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THE INSTITUTE OF  
**CHARTERED**  
PROFESSIONAL MANAGERS  
OF SRI LANKA

# CHARTERED MANAGER

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**SRI LANKA  
MUST DEVELOP  
AN ENTREPRENEURIAL  
CULTURE TO ACHIEVE  
SUSTAINABLE  
DEVELOPMENT**

*Kulathunga Rajapaksa*  
Group Chairman - DSI Samson Group



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## EDITOR'S PEN



As *Certified Manager* enters its Tenth year of Anniversary publication, there is a lot to look backward and forward to. Before looking ahead, however, I would like to offer a word of thanks to our readers, our contributors, and our editorial board for their support of the journal and its mission: to improve the quality of CPM vehicle and Professionalism. We achieved a good measure of success with our bi-annual issues and consistently high-quality content from outstanding contributors. Our review process turnaround time has averaged 3-4 weeks, and we continue to be selective, publishing 60-75% of the submissions based on our standards and guidelines.

What is there to look backward of past 10 years? We have exposed few milestone events and highlights of achievement over the past decade of our journey. Today, you all will hear the biggest achievement of CPM, i.e. the **Chartered** status along with re-launch of our new branding, 'Institute of Chartered Professional Managers'. In addition to the 10th year anniversary, CPM proudly launching the Entrepreneurship course to expand the scope of entrepreneurship and membership growth. So our thematic area of the Journal for this issue is 'Entrepreneurship' and articulates the feature interview article on 'Sri Lanka must develop an entrepreneurial culture to achieve suitable development' and two individual articles in two different angles, like Entrepreneurship model on Startups and Raising Capital and Role of Micro Financial Institutions for Rural entrepreneurship.

Over the next years, I wish to plan several new initiatives to make the journal more exciting and useful to our readers. First, I plan to introduce 'Management Watch', a new section consisting of a short series of brief reviews of 250 words or less that will summarize the most important recent articles in different areas of overall management and related commercial services from across the management literature. Second plan is to increase the scope of the Journal Committee by captivating the production of conference proceedings and manuscript publication. Third, look for a new twist on the article contributors that we will honor them by providing our products on a concessionary rate, especially our conference and the other events. Fourth, we plan to submit our application to the recognized platform for indexing; this is on a long term perspective.

In addition, our main focus will continue to be to publish the highest quality research articles on theoretical and practical angles, with a particular emphasis on quality, practicability, feasible systems/models, and outcomes research.

*Srinathamby Vijayapala*

Editor in Chief & Alt. Chairman of  
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## NOTICE BOARD

We have introduced two new pages for members to share their feelings; please effectively utilize it by sharing your thoughts.

### FEEDBACK PAGE

We encourage all members to share your valuable comments, suggestions and feedback for the articles published in this Volume.

### ACHIEVEMENT PAGE

CPM members are welcomed to share your most outstanding national and international level achievements, which we could publish in the *Certified Manager*. You are kindly requested to forward your achievements by email with the description of the achievement, evidence (means of verification), references/links and photo/s. Publication is subject to the Journal committee's approval and valid response will be shared if your entry is not qualified for publication. Kindly avoid sending your graduation or social achievements unless it's significant or a milestone contribution to the nation.

Please email it to

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**FROM THE PRESIDENT**

The Institute of Certified Professional Managers (CPM) are celebrating their 10th Anniversary and has played an important role in developing the Management Profession in Sri Lanka. We have now come of age and I am pleased to inform all members that we have taken on the new role to be designated "The Chartered Professional Managers of Sri Lanka" a significant milestone for CPM since its establishment in 2009.

With this new Chartered title the CPM Journal will now be termed the "Chartered Manager" and "The Chartered Professional Managers of Sri Lanka" elevated to provide professional management education and training, membership of three types Associates, Members and Fellows, continuing professional development, members bound by code of ethics and disciplinary code strengthening the management profession dedicated to serving the public interest and contributing to the development of a strong and effective economy. We have a duty to upgrade the managerial skills of both the private and public sector managers in Sri Lanka representing over 1.0 million managers in Government, Private Sector, industry, commerce, services and education and to build efficient, effective, value creating and profitable government and private sector organisations to take Sri Lanka to be a developed nation by 2030.

Along with this we will launch our new professional education programme on "Management and

Entrepreneurship" with a fully fledged syllabus with a practical bias and grading systems. These examinations lead to membership of the Institute for those younger professionals who aspire to be managers, entrepreneurs and business professionals. We are confident that these courses will be of great value to all. I must thank all those who have contributed for the successful launch of this professional education programme. We are confident that this programme will contribute to develop successful entrepreneurs a slogan used by many.

The "Chartered Manager" journal now has given opportunities to members, researchers, academics, professionals to contribute a varied range of articles for the benefit of members and the management profession. It is encouraging to note that more members have shown keen interest to contribute articles a spirit that we wish to nurture within CPM Sri Lanka. I also take this opportunity to pay a special word of thanks to the author of the lead article Mr. Kulathunga Rajapaksha, Group Chairman of DSI Samson Group and the other authors of articles, sponsors and all those who contributed to the success of the journal.

I sincerely express my gratitude to the Chairman and Members of the Journal Committee, Editorial Panel and Staff of CPM for their excellent and dedicated services provided with a "Can Do Pledge" an example for all others to follow.

*Prof. Lakshman R. Watawala*  
President

**FROM THE CHAIRMAN  
JOURNAL COMMITTEE**

It gives me great pleasure in bringing forth the second issue of "Chartered Manager" for this year. This issue too is enriched by the contributions from personalities who are eminent or knowledgeable in their respective fields.

We are making every effort to include in the Journal, worthwhile contributions from any of our members while also communicating important events and any relevant information to our members.

I wish to express my thanks to all contributors of articles and to all who contributed towards bringing out this edition and in no small measure to the advertisers who continue to patronize our Journal.

I also sincerely thank the members of the Journal Committee and Editorial Panel for their invaluable contribution. I am sure that information contained herein would help in strengthening the knowledge base of the members.

*H.M. Hennyake Bandara*  
Chairman



**ENTERPRISE  
RISK  
MANAGEMENT —  
PREPARING  
FOR THE  
UNTHINKABLE**

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**CHARTERED  
MANAGER**

THE INSTITUTE OF CHARTERED  
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JUNE 2019

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**STARTUPS AND RAISING CAPITAL: AN  
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# STARTUPS AND RAISING CAPITAL: AN INEVITABLE CHALLENGE — 4 FACTORS THAT EVERY ENTREPRENEUR NEEDS TO KEEP IN MIND!

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## Introduction

A start up can be defined as a new, innovative and growth oriented company or venture which is designed to search for a repeatable and scalable business model (Blank, 2010). If you ask any start up or entrepreneur to rank the key challenges they face on a regular basis, most often than not money and capital related issues will be one of the common answers. Capital and funding challenges for an enterprise can be related to either the access to capital, managing capital or raising new capital during various stages of its lifecycle. In fact through previous research across the globe, there is ample evidence to suggest that the lack of cash or capital is a key reason for startup or entrepreneurial failure (though it is not the sole reason). It can also be argued that startups sometime underestimate the amount of capital required for their enterprise due to poor planning. Inadequate capital than actually required, stifles the business due to its inability of achieving key milestones and hence resulting in failure. Inversely overestimating the capital required may raise concerns from investors on the competency of an entrepreneur to effectively plan and manage the enterprise. This may result in the lack of confidence, doubts surfacing on the overall business model and possibly raise questions relating to credibility. The objective of this article is help prospective startups and entrepreneurs understand the key factors that need to be kept in mind when making decisions relating to raising capital for their enterprises. The contents of this article should serve only for guidance purposes as opposed to a specific perspective, situation or a 'one size fits all' approach. The reason being each and every startup is different and hence their requirements will vary accordingly as well.

## Capital Decisions – 4 Key Factors

For any startup which is seeking capital, there are four main factors that need to be evaluated if they are to be successful in raising the required capital regardless of the value or quantum. The four factors are illustrated below

The first factor that needs to be evaluated is the '**Purpose**' for which capital is required. At this point decisions need to be made on whether the capital is required for startup expenses, startup assets or recurring expenses. For example, a technology startup may need capital to purchase a server or a high end personal computer to develop the desired software. Basically without this equipment the software or technology product cannot be developed. This is a startup asset and hence the purpose or motive to seek capital would be to purchase this asset which is critical for the enterprise.

The '**Stage of the Startup**' will also determine how much capital is required and what should be the overall positioning strategy with prospective investors based on their type and characteristics. For example a start up in the early growth stage may require Series 'A' funding in order to hire the key team players and enhance the product further. In this case the type and profile of investors that would be interested to support the enterprise are usually different in comparison to if the startup was at 'Seed' Stage. The amount of capital required will also differ between Series 'A' and 'Seed' Stage accordingly thereby; the profile of investors that can be approached will also definitely vary.

Once the purpose and the stage of the startup are clear, the next decision to be made revolves around what are the types i.e. '**Sources of Finance**' which are available to raise capital. Assuming private sources or typical bootstrapping is no longer possible





the sources available could include Private Equity, Venture Capital, Accelerator Programs, Bank Debt, initial Public offerings (IPO), Government Support Programs (e.g. Enterprise Sri Lanka initiative) and Impact Funds to name a few.

Finally once the sources are clear, the startup needs to make a decision on their **'Preferred Option (s)/Structure'**. In other words key decisions need to be made on whether the capital (based on the options available) is going to be purely equity, debt or a combination of both. Decisions also need to be made if the preference is for an active investor or a passive investor provided that the option selected is to go via the equity route to raising capital. This decision would be influenced by what the prospective investor can bring to the table in addition to capital i.e. access to market, networks, strong supplier relationships, technological knowledge etc. In case of debt, a startup or entrepreneur should ideally seek a cheaper option than commercial borrowing based on various pre-agreed KPI's and milestones. Otherwise it would defeat the objective and cause more challenges to the enterprise due to higher costs involved. Hence, effective negotiation and finance skills become critical for discussions revolving debt capital.

## The Purpose for Capital – Why and for What?

There are 3 main purposes for which capital is required for any startup. As exemplified earlier it includes Startup Expenses, Startup Assets & Recurring Costs. Startup expenses are typically one-time expenses that occur at commencement of the enterprise and before the selling of its first product or service to customers. Startup Assets are tangible and intangible things that an enterprise would need to own in order to conduct operations and run the business. Recurring costs on the other hand are a hard estimate of the cash that you need to reserve in order to keep the enterprise functional and going before sales grow to a level it can support the cash flows to be positive (and stop the cash burn). Illustrated below are some examples of typical expenses, assets and recurring costs of a startup which requires capital.

## The Stage of the Startup and Capital Requirements

Let's take two Sri Lankan examples to explain this aspect. One is a startup social enterprise and the other is a technology based startup. Aayu is a social enterprise that provides healthy food and meal options without artificial ingredients or flavours and makes it available to consumers in a convenient manner. PickMe on the other hand is the local equivalent of Uber and a technology platform that has disrupted the passenger transport segment in the country.



Aayu is currently in the seed stage of the startup cycle. The founder originally started off the concept with the support of his family and using personal savings. Having bootstrapped for a period of 1-2 years, the company identified that they need more capital to move to the next level of growth. At this stage Aayu applied for the 'Ath Pavura' Social Enterprise Program which is an Impact Investment driven Reality Television program and pitched its business plan to prospective investors. The Impact Investors who were impressed with the business model and future prospects of Aayu decided to invest Rs 2 million as 'Seed Capital' in exchange of equity. Aayu has used this 'Seed Capital' to improve on marketing, strengthen the supply chain and introduce a mobile food truck to be strategically located at Marine Drive in Colombo to attract the office and school going customers especially for breakfast. Aayu has plans underway to include more of such mobile food trucks across popular locations in the medium term.

| Startup Expenses                            | Startup Assets         | Recurring Costs    |
|---|------------------------|--------------------|
| Legal expenses                              | Starting inventory     | Monthly rent       |
| Logo design                                 | Cash in the bank       | Utilities          |
| Company incorporation costs                 | Other current assets   | Payroll            |
| Website design                              | Furniture & fittings   | Inventory          |
| Payroll                                     | Leasehold improvements | Marketing          |
| Accounting costs                            | Plant & equipment      | Telecom & Internet |
| Rent security deposits and advance payments | Land                   | Outsourcing fees   |
| Initial computers and office equipment      | Other assets           | Other costs        |
| Training costs                              |                        |                    |
| Pre-opening marketing                       |                        |                    |
| Office Supplies                             |                        |                    |
| Consultant & Professional Fees              |                        |                    |
| Miscellaneous                               |                        |                    |



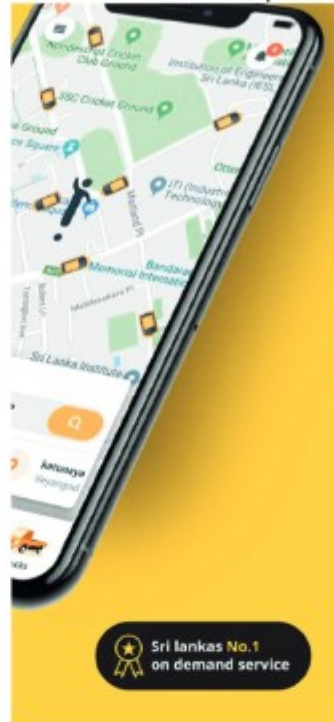
**PickMe**  
Food



Travel, Eat,  
Transport & more!



**PickMe**  
Transport



**PickMe**  
Travel



On the other hand PickMe is an early growth stage start up. Having obtained "Series A" funding some time ago they have successfully raised another round of capital from the International Finance Corporation (IFC) who has invested approximately US\$ 3 million in the company. As per IFC "their main objective investing in PickMe is to support expansion of the service across the country and enable the company to further provide customers with a method of transportation that is convenient, reliable, affordable and more importantly, readily available" (De Andrado, 2018). At this stage the main focus of PickMe is to acquire more customers, drivers and partners. Their capital requirement was primarily to improve the technology infrastructure, recruit more talent and also introduce new services such as PickMe Food and PickMe

Trucks which are game changing innovations and services from the local market perspective.

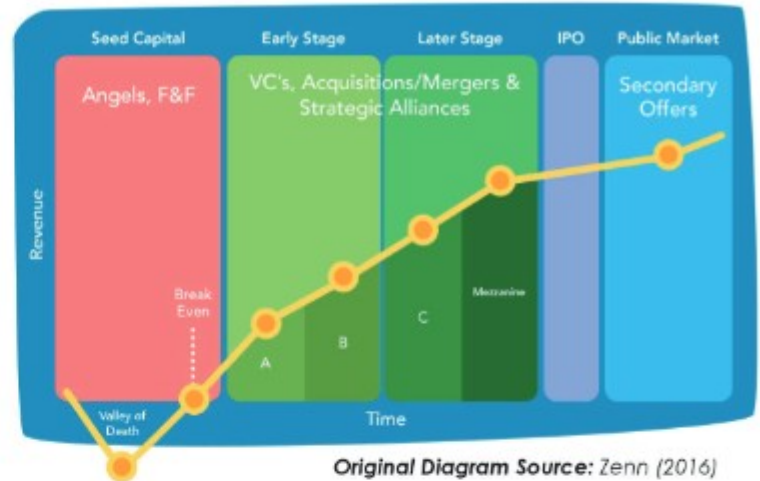
Given below in the diagram are two further examples from Sri Lanka. "Cricrush is a digital gaming platform based on the sport of cricket. Users can assemble a virtual team made of their favourite real-life players. Real world outcomes of cricket matches translate into points for the virtual teams. These teams are ranked and compared against the teams of their peers in the game" (Howson, 2018). The company raised Rs 20 million in seed capital through Angel Investors both in the US and Sri Lanka. Similarly Jendo was founded in Sri Lanka and is a preventive healthcare solution, developed with the focus of eradicating cardiovascular



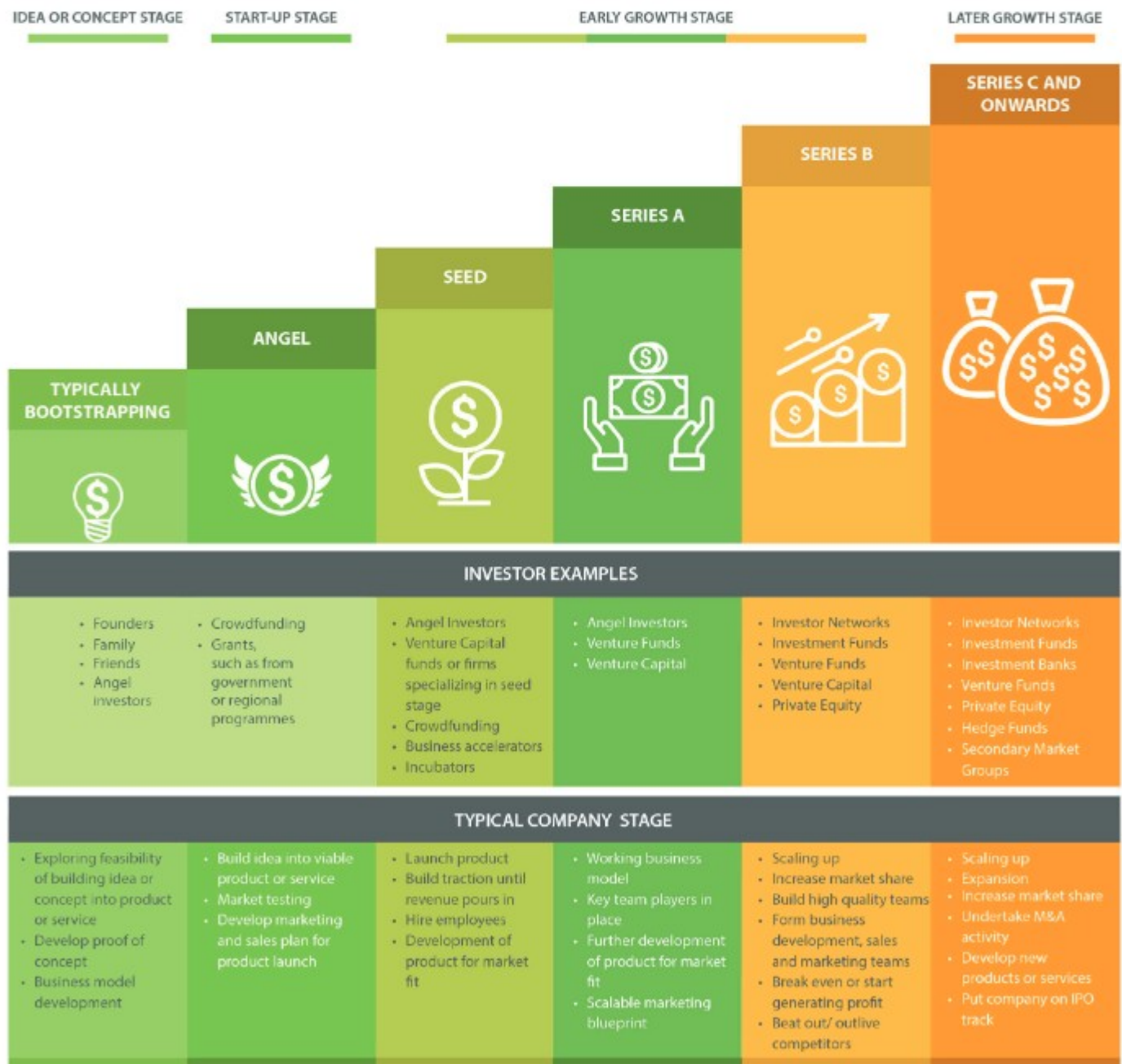


problems of the middle-aged population. It is a highly scalable non-invasive system that can identify abnormalities in the cardiovascular system and predict the risk of disease (Jendo Innovations, 2019). The solution provides the best lifestyle advice to customers to keep them healthy and safe. The company claims to have more than 130 clients and have won numerous accolades at startup events. Since the company is in high growth stage it is uniquely placed to attract capital from various sources.

Exemplified below are the type of investor examples and typical stage/activities of a company at each start up stage



Original Diagram Source: Zenn (2016)



Infographic Source: [www.salaamgateway.com](http://www.salaamgateway.com)

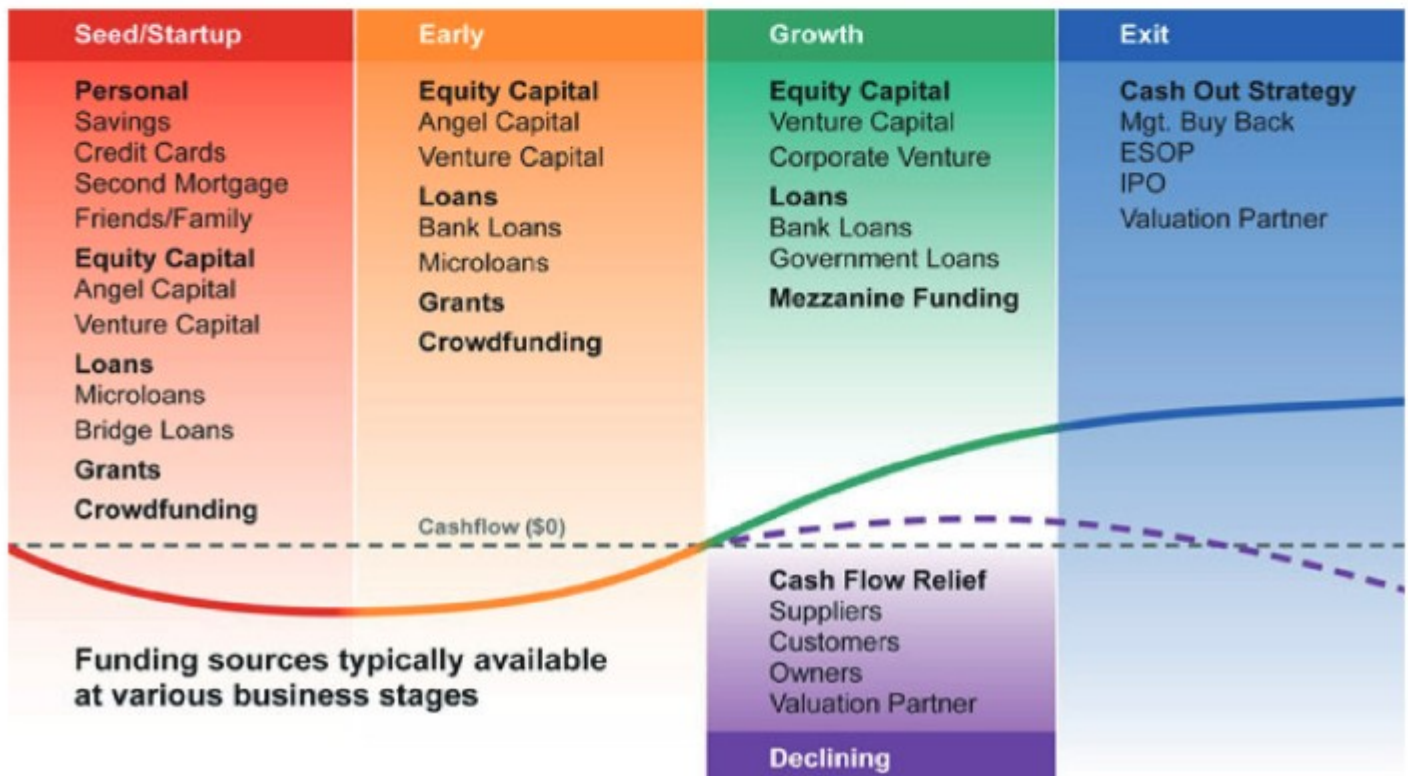


## Sources of Capital (Finance) available for a Startup

There are two sources of capital for any start up i.e. Internal Sources & External Sources. Exemplified below are the various sources which are common and popular both locally and internationally.

| External                                 | Internal                     |
|--|------------------------------|
| <b>Private</b>                           | <b>Personal</b>              |
| Private Lending or Equity                | Bootstrapping (Self-funded)  |
| Angel Investors                          | Savings                      |
| Seed Funding Firms                       | Customer/Supplier Financing  |
| Venture Capital Firms                    | Secondary Mortgages          |
| Business Incubators                      | <b>Friends &amp; Family</b>  |
| Crowd Funding                            | Patient or Support Capital   |
| Kick Starter Programs                    | Interest free (or low) loans |
| Startup Contests (Prize Money)           |                              |
| Impact Investment Funds                  |                              |
| <b>Commercial</b>                        |                              |
| Bank Loans                               |                              |
| Financing facilities (NBFIs)             |                              |
| Corporate Venture Capital                |                              |
| <b>Public</b>                            |                              |
| Initial Public Offerings (IPO)           |                              |
| <b>Government</b>                        |                              |
| State & National Level Programs          |                              |
| Economic/Enterprise Development Programs |                              |

Once the sources of finance or capital are clear, it is important to understand the various options available at the different stages of the business. Finance New Mexico (2019) illustrates this in the following simple and easy to understand infographic.



In order to understand this aspect let's take the example of Sena Eco Footwear which was founded by an entrepreneur named Mahinda Edirisuriya.



Sena Eco is a social enterprise in Sri Lanka that produces a range of footwear using eco-friendly recycled material and Ayurveda concepts (for medicinal slippers). Having initially used internal sources of capital, the company then needed to decide on how to raise capital when moving from the seed stage to early growth stage. Having considered all the options available the company decided to raise capital from Impact Investors who were more focused on the impact created by the social enterprise as opposed to mere profits. The capital infusion also came in the form of equity thereby minimizing the risk involved for the company. It was very clear for Sena Eco that the Impact Investors would bring in a vast amount of knowledge, networks and relationships to support the business in addition to capital which was timely, important and valuable for the enterprise to reach their true potential.

## Preferred Option(s) & Structure - What is the best for your Startup?

Once the purpose for the capital, stage of the startup and the sources of capital are understood the next critical decision is to identify what would be the preferred option or capital structure for the startup. In other words it needs to decide whether it should raise capital via debt, equity or a combination of debt-equity (or an alternative like convertible debt). Debt means borrowing and hence you should pay interest over a fixed period of time at a pre-determined rate of interest. Equity financing is where capital is obtained in return of ownership (shares) of the company. There are no fixed installments like debt but a percentage of profit needs to be paid at the end of each year. It should be noted that both debt and equity has its pros and cons. Therefore, as a startup or entrepreneur you need to weigh them up and see what is best for your business.

Hecht (2016) was of the view that the following 5 questions can help entrepreneurs and startups determine what is the best option or structure for them i.e. debt vs equity financing.

1. How soon do you need financing?
2. How much capital do you need?
3. Are you looking for more than just money?
4. Do you mind sharing your business?
5. How big do you want to get?

Exemplified below are some guiding principles that startups can use to determine the best outcome or structure based on the five questions pointed out by Hecht.

| Key Area                      | Debt   | Equity  |
|-------------------------------|--|---|
| Urgency of Raising Money      | Raising debt is faster than equity   | Due to various processes involved this is a slower option   |
| The quantum/amount of capital | Debt is usually a better option for smaller capital requirements   | Equity provides the benefit of raising large amounts of capital with the possibility of extending multiple rounds   |
| Is money the sole requirement | Debt is transactional. It is just money and nothing else   | Equity allows the opportunity to leverage on the knowledge, contacts, expertise and relationships of investors that cannot be measured purely by money  |
| Ownership & control           | The entrepreneur retains 100% ownership and control. So if you prefer total ownership this is the best option            | You will lose some ownership and control. If you don't find the correct (likeminded) investors it can result in problems and regular clashes of opinions  |
| Future growth plans           | Debt providers are not so concern on the future growth as long as they can recover their money and the risk is minimized | Equity investors prefer higher growth potential to boost valuations. They like entrepreneurs who want to make it big. If you have similar sentiments as an entrepreneur then equity will be the better option |



## Conclusion

There is no doubt that raising capital is one of the key challenges that any startup or entrepreneur needs to face and manage if they are to be successful and achieve its objectives in the long run. The aim of this article was to exemplify four key factors that startups need to keep in mind when making decisions related to raising capital. It is important to note that irrespective of the sources of capital or the structure (debt vs equity) a startup or entrepreneur needs to be clear and confident with its business model and the ability to meet the key milestones of the enterprise. It is only when a startup can clearly justify their ability to deliver the plan, that investors or commercial lenders would be comfortable to infuse capital. The inability to manage the business once you receive the capital (with the greatest difficulty) is more of a failure than being unsuccessful at raising capital. The author is of the view that if a startup has a scalable business model and proven customer validation of its product or service, then there is a greater chance of raising capital. Compared with a decade ago, there are many opportunities to raise capital for a venture in Sri Lanka. The startup ecosystem is also shaping up well which is very encouraging. So if you have an idea to build a startup, now is the best time. You should not let the lack of capital deter your entrepreneurial aspirations because if the proposed product or service can address a gap in the market and solve a problem, finding an investor for your enterprise is now possible than ever before.

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# ENTERPRISE RISK MANAGEMENT — PREPARING FOR THE UNTHINKABLE

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**T**oday's business environment is full of chaos and uncertainty. In retrospect, most impactful events in the past have occurred with little or no prior indication. The infamous 9/11 attack (2001), boxing day Tsunami (2004), financial crisis (2008) or the Deepwater Horizon oil spill (2010) confirms that the unthinkable is possible.

Global Risks Report (World Economic Forum, 2019) discusses the increasing volatility, uncertainty and ambiguity of the world and risks that would take the forefront in a global landscape. It could be an act of God, a man-made disaster, geo political or geo economic tension, acts of terrorism or any kind of business interruption that has the ability to stall the normal course of operations. What is important is how one responds to such a situation in order to remain resilient, and how one embraces risk management to be a driver for value creation.

Risk is generally defined as 'the effect of uncertainty on objectives' and has always been perceived with a negative connotation, i.e; danger, hazard, loss. Our understanding of the nature of risk, the art and science of choice, lies at the core of our modern economy. Every choice we make in the pursuit of objectives has its risks. From day-to-day operational decisions to the fundamental trade-offs in the boardroom, dealing with risk in these choices is a crucial part of decision-making.

It is commonly understood that risks and rewards have a positive correlation where greater risks are compensated with greater returns. Taking risks beyond the capacity of an organisation does not guarantee superior rewards; but understanding the 'sweet spot' of optimal risk-taking warrants long term success of an enterprise. Today, risks are not perceived negatively. Businesses and individuals are encouraged to take calculated risks even when it comes to opportunities.

According to the Global Risk Management Survey: Eleventh Edition – Reimagining risk management to mitigate looming economic dangers and nonfinancial risks (Deloitte, 2019), businesses today confront a series of substantial impending risks that will require risk managers to rethink traditional risk management approaches. Tensions over tariffs between the United States and China, lack of a final Brexit agreement, China's increasing debt levels and growth of digital technologies are areas that stimulate a risk manager to foresee and respond to. Risk management should not be something an organisation should look in to when it hits a roadblock, rather something that is inbuilt in its DNA as a proactive exercise.

## Enterprise Risk Management (ERM) 101

Risk management has been practiced for over thousands of years. Even though initial signs backtrack to the gaming days of 1600s, the burgeoning enterprise came in to play soon after World War II. Insurance was heavily sought out to manage financial losses, which was later extended to mitigating uninsured risks and loss prevention in general. The role of a treasurer became prominent

with the growing need to manage financial risks that was an imperative to ensure profitability of financial institutions. These were mostly mandated by many rules, regulations and compliance requirements. Around the same time, Occupational Health & Safety (OHS) was brought in to the risk management realm as workplace hazards were mounting in the oil & gas industry.

The traditional risk management process was fragmented with a silo mentality and was mostly focused only on protecting enterprise value. Risks were viewed as negative and the risk response was mostly reactive.

However, the premise of Enterprise Risk Management (ERM) is that risks and opportunities are viewed holistically with an intention of enhancing enterprise value while protecting it. The Commission of Sponsoring Organisations of the Treadway Commission (COSO) defines ERM as a process designed to:

- Identify potential events that may affect an organisation
- Manage risk to be within the organisation's risk appetite
- Provide reasonable assurance regarding the achievement of the organisation's objectives.

It is an approach of looking at strategic, financial, operational, regulatory, reputation, cyber and market risks as an aggregate to see how the net exposure can be managed at an entity level.

The tangible benefits of having a holistic approach to risk management is that it will reduce the cost that would otherwise be duplicated by managing risks in silos, improve business performance by minimising sudden operational losses and guarantee a sustainable competitive advantage in the long run. There will be focused attention on emerging risks in the business environment with a forward view on risks as opposed to a rear view.

When implementing an ERM programme, there is no "one size fits all" solution — how an organisation manages risk should align with, and support, its strategy, business model, business practices, risk appetite and tolerance levels. Risk management standards such as ISO 31000, COSO ERM Integrated Framework, Sarbanes-Oxley Act of 2002, Institute of Risk Management and Criteria of Control outline the basic guidelines on how an effective risk framework can be implemented. Whichever standard is followed, the ultimate contributory factors that are listed below will ensure the success of your ERM programme:

- **Risk Governance** – The systematic decision-making process that sets the tone on top for the management to drive the ERM agenda. This includes the establishment of a Risk Committee, risk policy, risk reporting, risk appetite statement and tolerance levels for each key risk.
- **Risk Management process** – The coordinated set of activities that shall be followed to manage risks which include:
  - Identification of risks
  - Ranking or evaluation of risks
  - Responding to significant risks (avoid, reduce, transfer, accept)





- Resourcing controls
- Reaction planning
- Reporting and monitoring risk performance
- Reviewing the risk management framework

- **Risk Culture** – the system of values that shapes the risk decisions of the management and employees.
- **Risk Expertise** – consists of the resources, skills and capabilities of the team that is facilitating the risk agenda of the organisation.

Managing enterprise risk in a consistent, efficient, sustainable manner has become a critical boardroom priority as Chief Executive Officers and other members of the senior leadership team face unprecedented levels of business complexity and increasing shareholder demands. The heightened corporate interest in ERM stems from the scrutiny of regulators, knowledgeable investors, and the escalation of corporate governance requirements. Irrespective of these drivers for implementing a programme, Enterprise Risk Management has come to the limelight and is here to stay.

## ERM - Measuring effectiveness

This is a deceptively simple question for which there is no simple

answer. There are so many forces in place that can result in the success or failure of an organisation – and how much of it can be attributed to the effectiveness of the ERM programme is quite elusive. ERM will not guarantee the success of a business but will provide better information to managers and a more robust process for them to deploy.

Having sound risk management practices do not guarantee that companies will not fail. 'Preparing for the worst' no longer means being ready for fire, flood or union action. Interestingly, the upside is, businesses that invest in risk management will be less affected as opposed to one that is a novice at managing risks.

The aftermath of Easter Sunday attack left people and organisations vulnerable because the probability of such an incident was considered quite remote. It left most wondering how crisis-ready we are. The demand for terrorist covers increased overnight and organisations had no choice but to relook at their costs of business interruptions and risk management efforts.

ERM is a journey that has evolved from a purely compliance perspective to a process of value creation. The risk awareness and accountability of management and employees is a key indicator of the success of the ERM programme. If the risks of a strategy, project or a decision is openly discussed in the Board room and at management forums with continuous communication and feedback, then the programme is deemed to be quite effective.



## ERM – If it is so good, why isn't everyone doing it?

ERM maybe promoted heavily in the recent years but examples of successful ERM implementations – sustained over time and across all business functions are indefinable. Companies such as General Motors, Toyota, LafargeHolcim and Akzo Nobel who successfully implemented a comprehensive ERM agenda are some of the exceptions.

Many organisations find it difficult to create a solid business case for ERM mostly because of the difficulty in quantifying the full range of benefits and make a compelling case for adding value. A generic value proposition is not sufficient to drive senior management decisions to invest in ERM infrastructure. It must be supplemented with a more granular articulation made possible by an enterprise risk assessment and a gap analysis around the entity's existing capabilities for managing priority risks. The greater the gap between the current state and the desired future state of the risk management capabilities, the greater the need for ERM infrastructure to facilitate the advancement of them.

In fact, there is a grave danger now of believing that there is only one way of doing ERM. This is a mistake by regulators who have too eagerly seized some of these concepts and are trying to impose them when the methods are not fully understood, and in such cases the requirements are unlikely to produce the desired results.

The length of time required to implement ERM varies, and it is a growth process in which organisations integrate risk management with strategy setting. The issue lies in the fact that the Board and the Senior Management may not be patient till the results are derived and that could serve as a bottleneck to drive the ERM strategy. If there are significant change management issues to address, implementation may delay.

Implementing ERM is not rocket science. It is a means to an end, not an end in itself. The good news is that most organisations shall have most of the elements that constitute a risk intelligent organisation. What would be required is, an organised process to establish a robust risk framework that can drive risk management objectives.

Following steps can be undertaken to establish an ERM framework;

- Identify and understand the organisation's priority risks – you should not try to manage all risks but the most critical ones at a time.
- Define the current status of organisation's risk management capabilities.
- Understand and define the desired future state of organisation's risk management capabilities.
- Analyse the gap to articulate the overall effort in terms of resources, skills and effort.
- Develop a realistic timeline for changes and improvements.

In the modern business world, risk management is a necessary evil. As Gary Cohn, during his time as President of Goldman Sachs Group Inc. said 'if you don't invest in risk management, it doesn't matter what business you are in, you are in a risky business'.

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# NEW CHALLENGES & OPPORTUNITIES IN THE BANKING SECTOR

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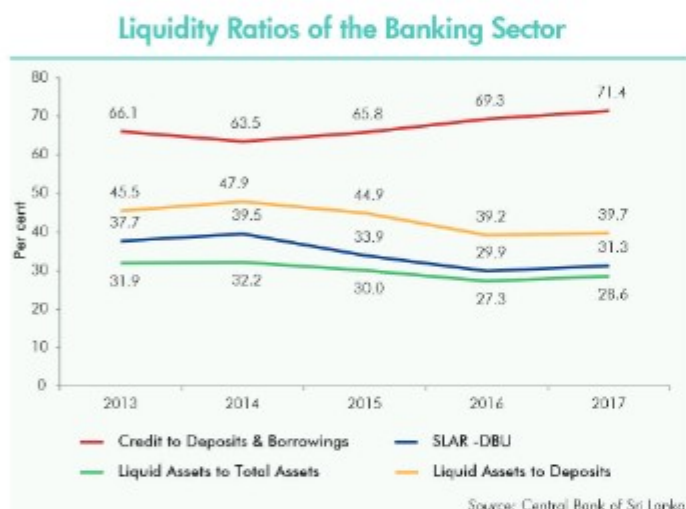
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## Current Status

This article is written in the context of Sri Lanka Banking Sector. Honeymoon period of the Banking sector is over as depicted in the below figure 8.5 an extract of the Central Bank Annual Report. Given 4 indicators are directing towards more stress to CEOs and the Board of Directors of Banks. Let us take a look at what these ratios are:



- **Credit to Deposits and Borrowings** – Interest on Credits is the bread and butter of Banking, but when this ratio is higher, that bank will become a price taker, narrowing the Net Interest Income. Because that Bank will become illiquid and vulnerable for contractions in the national savings level.
- **Liquid Assets to Deposits** – This will give a comfort for investors that in the event of a large withdrawal or run on the Bank, Bank can convert these assets to cash and meet the depositors' demand. But as you see the ratio has declined over the last 5 years by 12%.
- **Liquid Assets to Total Assets** – Similarly to the above the ability to convert assets to cash. This ratio came down from 32.2% to 25.7% over the last 5 years. Trajectory is downwards.
- **SLAR (DBU)** – This was a crime, Banks instead of lending, they had been earning a margin by investing in Treasury Bills and Bonds. Central Bank Statutory Liquid Asset Ratio (SLAR) minimum requirement has been 20% but the year 2014 it was 39.5% come down to 27.6% in 2018.

Needless to say the run to build up the Tier I and Tier II capital by all Banks alike. Above ratios are given in aggregate to the industry. Hence, there are individual banks which are already under stress and unable to expand their balance sheet. These

constraints will eventually force banks to merge by looking at a strategic partner who has the much needed constraint resources than the other or to make a much stronger entity. Further directives by the central bank to have caps on deposit and lending rates will bring many challenges to all banks alike to meet the shareholder expectation of a decent Return on Equity.

To make matters worse with the introduction of SLFRS9, there is no major difference in investment placed for trading and held to maturity buckets. Trading portfolios always get revalued on marked to market basis, but the portfolio of investments by Banks that used to held to maturity had only an impairment provision back then. But now the held to maturity portfolios also will be recognized for its gains or losses periodically and recognized in the Profit and Loss Statement. However, this brings about the actual position of the Statement of Financial Position.

Central Bank will have to critically look at the SLAR of 20% whilst the Banks and deposit taking Institutes are contributing towards the "Depositors' Insurance Scheme" introduced by the Central Bank. This has been a good initiative to safe guard the depositors of Banks, hence due to liquidity constraints in future, Central Bank will have a tendency to loosen the SLAR of 20% right across the industry. Instead will have different ratios based on the Balance Sheet or the stability or too big to fail concept.

## Increased Unpredictability in the money market

As the circular economy, money multiplier had been gradually increasing over the years due to higher economic activities and the money exchanging hands at a higher pace. Above table 4.11 M2 has increased from 6.04 times to 6.69 times and trajectory is on the rise. This poses a threat of funds being multiplied, switched between entities or type of instruments at far greater pace. Also the domino effect will be far greater. Hence, a bank who makes clear decisions based on researched data and data analytics will outperform the rest of the competitors. This bring to the importance of having a fully-fledged research unit who will predict the future with certain degree of certainty in order for decision makers to take positions accordingly. Foreign banks are leaders in this game due to their exposure to multiple economies, capturing the learnings of the past and business models. I am yet to see this in Sri Lanka apart from one large private bank in Sri Lanka, who had outperformed the Banking sector out of the local private banks.

## Technology Revolution

This brings to a greater challenge of maintaining cost to income ratio. Expenses/costs in financial intermediation are on the increase continuously, hence automation is a buzz word and make or break scenario. Further challenged by Fintech firms who provides similar services at a fraction of operational cost.



Opportunity for Banks is to join the Band wagon and have their own Fintech firm and keep challenging the products and service offers continuously. However, with the automation, if we do not see any staff layoffs or re allocation of resources, then the investment has failed. Sometimes ICT projects are a burden than a cost saver or income generator, since the IT infrastructure, licensing and the human resources are very costly. Hence, precise KPIs must be identified and measured continuously to justify the investments in IT solutions. If not, the solution will be a nice to have feature or to complete the product offer.

Good old days, cannibalizing the market share of a Bank by introducing another product is unheard of. But now, if one do not cannibalize its own market share and give what the customer wants, someone else will take away the clients with the need of the hour solution. This brings to the debate of continuous innovation for Banks. Crypto Currency evolution is one such threat, where the digital currency will substitute the fiat currency which is not asset backed. It is the credibility, acceptability and trust that the Crypto Currency has to meet as well as the convenience of transacting with clear reconciliation and audit trail. The moment the authorities recognized a digital currency instead of a fiat currency a virtual bank is not a dream anymore.

Opportunity for banks to embrace Artificial Intelligence is imperative. With the integration of different government departments (Police, Registrar of Persons, RMV, etc..) or private businesses to a single platform will revolutionize the way in which banking

is done. Imagine that the social security number allocated to a person has his/her credit ratings, educational, professional background, criminal records, KYC confirmed, employment or income details, dependencies, the an AI solution will disburse a loan to a client without having to step into a bank at all. From a private business ( depends on the different formation) point of view if the registrar of companies, customs, EPF, IRD and similar entities are captured into a single platform, doing banking on their own and having credit approved by themselves is not an issue at all. What will happen to the large number of employees of Banks then, the obvious?

Failure of AI also must be recognized and have alternative solutions to address the marginalized or dissatisfied customers, because the rule based automation and reasoning is good so long as the algorithms have covered every possible scenarios. But that is impossible to achieve, hence different scenario based solutions must be available quantitative as well as qualitative with different mix of the two. Then the user must be educated which one to use.

Internet of things (IOT) can be used for marketing and promotional activities extensively with the use of AI, but for decision making needs due care since IOT is artificial reality. Profiles can be exaggerated, manipulated and untrustworthy.

Sometimes, future of banking will be mostly BtoB, since the IT platforms will perform the tedious task of going the last mile of

## Reserve Money, Money Multiplier and Velocity - Monthly

| End of the Year | Reserve Money (Rs. Million) |                                       |                                   |             | Money Multiplier |                |                 | Velocity of Money |                 |
|-----------------|-----------------------------|---------------------------------------|-----------------------------------|-------------|------------------|----------------|-----------------|-------------------|-----------------|
|                 | Currency Issues of the CBSL | Government Agencies Deposit with CBSL | Commercial Bank Deposit with CBSL | Total       | M <sub>1</sub>   | M <sub>2</sub> | M <sub>2b</sub> | M <sub>2</sub>    | M <sub>2b</sub> |
| 2017 Jan        | 534,482.9                   | 17.1                                  | 293,969.1                         | 828,469.1   | 0.90             | 5.87           | 6.59            |                   |                 |
| Feb             | 545,794.9                   | 17.2                                  | 301,816.1                         | 847,628.2   | 0.88             | 5.84           | 6.55            |                   |                 |
| Mar             | 584,069.8                   | 17.3                                  | 308,076.6                         | 892,163.7   | 0.88             | 5.71           | 6.36            |                   |                 |
| Apr             | 580,066.2                   | 16.1                                  | 305,477.4                         | 885,559.7   | 0.86             | 5.81           | 6.47            |                   |                 |
| May             | 560,572.5                   | 15.8                                  | 299,205.8                         | 859,794.1   | 0.86             | 6.06           | 6.75            |                   |                 |
| Jun             | 562,770.2                   | 14.8                                  | 328,854.3                         | 891,639.2   | 0.85             | 5.92           | 6.59            |                   |                 |
| Jul             | 565,451.1                   | 15.8                                  | 329,163.3                         | 894,630.2   | 0.86             | 6.00           | 6.69            |                   |                 |
| Aug             | 581,694.6                   | 12.6                                  | 329,682.3                         | 911,389.4   | 0.83             | 5.95           | 6.64            |                   |                 |
| Sep             | 574,354.8                   | 17.8                                  | 334,633.7                         | 909,006.3   | 0.83             | 6.05           | 6.75            |                   |                 |
| Oct             | 575,044.7                   | 23.8                                  | 340,312.7                         | 915,381.1   | 0.81             | 6.04           | 6.73            |                   |                 |
| Nov             | 575,599.9                   | 23.7                                  | 335,993.7                         | 911,617.3   | 0.82             | 6.09           | 6.78            |                   |                 |
| Dec             | 598,053.9                   | 27.2                                  | 341,712.2                         | 939,793.3   | 0.84             | 6.03           | 6.71            | 2.53              | 2.27            |
| 2018 Jan        | 587,933.4                   | 26.8                                  | 342,023.1                         | 929,983.3   | 0.83             | 6.17           | 6.86            |                   |                 |
| Feb             | 592,981.7                   | 24.1                                  | 345,128.2                         | 938,134.1   | 0.82             | 6.21           | 6.88            |                   |                 |
| Mar             | 639,432.2                   | 25.3                                  | 357,787.6                         | 997,245.1   | 0.84             | 6.01           | 6.62            |                   |                 |
| Apr             | 635,838.6                   | 23.5                                  | 364,199.2                         | 1,000,061.4 | 0.81             | 6.04           | 6.69            |                   |                 |
| May             | 611,449.5                   | 23.3                                  | 361,896.3                         | 973,369.2   | 0.81             | 6.21           | 6.85            |                   |                 |
| Jun             | 624,237.5                   | 28.1                                  | 374,366.8                         | 998,632.4   | 0.81             | 6.13           | 6.76            |                   |                 |
| Jul             | 619,580.3                   | 28.1                                  | 381,775.3                         | 1,001,383.8 | 0.79             | 6.15           | 6.79            |                   |                 |
| Aug             | 619,587.5                   | 118.1                                 | 385,007.6                         | 1,004,713.2 | 0.79             | 6.21           | 6.83            |                   |                 |
| Sep             | 623,579.9                   | 107.1                                 | 386,854.8                         | 1,010,541.8 | 0.80             | 6.22           | 6.86            |                   |                 |
| Oct             | 613,590.2                   | 62.9                                  | 384,775.0                         | 998,428.1   | 0.78             | 6.34           | 7.00            |                   |                 |
| Nov             | 620,429.7                   | 100.1                                 | 321,077.1                         | 941,606.8   | 0.84             | 6.75           | 7.48            |                   |                 |
| Dec             | 640,942.5                   | 47.6                                  | 320,106.2                         | 961,096.3   | 0.86             | 6.69           | 7.42            | 2.36              | 2.13            |
| 2019 Jan        | 626,163.1                   | 47.9                                  | 322,917.5                         | 949,128.5   | 0.84             | 6.76           | 7.49            |                   |                 |
| Feb             | 636,022.6                   | 47.4                                  | 326,968.5                         | 963,038.5   | 0.84             | 6.72           | 7.46            |                   |                 |
| Mar             | 687,638.3                   | 47.1                                  | 275,252.9                         | 962,938.3   | 0.89             | 6.80           | 7.53            |                   | xs              |

Source:- Central Bank of Sri Lanka



providing the solution to the client. But the bulk funding or the transaction records will be maintained at the Banking system, similar to an e-wallet. Game can change the moment customers decide the level of their risk taking appetite and make available of their resources (Savings) to the needed community (Borrowers) through a digital platform. Crowd funding solutions are one such example. Scams can be the next thing where the financial illiterate people can be victimized and pose a threat for the financial system. This is where regulation will step in and require compliance and costly prerequisites once again, which will make those business models not financially viable.

Imagine a situation where a complex project funding facility is submitted through an online platform to a Bank and the evaluators of the project in terms of technical, financial, mechanical, marketing feasibility is being evaluated by the registered consultants who sit at any part of the world? Banks can do away with costly in house expertise who do not have continuous engagements of this nature. Evaluators will be rated based on their appraisal and will be retained for future projects. They will work from home or anywhere in the world on a fee.

## Ageing Population

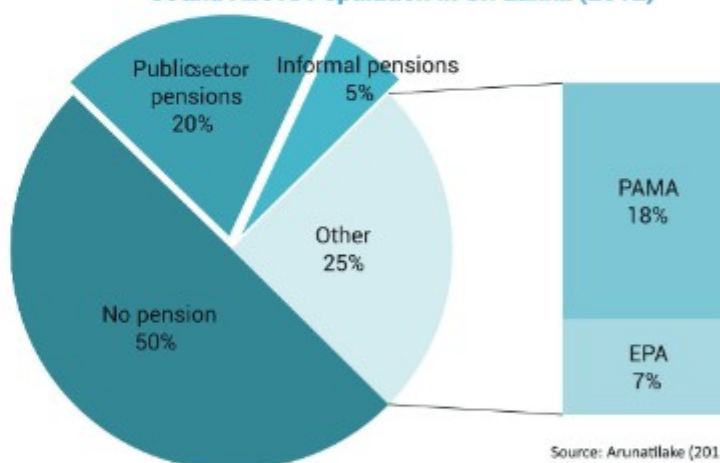
Banking sector has not spoken much about retirement plans still, although that will be one of the key markets in time to come in the retail market space as well as corporate level to facilitate services / infrastructure required. As per the below Figure B3.1, 1/5th of the population in year 2031 predicted to be above the age bracket of 60. Furthermore 50% of the population (Figure B3.2) in year 2012 did not have pension plans. Insurance companies offer so called pension plans, but if one look at the time value of money and what they offer do not justify sacrificing large sums of money now. This is due to higher operational costs of Insurance companies, since they have to make use of either banking system, capital market or the bond market outside the Insurance industry to make investment returns. Hence, there is another intermediary. But banking sector can offer higher returns versus insurance sector since returns are generated within the bank itself. What banks should do is to build a long term funding source through unique retirement plans for the elderly and make use of those funds for long term lending such as housing or project lending. This would bridge the funding mismatch of long term deposits versus lending.

**Percentage Distribution of the Population by Age Group: 1971 - 2041**



SOURCE: De Silva (2015), Department of census and statistic

**Pension Coverage  
60 and Above Population in Sri Lanka (2012)**



Source: Arunatlake (2015)

very situation has its own challenges and opportunities surround it. Hence, banks will have to keep abreast / preempt the developments in the market place and take proactive steps to capitalize on the opportunities.



# “INFLUENCE OF MICRO FINANCIAL INSTITUTION’S INITIATIVES IN RURAL VILLAGES OF NORTH OF SRI LANKA”

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## 1.0 Micro Finance - a brief

**M**icrofinance is an important source of financing for poor, lower-income people in developing countries. Microfinance is the provision of a range of financial services including savings, credit, payment services, money transfer, and insurance by the specifically designed financial institutions for the poor and low income earners who are not benefited from banks and other formal financial institutions. Under conventional banking system the poor are not considered worthy bank customers. The poor are not able to satisfy banking requirements like presenting of physical assets as collaterals. Further providing financial services to poor are expensive and unprofitable due to high transaction cost and small loan volumes (Fabian & David (2007).

It commonly associates with small, working capital loans that are invested in microenterprises or income-generating activities. Microfinance is more generally defined as the provision of financial services to those excluded from the formal financial system.

Normally the poor cannot much benefit from formal financial institutions as they cannot fulfill the required needs of them, to obtain their services, such as physical assets with clear deeds to use as collaterals. Due to limited access to formal financial services, the poor had developed a wide variety of informal, community-based arrangements to meet their financial needs. The terms microcredit and microfinance are often used interchangeably. Hence it is important to highlight the difference between them. Microcredit refers to small loans, but microfinance supplements the loans with other financial services such as savings, insurance, remittances as well as other services such as advisory and technical services. Microfinance is defined as provision of a broad range of financial services such as deposits, loans, payment services, money transfers, and insurance to poor and low income households and their income earning enterprises (Premaratne, 2009).

## 2.0 Global and Sri Lanka's aspect of Micro Finance

Microfinance is a new innovation in the field of finance and it has rapidly spread all over the world within last five years addressing to the financial requirements of poor. There are around three billion people in the world; half of the world's population daily income is less than two dollars. Therefore they do not have sufficient financial capability to fulfill their daily requirements.

To enhance such poor people living standards the United Nations Organization (UNO) announced the millennium development goals, aimed to eradicate poverty by 2015. They

involved NGOs around the world and government bodies to overcome this goal. At that time they identified ninety percent of poor people in developing countries cannot access to formal financial services due to lack of income. After that all authority bodies get together and discussed about this matter, finally they identified microfinance is a best solution to reduce poverty. Resulting, UNO announced year 2005 as a year of micro- credit. Hence number of incapability peoples gathered around the Microfinance programme in developing countries to enhance their income level further more. Such initiatives made a strong leg up to spread the concept around the world within shorter time period. Today the World Bank estimates that more than 1.6 billion people are served by some 7000 microfinance institutions all over the world. (Anura, 2009).

Poverty is a fundamental question currently confronts by the Sri Lankan government too as it negatively affects to the development process. However micro finance sector of Sri Lanka has shown considerable growth in last few years. Micro finance practice number of financial institutions hence the institutions expand their service to overcome the competition in the microfinance sector. Sri Lanka has a long history in having a rudimentary system of microfinance. 'Cheetu' i.e; Cheetu organizations or clubs that function in the village of Sri Lanka are of two kinds: Cheetu by drawing lots, and the system of auction Cheetu. Cheetu organized by drawing lots, each participant is entitled to receive the same amount of money as contributed by the participants over a given period of time. Contributions are made once a month; it means therefore that at the end of each month, one participant gets a lump sum of money, normally, the number of participants in this type of Cheetu is eight or ten persons. In Sri Lanka, Cheetu operating at least since the early 20th century, is an informal but an effective way of savings and capital accumulation, and therefore, functions as a basic method of microfinance for the poor. The microfinance sector in Sri Lanka has grown into a diverse range of institutions and products and represent a significant method of financial inclusion, and empowerment for the low income and poor segments of the society.

The Micro Finance Regulatory Act was tabled in the Sri Lankan parliament in 2015, allowing private sector financial institutions to take part with the government development process through financing poor needs with simple regulations. Resulting burst of microfinance institutions established around the country within last two years with different strategies to capture the customers to overcome market competition. Prior to the Microfinance act, many institutions had pledged array of schemes to address the financial requirements of poor without any formal legal background. The act made strong platform for capable institutions with sound regulatory background. That was remarkable turning point of the micro finance history of Sri Lanka (Ganga, Upali & Thusitha, 2005).



In Sri Lanka, there are many models being practiced by Micro Finance Institutions. Historically credit Co-operatives, Village Societies also called Community Based Organization (CBOs) and Village Revolving Funds were the most popular till 1990's. Credit co-operatives were introduced in early part of the century but were largely confined to middle class salaried employees till it was taken to rural masses in 1980's. Whilst government with its Samurdhi banks also followed a modified village society model. In the 1980's and even in 1990's many INGOs such as CARE International commenced village revolving funds and this is still popular in conflict areas where UNHCR is also supporting such autonomous village funds. These are some of Micro Finance models still widely and commonly use in Sri Lanka; Village Banking (Sarvodaya, Janashakthi and Samurdhi, SEEDS, IFAD, Gemidiriya, Grameen Type Group Collateral Lending and Individual lending using group as a focal point), Individual lending, Self Help Groups (SHG's), Credit Unions or Cooperatives and ROSCA's (Cheettu). (Wijewardana and Dedunu, 2017).

### 3.0 Micro Finance in North of Sri Lanka.

North of Sri Lanka consist five Districts namely as; Jaffna, Vavuniya, Killinochi, Mullaitivu and Mannar. Northern Province is the one of rural areas where people are in financial squeezes due to last three decades of internal conflicts and lack of development initiatives, resulting micro finance institutions has invaded the area during last few years and significant amount of poor people's has embraced the concept of microfinance rather adjoining with formal bankers.

High levels of poverty, few formal employment opportunities, and a traditional agriculture and fishery based economy, small industries and commerce and building construction generate great demand for microfinance services among the population in the North (Herath, Guneratne & Nimal, 2015).

During the internal war period supply of microfinance in the North region is not sufficient and predominately Non-Governmental Organization (NGOs) play a vital role, since only few cooperatives or commercial banks offer microfinance facilities in those five districts. Although national-level NGOs and Micro Financial Organizations such as Sewa Finance, SEEDS, Agro Micro Finance and several others operate in the North, the total contribution of NGOs in the conflict-affected areas were comparatively small. Cooperatives were the most important microfinance providers in the conflict affected areas, especially in Jaffna. However, due to the hostilities of the conflict and the fact that 30 years of development within the cooperative sector simply passed by, cooperatives in the North performing poorly (Herath, Guneratne & Nimal, 2015). Commercial Banks with microfinance components are practically absent in the region, a crucial impediment to the economic recovery of Sri Lanka's conflict-affected provinces. Hatton National Bank, Seylan Bank and People's Bank were the only commercial banks to offer microfinance facilities in the area. Government Programs are inadequate since there are no; Regional Development Banks, no specialized development finance projects, no large-scale microeconomic or SME-development projects neither operating nor existing in the region. Most international actors (CARE, DRC, FORUT, GTZ, OXFAM, UNICEF, UNHCR, UNDP, World Vision, ZOA), have been working in the region during the times of conflict before 2002 and therefore follow a rather relief-based approach towards microfinance with subsidized interest rates or grants (Herath, Guneratne & Nimal, 2015).

At present there is a variety of institutions providing microfinance in the Northern Province, such as; licensed banks, licensed finance companies, co-operative rural banks, thrift and credit co-operatives societies, Divinaguma banks and other community based organizations, microfinance companies, non-governmental organizations that engage in microfinance



Figure 1.0 Village Societies



business. Some of these institutions are regulated under different authorities. Licensed banks and licensed finance companies are regulated by the Central Bank. Co-operative rural banks and thrift and credit co-operatives societies are regulated by the Department of Cooperative Development, with Divinaguma Banks being regulated by the Department of Divinaguma Development. However, there were many microfinance providers that are not under the purview of a regulatory authority (Anura, 2009).

#### 4.0 Importance of Microfinance in Rural Villages of North of Sri Lanka

Most of the low income people lack access to basic financial services. Hence, the challenge of providing financial services to them still remains. Increased access to finance among the low income population would contribute towards income generation activities, and thereby improve savings habits as well as their living standards. Further, the microfinance services help people fight poverty on their own terms, in a sustainable way. Therefore, microfinance is a powerful instrument for the poor, in the form of financial services directed specifically towards poverty reduction, enabling the poor to build assets, increase their income, and reduce their vulnerability to economic stress. As a result, the poor can improve their living conditions, while taking an active role in economic activities.

Female candidate has higher intention to engage in micro finance activities than men due to the economic condition of life and all of them are belong to age category of 35 to 45 in the Northern Province in Sri Lanka. Micro Finance repayment regulations are much flexible than formal financing process. Resulting candidates has ability to decide his or her loan repayment schedule based upon income receivable. As well as, microfinance institutes come to customer door-spot to collect the loan installment on decided date. That makes poor more convenient to pay their installment on time without wasting time. Resulting, respondent has agreed with the loan repayment schedule and procedures.

Loan accessibility in the micro finance institutions are very simple, people can obtain a micro loan presenting very basic documents such as loan application and copy of national identity card, as well as existing level of income is not a significant factor for applying to a micro loan. And many of rural villagers had no any clear aide about loan interest rate, its calculation process, and total interest amount payable. Resulting, respondent did not agree about loan interest rate of micro finance loans.

In general, micro finance has enabled the households to improve their income, assets, expenditure, etc. However, for the poorest households, the impact of microfinance is mainly on their consumption or expenditure level. This confirms the fact that the poorest groups mainly use credit for consumption purposes while relatively better off households make use of credit for income generating activities or building their asset bases.

Microfinance has also enabled the households to improve their housing conditions, which is particularly true for relatively better-off households. Furthermore, credit has supported income and employment generating activities among their clients. However, many businesses that have started under Micro finance programmes are either micro enterprises or small-scale self-employment activities. Micro Finance programmes can help households to better integrate with the larger community and



Figure 2.0 Demand for microfinance services- traditional agriculture & small industries



increase their social recognition. It also finds that women play an active role in microfinance: they borrow as well as save. The loans they have borrowed have mainly been used in self-employment, cultivation and other productive activities.

There are, a number of factors limit the expansion of micro finance institutions in remote rural areas in the North of Sri Lanka. The most critical factors seem to be the poor infrastructure such as poor roads, transportation and communication facilities and the limited opportunities available for the rural poor, particularly in non-agricultural activities. Hence, implementation of a carefully designed development programme aimed at removing these bottlenecks is crucial to improve the outreach of micro finance institutions in remote rural areas and to encourage the private and the NGO sectors to engage in the provision of microfinance services more effectively.

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# SUCCESS (FAILURES) OF IMPLEMENTATION OF SOLAR ENERGY IN SRI LANKA: A CASE STUDY



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## Introduction

**S**ri Lanka was relied on plant-based flammable substances for heating, lighting and drying purposes during pre-modern era, which were the basic energy requirements.

After so many proposals and implementation came into effect in Sri Lanka due to lack of power and energy for all activities in related with energy demand. Energy demand in Sri Lanka is mainly depend on hydropower so that electricity supply decreases severely when the country is hit by serious droughts. This has led to a dramatic decline in economic growth. As we can remember, serious droughts in 1996 meant that Sri Lanka experienced a severe power crisis which adversely affected the economy in 1996, after two decades, Sri Lanka is experiencing severe drought during the last two years, as the global warming is a crucial fact.

Due to the rise of new technology during mid-19th century, the range of energy sources expanded due to the importation of modern energy sources such as coal and petroleum products, which subsequently replaced traditional fuels either partly or fully in different sub-sectors.

The use of petroleum products for thermal power generation has significantly increased in the past few years. Due to this reason hydroelectricity has decreased from 49% to 35%. This has reduced the capability of the State-owned Ceylon Electricity Board (CEB), to generate power at a lower cost. Consequently, the burden to the Government given the electricity intensive industries and domestic consumers has been impacted severely. Sri Lanka is mainly dependent on hydropower, thermal heat and other alternative energy production methods to fulfil our electricity needs. The country's current electricity consumption per capita accounts to 495 kilowatt hours approximately and is

expected to increase dramatically in future. In order to cater to the growing needs and demands of electricity, measures have been taken to encourage the use of solar energy which is a healthy option that would prevent environmental pollution and in parallel, meet the high end electricity needs of general public.

## Status of Renewable Energy

Sri Lanka's energy demand is catered via sources of both indigenous non-fossil fuels and imported fossil fuels. Usually energy needs are met through bio mass, an indigenous fuel source, and imported fossil fuels, such as petroleum and coal. The remainder is made up of other indigenous sources which, include large hydro and renewables such as solar, small hydro and wind. However 52% of Sri Lanka's electricity in 2015 was generated through fossil fuel. Since indigenous fossil fuel is a scare in our country, a significant part of fossil fuel used for electricity was imported therefore making it a substantial part of Sri Lanka's import expenditure. It is very important that, due to these reasons for Sri Lanka to focus on developing and adopting to indigenous renewable sources of energy to meet the growing demand and most importantly to reduce the economic burden of import.

When we look at Sri Lanka's current energy balance, the price of coal which is considered as low is also going up. In 1990, a unit of electricity produced with coal was 18 cents. In 2000, it became 90 cents. In 2010 it was Rs.6.00. In 2011 it has become Rs.10.71. Accordingly, by 2020 it will be around Rs.40-50. As a result even if everyone is supplied by electricity in time, all of us should keep in mind that the era of cheap electricity is over. The probability of price increases of fossil fuels in the future is mainly due to declining resources and world environmental concerns. The share of



hydropower is estimated to reduce from 40.2% in 2007 to 19.5% by 2020, while coal-fired thermal generation is estimated to reach 70.9% by 2020.

According to a recent study, Sri Lanka's rainfall will decrease by 35% in 2030. So the struggle is real. We can't even fulfil the demand with the current rainfall. Still we are in struggling with generating artificial rain in clouds, time to think in sustainable manner? It is also predicted that the island's population will reach 25 m in 2030. If we do not do something about this energy matter the country's economy will be at stake and vague.

The steps could be taken in sustainable manner.

- Increase Budget allocations for Research and Development (R&D) in renewable energy sources. It is well known our Government's Budget allocation for R&D is less than 1%, while most of the developed countries allocate more than 10% on research. Investing more on solar power is the world trend now. Some countries like America, France, Australia, China and even India are planning to power the entire country by solar energy by 2035. Developing economies almost matched developed economies in solar energy investments, so the role of solar energy in a country is becoming a vital fact in a country's economy. But we are still behind.
- Education and training in energy saving techniques programs should start from school level. Energy security has to be a discipline in this country.
- Financial institutes should encourage their customers by providing easy repayment terms for solar panels. Should fund more solar energy projects.

## Prevailing Solar Energized condition in Sri Lanka

The government commenced the "Battle for solar Energy" (Soorya Bala Sangramaya) with the target of establishing rooftop solar systems on one million households and adding 1,000 MW to the main grid. The specific move aligned with government policy of sourcing 60% of electricity supply from renewable energy by 2030. But solar producers claim 590 proposals to produce 1,400MW, which were submitted to CEB after spending over Rs 100 million on application fees alone, are pending acceptance. CEB accepts solar power from small to medium suppliers only at Rs 16 a KWH, a rate deliberately kept low to discourage solar investors, while offering as much as Rs 40 to some private power producers.

The cabinet approval has granted for negotiating committee has recommended 28 investors to set up plants in North Central, North Western and Eastern Provinces, thus they were awarded under 90 projects which were tendered earlier. During the first phase of the project aimed 60 plants of each 1MW only 37 were materialized as there were no qualifying bidders. Even though, the no of plants / projects doesn't matter about, but the generation of power is much important and identical solution to catering energy requirements.

Due to the issues/problems in policy and legal differences relating with electricity generation projects in CEB, PUC and SEA concerning establishment of electricity power plant, the above approval has granted to generate solar plants in

recommended areas. It was noted that there is an initial cost was involved while generating plant around minimum Rs 375,000 and onwards, obtaining the revenue per unit is only Rs 15-20 range while supplying the electricity to national grid. To minimize the issued faced, both the Electricity Act of 2009 and the Electricity (Amendment) would be amended to enable flexible procedures to procure electricity from all plants that are less than 10MW from non-traditional energy resources

## JSF- Sakura Solar Pvt Ltd., first solar energy transformation project in Sri Lanka

Sri Lanka would turn a new chapter in its renewable energy sphere during July 2018 with the opening of the production facility of JSF Corporation in Katunayake, the country's first manufacturer of solar panels. The Japanese Sri Lanka Friendship (JSF) Corporation brings an investment of Rs. 5 billion from Japan via the Board of Investment of Sri Lanka and will serve as a cornerstone of the Government's program to infuse capacity from solar energy into the national grid from 2020 and beyond.

Sri Lanka presents ideal opportunities for the growth and deployment of solar energy given its positioning, but over



the past two decades 'solar' has been deemed a luxury item given the high investments required. Solar panels have always been imported to Sri Lanka and are attached with a number of significant costs that render it a long-term investment, placing them out of the reach of average Sri Lankans and even institutions, whereby solar remains a huge untapped source of clean energy. JSF's venture will shift Sri Lanka's prospects in renewable energy with wide-ranging opportunities both here and overseas as the company will manufacture and market solar panels, inverters and LED lighting solutions under the brand name Sakura Solar. Due to its local base, Sakura Solar will provide significant cost savings and service solutions over other imported products in the market, backed by a 35-year warranty and cutting-edge Japanese technology.

JSF is a wholly-owned subsidiary of REK Co. Ltd. in Japan and will serve as a one-stop shop for renewable energy solutions all over the world. Its factory, opening tomorrow, is based at the Katunayake Export Processing Zone, and 80% of its produce will reach markets in Europe, the US, the Middle East and other regions. JSF's affiliated companies include REK, EIWA Co. Ltd. and Crover Trust (Hokkaido) Ltd. which are reputed Japanese leaders in the alternate and renewable energy sector at both



home and around the world. These companies have engaged in numerous large-scale corporate and government renewable energy projects around the world, including PV, wind, small hydro and geothermal generation. In Sri Lanka, Sakura Solar has already added 500 kilowatts of solar power to TDK Trade Links Mulleriyawa, the Devonia Tea Factory in Deniyaya, the Sasakawa Centre in Colombo and many other medium to small-scale projects island wide.

JSF's production facility at Katunayake has an annual average production output capacity of 200 Megawatts. It is noteworthy that under the 'Sooryabala Sangraamaya' program of the Ministry of Power and Renewable Energy in Sri Lanka, the Government aims to add 200 Megawatts of solar power to the national grid by 2020. The Japanese company would employ its state-of-the-art technology and service solutions in Sri Lanka, whilst production would commence under the supervision and guidance of renowned Japanese technicians.

Director and CEO will be at the helm of JSF's operations in Sri Lanka, and it is CEO who is responsible for attracting this groundbreaking investment into Sri Lanka. "With Sakura Solar we are reinventing Sri Lanka's position on renewable energy. There is a wealth of untapped potential in the island and our technology will provide great benefits to the local industry. Alongside that Sri Lanka will serve as a springboard for Sakura Solar to service regional markets"

JSF's mission is to become a leader in the global drive towards sustainable energy, and Sri Lanka will reap multiple benefits from this Japanese investment. The company is currently the only BOI-approved institution with an agreement spanning 55 years in the renewable energy sector of Sri Lanka. The first and currently only solar panel manufacturer in Sri Lanka, JSF and Sakura Solar offers a 35-year generation warranty on all products locally and is the only company to offer insurance on installation and product performance, plus the only company in Sri Lanka to offer 24-hour after-sales service.

"Quality and effective service are two key focuses at Sakura Solar, whereby our valued clientele both here in Sri Lanka and overseas can rest assured of high performance systems, backed by decades of valuable Japanese expertise in the industry. They aspire to become much more than a service provider, and wants to lead a local and global transformation on how renewable energy solutions are perceived and deployed

JSF was commenced operations at the Katunayake Export and Processing Zone in 2018, and provided employment to over 200 Sri Lankans who would receive extensive training and technical expertise from Japanese technicians who are in the country. JSF is also looking at collaborations to enhance and establish cell manufacturing and is confident of attracting investments into this sphere whereby the complete process would

become vertically integrated. During 2017 JSF entered into a partnership with Schneider Electric for an authorized dealership in Sri Lanka.

The JSF investment would provide significant impetus to the Government's 'Sooryabala Sangraamaya' (Battle for Solar Energy) program, which is done in collaboration with the Sustainable Energy Authority and the Lanka Electricity Company, to promote setting up solar power plants at domestic and commercial establishments. As alluded to before, the program aims to add 200 Megawatts of solar energy to the national grid by 2020 and 1,000 Megawatts by 2025. JSF and Sakura Solar would offer a wide range of solutions to the Government and consumers to fast track this project towards a greener and sustainable Sri Lanka.

"JSF is an association of several leading global players in the alternate energy sector and they would be relentless in their effort to accelerate the adoption of renewable energy solutions all over the world. Whilst they are confident of success in this endeavor, as a Sri Lankan and stand proud that our country would serve as a springboard for this global revolution for generations to come."

## Solar under "Shade"

Officials from Solar Industry Association (SIA) insisted that, if approvals are given the industry has the capacity to add 500MW-600MW of power to the national grid in six months, with smaller plants able to come online even faster, since solar is an infinite resource the generation would be uninterrupted for 20-25 years, unlike other power plants where escalating costs gradually.

Even though under collective implementation of power projects which were proposed to setup in Valachchenai (10MW), Welikanda in Polonnaruwa (10MW), Siyambalanduwa (100MW), Poonerin (100 MW), and a 5MW plant with storage capacity in an unspecified location. The tenders for all these projects were to be called in June and August of 2017, but not one was released. In addition to these projects, there are 590 applications that have been pending for approvals for years, but none of these have received any attention from authorities





## Way Forward

Power Failures resulted from unrestricted hydropower generation in January and February of this year (2019) after the poor rains in December, a manipulation by CEB engineers to create an energy situation to bring unused private power producers online. They succeeded in their endeavor, also power failures made the government wake up after certain time period. In March 2017, the government announced the construction of a floating solar power plant 100 MW capacity utilizing 4% of the Madhuru Oya Reservoir (nearly 500 acres). The power failure leads to signing of solar plant agreement was in April 2019 before Sinhala and Tamil New Year. Solar power would be the fastest way of getting additional power at low cost, only if a fair price is offered, with proper incentive factories would cover their roof with solar panels, reducing their air-conditioning / cooling costs. Highway Solarisation (Fixing Solar Panels over Expressway) has not even been attempted so far. It would be possible to get over 1,000 MW from solar power, early and cheaper, replacing thermal power.

Ministry of Power and Energy ensured that solar power can generate a unit of electricity for about Rs. 22 for the first seven years, but after that the cost drops gradually to about Rs. 15 per unit in the next 13 to 20 years. It stipulates that the investors in solar energy would be benefitted on long term basis where they can be obtain delayed ROI on their investments

However, the CEB has consistently rejected purchasing solar power from independent producers, saying the cost is too high, but thermal power generation, which we are depending on now, costs about Rs. 32 per unit. This high cost has to be borne by the public as per relevant ministry.

The CEB has been adamant that they cannot purchase power for more than Rs. 16 per unit, but SIA officials have pointed out both emergency power and purchasing electricity from independent power producers would cost the Government more. "Every country has to pick the mix of power generation that suits it, and

we are not against the Government moving ahead with other generation options such as LNG. But increasing solar is ideal for Sri Lanka, as it can be scaled up rapidly, is reliable and has a long lifecycle. The Government has announced plans to increase solar power to 20% by 2030, but right now solar makes up less than 1% of generation. Increasing approvals would also be a boost for companies engaged in the solar industry, which are mostly small and medium players."

"Rivi Bala Savi" (Interest Subsidy Loan Scheme – Enterprise SL) for households installing solar panels is a loan scheme which could be paid within 5 years' time, further, under donor funded (ADB) loan finance scheme, loan facilities are granting by financial institutions "Roof Top Solar Power Generation – Line of Credit to both Entrepreneurs and Households" were granted up to 10 years. These are not merely incentives to boost the investments, but the hurdles would be in forthcoming path. Lets' wait and see the impact of solar investments.... worth of rupees / dollar invested ..... And real benefit to the Sri Lankan Citizens.

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# **SRI LANKA MUST DEVELOP AN ENTREPRENEURIAL CULTURE TO ACHIEVE SUSTAINABLE DEVELOPMENT**

*Kalaitunga Rajapaksa*

Group Chairman  
DSI Samson Group





## CHARTERED MANAGER

THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA  
JUNE 2019

### To share with us a more in-depth analysis of **'Sri Lanka must Develop an Entrepreneurial Culture to achieve Sustainable Development',**

the CPM Journal Committee brain-stormed few key questions and discussed with Mr. Kulatunga Rajapaksa.

Mr. Diunuge Kulatunga Rajapaksa, fondly called DKay (after his initials D.K.) by his colleagues, is the Group Chairman of DSI Samson Group (Pvt) Ltd, headquartered at 110, Kumaran Ratnam Road, Colombo 02.

Born in 1945 in Galle, Kulatunga Rajapaksa is B. Sc. (Hons) Graduate of the University of Ceylon. Mr. Rajapaksa joined DSI in 1967 immediately after his graduation, was fortunate enough to work closely with his father until he passed away in 1984, leaving an enduring legacy and a huge success story in the Sri Lankan industrial arena.

DSI started its journey manufacturing shoes locally with the help of a few cobblers as an answer to the big blow of import restrictions in early 70's. In a way, the import restrictions became a blessing in disguise as DSI gradually became a formidable force that competed directly with the well known multinational shoe manufacturer that led the market at that time. Fifty five years hence DSI has not only become the market leader in footwear but also shown the way for a few other local shoe manufacturers who had also given a good run for the multinational's money.

Mr. Rajapaksa is a firm supporter of "Ganna Ape De" (Buy local products) campaign and he heads many movements to stop unauthorized "grey" imports to Sri Lanka.

Presently he is the Group Chairman of DSI Samson Group, which consists of 20 sister companies and 10,000 strong workforce.

Along with his brothers and third generation of DSI family members, Rajapaksa is playing a leading role in moulding DSI as a truly Global company under the theme "Local to Global".

Having over 50 years local and foreign experience in the Footwear and Rubber Products manufacturing field, Rajapaksa has served as a council member of several universities and he is a past president of National Chamber of Exporters of Sri Lanka and also of the Sri Lanka Association of Manufacturers and Exporters of Rubber Products. The Sri Lanka Footwear and Leather Products Manufacturers Association has also been lead by him as a president.

Currently he is a member of Council of Patrons of National Chamber of Exporters of Sri Lanka. He is a Director of Mawbima Lanka Padanama and a member of Advisory Board of the Sri Lanka Institute of Information Technology and member of Advisory committee of Federation of Chambers of Commerce and Industry of Sri Lanka. Rajapaksa is a fervent believer in the power of CSR. DSI supports Dhamma Schools island wide because it will "eventually produce righteous, law-abiding citizens useful to society". He is personally involved in a number of key CSR projects countrywide. On behalf of DSI, he has won a large number of awards locally and internationally.

Mr. Rajapaksa received "Entrepreneur of the year" Award from the Federation of Chambers of Commerce and Industry of Sri Lanka in 1994. He also received "Sri Lanka Entrepreneur of the year" (Hall of fame) Award from the Federation of Chambers of Commerce and Industry of Sri Lanka, on 11th December, 2017.

Mr. Rajapaksa is also a much sought-after speaker at business forums and events due to his insightful analysis of business trends.

A firm believer in the adage "every dark cloud has a silver lining", Mr. Rajapaksa has successfully faced many challenges confronted by the DSI Group, including threat of acquisition by a previous Government.

A devout Buddhist, Rajapaksa says he is inspired and guided by the Buddha's teaching in his personal and professional life. He is a consultant to the All Ceylon Buddhist Congress and member of the Board of Management to the Colombo Young Mens' Buddhist Association.

### **Please comment on the role and impact of Entrepreneurs in the overall Development of Sri Lanka**

With regard to overall Development of Sri Lanka it is Entrepreneurs who contributed to the development as they are engaged in not only manufacturing industries but also various other sectors such as Agriculture, Tourism, Logistics etc....

### **Are we ready for the shift "From export economy to entrepreneurial economy"?**

In order to shift "from export economy to entrepreneurial economy" it is important that government has stable Trade and Taxation policies. Presently multinationals are granted various incentives for them to come Sri Lanka but local entrepreneurs do not receive any such assistance to establish units in overseas and being multinationals.

### **What do you think, "Enterprise Sri Lanka: A vision to establish an entrepreneurial Society"?**

Enterprise Sri Lanka was started during 2018 and it has over 11 projects. Out of which IT and Agriculture has the sizable value of the loan over 400 million and that seems to good step towards entrepreneurial development and it is too early to comment the real benefit of it.

### **What are the Key impact/s of Entrepreneurship Education on Small Businesses' Performance?**

The impact on Entrepreneurship Education on Small Businesses' Performance is negligible and it must be encouraged as it may generate results in long term.

### **Do you think the Sri Lankan tech industry can meet the ambitious goals and export earnings by 2015?**

It is very unlikely that Sri Lankan tech industry can meet the ambitious goals and Export earnings by 2025 as there is a serious doubt within the business community on the stability of the government and there is no structured road map to achieve the goals.





**There are many local and international institutes providing entrepreneurship courses in many levels, even PhD level. What is your opinion on this? Is Education paramount to be a successful entrepreneur?**

Providing entrepreneurship courses at all levels is definitely required and its paramount important not only to be a successful entrepreneur but to inculcate entrepreneurship spirit at early stage in life preferably at School level.

**As a self-thought entrepreneur what has been your mindset and approach from the start today?**

To be a successful entrepreneur that is important to have determination and hard work and be satisfied within end results. An entrepreneur will always consider challenges as opportunity.

“

*Due to lack of stable policies there were many instances that I have failed but as entrepreneur somehow overcome temporarily by converting challenges to opportunities.*



**How important is passion and purpose when running a business or entrepreneurial activity?**

Passion is the primary factor in entrepreneurial activity and it is important to satisfy all the stake holders.

**As a person who has successful operations internationally what has been the mantra for success?**

International operations need to be studied in depth before step into any overseas venture quality, confidence,, on time delivery

and quality are the key factors to the successful operations internationally.

**What advice would you give Sri Lankan entrepreneurs who want to go global and compete internationally?**

Just because an entrepreneur has done extremely well in domestic market it is not a qualification to enter into export market. There are many ways to enter into export market.

Products specification requirement in each county must be studied in detail and products must be tailor made to meet those standards. The products that is selling extremely well in domestic market can be totally failed in certain export market.

**Presently entrepreneurship is a hot topic and many institutions started ( local and international institutions, universities, NGOs, consultancy firms etc. and Govt. entities too ) innovate course. Do we really need this? Any innovative comment, especially visionary thinking of course development for business the real entrepreneurship development towards Sri Lankan economic growth?**

Yes. We need many institutions to change the curriculum in local universities. NGOs will not play an important role in this area. Consultation from all leading entrepreneurs will be required to develop this sector. Entrepreneurship programs to be included at school levels and mind set of student need to be changed for self-employment rather than directing them to be government servants.

**As an entrepreneur who has faced many challenges, what are the suggestions do you have to promote local entrepreneurs towards contributing to the economy?**

As an entrepreneur I have faced many challenges and in order to promote local entrepreneurs we need to inculcate patriotism. Government should take the initiative to convince the masses from school level to patronize local products.

Today there is only one institute " Mawbima Lanka Padanama" who promote local products when government is discouraging the consumer by promoting bilateral agreement to benefit the consumer by giving imported products at a lesser price by giving duty concessions.

**Looking back at your career what are some of the failures and what have you learnt as a result?**

Due to lack of stable policies there were many instances that I have failed but as entrepreneur somehow overcome temporarily by converting challenges to opportunities. Example ; -Sudden opening of economy as far back 1977, crippled many industries but we managed to survive by changing the production techniques accordingly.



**You are passionate about social entrepreneurship. In your view how can social Entrepreneurs contribute to society?**

In my view social entrepreneurship is the vehicle that can give back part of benefits to families who do not have an income by way of assisting them financially helping children and elders homes, schools, and religious places, housing etc.

In all these events in today's environment, supplying of safe-drinking water is primary and major requirement.

**What elements do you look for in the social enterprise either to invest or mentor?**

With regard to social enterprises to invest be considered to help education and promoting agricultural products take priority.

**Based on your experience what are some of the common challenges faced by Social Entrepreneurs in Sri Lanka?**

As entrepreneur when social projects are under taken the biggest challenges that we face are due to lack of funds, restriction of tax relief, red tape in government approvals, difficulties in obtaining government land and political interference.

**How can entrepreneurs give back to the society? what is your philosophy?**

In order to give back to the society, system that we adopted to setup various projects manufacturing, agriculture, services etc in remote villages where basic infrastructure facilities are not available. 200 garment factories program initiated by late Mr. R. Premadasa was one of such successful projects.

**What is your advice to future entrepreneurs?**

My advice to future entrepreneurs is to keep the distance from politicians and not to depend on government subsidiaries but manufacture quality products in cost effective manner in reasonable volume to enter into export market.

Interviewed by  
**SINNATHAMBY VIJAYAPALA**

PhD (Candidate), MBA, PgDip, BBA, HNDA, MAAT, LICA, FIAB(UK), MABE(UK), DIFPM(UK), MPM(USA), FCPM, MMC(USA)

Alternate Chairman & Chief Editor-CPM Journal Committee, Management Consultant/Senior Visiting Academic/Corporate Trainer

Pic by  
**NOEL RANJITH MALINDA**  
Fujiyama Colour Lab











# CPM Launches “Management & Entrepreneurship Professional Programme”

**T**he Institute of Certified Professional Managers are celebrating their 10th Anniversary and connected with this event they have now been upgraded as **The Chartered Professional Managers of Sri Lanka**. Initially in 2009 Institute of Certified Professional Managers was set up as a Professional Management Body with the assistance of All India Management Association (AIMA) and CMA Sri Lanka.

To mark this event CPM Sri Lanka will launch the “Management & Entrepreneurship Programmes” with a fully-fledged syllabus and a practical background. On qualifying at these examinations will lead to membership of CPM which includes Associates (ACPM), Member (MCPM) and Fellow (FCPM) for young executives and managers who aspire to progress in their careers to senior positions and also develop entrepreneurship skills.

The CPM Professional Study Programme consists of 3 levels the Certificate in Management & Entrepreneurship (CME) which is a 04 months feeder programme. On completion of the Certificate Course, participants should be able to understand theories and some applications of management from functional level, understand principles of management process and environmental dynamics and understand the competencies in management and entrepreneurial practices in their career.

The Diploma in Management & Entrepreneurship (DME) and Advanced Diploma in Management & Entrepreneurship (ADME) both are equally run as a 12 months courses.

On completion of the DME/ADME Course/s, participants should

be able to apply a sound knowledge of theories and applications of management from functional level, analyze principles of management process and environmental dynamics, analyze a business or entrepreneurial personality in different contexts and apply the competencies in building, measuring, and managing business practices in their career.

These programmes are suitable for management and entrepreneurship development or business development career minded candidates seeking to acquire specific competencies to differentiate themselves from the rest. These programmes would appeal to those already in the business or business development intending to enhance their competencies in management at different levels.

The Programme Structure and Assessment are as per the Sri Lanka Qualification framework. The Mode of learning will be Class Room Learning/practical workshop with the industry experts/studying of a running Business/start-up/Studying of an entrepreneurial business personality.

The courses were comprehensively crafted by a panel of expert consisting of both industry and academia. Among many factors, the unique feature of these programmes which are driven by practical aspects of the delivery.

Please contact CPM Secretariat at No. 29/24, Visakha Lane, Colombo 04, for further details or by phone 0112 590 995 or Email: [info@cpmsrilanka.org](mailto:info@cpmsrilanka.org) and/or Website: [www.cpm.srilanka.org](http://www.cpm.srilanka.org)





## GRI HONOURS CPM SRI LANKA PRESIDENT, PROF. WATAWALA FOR STRENGTHENING SUSTAINABILITY REPORTING IN SRI LANKA

**G**lobal Reporting Initiative (GRI) recently honoured CPM Sri Lanka President Prof. Lakshman R. Watawala with an award for the support and contribution to strengthen sustainability reporting in Sri Lanka in order that transparency can best inform decision making around social, economic and environmental impacts.

The Colombo Stock Exchange (CSE) and the Global Reporting Initiative (GRI) hosted a forum on providing guidance to listed companies on ESG (Environmental, Social and Governance) disclosures. The theme of the forum was 'Sustainability Reporting for Sustainable Development'.

This high-level engagement was held at The Kingsbury on Thursday, 28 March. GRI Chief Executive Tim Mohin spoke on 'Evolution of Corporate Reporting: Sustainability and Integration' and some of the other speakers included First Secretary for Development at the Australian High Commission in Sri Lanka, Dr. Thomas Davis, CSE CEO Rajeeva Bandaranaike and GRI South Asia Director Dr. Aditi Halder.

CSE and GRI also launched the second version of an ESG Guidance document on Communicating Sustainability, which will help listed companies address topics related to environmental, social and governance (ESG) in their capital market communication.

## TOASTMASTER GANGA FERNANDO BAGS TWO OF THE HIGHEST LEVEL RECOGNITIONS IN SUCCESSION

**A**t the 'Hall of Fame Awards' of recently concluded Annual Conference of District 82 of Toastmasters International held in Chennai, Ganga Fernando DTM, was awarded **The Area Director of The Year 2017-2018**. This was the highest level of recognition conferred by the District 82 to an Area Director who have served a period of 12 months and achieved President's Distinguished Area status. Her overwhelming contributions made towards realization of the District mission - "build new clubs and support all clubs in achieving excellence" and District 82 (consists of Tamil Nadu, India & Sri Lanka) becoming the world's number one District in the year 2017-18.

It was a significant and a very rare occurrence that an individual was awarded with two most outstanding titles in successive years. Last year, TM Ganga Fernando was presented **The District Toastmaster of the Year 2016-2017 Award**, which is the highest level of

recognition conferred by the District 82 to an individual member who ventured beyond boundaries and made specific contributions towards achieving set goals of the district.

She added another golden feather on her cap by achieving the most coveted "**Distinguished Toastmaster (DTM)**" title, the highest ever educational status a toastmaster could achieve in one's life time. It is the true testimony of her passion, commitment and dedication for Toastmasters. In recognition of her contribution to the fraternity, she was also unanimously elected to the next elevated position "**Division Director of Division-F**" by the membership at the Ovation 2019- the annual conference of District 82.

Congratulations DTM Ganga Fernando and we wish you another successful year with toastmasters as the newly elected Division F Director of District 82A - Sri Lanka.





# IMPORTANCE OF CONTINUING PROFESSIONAL DEVELOPMENT (CPD) SCHEME

**C**ontinuing Professional Development (CPD) means that members of the Institute of CHARTERED Professional Managers of Sri Lanka (CPM), develop, maintain, improve and broaden their knowledge and skills and develop the personal qualities required to uplift their professional development. This CPD sets out the framework which assists CPM members in complying with this obligation. CPD is a lifelong process that should be planned by considering both current and future skills required in CPM. CPD is learning which is relevant to the nature of the CPM member's work or role and which addresses a personal development need. CPD develops personal qualities and skills necessary to execute professional and technical duties. In addition, CPD helps to enhance knowledge and skills and be up-to-date in our personal and professional career.

There are many events scheduled in the CPM's annual calendar. Annual CPM conferences, Evening for Managers, Special seminars and workshops, opportunity to publish articles in the Certified Journal, presenting and publishing research papers at conference, take part a committee member at CPM committees, etc. are few important events where CPM members could earn CPD points for their professional development.

CPD is a platform which provides continuous development of professional knowledge, in the form of skills (soft and hard skills), values, ethics and attitudes, and the competence necessary to improve the knowledge required in career development. CPD enables CPM professionals to ensure that their knowledge, skills and practices are current, complete and adequate for the roles being performed. CPD is also a way forward to ensure personal career development through more advanced learning activities. CPD improves and broadens knowledge and skills and supports future professional development.

In this article, I wish to disseminate the importance and benefits of CPM's CPD Scheme among our members and beyond. In addition to the knowledge development, especially this CPD scheme helps the ACPM and MCPM members to upgrade their memberships to MCPM and FCPM respectively.

## CONTINUING PROFESSIONAL DEVELOPMENT SCHEME

The members of the Institute of Certified Professional Managers of Sri Lanka (CPM) are hereby informed that the revised Continuing

Professional Development Scheme is effective from **25<sup>th</sup> October 2018**. Please note that all the previous guidelines issued by CPM with regard to the upgrading of members to MCPM and FCPM categories are hereby cancelled. This scheme will be revised periodically in order to comply with Governing Council decisions, which requires a commitment to lifelong learning among all professional managers.

## Introduction

The Continuing Professional Development Scheme (CPD) of CPM has been established to enhance the professional skills of the members and to maintain a better relationship between the Institute and its members. This scheme is a self-regulatory continuing professional development system and will be monitored by the Institute.

## Objectives of the CPD Scheme

- To maintain and continually improve the managerial knowledge and the skills of members in order to obtain MCPM and FCPM titles.
- To develop the personal skills of members and enhance their career development.
- To provide reasonable assurance to the business community at large that CPM members have the managerial knowledge and skills required to perform the services they are called upon to undertake.

## Applicability

The CPD Scheme is mandatory for all members of CPM at any membership level, employed either in the private sector or public sector, industry & commerce, non-profit organizations, entrepreneurs or practitioners (as decided by the Governing Council of CPM).

## Non-Compliance with the CPD Requirements

If a member does not comply with the minimum requirement in any year, that particular year will not be counted as an active year for the membership advancement.



## CPD Scheme for Advancement of Membership Category

### ■ Advancement to MCPM

Three years of managerial level experience after obtaining ACPM title and completion of minimum 100 CPD Credits.

### ■ Advancement to FCPM

Three years of corporate management level experience after obtaining MCPM title and completion of minimum 100 CPD Credits during the period.

### ■ CPD Credits

The following table will be applicable for the membership categories as stipulated in 5.1 and 5.2.

### ■ Qualification System

The automatic 3 years post qualification system in operation for obtaining MCPM title and 3 years post qualification system in operation for obtaining FCPM title.

| Current Membership Category | Immediate Advancement | No. of Years Required                | Total CPD Credits Required for Advancement |
|-----------------------------|-----------------------|--------------------------------------|--|
| ACPM                        | MCPM                  | 3 Years                              | 100  |
| MCPM                        | FCPM                  | 3 Years<br>(Senior Managerial Level) | 100  |

## CPD Credits

### ■ Access to CPD Credits

CPD Credits can be earned from the involvement in activities which enhances the competence and professional skills of members.

## Evaluation Process of CPD Credits

Education & Training Committee will evaluate the number of CPD Credits and number of years of experience to give recommendations to the Governing Council based on the evidence submitted by the applicant.

## CPD Reporting

### ■ Reporting Period

The reporting calendar for CPD Scheme is from January 01 to December 31.

### ■ Reporting by CPM

For members who have participated in CPM activities, a letter/certificate stating the CPD Credits earned, will be issued based on the program or the attendance records available.

### ■ Reporting by Member

Members are required to submit a CPD Reporting Form with the supporting documents for upgrading.

Please contact our Membership committee for further details.  
Thank you

**Sinnathamby Vijayapala**  
Membership Committee

## Number of CPD Credits Granted - Direct Measurable Activities

| Activity  | CPD Credits |       | **Threshold |
|---|-------------|-------|-------------|
|   | CPM         | Other |             |
| Annual Conference   |             |       |             |
| Technical/Research Paper Presenter  | 30          | 20    | 70          |
| Panelist / Session Moderator  | 25          | 15    |             |
| *Participation in Technical Sessions per day  | 10          | 05    |             |
| Seminars and Workshops  |             |       |             |
| Presenter – Per Lecture   | 20          | 05    | 80          |
| Panelist  | 20          | 05    |             |
| Participant – Per actual contact hour   | 02          | 01    |             |
| Committees / Sub Committees<br>(minimum of 60% attendance is compulsory for CPM Committees) | 25          | 05    |             |
| Publications (Print Media)  |             |       |             |
| Author / Co-Author of a Book  | 25          | 25    | 70          |
| Article Moderator / Editorial Board Member  | 10          | 05    |             |
| Author of any Article   | 15          | 05    |             |

\* Minimum 10 marks should be maintained | \*\* Other category can earn only 50% only





## CPM GOVERNING COUNCIL MEMBER SAMANTHA RATHNAYAKE SUCCESSFULLY COMPLETES PHD IN MANAGEMENT

**C**PM secretariat is pleased to inform the successful completion of the PhD by our fellow member as well as Governing Council member, Dr. Samantha Rathnayake with a comprehensive research titled "perspectives on knowledge sharing intentions" at the Infrastructure University of Kuala Lumpur, Malaysia. He has graduated from the University of Kelaniya with a special degree in Human Resource Management and Master of Business Administration from the Postgraduate Institute of Management of University of Sri Jayewardenepura. At present, he serves as a faculty member/management consultant at the Postgraduate Institute of Management (PIM) of University of Sri Jayewardenepura.

Dr. Rathnayake counts over 20 years of management solutions experience in diverse sectors including the Food and Agriculture Organization of United Nations (UN FAO), the ICICI Bank India, the Sri Lanka Institute of Marketing (SLIM) and the Sri Lanka Foundation (SLF). First 10 years in his career, he has gone through multiple management solutions experiences in diverse sectors. During last 10 years, in particular, he has been involving in a number of educational activities such as the executive councils/committees of the Institute of Management of Sri Lanka (IMSL), the Chartered Institute of Personnel Management of Sri Lanka (CIPM), the Sri Lanka Association of Advancement of Quality and Productivity (SLAAQP) and the National Institute of Exporters (NIE).

At the CPM Sri Lanka, he has played a role of the Chairman Technical Committee for the Regional Conference (CRMC-2017 and 2018). He has been contributing as a key facilitator/moderator of Evening for Managers Programme discussion series. At present, he is steering and heading a committee to launch long run study programme series and setting up of the business school advisory board to the CPM Sri Lanka. He has played a number of other key roles such as the Chairman of Concurrent Sessions for the Integrated Reporting Awards - 2018 organized by the Certified Management Accountants of Sri Lanka; a role of Human Resources Development (HRD) Auditor for the National Human Resource Excellence

Awards-2016; Technical Committee of National Human Resource Conference-2017; Co-Chairman of Great HR Practices-2017 and Chairman of Great HR Practices - 2018 organized by of the CIPM Sri Lanka. Also, he has been a member of the panel of judges to evaluate the Entrepreneur of the Year competition organized by the Federation of Chambers of Commerce in Sri Lanka (FCCISL) in 2016, 2017 and 2018. During 2010 - 2012, he has served as a member of the Council of Education - SLIM, a Representative to Policy and Advisory Committee of Vocational Training Authority (VTA), and a representative to Organization for Professional Association of Sri Lanka (OPA). At the SLF, during 2012- 2015, he was in the Board of Study and the Chairman - Board of Examiners. Among other contributions, the following are significant ones:

- 2014 - 2015 Director of Studies, Chairman-Academic Board at the Sri Lanka Institute of Training and Development (SLITAD)
- 2014 - A Steering Committee Member of Global Communication Research Association (GCRA) - 2014 International Conference, Colombo
- 2014 - 2016 Executive Committee Member of the Sunday Times Business Club (STBC)
- 2015 - 2016 Co-Chairman of Seminars and Public sessions and Co-Executive Editor of IMSL
- 2017- 2018 The organizing committee member of Global Apparel conference organized by the Monash University Australia

He holds Certified Professional Marketer - (Asia), Practicing Marketer (SL) status and a Certified Human Resource Development Auditor from TVRSL, India. He has contributed to many forums as a speaker, session facilitator/chair, moderator, valedictory speaker, and panelist and also written many articles to both local and international journals. Dr Rathnayake has conducted a number of training programmes for multiple clients at different levels. We take this opportunity to wish him best of luck!

## BILEETA (PVT.) LTD. POWERS CPM EVENING FOR MANAGERS (EFM) PRESENTATION SERIES IN 2019/2020 AS A CORPORATE PARTNER

**O**ne of the leading ERP solution providers in the country, Bileeta (Pvt.) Ltd. recently came on board to power the Institute of CHARTERED Professional Managers of Sri Lanka (CPM Sri Lanka) Evening For Managers (EFM) presentation series for 2019/2020 as the Official ERP Solution Partner, which will assist the institute to carry out its vibrant continuing professional development management events for the benefit of its members and public.

The MOU was signed at the CPM Sri Lanka secretariat in Colombo 04.

Speaking at the event, CEO of Bileeta (Pvt.) Ltd., Mr. Sanji de Silva said that they are very happy to join hand with the country's premier professional management body, CPM Sri Lanka. Welcoming Bileeta (Pvt.) Ltd. onboard, the President of CPM Sri Lanka, Prof. Lakshman R. Watawala noted that the continuing support by one of the country's leading ERP Solution provider, was an endorsement of its dedication to develop continuing professional management education for the benefit managers in the Corporate and Government sectors.



Mr. Sanji de  
Silva CEO and  
Prof. Lakshman  
R. Watawala  
President





Highlights of  
CPM EFM\_12

## How to Navigate in Tough Market Conditions?

07<sup>th</sup> November, 2018





Highlights of  
CPM EFM\_13

# Foresight for Country's ECONOMIC REVIVAL STRATEGY and SOUND MANAGEMENT

14<sup>th</sup> February, 2019







# INAUGURAL “CPM MANAGEMENT QUIZ BATTLE 2019” ENDS ON A GRAND NOTE

With the intention of creating a fine platform for the purpose of testing the competency level of Corporate Managers, The Institute of CHARTERED Professional Managers of Sri Lanka has organized “CPM Management Quiz Battle 2019” recently.

This was the inaugural quiz competition organized by the Institute. There were 05 rounds which comprises of 10 questions each in a round. The questions were also included visuals/video clips based questions and cover the General Management, Integrative Management, Innovation & Entrepreneurship, General Knowledge and Current Affairs.

The contestant teams were provided Audience Response System Clickers which added more colour to the event since it has no paper involvement for the foam of answers.

Dialog Axiata PLC clinch the Champion Trophy with cash price of Rs.99,999/-. South Asia Gateway Terminals Pvt. Ltd (SAGT) was the 01st Runner-up with cash price of Rs.66,666/- and Hemas Manufacturing (Pvt) Ltd was the 02nd Runner-up with cash price of Rs.33,333/-.

The Institute also recognized round winners, team/s who scoring the highest marks in each round.

As the Premier Chartered Professional Management body in the Country, the Institute will continue this event annually.









## New Memberships awarded and Membership upgrades during October 2018 to May 2019

### New Memberships-Fellow (FCPM)

| Membership No. | Name                      | Designation                             | Organization                   |
|----------------|---------------------------|---|--------------------------------|
| FCPM00290      | Mr.D.H.S.Illangakoon      | Director-Operations                     | Sarvo Tech (Pvt) Ltd           |
| FCPM00293      | Mr.A.N.Handunpathirana    | Financial Controller                    | Alia Construction (Pvt) Ltd    |
| FCPM00294      | Mr.S.M.Wijesinghe         | General Manager-Pharmaceutical Division | Browns & Company PLC           |
| FCPM00295      | Mr.K.E.D.Sumanasiri       | Deputy General Manager-HR               | Bank of Ceylon                 |
| FCPM00296      | Mr.H.S.Wanigatunga        | Chief Information Officer               | Seylan Bank PLC                |
| FCPM00297      | Mrs.K.G. Hatch            | Head of Legal                           | Seylan Bank PLC                |
| FCPM00299      | Mrs.D.N.K. Kurukulasuriya | Chief Human Resources Officer           | Diesel @ Motor Engineering PLC |
| FCPM00300      | Mr.H.P.R.P. Amarasinghe   | Group Admin Manager                     | Hirdaramani Group of Companies |
| FCPM00302      | Mr.K.W.A.J. Wimalaratne   | Deputy General Manager                  | Sri Lanka Telecom PLC          |

### Upgraded-Fellow (FCPM)

| Membership No. | Name                | Designation                | Organization                             |
|----------------|---------------------|----------------------------|--|
| FCPM00289      | Mr.Anura K.Medagoda | Divisional Finance Officer | Qatar Primary Materials Co.              |
| FCPM00291      | Dr.S.J.Nugawela     | Executive Director         | Academy for Administrative Professionals |
| FCPM00292      | Mr.D.S.Peiris       | Director                   | Management & Science Institute (MSI)     |

### New Memberships-Member (MCPM)

| Membership No. | Name                          | Designation                                      | Organization  |
|----------------|-------------------------------|--|---|
| MCPM00707      | Mr. B.A.D.S.P. Kumara         | Senior Accounting Manager                        | Almarai Company                                       |
| MCPM00708      | Mr. M.A. Priyanka             | Commissioner                                     | Department of Inland Revenue                          |
| MCPM00709      | Mr. D.N.L. Gunawardena        | Deputy General Manager-Operations                | People's Leasing & Finance PLC                        |
| MCPM00710      | Mr. A.L.D.U.P. kumara         | Manager-Electrical Electronics & Instrumentation | CEAT International Tires (Pvt) Ltd                    |
| MCPM00711      | Mr. A.P.N. Darshana           | Officer In Charge                                | DFCC Bank   |
| MCPM00714      | Mr. S.L.G. Perera             | Head of Training                                 | Aurora Strategies (pvt) Ltd                           |
| MCPM00715      | Mr. I.S.K. Dissanayake        | Deputy General Manager-Finance                   | U.W. Sumathipala & Sons                               |
| MCPM00716      | Mr. J.A.C.P. Jayakody         | Deputy Finance and Administration Manager        | International Committee of the Red Cross(ICRC)        |
| MCPM00717      | Mr. M.C.K. Fernando           | General Manager                                  | Vega Ships Management Services<br>DMMCo-Dubai         |
| MCPM00718      | Mr. J.P. Attanayake           | General Manager-Operations<br>Sri Lanka          | Riverview Mobility<br>Solutions (Pvt) Ltd - Singapore |
| MCPM00719      | Mrs. S.A.D. Malalgoda         | Director   | National Child Protection Authority                   |
| MCPM00720      | Mrs. T.R. Malawaraarachchi    | Manager  | People's Bank   |
| MCPM00721      | Mr. M.C.M. Fernando           | Accountant                                       | Manisha (Pvt) Ltd                                     |
| MCPM00722      | Mr. S. Ramalingam             | Senior Manager                                   | Cloudforce BPO (Pvt) Ltd                              |
| MCPM00723      | Mr. K.A.S.A.R. Fernando       | Deputy Manager                                   | Mercantile Investments & Finance PLC                  |
| MCPM00724      | Mr. H.K.A. Hettiwatta         | Senior Manager-Finance                           | VFS Lanka (Pvt) Ltd                                   |
| MCPM00725      | Mr. A.W.A.G.S. Wickramasinghe | Senior Manager-Business Development              | Bimputh Finance PLC                                   |
| MCPM00726      | Mrs. W.H.J. Weththasinghe     | Assistant Manager-HR                             | Bimputh Finance PLC                                   |
| MCPM00727      | Mr. M.N.H. Nashwaq            | Head of Finance                                  | Bimputh Finance PLC                                   |
| MCPM00728      | Mr. C.R. Christy              | Senior Manager-Operations                        | Bimputh Finance PLC                                   |

### Upgraded-Member (MCPM)

| Membership No. | Name                      | Designation         | Organization                 |
|----------------|---------------------------|---------------------|------------------------------|
| MCPM00712      | Mrs. R.S.A.K. Alwis       | Executive Assistant | Ceylon Petroleum Corporation |
| MCPM00713      | Mr. W.M.C.M. Halmillawewa | Accountant          | Onsite Factories (pvt) Ltd   |



## New Memberships awarded and Membership upgrades during April 2018 to September 2018

### New Memberships-Associate (ACPM)

| Membership No. | Name                        | Designation                                     | Organization  |
|----------------|-----------------------------|---|---|
| ACPM01393      | Mr. M.R. Ghouse             | Finance Executive                               | Amana Bank PLC  |
| ACPM01394      | Mr. P.H.R. Prabuddha        | Accountant                                      | Oliva Group (Pvt) Ltd                                 |
| ACPM01395      | Mr. P. Kapilan              | Assistant Accountant                            | Ricelon (Pvt) Ltd                                     |
| ACPM01396      | Ms. W.S.N. Wimaladharma     | Senior Executive-Marketing                      | Dreams Consolidated                                   |
| ACPM01397      | Mr. N.H. Pathirage          | Manager-Admin Finance                           | A&G Holdings  |
| ACPM01398      | Mr. A.M.M. Rikas            | Accountant                                      | Strong Rent a Car-Qatar                               |
| ACPM01399      | Mrs. S. Sooriyarani         | Development Officer-Finance                     | Sri Lanka Anti-Doping Agency                          |
| ACPM01400      | Mr. S.M.M. Arshad           | Accounts Executive                              | TMI Solutions (Pvt) Ltd                               |
| ACPM01401      | Mr. N. Sasikumar            | Management Trainee-SME Credit                   | Fintrex Finance Limited                               |
| ACPM01402      | Mr. W.M.L.D. Wijerathne     | Accountant                                      | Candia Credit Limited                                 |
| ACPM01403      | Mr. A. Ifthikaroon          | Accounting Manager                              | Advanced Vision Co.-Qatar                             |
| ACPM01404      | Mr. A.A.D. Dananjaya        | Accounts Assistant                              | Wijeya Newspapers Ltd                                 |
| ACPM01405      | Ms. D.A.C. Deepali          | Assistant Manager<br>-Finance Department        | Wijeya Newspapers Ltd                                 |
| ACPM01406      | Mr. K. Pirasanna            | Trainee Associate                               | 1 <sup>st</sup> Accounting Solutions (Pvt) Ltd        |
| ACPM01407      | Mr. U.P. Manage             | Staff Accountant                                | CFO Plans (Pvt) Ltd                                   |
| ACPM01408      | Mr. E.J.V. Fernando         | Assistant Accountant                            | Mihiri Fooda (Pvt) Ltd                                |
| ACPM01409      | Mr. M.N.A. Azam             | Managing Consultant                             | M/S Finout Incorporate (Pvt) Ltd                      |
| ACPM01410      | Ms. C.D. Kodikara           | Senior Executive-Finance                        | Ikman (Pvt) Ltd                                       |
| ACPM01411      | Ms. H.A.K.V. Indeewari      | Accounts Assistant                              | Avon Pharmo Chem (Pvt) Ltd                            |
| ACPM01412      | Mr. T.D. Asanka             | Assistant Manager                               | Trade First (Pvt) Ltd                                 |
| ACPM01413      | Mr. K.M. Dayarathna         | Enterpruener                                    | Sarasavi-Communication                                |
| ACPM01414      | Mr. R.M.J. Jansz            | Accountant                                      | Cloudforce BPO (Pvt) Ltd                              |
| ACPM01415      | Mr. J.R.A.I. Kumara         | Assistant Manager - Marketing                   | CMA Sri Lanka   |
| ACPM01416      | Mr. M.J.A. Bathihi          | Assistant Manager                               | Ernst & Young   |
| ACPM01417      | Mrs. N.S. Joseph            | Assistant Manager<br>- Finance & Administration | Dynamix Books (Pvt) Ltd                               |
| ACPM01418      | Mr. I.A. Ekanayake          | Lecturer (Probationary)                         | Sabaragamuwa University<br>of Sri Lanka               |
| ACPM01419      | Mr. P.W.S.M.N.W. Samarakoon | HR Officer                                      | Commercial Micro Credit<br>Investment Trust (Pvt) Ltd |
| ACPM01420      | Mr. J.P. Sudusinghe         | Accountant                                      | Sri Lanka Telecom PLC                                 |
| ACPM01421      | Mr. M.H.N. Marikkar         | Accountant                                      | Cloudforce BPO (Pvt) Ltd                              |



# KOKUSAI

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# IT'S NOT A PLACE *It's a Lifestyle*

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