

Board Credit Committee Report



Composition of the Committee

The Board Credit Committee (the BCC) consists of the following members whose profiles are given on pages 62 to 67.

Board members

- Mr K G D D Dheerasinghe* (Chairman)
- Prof A K W Jayawardane* (Director)
- Justice K Sripavan* (Director)
(Appointed w.e.f. March 28, 2019)
- Mr S Renganathan
(Managing Director/Chief Executive Officer)
- Mr S C U Manatunge
(Director/Chief Operating Officer)

Secretary to the Committee

Mr R A P Rajapaksha
(Company Secretary)

*Independent Non-Executive Director

Attendance at Meetings

Name	Eligible to attend/ Attended
Mr K G D D Dheerasinghe	12/12
Prof A K W Jayawardane	12/10
Justice K Sripavan	09/09
Mr S Renganathan	12/11
Mr S C U Manatunge	12/12

The Committee ensured that the lending portfolios were managed in line with the stipulated credit risk parameters set by the Board of Directors while achieving the Bank's lending targets.

Charter of the Committee

The Committee assists the Board of Directors in effectively fulfilling its responsibilities relating to the Credit Direction, Credit Policy and Lending Guidelines of the Bank in order to inculcate prudent lending standards and practices while ensuring that relevant regulations are complied with.

The Committee is empowered to:

- Review and consider changes proposed from time to time to the Credit Policy and the Lending Guidelines of the Bank.
- Analyse and review the credit risk control measures in the lending areas, the pricing of lending proposals that credit proposals are within relevant internal policies and regulatory frameworks.
- Evaluate, assess, and approve credit proposals which fall within the delegated authority.
- Evaluate and recommend sector exposures and cross border exposures.
- Monitor and evaluate special reports called for by the Board of Directors.
- Set lending directions based on the current economic climate and risk appetite of the Bank.

Activities in 2019

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.

In a challenging environment, the Committee set the Lending Directions of the Bank for a prudent management of credit growth, while aiming at improving asset quality.

The Committee approved credit proposals above a predetermined limit, recommended credit proposals and other credit reports intended for approval/perusal by the Board of Directors after careful scrutiny. These tasks were carried out by the Committee in line with the Bank's lending policies and credit risk appetite to ensure that the lending portfolios were managed in line with the stipulated credit risk parameters set by the Board of Directors while achieving the Bank's lending targets.

K G D D Dheerasinghe
Chairman
Board Credit Committee

Colombo
February 20, 2020