readers and reviewers of the E-Journal.

Bhanu Wijayaratne
Chairman – Publication Committee
Association of Professional Bankers – Sri Lanka

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INTERVIEW WITH THE PRESIDENT OF THE ASSOCIATION OF PROFESSIONAL BANKERS - SRI LANKA

Mr. Senerath Bandara

• Can you briefly describe your banking career?

After my graduation I briefly served at University of Kelaniya as a Temporary Assistant Lecturer, teaching Mathematics and Statistics for Commerce stream students. Then I joined the Mahaweli Authority as a Statistician where I served there for three years gaining invaluable experience especially during the visits frequently made to farmer settlements in downstream irrigation areas, though I was stationed at the Head Office, Darly Road, Colombo.

My banking career was started as a Management Trainee at Bank of Ceylon 27 years ago. At the start I served at divisions such as MIS, Investments and Treasury until I was assigned to Bank of Ceylon London branch as an Assistant Dealer in year 2000. On my return, I joined the Corporate Credit Division and served there as a Relationship Officer and as a Relationship Manager later on. With the promotion to the grade of Assistant General Manager (AGM), I was made in charge of overseas branches overseeing the operations of branches in Male, Chennai and London while assigning the special task of converting the London branch of BOC to a subsidiary bank. Post completion of London Branch subsidiarization, I was posted as the AGM International and later on as the AGM Corporate Relations until I was posted to London as the Chief Executive Officer/ Executive Director of Bank of Ceylon (UK) Ltd in 2011.

I returned to Sri Lanka in early 2013 and took over the responsibilities of managing Development Banking, Product Management, Credit Card Operations and Electronic Banking Divisions as a Deputy General Manager. During this period, I served as the Project Owner of the Core Banking system upgrade and later headed the Banks' transformation project with consultation of Boston Consulting Group. I am presently responsible for Sales, Channel Management, and Branch Operations. Additionally I am serving on the boards of Merchant Bank of Sri Lanka and MBSL Insurance and as a Governing Board member of Institute of Bankers of Sri Lanka.

• What are the main learning points that you have acquired from your overseas experience?

I gained overseas experience first as a dealer and later on as the Head of Overseas Branches and finally as the CEO of our subsidiary bank in London. I believe, my first overseas assignment as an Assistant Dealer was a stepping stone for me to do an effective job at a later stage as the Assistant General Manager - Overseas Branches where I had to deal with regulators of various countries. Another aspect is understanding and empathizing with staff of an overseas branch and diverse cultures.

The toughest task and the best learning I ever had was when we were converting the London branch of BOC to a separate bank where we had do satisfy the Financial Services Authority(FSA) of U.K. of our ability to run the bank as a viable entity while demonstrating our Competency in complying with their new regulatory measures such as ICAAP, ILAAP etc which were introduced as a result of 2008/09 financial crisis including other regulations matters such as Money Laundering, Bribery and Corruption, Good Governance Practices . These measures were later incorporated into the Banking Regulations in Sri Lanka. This exposure helped me immensely later, when I took over the position of CEO of Bank of Ceylon (UK) Ltd.

The most important learning point I made while serving as the CEO of Bank of Ceylon (UK) Ltd was how we could provide leadership to a business organization and manage it. In this case a Bank which operates in one of the best regulatory environments in the world. Achieving business goals whilst managing all stakeholders including a diverse staff, FSA, non-executive independent directors, parent bank were challenging. Ensuring regulatory compliance alone was a big challenge, as many of the regulations were new to us that time. However, we had the opportunity to learn the art of mastering use of available resources to achieve business goals while complying with regulations requirements. We managed to practice good governance to the satisfaction and the comfort of the independent non-executive Directors, who were British nationals. During this period, we implemented a new Core Banking System which was a tough task due to limited Human Resources but we managed to cross over the line successfully by implementing it.

• Can you tell us about your affiliation with APB over the years?

Our seniors and mentors at Bank of Ceylon played a key role in upbringing the APB over the years hence we had the opportunity to associate with many of the activities organized by APB in early days of our career, especially the events took place at BOC Auditorium. I remember, I used to attend most of the evening lectures organized by APB those days. I actively got involved with APB in the year 2010/11 being elected as a council member. Then I had a break for two years as I was posted overseas and joined the council again in 2013. I served in the council as the Secretary General in the "Silver Jubilee" year and later two terms as a Vice President, the Senior Vice President before I was elected as the President in the 2017/18.

• What activities and contributions have you envisioned as the President of the APB, to be delivered to the membership during your tenure?

Association of Professional Bankers is the premier body professional bankers in Sri Lanka and has been in existence since 1988 sharing knowledge and providing networking opportunities to the banking community. APB advocates high standard of professionalism, ethics and governance with integrity as declared in it's mission statement.

During the tenure under my presidency, we are planning to organize an array of activities fulfilling the core objectives of APB. The activities planned are evening lectures, e-journals, publishing articles useful to the general public and event details and news of APB in the Daily FT, Annual Convention on a theme important to Bankers followed by a full day of Technical Sessions, members get together, felicitations of senior bankers and some social events. Some of the evening lectures would be held in outstations giving the opportunity for young bankers serving in those areas to listen to industry experts.

Similar to past years we will be appointing "Bank Coordinators" previously known as Bank Representatives from all banks to work with the council in all APB activities giving the opportunity for them to taste the flavor of "Work Ethics and DNA" of the APB council. This process enables us to identify young bankers for future councils and to get all Banks involved in APB activities.

Members in the council are working very closely supporting each other in discharging their responsibilities though they represent different banks and compete in business in the market. I would like to see that sprit is being continued by the membership and keeping the members working together as a "Great Performing Unit" in fulfilling APB objectives.

• Tell us a bit about your family and especially how you maintain work-life balance?

I have a lovely family with four members. We lead a simple life without making things complicated that gives us the biggest relief in our lives. My wife is a teacher. She is a great strength to me in maintaining my work-life balance, meaning she has sacrificed a lot in her career and carries a bigger share of responsibilities at the home front relieving me to a greater extent to engage in my professional activities. We have two children, a son and a daughter. Both are grown up. Son is employed and the daughter is in the university.

• What is the message that you would like to leave for the young and upcoming Bankers?

Banking is a dynamic and a vibrant profession though general public may perceive otherwise. Nevertheless, it's a much sought after profession. Many youngsters want to pursue a career in banking due to perks on offer, stable employment and the recognition, but the banking profession is much more worthy than those. Banking is the driving force behind an economy and it immensely contributes to a society uplifting wellbeing of people. Thus it is a noble profession everybody should aspire to pursue on. However, the challenge for young bankers is to progress in their careers to managerial levels early enabling them to serve to a wider society and progress from there on.

At the early stage of the career, one needs to acquire banking knowledge and develop operational skills. Some tend to prioritize one path over the other; either acquiring qualifications aiming for promotions or working without pursuing studies at all. Neither is good. You need to progress with a balance approach; studying banking and applying the knowledge so acquires at the workplace in whatever the way it is possible. Job rotations within the work place and assignments to different stations are excellent opportunities to improve your overall competencies. You should never turn back to those opportunities which may come occasionally. Working at different places with different managers and colleagues help you to improve your soft skills, which are very important in a service industry like banking.

If you stay focused and develop your competencies as mentioned above and progress along with the evolving industry comprehending such developments, there is a great career lies before you. However, you need to keep in mind that you have a greater fiduciary responsibility especially as you are working in the financial industry managing and making decisions on public funds. Therefore you need to discharge your duties upholding values and principles respected by everybody in a just and fair society with high level of integrity and honesty. I believe that is the road to success in a career of banking and I would like to see all young Bankers follow that route.

A Holistic Approach for Organizational Performance
By Manisha Fernando

Dip. HRM(SL & UK), Dip. Mgt.(SL), MABE(UK), AIB(SL), MBA(SL)

The need for a holistic view to manage organizations

It's almost two decades in to the 21st century and the market place is more challenging and dynamic than ever before. With rising impact of socio-economic factors, organizations are driven more towards stakeholder value and sustainable growth with advancement in technology being a key paradigm shifter. This is an era where a few organizations succeed and many struggle! The success of an organization should not be confined to mere profits, but should span throughout all aspects of the organization. This requires the strategic alignment of goals, processes and people and the proper identification of the market in which the organization would play.

A large number of organizations in Sri Lanka and across the world are yet to emerge from the conventional management practices, systems and tools that were introduced to organizations during the past. Even with the advent of technology, it has become a difficult task for organizations to align its financial results and non-financial activities and resources towards achieving the strategic objectives.

The colonial and ancient management practices are worse in this part of the region due to colonization for over 500 years and an education system that is flawed in capturing the evolution of management dynamics and basic English as a language. It can be inferred that these and other factors have resulted in creating a greater resistance to change. The management tools used in the old days lacked the ability to integrate the many dimensions of a business such as its people, its processes & technology, its market segments and the expected financial results. In contrast, other parts of the world with the exception of a few places, have had a dynamic ride with many organizations embracing new practices and management tools that offer the breadth and depth required for sustainable growth and profitability.

The key factor for failures in organizations, is the inability to develop a suitable corporate strategy encompassing its vision and mission, and implement this vision through its strategies into its daily operations throughout the entire organization. There is a contradictory view too, where some believe that achievement of the annual budget reflects the attainment of strategic goals and that the strategy had been successfully implemented! This is a myopic disillusion – and not only organizations, but even nations would fail in the long-run since this is a short-sighted focus of the macro environment and the internal structure and resources.

The achievement of annual goals is actually the achievement of the budgetary targets and is generally reflected through financial statements and ratios. This does not reflect a strategic planning approach for the organization since it does not capture the actual alignment of the strategy across all spheres of the business.

For example, where costs are seen to be rising, a myopic view would simply be the focus on overheads and down-sizing or cutting of further "investments" to business lines. This may derive short-term benefits, but would be the foundation for hindering sustainable growth in the long-run. Without the correct management tools and strategic alignment, other options such as diversification of product lines, adoption of niche marketing strategies, process re-structuring, out-sourcing or even advertising may never even be explored.

The concept of focusing only on the financial aspects is more or less like conducting a post mortem. Financial results and financial indicators are prepared for a specific period and the 'actual figures' relate to a period that is already historic – a period of performance that managers can virtually do nothing about, except perhaps learn from the mistakes and avoid repeating them in the future! Dwelling too much would eat into management time and cost too.

Most organizations having realized the need to document their strategy prepare the strategic document. But only a few go further by building up the strategy map and developing the proper lag and lead measurements that are unique and critical for that organizations to deliver on its promise. A strategy focuses on a broader horizon and should include both financial and non-financial aspects.

The Start – Strategic Planning

It is only apt to highlight Peter Drucker's sentiments in his book on Management Tasks and Responsibilities, where the confusion that management had about the term "strategic planning" was stated to be;

Strategic planning is not a box of tricks, a bundle of techniques.
Strategic planning is not forecasting.
Strategic planning does not deal with future decisions.
Strategic planning is not an attempt to eliminate risk.

Strategy can be explained simply as the way we would execute a desired course of action to achieve a stated goal. It is a means to an end! A goal can be either financial or non-financial and in most cases is an ambition from the owners or stakeholders.

Strategic planning starts at the very top of the organization, and ideally the owners or the board of directors agree on a suitable vision – a 'dream' of what the organization wishes to be or achieve within a foreseeable future period. Obviously, this "dream" should not shift direction during the short-term, unless a catastrophic event affects the institution. This is the starting point in any strategic planning session. Once an organization knows where it wants to go - whether it's a private business, a government institution or a non-profit organization, the second step is to plan out the strategy, the 'best way' (out of several options) and the course of action that has to be adopted to reach there. The strategy by all means should capture elements of financial and non-financial aspects of the organization. Generally, a strategic planning session should at least take into account a minimum period of 3 years. A 3 year horizon would be more appropriate, given the high volatility in the macro-economy, but where possible, a 5 year horizon too can be meted out. This is not a hard and fast rule, and needs to be decided according to the type of business.

Once the road-map is developed, the organizations needs to assess what it will take to get to these aspirations. Generally, a strategist would create the strategy maps for this purpose. This will be the foundation for setting the strategic goals for the short and long term.
This is no easy task and takes time and deep understanding of the entire organization to translate the vision and the strategic goals to measurable means that span across all dimensions of the organization in line with the strategy maps. It is this function that provides for organizations to decide on the critical areas and measurements required to align all parts of the organization to pull in one direction.

A vision in many cases relates to the market share or service with elements such as "affordability", "efficiency", "best in class processes", "highly skilled people", etc. In such conditions, unless the organization had done the ground-work prudently to build the strategy, it will not be able to align the functions and processes and people to result in the desired financial goals or in fulfilling the stated vision. This clearly illustrates that organizations should measure its performance on a 360 degree dimension without limiting to only financial ratios or the balance sheet.

Selecting the Strategic Measurement Tool

There are many tools in the market and prior to selection of the tool, it is important to understand the underlying conceptual framework for each tool. Amongst these, the Balanced Scorecard is perhaps one of the best and most evolved strategic measurement tools available in the world. The concept of the balanced scorecard which was introduced theoretically by Dr. Kaplan and Dr. Norton and is probably one of the best management tools that addresses the need for organizations to measure the achievement of strategic goals across many fronts. It is effective to align strategy to operations throughout an organization if the implementation is done prudently.

The balanced scorecard is now a widely known concept globally, which a lot of corporate directors and managers use in planning and directing organizations. In fact the balanced scorecard concept itself has evolved to a vibrant management tool, since its theoretical introduction in the early nineties. It can be adopted, modified and used in any type of organization to translate strategy to action. Today, it's seen in many businesses, non-profit organizations, government institutions, military or even a proprietorships and partnerships.

The scorecard facilitates managers to formulate action plans and capture the performance through the correct measurements. It provides as a medium for two way communication and measures performance objectively. The Balanced Scorecard measures the performance of an organization on four different paradigms, namely people, processes (processes, delivery channels, technology etc.), customers (target markets, customer profitability, service standards etc.,) and the resulting financial aspects.

The four quadrants above cannot be measured in isolation because they are related and needs to be aligned with the overall vision of the organization. If we take the financial industry to illustrate this relationship, one key and obvious common strategic objective for most Banks would be the 'growth factor', or more specifically the 'growth of assets' (or size). Assets would include the loan book, investments and cash among other items. Some banks may cater a niche market in certain business areas such as leasing, whilst some would focus on project lending or retail lending or credit cards. Where and on what business domains we need to focus would depend greatly on the competitive advantage the organization has and its risk appetite. Once this is identified clearly, the bank would need to assess the skills of its employees and the desired level it requires to provide the service. Aligning the skills to a specific strategy would mean that the organization should identify the correct indicators. For example should the organization measure the 'competency levels' or should it measure the 'skill gap' in relation to a benchmark or should it focus on recruitments / retention to keep the best?

The processes and delivery channels that are required to provide the services to the market has to be then decided upon. The customer segments, target markets and the Bank's positioning are elements that are not related to the financial indicators either, but would determine the outcome eventually. This is perhaps the minimum level of strategic planning required for such a business to operate, and therefore simply focusing only on financial aspects alone as conventionally done would not help the organization achieve its strategic goals or vision or even sustain its business.

Pros of a balanced scorecard approach

Implementing the balanced scorecard would provide the organization several key advantages. The first and foremost is that it helps decide on the suitable course of strategy and align the strategy to daily operations in all areas of the organization, from its employees, to processes and customer service, resulting in achievement of intended financial and non-financial targets. It also aligns the organization and the correct compilation of the scorecard will give an insight to identify lead and lag indicators. Sometimes, the strategy map, which is a pre-requisite to the balanced scorecard would show that some lead indicators become lag indicators to others as the strategy moves upwards.

Secondly it functions as an effective communication tool. The scorecard if properly implemented would help any strategic business unit or cost center to evaluate its performance at a glance and take corrective action pro-actively. The scorecard serves to inform the future targets whilst allowing room for re-forecasting and analyzing any short-comings by facilitating top-down or bottom-up communication between the top management and the front-lines. This manner of two-way communication helps management take timely and necessary action when deviations are about to occur in contrast to the post mortem approach of analysing only the past performance through financials alone! Of course another myopic misconception is that some organizations believe that a plan is cast in stone – and this leads to many organizations neglecting the communications received as early warnings.

Thirdly the scorecard helps manage all resources of the business or organization which is an essential prerequisite to achieve overall goals within the stipulated time frame with limited resources. This helps the management and even the board to identify any short-comings in a more focused manner. It identifies business lines that need resources and where resources are not optimized. It identifies which businesses need more investments and areas which eat in to costs.

The scorecard can be adopted to function as a performance management system too. This would mean that the organization can induce the right behaviour among its people by linking the performance to the overall strategic objectives through the scorecard and aligning the rewarding mechanisms as applicable within the organization in a transparent and equitable manner. It is also perhaps one of the most transparent tools to use for creating performance related incentive pools and distribution logic.

Common mistakes in implementing the balanced scorecard

The common mistake that many companies are bound to make in implementing the balanced scorecard is to copy or adapt the scorecard of another organization in the same industry or simply taking it in abstract without analyzing the actual need and purpose in line with the strategic goals. It should be understood that each companies - even if they are in the same industry have different strategic objectives and of course have their individual and unique competitive advantage over others. Hence the scorecards should be unique to an organization. What may seem as an important attribute for one company may be of lesser essence to the other one and quite costly if tried to be imitated! This is precisely because there are varying factors that each company should consider when doing business. Some of these factors may be location oriented, market oriented, technologically driven, or dependent on delivery channels and its own employees. What is important is that strategic planners should be able to grasp the basic framework of how the business works and how various processes operate and then translate the metrics into key performance indicators (or KPIs). You don't have to call it the 'balanced scorecard' at all, but in reality this transcends to the same balanced scorecard concept.

Another common mistake that most organizations do is to waste corporate time and resources (throughout the organization) in too many discussions on the results or analysis of the scorecard without taking an objective decision and implementing that decision. Often enough, too much time is spent on crossing the 't's whilst the actual strategic debate is evaded – mostly due to lack of strategic foresight. This is perhaps the biggest mistake an organization can do when the scorecard is implemented and in the end, the concept of the scorecard becomes a burden to the operational levels too.

The scorecard is a strategic performance management tool and hence it should be used for this purpose only. Some believe that the Balanced Scorecard is a panacea for 'all illnesses' and try to incorporate every single operational detail to be measured through the scorecard. This is not healthy for a strategic level scorecard, but if such a need arises, then such details can be used for an operational scorecard linking it to perhaps the organizations data warehouse – but a great deal of automation would be required to make it successful. The functions of these two types of scorecards (Strategic and Operational) are different and hence should not be mixed up. The key principle is to use KPIs that are relevant and aligned to the overall strategy.

Another mistake that should not be done by organizations is to spend millions to purchase various software packages to implement the scorecard. The perception that software is a pre-requisite is actually a misconception, especially since any software package purchased would need to be customized for the institution before using it! The return on investment of such software, unless it has other attributes and benefits for users would not be worth for a majority of organizations in Sri Lanka specially, unless the packages are provided at reasonable rates lower than the prices quoted for organizations in other parts of the world. Especially as developing nations, the concept of scorecards and developing a balanced scorecard system can be effectively done through spreadsheets and once the initial implementation takes off the ground, to supplement with a suitable software package.

We must not forget that despite myopic perceptions, every nation has an inherent culture, and the cultural attributes play a significant role in how people behave and perceive things around them – even at the work place. As Sri Lankans, our culture is more team oriented which despite Western philosophies is actually a blessing in disguise. Team cultures if properly aligned to the strategy and managed can breed synergies, whilst the Western focus is more individualistic, and could result in greed and selfishness unless cushioned with suitable governance systems.

Note: This is a re-write of an earlier version that was published in the newspapers several years ago.

Manisha currently heads the retail liability product portfolio, the ATM network, digital banking services, bancassurance and remittances at Union Bank as Assistant Vice President - Retail Liability Products & Alternate Channels. Prior to this post, he headed the strategic planning for Union Bank as Chief Manager – Strategic Planning from Oct. 2010 to mid-2014. Prior to Union Bank he worked at Sampath Bank for almost 14 years.

He has over 20 years of banking experience and over 14 years of experience in strategic planning, research & development, market studies and facilitating businesses to grow. He has hands on experience in the implementation and management of the balanced scorecard.

Manisha is a MBA graduate from the Open University of Sri Lanka, an Associate of the Institute of Bankers of Sri Lanka and a Life Member of the Association of Professional Bankers of Sri Lanka. He is multi-disciplined, and a past winner of the World Prize for Strategic Marketing examination paper of the Association of Business Executives, UK. He has also published research and management articles for the general public and the ABE magazine of UK.

Caveat Lender: The Revocation of Irrevocable Deeds of Gift on the Ground of Ingratitude Act No 5 of 2017.

Viraja Wanasinghe – LLB (Col) MBA (Col) Attorney-at-Law

In granting facilities Banks have over the years accepted as security property given as gifts. Such gifts are usually made through the execution of a deed of gift by the person giving the gift (the donor) in favour of another person (the donee).

While gifts can be made of both immovable and movable property, in this instance we are restricting this discussion to gifts made with regard to immovable property, that is, land and buildings. This is mainly due to the fact that Banks usually accepts for purposes of security only deeds of gift where immovable properties have been gifted to the present owner.

Deeds of gift are usually executed by a close family member, such as a father or mother, in favour of a child. While such deeds of gift are the norm, there are instances of deeds of gift where grandparents have gifted property to their grandchildren, while there are others where brothers and sisters have done so in favour of their siblings and even uncles and aunts have gifted property to their nephews and nieces.

In all these instances as can be seen, the transaction is done on the basis of a strong family relationship.

This relationship is clearly reflected in the wording of the deed itself, for all such deeds in this country contain standard clauses such as " due to the love and affection I have unto my beloved son/daughter/grandson/granddaughter etc etc " therein as the reason for giving the gift .

Deeds of gift can be executed irrevocably or subject to revocation on the part of the donor.

That is, a donor can execute such a deed subject to him reserving the right to revoke or cancel the said deed due to certain situations taking place.

In the alternative, he can execute same irrevocably, that is, he does not keep for himself the power of revoking or cancelling the deed when executing it.

Before accepting property gifted on deeds of gift as security for facilities given , Banks closely examine same to ascertain whether the deed has been executed irrevocably or irrevocably as all such deeds contain clauses which very clearly state whether they are revocable or irrevocable in nature.

It is an accepted practice that property gifted on revocable deeds of gift are not accepted as good security by Banks as the possibility exists that the donor might revoke the deed subsequent to the property in question being mortgaged to the Bank and gift it to a 3rd party with difficult legal consequences coming into being.

Therefore, Banks have over the years accepted only the property gifted on non revocable deeds of gift as security on the basis that the donor has voluntarily, of his own accord relinquished his right to revoke the gift which is expressly stated in the deed itself.

However, this situation is not as clear cut as it first appears as even a irrevocable deed of gift can, in certain instances be revoked by the donor.

In the landmark case of Dona Podi Nona Ranaweera Menike vs Rohini Senanayake (1992 2 SLR p 180) the court dealt with the situations as given below where an irrevocable deed of gift could be revoked.

(a) On the grounds of ingratitude on the part of the donee,

(b) Where the donee had failed to meet a condition laid down by the donor

(c) If at the time of the gift the donor was childless but subsequently became a parent of a child by birth or legitimation.

As regards (a) above, it is a prerequisite that the donee should be grateful to the donor and should treat the donor well and look after him in his old age and infirmity and where he falls ill and is unable to look after himself

(b) above deals with a situation where the gift is given on the condition that the donee carry out some task on behalf of the donor . If that is not met, then the donor can revoke the deed.

(c) is self explanatory.

The court laid down the requirements where a donor could revoke an hitherto irrevocable deed on grounds of ingratitude,

(1) The donee lays impious hands on the donor

(2) he does the donor an atrocious injury

(3) he willfully causes him great loss of property

(4) If he makes an attempt on his life

(5) If he does not fulfill the conditions laid down in the gift

(6) Other, equally grave causes

(1) above deals with cases of assault and as regards (6) rude, humiliating ,degrading and insulting behavior including starvation, incarceration, neglect and not providing necessary medical treatment could be included.

The court stated that where an irrevocable gift was made in contemplation of marriage then once it has taken place, it cannot be revoked.

However, if the marriage was dissolved subsequently, then the gift becomes a revocable one and the donor can revoke it if he so wishes

It has to be kept in mind that where revoking of an irrevocable gift is concerned, the donor cannot revoke it on his own, he has to file legal action in court and must make the donee also a party to the case and the court will, after hearing all parties, decide whether to revoke the gift or not.

In order to clear up the confusion, doubt and uncertainty over this issue, the legislature passed an Act in 2017 called **The Revocation of Irrevocable Deeds of Gift on the Ground of Ingratitude Act No 5 of 2017**.

It is a short piece of legislation comprising only 7 sections and deals with situations where the donor intends to revoke an irrevocable deed of gift on the grounds of ingratitude by filing action in court.

What amounts to ingratitude has not been defined in the Act and in its absence it would be safe to rely on the grounds given in the Dona Podi Nona Menike case above as it is a Supreme Court decision and is binding law.

The importance of the law above as well as the relevance of the new act to Banks is that a Bank must be mindful when accepting property gifted even on an irrevocable deed of gift as there is a possibility that the deed could be declared revoked on the grounds given above which will have grave consequences for the Bank concerned as it may not have any security from then on and it would have to recover its dues from an unsecured facility.

In instances of this nature, the most prudent step to take is for the Bank to become a party to the case to look after its interests and as a form of damage control.

Another reason for the Bank to become a party to such a case is to deal with a situation where the facility given to the donee has gone into arrears and the Bank intends to recover its dues by taking legal action under the mortgage bond executed when the donor and donee at this point collude or secretly act together to create a false situation of ingratitude in order to mislead court and obtain a judgment declaring the gift as revoked.

If such a position is reached then the Bank will have to face complicated legal consequences as original conveyance transferring title to the mortgagor is now revoked and of no force in law.

Section 3 is of importance to Banks as well as it lays down a time period of 10 years from the date of executing the gift for the donor to file action in court to get the gift declared revoked.

Another time limit laid down in the same section is that the donor must file action in court within 2 years from the date of the act of ingratitude taking place.

Thus , as the Act does not give unlimited time for the donor to file action to get the gift revoked if it is found that the donor has not acted within the time period given then, the Bank can object to the application and the case may be dismissed.

However, as far as the donor is concerned, if the act of ingratitude occurred after 10 years from the execution of the gift, then he has no remedy but it offers protection to Banks as the donor is precluded from filing action after this period has passed.

Viraja who is currently holding the post of senior legal officer , litigation dept, DFCC Bank , counts nearly 25 years of experience as an Attorney at Law , mainly in the fields of banking and labour law.

He holds an LLB from the Faculty of Law, University of Colombo and an MBA in Human Resource Management from the Faculty of Management & Finance , University of Colombo .

Management Excellence: A new imperative in the Corporate World

Viruli de Silva, MBA (USJ-PIM), AIB (Sri Lanka)

"We are what we repeatedly do. Excellence, then, is not an act, but a habit" -This is a quote from Aristotle, the famous ancient Greed philosopher and scientist. Scholars have defined 'management' as the process of dealing with or controlling things or people. In other words, it is the process of organization and coordination of activities of a business, in order to achieve the defined objectives of an organization. Further, 'management' has been recognized as a process consists of the intertwining functions of creating corporate policy in an organization, and organizing, planning, controlling, and directing the organization's resources in order to achieve its objectives. Thus, it is interesting to explore 'what is management excellence?'

What is Management Excellence?

When operational excellence becomes the norm rather than the exception in business, companies need a new source of competitive differentiation. There are many examples from the business world, locally and globally, that market leaders are creating strategic advantage through their ability to manage the performance network rather than just transactional processes. This new imperative is called Management Excellence in the corporate world. In other words, it is to have exceptional achievements in a consistent manner. It shows how tomorrow's leaders will get ahead? It has been recognized that in order to achieve management excellence, an organization needs to become smart, agile and aligned. In this competitive business environment, globally and locally, it is vital for the business organizations to achieve 'management excellence' in handling their performance network.

Why it is important to achieve management excellence?

I would mention just one key aspect under this, in order to highlight the importance of 'management excellent' in the present business context. Over a decade or even little beyond that commitment to efficiency could have moved an organization into a leadership position in its market/industry. But, in the present turbulent business environment, organizations need to go beyond 'commitment to efficiency'. Operational excellence has become a business imperative in the present corporate world. Most companies have driven excess cost out of their operations, increased their business processes, and improved the quality of their products and services. However, operational excellence no longer defines the leaders in a market! Thus, how will tomorrow's leaders get ahead? For example, a car manufacturer who benefits through insights of its dealer relationships, will take an extra step to derive strategic advantage from managing relationships, rather than from managing the usual processes. They are embracing a new imperative on top of operational excellence, that promises to alter the competitive landscape: Management Excellence! Scholars have defined management excellence as "the art of reconciling all stakeholder needs, from the outside-in as well as from the inside-out". To deliver management excellent, an organization needs a process framework that integrates all its components, together with its performance management solution that incorporates the whole organization. Hence, it is important to understand the salient features of 'management excellence'.

Three Pillars of Management Excellence

Operationally excellent companies are built on three key pillars: cost, quality and speed. Over time, the Companies that stand out in the markets by adopting 'management excellence' build three more additional defining qualities on top of them: smart, agile and aligned.

1. Smart

In every organization there are many internal and external data. The issue is how to get the maximum out of it! Companies in a similar industry generally have access to the same data. But, the difference of a company with 'management excellence' is in insight, which is deeper and faster than its competitors. These companies are able to control the available data, generated from both internal and external sources, with better insights moving faster than the competition, to gain a competitive edge in their respective markets. The 'smart' companies use the right technology with best methodologies and processes, to convert the heap of available data into vital information, which support their decision-making process through the company. Thus, being 'smarter' is about sharing information to strengthen the company's decision-making process by bringing everybody under the same data umbrella. In other words, making data more accessible to users who need them and delivering in a timely manner.

2. Agile

It has been noted that, being smart is only appreciated if it leads to action. Companies that are most likely to succeed are the ones that can adjust to changing situations. Companies that have achieved management excellence are 'agile' or they pick-up market signals faster than their competitors. They need less time to recognize how changes in the market affect their own operations, success and sustainability. Agile companies are skilled to identify alternative actions faster than their competitors and even could take an active role in bringing a change into the market. Thus, to achieve 'management excellence' a company should possess the key attribute of being 'agile'.

3. Aligned

Organizations that have achieved 'management excellence' collaborate or 'align' closely throughout their value chains. These companies influence the contribution of all stakeholders, while fulfilling their needs. It has been identified that, aligned companies evolve from a 'command-and-control' style to a 'collaborative' model that integrates contributions from all, and shares information through combined systems and processes.

Thus, 'management excellence' shares the above three defining qualities: being smart, agile and aligned. Professor Richard Rumelt of Anderson School of Management at the University of California, Los Angeles identified that, performance gains often begin with exploiting a change in the environment and riding that change with quickness and skill. In other words, it is about superior interpretation of trends and current events (being smart), movements in markets (agility) and understanding the contributions and requirements of stakeholders (alignment) of the organization. Finally, Management excellence is to have exceptional achievements in a consistent manner. It is crucial for the companies to hold a new imperative that promises to alter the competitive landscape, recognized as Management Excellence in the business world. To achieve Management Excellence, companies need to be smart, agile and aligned. Hence, "Management Excellence is all about managing exceptionally Great!"

Reference:
'Management Excellence: How tomorrow's leaders will get ahead', Oracle Thought Leadership White Paper, Sept., 2008.

Ms. Viruli de Silva is the former Director Studies of the Institute of Bankers of Sri Lanka (IBSL). She is also a Senior Commercial Banker with over 25 years of exposure in many strategic areas in Banking & Finance Management with Commercial Bank of Ceylon PLC and Seylan Bank PLC. She holds an MBA Degree from the Postgraduate institute of Management (PIM), University of Sri Jayewardenepura, Sri Lanka. She is an Associate member and a Postgraduate Diploma holder in Bank Management of the IBSL. Presently, a final year PhD in Management Candidate at the Faculty of Graduate Studies, University of Sri Jayewardenepura, Sri Lanka. Her research interests are Human Resource Management, Business Ethics, Corporate Governance and Sustainability in Banks. Viruli is a Director of the PIM Alumni Board of Governors, and a Life Member and a former Council Member of the Association of Professional Bankers – Sri Lanka (APB). She is a management consultant, researcher, and author of many academic and professional articles in Banking & Finance, Management, Corporate Ethics, Green Banking etc., in academic/professional journals and the Daily Financial Times.

Trump and the prediction of turbulence for 2017

Rashmin Lokubandara - B.Sc, MFE, CFA

Despite losing the popular vote, President Donald J Trump was elected as the 45th President of the United States of America. The election was preceded by a long, vindictive campaign where volumes of venom were hurled against each other by the camps of Hillary Clinton and Donald Trump. This left many Sri Lankans wondering whether this was more of a South Asian election than that to elect the leader of the "free world". From a macro-economic standpoint, many esoteric theories and proposals were bandied and contended on the campaign trail which resulted in economists scratching their heads in wonderment. Now the first act of the drama is over, and the people have decided who the main actor is for the next 5 years. However unlike the result of a Sri Lankan Pradheshiya Sabha election, the USA, due to the sheer size of its economy and being the printing press of the reserve currency of the world, will continue to hold a larger than life clout over the matters of the rest of us.

So how would some of the economic policies envisaged by President Trump during his campaign trail play out for the US economy and by corollary the rest of the world? In the next few lines I will present some of the key and more colorful policies of President Donald J Trump and the implications they will have for the rest of the world in 2017.

For starters, Trump's economic policies are likely to produce much higher US interest rates and inflation than financial markets expect. President Trump's main platform during the campaign trail is built on the twin pillars of trade protectionism and fiscal stimulus. With the American labor force being still one of the most highly paid in the world, threats to impose border taxes on Imports from low cost producers like China and Mexico will have an unfavorable effect on measures such as inflation in the US, especially in a backdrop of rising crude oil prices. President Trump also wants to boost government spending on infrastructure (including the much ridiculed wall across the border with Mexico) as well as engage in a round of tax cuts. Trump's tax and spending plans will sharply reverse the budget consolidation enforced by Congress on Barack Obama's administration, and household borrowing will expand dramatically if Trump fulfills his promise to reverse the bank regulations imposed after the 2008 financial crisis. As all this extra fiscal stimulus fuels an economy already nearing full employment, inflation seems bound to accelerate, with protectionist trade tariffs raising prices even more for imported goods. Such fiscal policy measures have unintended second order effects too, with interest rates on US government securities certainly bound to rise, both driven by the higher demand for government funding (due to the expansionary fiscal policies) and the increased inflation risk added to the risk premium on US government debt. The ripples of such pressure to the US government debt risk premia will be felt by asset markets across the world. Investments by global asset managers in local currency emerging market debt, with Sri Lanka at the forefront, is seeing a renewed outflow with money flowing back to the US. These global asset managers feel interest rates of local currency emerging market debt are yet to fully absorb the magnitude of this paradigmatic shift in policy and adjust upwards. Sri Lanka alone has seen year to day outflows of ~ USD 200 Mio from offshore investments in local currency government securities.

In such a backdrop, the US Federal Reserve will likely be forced to tighten monetary policy at a faster pace in response to this unanticipated fiscal boost, not less, as the markets still expect. The only uncertainty, in my view would be the pace of upward adjustment in US policy rates. But whether the Fed tries to counteract rising inflations threats by raising interest rates aggressively than current market expectations suggest, or decides to move cautiously - by keeping short-term US interest rates a step behind the increasing growth in prices, investors in certain asset classes will suffer. Chiefly, this would be the passive bond investors who have already seen an upward movement of the benchmark 10 year US government security from the 1.70% levels a year ago to the 2.30% levels of today. More aggressive fixed income investors who were long local currency emerging market debt (as discussed previously) would have felt the pain worse with the negative movement in yields exacerbated by large depreciations of emerging market currencies against the USD. Sri Lanka went through a depreciation of ~4% for the whole of 2016 and year to date has depreciated ~2% against the USD. This exodus of foreign currency from emerging markets back to the US is unlikely to halt in the next few years especially when the Fed eventually throws down the gauntlet and adjusts US policy rates to be more in par with their economic situation. All this bodes bad news for heavily externally indebted nations like Sri Lanka who were engaged in a gentrified scheme of robbing Peter to pay Paul (by rolling over debt to repay current claimants). A silver lining does exist however for countries like us given that the European Central Bank and the Bank of Japan still maintain a monetary policy of ultra-low levels.

The last horse of the apocalypse would be the future of the EU. The Brexit vote and rise of nationalism in France, Germany and Netherlands has simplified the question of the disintegration of the EU to a 'when' from an 'if'. Though the EU does not hold real economic sway as much as the US does (they are not the reserve currency of the world, after all), the jolt to financial markets of any event will certainly not soothe anybody's nerves. Countries like Sri Lanka who need to access often the international debt markets to roll over their current debt would need to be especially watchful for this sort of turbulence.

Alan Greenspan, the 13th Chairman of the Federal Reserve titled his memoirs as the "The age of turbulence: Adventures in a New World". Though written ten years ago, the title seems to capture succinctly the short term outlook for the US and the global economy. The US economy has much to anticipate under the Trump administration - stimulus, lower taxes, and deregulation that could still boost the economy and US market's performance in the short term. But turbulence seems to be the main anticipation for the emerging market world.

Rashmin Lokubandara is attached to Standard Chartered Bank, Sri Lanka as a Senior Dealer, FX & Rates Trading. He is a Chartered Financial Analyst with a Masters in Financial Economics from the University of Colombo. His undergraduate studies are in Computing & Information Systems from the University of London.

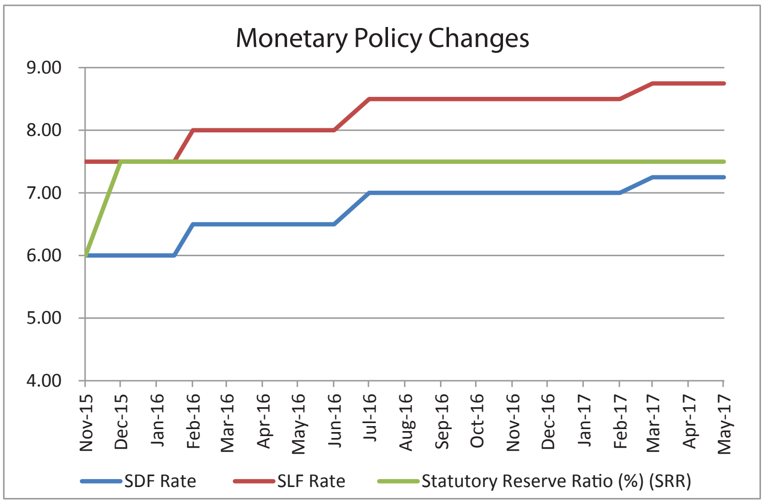
Market Update – Jan to May 2017

Kavin Karunamoorthy MBA, ACI (Dealing Certificate)

Sri Lanka witnessed challenging first half amidst of unstable global economic conditions. Sri Lanka's Fitch Ratings affirmed Sri Lanka's Long-Term Foreign- and Local Currency Issuer Default Ratings (IDR) at 'B+' and revised the Outlook to Stable from Negative. S&P Global Ratings affirmed its 'B+' long - term and 'B' short – term sovereign credit ratings on the Sri Lanka. The outlook on the long -term rating remains negative while the transfer and convertibility risk assessment on Sri Lanka remained unchanged at 'B +'. Country's fiscal position improved resultant to the government - led reforms and IMF technical and funding assistance. However, high external debt, and low reserves continue to make Sri Lanka vulnerable to external shocks. Other rating constraints on Sri Lanka include the high general government net debt burden of 74.9% of GDP in 2016.

Sri Lanka's Gross official reserves rose to 6,745.8 million US dollars in May helped by the issuance of USD 1.5 Billion International Sovereign Bond. Gross official reserves dipped to USD 5.04Bn by end April 2017 from USD 6.0Bn levels seen in December 2016. Foreign investors exiting from Government securities market and stock market fueled with lower FDIs drained the reserves.

Sri Lanka held rates unchanged at the third monetary policy review in May with private sector credit slowing, but state enterprises borrowings going up with higher oil prices and drought hurting power generation. The central bank said credit to the private sector slowed to 21 percent by end February 2017 and 20.4 percent by end march from 21.9 percent at the end of 2016. The Monetary Board decided to increase the key policy interest rates of the Central Bank during their second review in March 2017. Standing Deposit Facility Rate (SDFR) and the Standing Lending Facility Rate (SLFR) was increased by 25 basis points each, to 7.25 per cent and 8.75 per cent, respectively. The Monetary Board made this decision after holding the rates unchanged till February. They last raised both Standing Deposit Facility Rate (SDFR) and the Standing Lending Facility Rate (SLFR) of the Central Bank by 50 basis points each in July 2016. The tightening decision was taken mainly as a precautionary measure to curtail adverse effect of inflation.



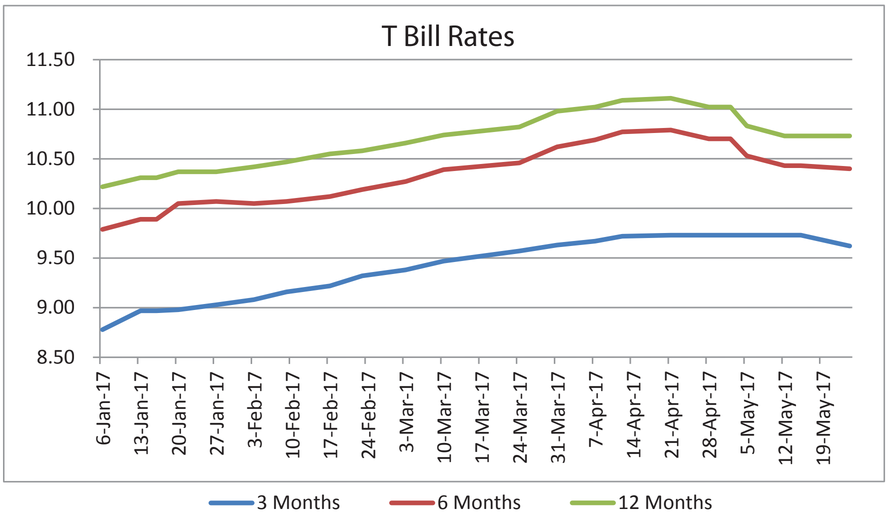
Monetary Policy Rates from November 2015 to May 2017

Interest Rates

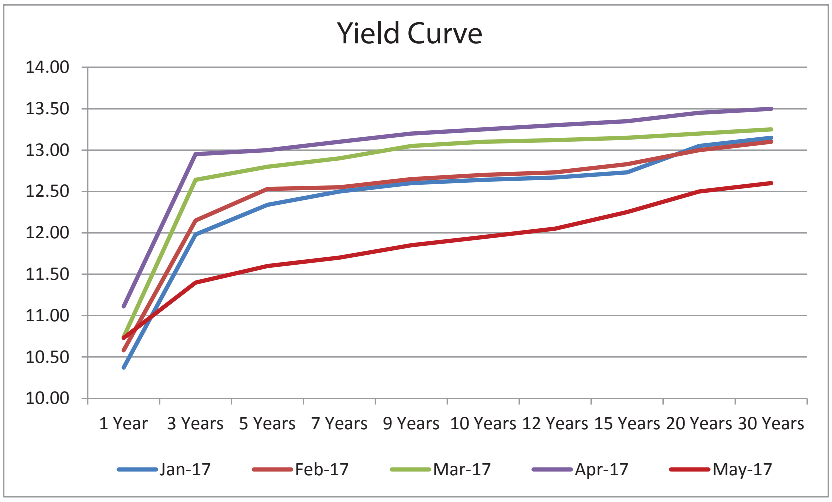
During the first quarter of the year short term and long term interest rates continued to increase mainly due to foreign investors exiting from Government securities market fueled by tightening of monetary policy, increasing government borrowings and lack of investor demand. Short term interest rates increased gradually from levels seen during the first week of January which is 8.78 percent, 9.79 percent and 10.22 percent for 3, 6 and 12 month tenors respectively to reach a high of 9.73 percent, 10.70 percent and 11.11 percent for 3, 6 and 12 month tenors respectively. However the rates reversed after the announcement of borrowing of 1.5 billion dollars in International Sovereign Bond, both local and foreign investor confidence rose and investor demand pushed the rate downwards. The short term benchmark rates were seen at 9.62 percent, 10.40 percent and 10.71 percent for 3, 6 and 12 month tenors respectively during the last week of May.

Treasury bond rates witnessed an increasing trend across the yield curve, due expectations of monetary policy tightening continue to push the longer tenures upwards. Trading activities in secondary market was seen very dull as most of the investors and market participants taking watch and wait approach. Primary Treasury bond auctions also witnessed an increasing trend during the period. The most actively traded tenors such as 3 years, 5 years, 9 years, 10 years and 15 years Treasury Bonds reached a peak of 12.90 percent, 13.00 percent, 13.25 percent, 13.35 percent, and 13.50 percent respectively during the mid week of April.

The dollar bond issuance boosted the market confidence thus improving the trading activities to reverse the increasing trend seen in the interest rates. Primary Treasury bond auctions also witnessed a declining trend as both local and foreign investors demand increased. The most actively traded tenors such as 3 years, 5 years, 9 years, 10 years and 15 years Treasury Bonds was seen trading at 11.30 percent, 11.60 percent, 11.75 percent, 11.80 percent, and 12.00 percent respectively during last week of May.



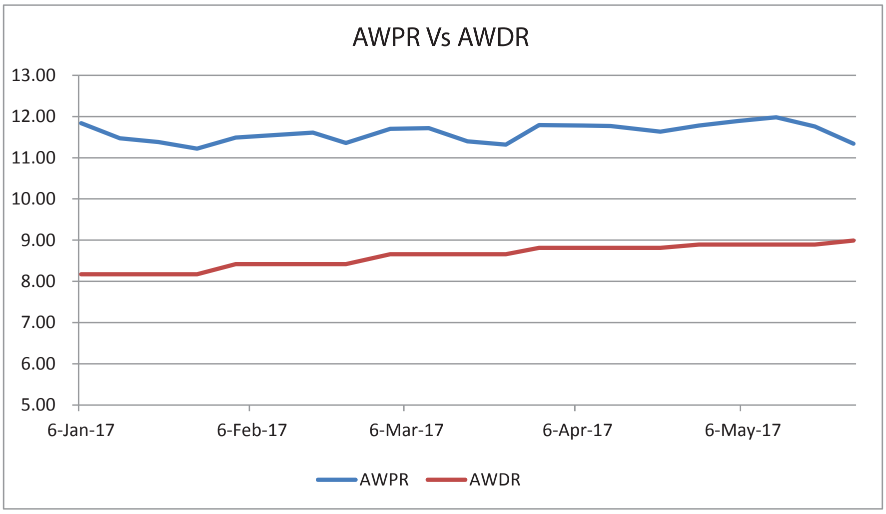
Treasury Bill Auction Rates from 06th Jan 2017 to 24th May 2017



Yield Curve: Rates sourced from CBSL weekly report

Inter- bank Money Market liquidity seen volatile during the period. The Liquidity levels at the beginning of 2017 recorded a positive of LKR 108.264Bn. Central Bank's stance of not reissuing the Government Securities during the end of 2016 pushed the liquidity to a positive territory and remained positive through the month of January and first week of February. Market liquidity surplus started declining and reached the negative territory during the second week of February. It reached a high of LKR 47.37 bn negative and then recovered during the period to record a positive of LKR 8.09Bn seen at the end of May.

The Central Bank Holdings reached a high of LKR 330.07Bn on 30th December 2016. Subsequently the holdings witnessed a decrease and stood at LKR 211.40Bn as at 31st May 2017. Overnight Money Market and Repurchase Rates also witnessed an increasing trend leaving the Overnight Money Market rates at 8.75 percent and Repurchase Rate at 8.79 percent up from 8.50 percent and 8.49 percent respectively.



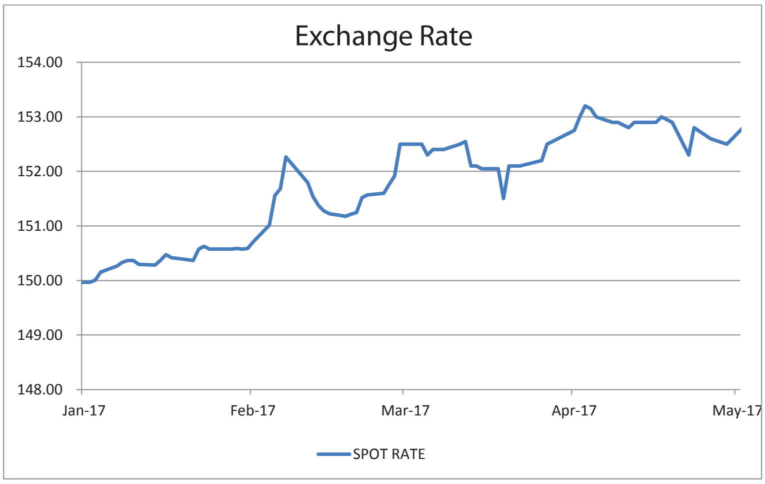
Average Weighted Prime Lending Rate (AWPR) Vs Average Weighted Deposit Rate

Average Weighted Prime Lending Rate (AWPLR) of banks seen volatile during the period. The rates declined from 11.89 percent at the beginning of the year and stood at 11.34% at the end of May 2017. Average Weighted Deposit Rate (AWDR) increased by 82 basis points from 8.17 percent in the beginning of 2017 to 8.99 percent as of May 2017.

Exchange Rate

The Sri Lankan rupee witnessed heavy volatility against the US dollar during the period from January to May. The Sri Lankan Rupee started trading at 149.80/90 against the US dollar on the first week of January. The rupee lost ground against the US dollar due to lackluster exporter conversation, high importer dollar demand and foreign investment outflow.

This situation got further aggravated due to global economic conditions and anticipation of a FED rate hike. Lack of liquidity in the spot market forced market dealers to look for other alternative forwards such as two week forwards and 1 month forwards. This led the two week forward rate to reach a high of 153.70/75 levels against the US dollar. The following rates were seen of Sri Lankan Rupee trading against the dollar, Spot rate at 153.25, one week at 153.45/55, two weeks at 153.65/75, and one month at 154.35/50 during the month of May 2017.



U S Dollar / Sri Lankan Rupee Currency Rate

Kavin, currently work as Chief Dealer at National savings Bank, with over 14 years experience in financial markets, specializing Fixed Income and Fund Management. Holds an MBA from Cardiff Metropolitan University UK. He is also a Certified Investment Advisor by Colombo Stocks Exchange and is a holder of ACI Dealing Certificate.

World Champion of public speaking Mr Dhanajaya Hettiarachchi, addresses the Professional Bankers on “killing talent”

Dananjaya Hettiarachchi, [B Bus (Mkt & Mgt) | MBA | PGDip (HRD & PM) | Prof Dip Mkt (CIM)] has been a competitive public speaker and in 2014 he became The World’s Number One through Toastmasters International which is recognized as the leading authority in Public Speaking and Communication. He emerged as the first Asian to win this title in the 90 years of history of Toastmasters International, beating over 33,000 contestants in 120 countries across the Globe.

As a passionate Motivational & Keynote Speaker, he established Standard & Stellar Consulting (Pvt) Ltd, a highly specialized Human Resource Development and Communication consulting firm, Dananjaya as the CEO, focuses on increasing employee engagement through the development of scalable HRM Infrastructure in both private & public sector organizations across Asia-Pacific Region. The Banking community had the privilege of listing to this eminent speaker, who has spoken across five continents, on 19 October 2016 at a Seminar organized by the Association of Professional Bankers of Sri Lanka.

In his discourse Dhananjaya stated that although almost everybody has a concept of what success is, it is actually a 15% of the people that achieve greatness and realize their dreams, about 65% of the population makes it good and the balance 20% usually becomes failures. He questioned the audience as to what segment they want be including in.

Dhananjaya said that being in Human resources development; he has observed first-hand how talent is killed in Sri Lanka. He stated that in order to achieve greatness the talents should be nurtured and a conducive environment should be created within organizations for the talents of the people to nurture.

He stated that many organizations brandish great values. But if the top hierarchy in these organizations is not following them there will never be consistency among the other ranks, he stated. Dhananjaya requested the managers to focus on the environment they are in and what environment their teams are in.

Adopting a story telling style of lecturing, filled with humor, Dhananjaya described a five point plan to inculcate, nurture and entrench Talent amongst individuals.

1. Need to have a Desire / Vision
There is a clear difference between wishing for success and wanting success. He stated that more you want success more closer it become.

2. Associate the result that you want to achieve
Dhananjaya stated that if one wants a result one should associate that result. Eg If you want to become a manager you need to associate managers, similarly if you want to become a CEO, you should associate CEOs.

3. Always have great mentors
If the person you are following has a limp, you will also get a limp

4. No option environment
Quoting from the hunting techniques of the African sand man tribe, which has a amazing endurance, Dhananjaya stated that if they were given other options, more comfortable ones, the amazing endurance of the tribe will wane away. If one wants success one must unlearn, learn and relearn.

He requested the audience to move away from a full option environment to a no option environment if one really wants success. At great companies margin for error is nil, he added.

5. Regression to the Mean, then raise the mean

Dhananjaya stated that when talented people come to an organization they come with great plans, but few years later they become the mean performer. In the light of this phenomenon, it is important to increase the average performance of the organization so everybody will get regressed up. Have you surrounded with a team that have a higher average performance, so you too will perform better he said.

Then Dhananjaya went on to explain the importance of having a learning culture. When there is no inspiration there will be no talent, he further said.

The lecture was highly interactive and got audience to participate, even on the stage alongside Dhananjaya. The lecture was followed by a lively Q&A session.

(The above synopsis was compiled by Mr. Thejaka Perera)

APB EVENTS ...
Banku Ridma 2017 – The day that bankers became stars!

Members' Day

APB held its Members' Day on 3rd March 2017, at the Sri Lanka Foundation Institute, Colombo 7.

APB holds the Member's Day
After all it is not 'all work and no play'.
When bankers work, they work hard.
When they play, they truly play well !







Dimantha Seneviratne Honoured by APB

Mr. Dimantha Seneviratne, Banker, Past President of APB and the incumbent Director /CEO of National Development Bank PLC, was recently honoured by the Association of Professional Bankers - Sri Lanka, when he was conferred a Honourary life membership of the Association in recognition of his invaluable services to the Association as President and in many other capacities in the Executive Council spanning over a decade including the positions of Secretary General (2008-09) and Senior Vice President (2009-10).

Mr. Seneviratne counts more than 26 years of experience in the Banking Industry and was at the helm of Pan Asia Banking Corporation for 3 years prior to taking over as Director/CEO of National Development Bank PLC., widely.

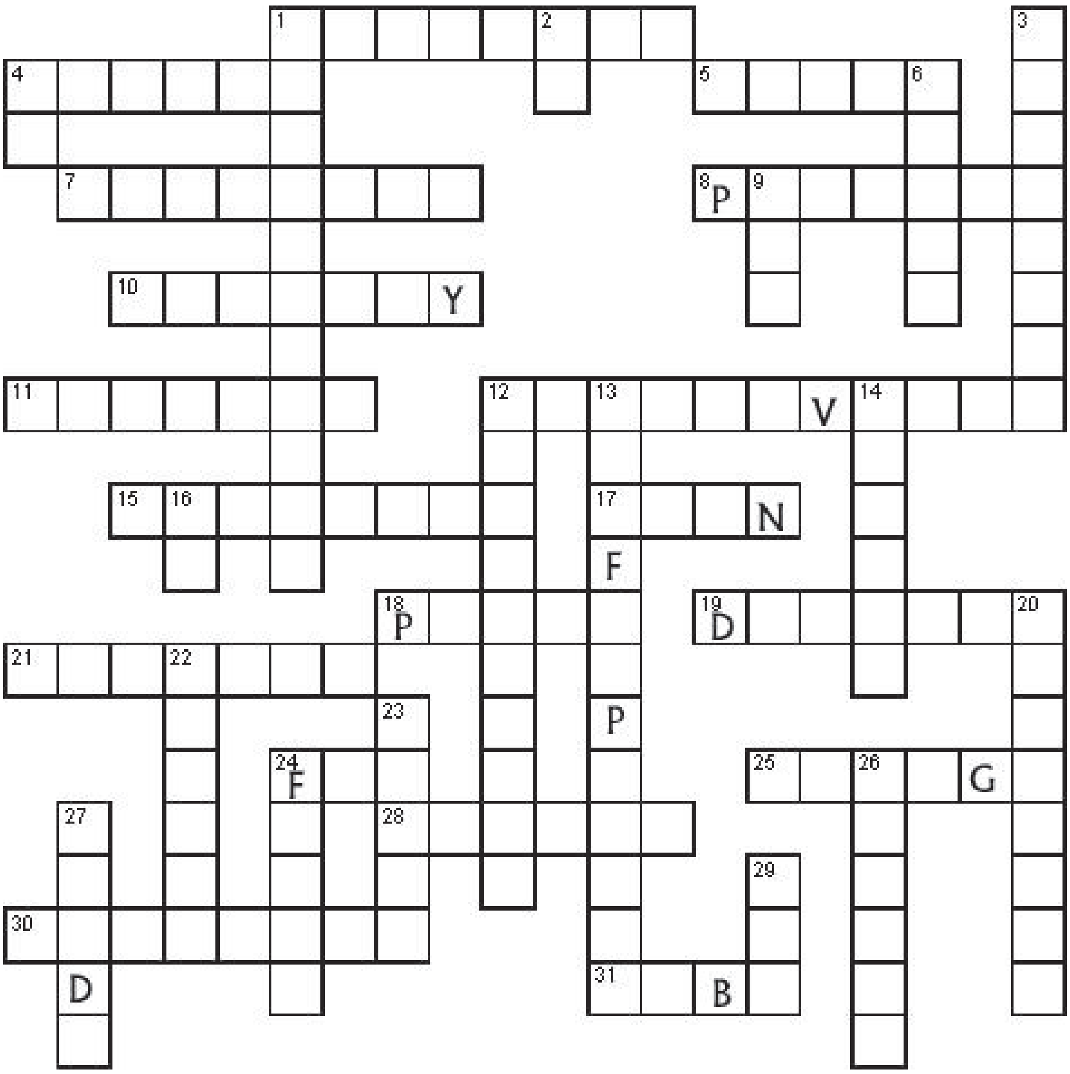
He commenced his Banking career with Sampath Bank and also served at Overseas Trust Bank, Colombo Branch and the Saudi British Bank prior to joining HSBC.

An all-rounder in the Banking Industry Mr. Seneviratne held key Senior Management positions during his association with the HSBC Group including several senior overseas postings covering Thailand, Bangladesh, & Saudi Arabia, and was responsible for Credit Growth, Strategy and Governance. Further he was a member of the country leadership team gaining extensive experience in Corporate Banking Retail Banking, Wealth Management, Credit Risk Management, Operations and Market Risk, Internal Control, Investment Banking & Finance.

Mr. Seneviratne is an alumni of the Postgraduate Institute of Management, University of Sri Jayewardenepura where he read for his Master's in Business Administration, He also obtained his Bachelor's Degree from the same university. He is a fellow of the Institute of Bankers of Sri Lanka, and a Postgraduate Diploma holder in computer systems design from NIBM. He successfully completed the High Potential Leadership Programme at the Harvard Business School, Boston USA in 2016.

The Challenge (open only to APB Members)

Banking and Finance Vocabulary Crossword



Send in your answers to APB secretariat on or before 31st August 2017 and stand a chance to win a valuable gift!

(Entries should indicate your APB Registration Number, and be sent to APB Secretariat, OPA Professional Centre, 2nd Floor, 275/75 Professor Stanley Wjesundera Mawatha, Colombo 07.)

Across

1 A bank account you use to pay everyday expenses. (8)
4 A bank employee. (6)
5 Income before you pay taxes. (5)
7 Take money out of the bank. (8)
8 Borrowed money that you pay back at a regular interval. (7)
10 Every month. (7)
11 Put money in the bank. (7)
12 Money borrowed on a credit card. (11)
15 An interest rate that changes with time. (8)
17 Money that you borrow. (4)
18 A bank's main interest rate. (5)
19 Not pay a loan. (7)
21 A bank account you use to save money. (7)
24 Money you pay to do something. (3)
25 Guarantee a loan for somebody else. (6)
28 The opposite of lend. (6)
30 A monthly fee on borrowed money. (8)
31 What you have if you borrow money. (4)

Down

1 The maximum you can borrow on your credit card. (11)
2 Keep your money __ the bank. (2)
3 A house loan. (8)
4 Go __ the bank. (2)
6 The opposite of save. (5)
9 A cash machine. (3)
12 VISA or MasterCard. (10)
13 You are your own boss. (12)
14 Yearly. (6)
16 Work __ a bank. (2)
20 Move money between bank accounts. (8)
22 Money that you earn. (6)
23 Money that you withdrew from your account. (5)
24 An interest rate that stays the same. (5)
26 Your monthly wage. (6)
27 Another word for money. (5)
29 Income after you pay taxes. (3)

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