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NDB strikes partnership deals with DBS Singapore, plans others

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On the back of inking a memorandum of understanding with Singapore's DBS Bank for a strategic alliance, both the NDB Investment Bank and NDB Bank Group are scouting other such partnerships with similar giants in different regions, officials said.

"We are bullish on similar partnerships in other regions," Vajira Kulatilaka, CEO NDB Investment Banking Cluster told the Business Times on the sidelines of this week's launch.

The main objective of launching the NDB-DBS alliance now, according to him, is to capitalise on the significant increase in capital requirements that the country will need in the immediate future. "Sri Lanka having weathered a three decades-long war is now poised to reap the peace dividend and has already experienced the dawn of an era of rapid economic development. This new era of economic rejuvenation would naturally lead to a significant increase in capital requirements, in both debt and equity," he explained.

He added that while, in a slow growth scenario in the country, entities were able to fund the capital requirements through retained earnings and bank borrowings, such strategic alliances will help fuel the development phase providing access to a large network of investors and funds. "They are able to draw from the vast regional network and expertise of entities such as DBS bank."

He said the ongoing development initiatives specially infrastructure development projects and setting up of large scale projects will need capital and this partnership will help NDB to tap the distribution capabilities of DBS bank while meeting the capital requirement of its customers.

Amongst other benefits, he said that exposure to the best technology and training in the banking sector stands prominent. He also added that NDB will also be able to benchmark against a global player and learn implement industry best practices in order to provide the best service and products to our clients. "In short, this strategic alliance will help NDB Group enter a new phase in its growth and this alliance is indeed preparing for the future. NDB has recognised that there will be a need for global funds to propel the growth in the country and DBS foresees this need too," he explained, adding that with the backing from DBS, NDB is ready for more growth prospects.

Source: <http://www.sundaytimes.lk/110925/BusinessTimes/bt35.html>