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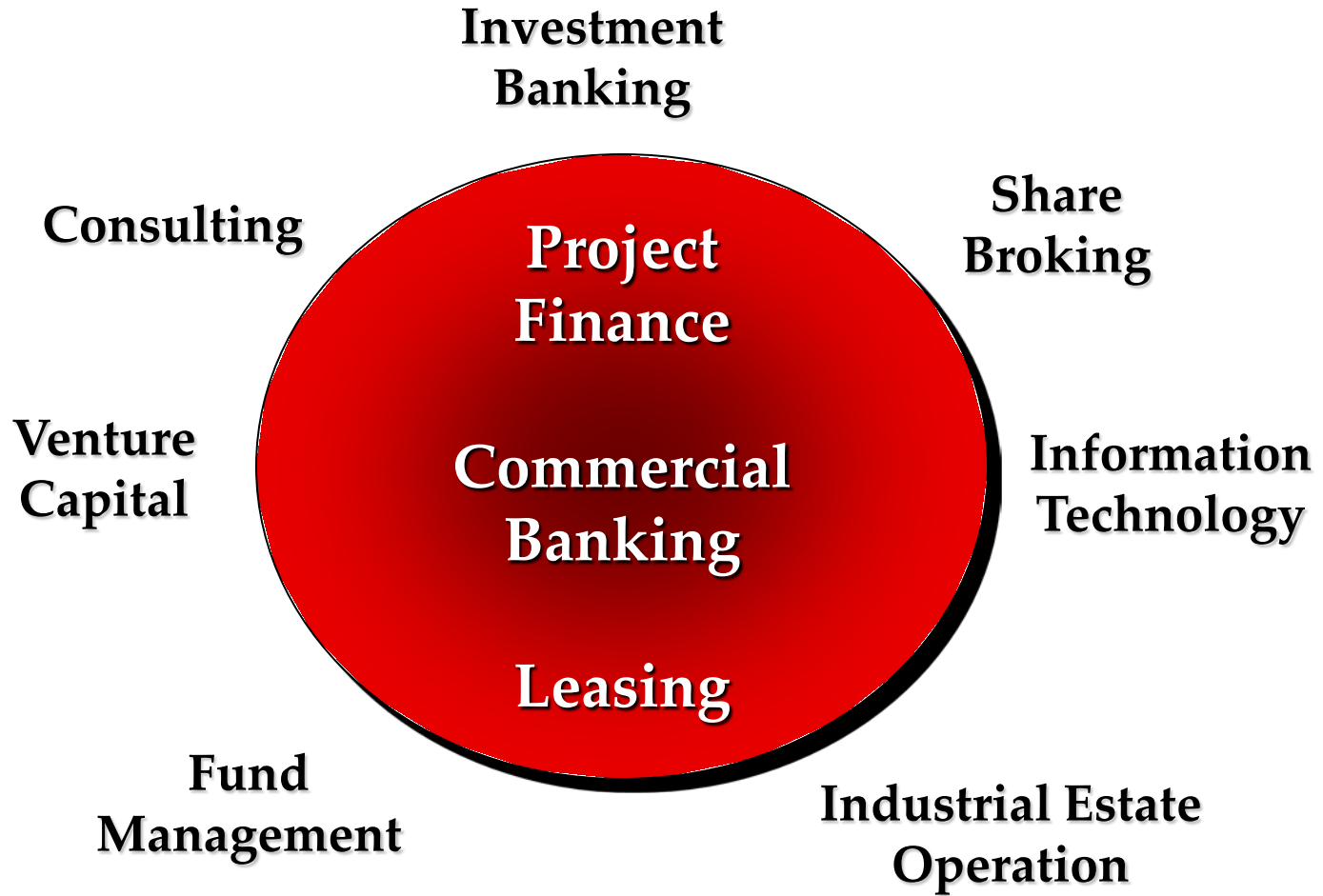
DFCC BANK

- Incorporated in 1956 by an Act of Parliament; second oldest indigenous bank in Sri Lanka; set up as a Development Bank and now a Diversified Financial Group
- Unique hybrid model where Government support and private ownership
- Business model - development and commercial banking arms

DFCC BANK (Con't)

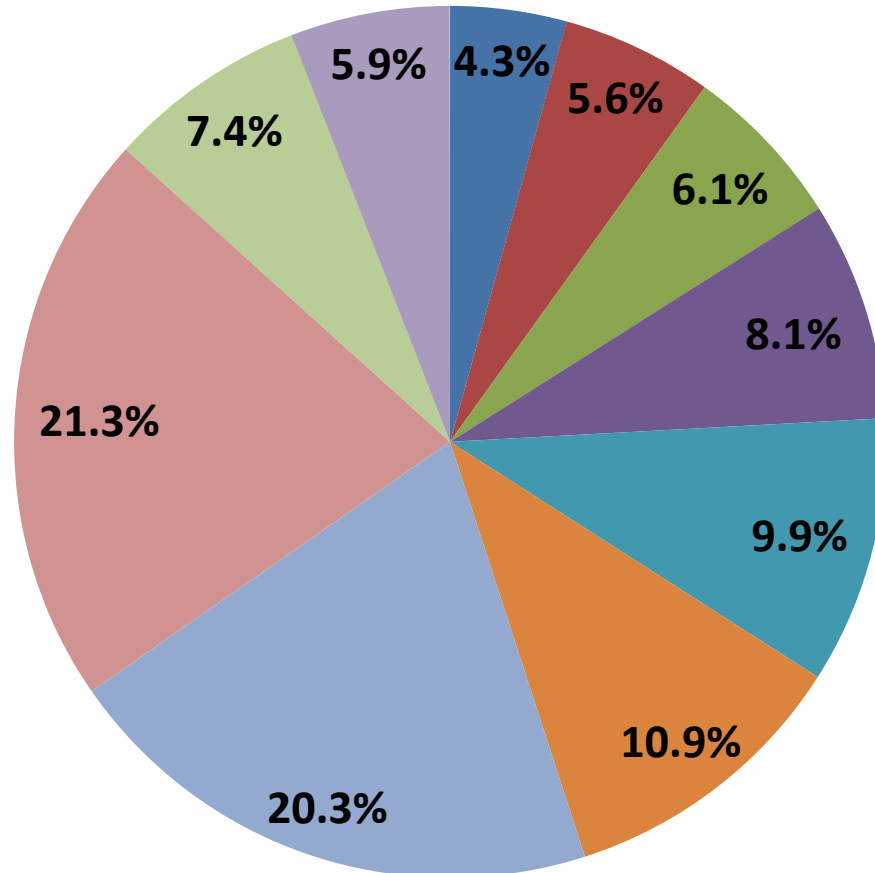
- Cited by World Bank as “one of few development finance institutions to have performed well”
- Merger of DFCC bank with its subsidiary commercial bank (OCT 2015)
- Now a fully fledged commercial bank but yet committed to developmental role.

DFCC GROUP BUSINESS



INDUSTRY SECTORS

- Community & Social Services
- Construction Industries
- Transport, Storage & Communication
- Food, Beverage & Tobacco
- Electricity, Gas & Water
- Hotels & Restaurants
- Trade
- Fin., Insu, Real Est, Business Services
- Other (Sectors 1,14,8)
- Other (Sectors 6,12,5,9,4,2,13,11,7,10)



ROLE OF BANKING SECTOR IN COMMERCIALIZATION OF INNOVATION

Funding

Other

FUNDING

- Difficult proposition at idea generation, conceptualization, R&D stage
- High risk seed capital/Risk capital is not within banks' risk appetite
- Possible for other high risk ventures
- Supporting through Technical Assistance Schemes attached to credit lines for SMEs (very low interest rates or some times as grants)
 - Exposure visit
 - Production of prototype

FUNDING (Con't)

- Participation of exhibitions with a view to promoting export market
- Improvement of R&D facilities
- Setting up of Laboratories
- Hiring consultants
- Supporting SME's to acquire new technology for special purposes (E-Friends I, II)
- Other general products needed for expansion

OTHERS

- Setting up of a Venture Capital subsidiary
 - Address seed capital issue to a grate extent
- Setting up of subsidiary for Consultancy
 - SMEs need constant support in certain areas
- Setting up of a Industrial Estates
- Setting up of a Special Project Lending Unit at Head Office

OTHERS (Con't)

- Build capacity to assist potential sectors which need Technology & Knowledge transfer
 - DFCC Bank assisted 1st grid connected private hydropower project in Sri Lanka (1MW)
 - World bank offered a special credit line “Energy Services Delivery Project”
 - Government appointed DFCC Bank as “Administrative Unit”
 - Helped technology and knowledge transfer

OTHERS (Con't)

- Capacity building among local SMEs
- Offer consultancy to other countries
- Setting up of hydropower projects in other countries
- Backward integration into “Manufacture of Turbines” with JV collaboration
- Act as partners in Knowledge Transfer Partnerships
- Help strengthen linkage between SMEs, Incubators, Universities, R&D Institutions, Advisory Services, Standard Institutions.

OTHERS (Con't)

- Educate SMEs on importance of R&D and innovation
- Provide assistance in preparation of Business Plan, MIS, Marketing Strategy
- Program with GIZ
 - (A) Identify potential clients
 - Carry out energy audit
 - Finance assistance
 - (B) Selection of SME's
 - Selection of Universities
 - Financial assistance

Thank you