

Sri Lanka NDB boosts investment banking with international tie up

Partners with DBS Singapore to expand operations using DBS network, facilitate large financing requirements

Sri Lanka's NDB Investments, the investment arm of the NDB Group inked a strategic partnership with Singapore based financial services group DBS Bank to expand its operations and to facilitate large financing requirements and local investors who seek investment opportunities in the region.

"Finance requirements of entities ranging from government, state owned enterprises and private sector have increased rapidly and is expected to increase further," said Vajira Kulatilake, chief executive of NDB Investment Bank Cluster.

"Few years ago we considered raising USD 10-20 million as a big deal. However it is no longer the case."

"IPOs are becoming larger in size so you may need dual listings or GDR issues. On our debt size our clients may need international bond issues and syndications."

Singapore based DBS started in 1968 as the Development Bank of Singapore but is now a financial services group with an international presence and boasts of a broad investor base.

Its network exceeds 200 branches across 15 markets including Singapore, India, Hong Kong, China and Taiwan.

NDB also started as a development banking unit but later acquired a commercial banking license and is offering a broad range of services.

"The strategic alliance is expected to enable Sri Lankan corporate to raise funds through the Asian markets," said Vajira Kulatilake, chief executive of NDB Investment Bank.

"The MOU will enable us to tap the distribution capabilities of DBS bank while meeting the capital requirements of our clients."

Project financing

NDB said with Sri Lanka's economic activity accelerating after the end of a three decade war the need for project financing will rise in volume and scale hence require facilitation of large funding.

"Right now the need for infrastructure development is becoming big. Also tourism with the need for new hotels and refurbishment of existing hotels....also power and telecom..." said Russell

"I think with the port development there are several big industries coming there like manufacturing. On top of that multinationals are looking at setting up agricultural projects. We also feel services within other industries," added Kulatilake.

NDB also operates in the Maldives and Bangladesh.

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