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INTERIM FINANCIAL STATEMENTS
for the year ended 31 December 2020
(Audited)

Bank of Ceylon

Fitch Ratings: AA- (lka)

Overview of the audited financial performance for the year 2020

- **PBT for the year - Rs. 23.6 billion**
- **Gross Loans - a milestone reached – Rs. 2.1 trillion with 28% growth**
- **Deposit base - Rs. 2.5 trillion with 23% growth**
- **Additional Tier one qualified Bond – raised Rs. 15.0 billion**

The year 2020 become an exceptional year devastating almost all the economies of the world and Sri Lanka being no exception has by now caught the second wave of the COVID - 19 pandemic. Among all these unexpected challenges, the Bank has reported Rs. 23.6 billion as Profit before Tax (PBT) for the year 2020 by moving forward with a stable performance while managing headwinds caused by low interest rates, higher NPA, cash flow deferments and operational restrictions. Profit After Tax (PAT) for the year ended at Rs. 17.8 billion. Despite the interest rate reduction, new repayment arrangements easing the commitments of the customers and increase in interest expense in line with growth of the deposit base, the net interest income of the Bank was reported at Rs.74.8 billion and it showed only a drop of 0.5% YoY. The non- fund-based income, which represented around 20% of the operating income of the Bank ended at Rs.18.6 billion with 15% growth. Even though, the main non-funded income source, net fee and commission income came down slightly by 1% to Rs. 12.0 billion due to disruptions in international trade which came with the pandemic, the Bank managed to preserve the non-funded income at a favorable level with the exchange gain of Rs. 3.8 billion.

Due to the Bank's prudent management approach, the operating cost of Rs. 33.1 billion was limited only to a 2% increase and cost to income ratio has also been maintained at an acceptable rate of 37%. Albeit the Bank had to set aside a notable level of impairment during the year 2020, the Bank's operating profit before financial taxes stood at Rs. 29.0 billion. The impairment charge for the expected losses on the loan book was captured in the financials irrespective of the concessions given to customers by way of cash flow deferments and other relief packages. The Bank always maintains proper books of accounts by reflecting the potential risk it encounters in the expected loss assessment as per the SLFRS 09 and Rs. 31.2 billion has been charged to Profit or Loss for loans and advances and financial investments. However, the Bank was able to manage the well-known assets quality indicator, NPA ratio at the same level of 4.8% by end December 2020 in comparison to the previous year.

Among all these challenges the Bank's assets base grew by 24% to Rs. 2.9 trillion, backed by an increase of 28% in the loan book to Rs.2.1 trillion. The Bank's loan book went past the Rs. 2 trillion mark during the year 2020 and closed the year with Rs. 2.1 trillion gross loans and advances to customers. Both Government and private sector lending contributed to the growth reported during the year and working capital and personal lending showed a boost in line with credit facilities offered under "Diviudana" loan scheme, BoC Personal loans, Project financing under corporate lending, etc. By taking the lead in delivering the Government mandate for reviving the economic activities paused due to the pandemic, the Bank has disbursed around Rs. 40 billion under the "Saubagya COVID -19 Renaissance Facility" by extending working capital to COVID-19 affected businesses.

The Bank's deposit base which represents 24% of the industry has increased during this year too despite of the low interest rates that prevailed in the market. The Bank's deposit base of Rs. 2.5 trillion represents 35% of Current and Saving deposit (CASA) base which generates funds at low cost. During 2020 the Bank successfully executed issuance of its first Additional Tier 1 (AT1) bond and Rs. 15.0 billion ATI capital was generated. The Bank's Tier I Capital and Total Capital ratio stood at 11.2% and 14.9% respectively by end 2020 which were above the regulatory norms. Despite of cash flow deferments in loan installments, the Bank was able to maintain better trade -off between the liquid assets and its liabilities. All liquid level monitoring ratios were well-kept-up. However, ROA and ROE of the Bank showed a declining trend in direct correlation to Profit and balance sheet growth.

Bank of Ceylon continues to be recognized locally and internationally and is the highest ranked local bank, among the Top 1000 Banks listed by the Banker Magazine UK for the year 2020. Locally the Bank was ranked among the Top 10 most Admired Companies of Sri Lanka by CIMA/ICCSL/ DailyFT. Furthermore, the Bank of Ceylon was among the top 10 Corporates at the "Best Corporate Citizen Sustainability Awards 2020" conducted by the Ceylon Chamber of Commerce. Also, Bank of Ceylon has continued to be ranked as the most valuable Banking Brand for many consecutive years by the Brand Finance Lanka. BoC has 646 branches, 1,330 ATMs, CRMs and CDMs Island wide. Fitch Ratings (SL) has assigned the credit rating of AA- (lka) to Bank of Ceylon, which is the highest rating assigned to Sri Lankan domestic commercial banks at present.

This performance for the year was derived by converting challenges into opportunities during the year 2020 while fulfilling the duty of being Bankers to the Nation. Making another outstanding milestone in the BOC's history the assets base went pass the Rs.3.0 trillion mark during 1Q-2021 manifested in line with the increase reported in preceding years and preserved the Bank's industry leadership as first Sri Lankan bank to reach Rs.3.0 trillion assets base.

STATEMENT OF PROFIT OR LOSS

1

Rs. 000

31 December	Bank						Group					
	For the year ended			For the quarter ended			For the year ended			For the quarter ended		
	2020	2019	Change %	2020	2019	Change %	2020	2019	Change %	2020	2019	Change %
Total income	247,163,965	239,116,469	3.4	65,345,995	60,031,890	8.9	252,756,030	248,692,003	1.6	66,725,027	62,323,729	7.1
Interest income	226,310,574	220,477,174	2.6	59,010,280	54,480,736	8.3	231,454,401	227,377,777	1.8	60,225,175	56,164,536	7.2
Interest expenses	(151,534,708)	(145,330,696)	4.3	(36,569,496)	(36,855,336)	(0.8)	(154,251,160)	(149,082,891)	3.5	(36,912,418)	(37,593,585)	(1.8)
Net interest income	74,775,866	75,146,478	(0.5)	22,440,784	17,625,400	27.3	77,203,241	78,294,886	(1.4)	23,312,757	18,570,951	25.5
Fee and commission income	14,261,148	14,569,762	(2.1)	4,655,440	5,790,135	(19.6)	14,500,865	14,969,583	(3.1)	4,702,824	5,904,830	(20.4)
Fee and commission expenses	(2,302,057)	(2,472,955)	(6.9)	(695,718)	(620,384)	12.1	(2,324,128)	(2,512,206)	(7.5)	(702,517)	(631,149)	11.3
Net fee and commission income	11,959,091	12,096,807	(1.1)	3,959,722	5,169,751	(23.4)	12,176,737	12,457,377	(2.3)	4,000,307	5,273,681	(24.1)
Net gains / (losses) from trading	2,627,620	2,535,301	3.6	312,387	423,415	(26.2)	2,643,463	2,555,256	3.5	314,916	415,951	(24.3)
Net fair value gains / (losses) from financial instruments at fair value through profit or loss	928,234	321,789	188.5	720,380	422,307	70.6	991,525	342,807	189.2	724,522	458,884	57.9
Net gains/(losses) on derecognition of financial assets	482,684	282,260	71.0	158,003	37,196	324.8	492,996	292,812	68.4	168,058	46,593	260.7
Other operating income	2,553,705	930,183	174.5	489,505	(1,121,899)	(143.6)	2,672,780	3,153,768	(15.3)	589,532	(667,065)	(188.4)
Total operating income	93,327,200	91,312,818	2.2	28,080,781	22,556,170	24.5	96,180,742	97,096,906	(0.9)	29,110,092	24,098,995	20.8
Impairment (charge) / reversal												
Loans and advances	(27,955,002)	(18,184,697)	53.7	(8,414,989)	(3,556,114)	136.6	(28,656,668)	(18,274,818)	56.8	(8,896,968)	(3,420,357)	160.1
Other financial assets	(3,277,176)	(413,028)	693.5	(2,168,628)	(16,825)	12,789.3	(3,293,646)	(444,425)	641.1	(2,181,975)	(484,194)	350.6
Other losses	-	-	-	-	-	-	(81,759)	-	-	(81,759)	-	-
Net operating income	62,095,022	72,715,093	(14.6)	17,497,164	18,983,231	(7.8)	64,148,669	78,377,663	(18.2)	17,949,390	20,194,444	(11.1)
Operating expenses												
Personnel expenses	(18,190,480)	(18,365,029)	(1.0)	(4,610,920)	(3,651,358)	26.3	(20,050,612)	(20,213,082)	(0.8)	(5,037,850)	(4,120,510)	22.3
Depreciation and amortisation	(4,254,528)	(3,704,004)	14.9	(1,054,356)	(1,052,841)	0.1	(4,391,152)	(3,775,144)	16.3	(1,121,947)	(559,222)	100.6
Other expenses	(10,639,665)	(10,440,209)	1.9	(3,351,999)	(2,928,977)	14.4	(12,080,058)	(12,911,506)	(6.4)	(3,495,659)	(4,077,944)	(14.3)
Total operating expenses	(33,084,673)	(32,509,242)	1.8	(9,017,275)	(7,633,176)	18.1	(36,521,822)	(36,899,732)	(1.0)	(9,655,456)	(8,757,676)	10.3
Operating profit before taxes on financial services	29,010,349	40,205,851	(27.8)	8,479,889	11,350,055	(25.3)	27,626,847	41,477,931	(33.4)	8,293,934	11,436,768	(27.5)
Value Added Tax (VAT) on financial services	(5,458,468)	(6,146,876)	(11.2)	(1,523,188)	(1,549,981)	(1.7)	(5,463,182)	(6,340,851)	(13.8)	(1,506,879)	(1,628,437)	(7.5)
Nation Building Tax (NBT) on financial services	-	(731,281)	(100.0)	-	(118,135)	(100.0)	-	(753,870)	(100.0)	-	(125,117)	(100.0)
Debt repayment levy	-	(3,642,467)	(100.0)	-	(943,329)	(100.0)	-	(3,755,828)	(100.0)	-	(989,254)	(100.0)
Operating profit after taxes on financial services	23,551,881	29,685,227	(20.7)	6,956,701	8,738,610	(20.4)	22,163,665	30,627,382	(27.6)	6,787,055	8,693,960	(21.9)
Share of profits / (losses) of Associate companies, net of tax	-	-	-	-	-	-	82,488	48,187	71.2	56,880	22,017	158.3
Profit before income tax	23,551,881	29,685,227	(20.7)	6,956,701	8,738,610	(20.4)	22,246,153	30,675,569	(27.5)	6,843,935	8,715,977	(21.5)
Income tax expense	(5,786,749)	(6,587,192)	(12.2)	(867,119)	1,120,630	(177.4)	(5,938,747)	(6,928,234)	(14.3)	(892,404)	1,005,625	(188.7)
Profit for the year	17,765,132	23,098,035	(23.1)	6,089,582	9,859,240	(38.2)	16,307,406	23,747,335	(31.3)	5,951,531	9,721,602	(38.8)
Profit attributable to:												
Equity holder of the Bank	17,765,132	23,098,035	(23.1)	6,089,582	9,859,240	(38.2)	16,842,514	23,452,040	(28.2)	6,168,542	9,649,605	(36.1)
Non controlling interest	-	-	-	-	-	-	(535,108)	295,295	(281.2)	(217,011)	71,997	(401.4)
Profit for the year	17,765,132	23,098,035	(23.1)	6,089,582	9,859,240	(38.2)	16,307,406	23,747,335	(31.3)	5,951,531	9,721,602	(38.8)
Earnings per share:												
Basic earnings per share (Rs.)	710.61	971.85	(26.9)	243.58	394.37	(38.2)	673.70	986.74	(31.7)	246.74	385.98	(36.1)
Diluted earnings per share (Rs.)	710.61	923.92	(23.1)	243.58	394.37	(38.2)	673.70	938.08	(28.2)	246.74	385.98	(36.1)

STATEMENT OF COMPREHENSIVE INCOME

2

Rs. 000

31 December	Bank						Group					
	For the year ended			For the quarter ended			For the year ended			For the quarter ended		
	2020	2019	Change %	2020	2019	Change %	2020	2019	Change %	2020	2019	Change %
Profit for the year	17,765,132	23,098,035	(23.1)	6,089,582	9,859,240	(38.2)	16,307,406	23,747,335	(31.3)	5,951,531	9,721,602	(38.8)
Other comprehensive income for the year , net of tax												
Items that will be reclassified to profit or loss												
Exchange differences on translation of foreign operations	11,571	(142,361)	(108.1)	46,189	106,011	(56.4)	233,259	(55,239)	(522.3)	267,052	303,936	(12.1)
Net gains / (losses) on investments in debt instruments measured at FVTOCI	114,650	76,949	49.0	(72,929)	(51,934)	40.4	137,205	79,550	72.5	(55,420)	(33,899)	63.5
Net (gains) / losses on FVTOCI financial investments reclassification to profit or loss	(3,521)	231,126	(101.5)	3,616	66,701	(94.6)	(3,521)	231,126	(101.5)	3,616	66,701	(94.6)
Deferred tax effect on above	(19,946)	(80,282)	(75.2)	23,107	1,844	1,153.1	(19,946)	(80,282)	(75.2)	23,107	1,844	1,153.1
Share of other comprehensive income of Associate companies, net of tax	-	-	-	-	-	-	(19,439)	(7,078)	174.6	(8,267)	1,895	(536.3)
	102,754	85,432	20.3	(17)	122,622	(100.0)	327,558	168,077	94.9	230,088	340,477	(32.4)
Items that will not be reclassified to profit or loss												
Change in fair value on investments in equity instruments designated at FVTOCI	(271,739)	54,970	(594.3)	(103,542)	437,511	(123.7)	(805)	14,446	(105.6)	85,325	262,614	(67.5)
Deferred tax effect on above	(91,689)	(144,356)	(36.5)	(36,233)	(53,322)	(32.0)	(91,689)	(144,356)	(36.5)	(36,233)	(53,322)	(32.0)
Gain/ (Loss) of derecognition of investments in equity instruments designated at fair value through other comprehensive income	-	15,295	(100.0)	-	15,295	(100.0)	-	15,295	(100.0)	-	(15,295)	(100.0)
Re-measurement of post-employment benefit obligations	(9,530,481)	(12,666,432)	(24.8)	(9,530,481)	(12,666,432)	(24.8)	(9,582,774)	(12,704,271)	(24.6)	(9,580,331)	(12,705,709)	(24.6)
Deferred tax effect on above	3,007,330	16,379	18,260.9	3,007,330	16,379	18,260.9	3,020,118	34,000	8,782.7	3,019,531	34,404	8,676.7
Changes in revaluation surplus / (deficit)	6,932,984	-	-	6,932,984	-	-	7,774,192	790,887	883.0	7,774,192	790,887	883.0
Deferred tax effect on above	(1,941,235)	-	-	(1,941,235)	-	-	(2,176,773)	(221,448)	883.0	(2,176,773)	(221,448)	883.0
	(1,894,830)	(12,724,144)	(85.1)	(1,671,177)	(12,250,569)	(86.4)	(1,057,731)	(12,215,447)	(91.3)	(914,289)	(11,892,574)	(92.3)
Other comprehensive income for the year, net of tax	(1,792,076)	(12,638,712)	(85.8)	(1,671,194)	(12,127,947)	(86.2)	(730,173)	(12,047,370)	(93.9)	(684,201)	(11,552,097)	(94.1)
Total comprehensive income for the year	15,973,056	10,459,323	52.7	4,418,388	(2,268,707)	(294.8)	15,577,233	11,699,965	33.1	5,267,330	(1,830,495)	(387.8)
Attributable to:												
Equity holder of the Bank	15,973,056	10,459,323	52.7	4,418,388	(2,268,707)	(294.8)	16,074,875	11,382,536	41.2	5,449,767	(1,961,227)	(377.9)
Non controlling interest	-	-	-	-	-	-	(497,642)	317,429	(256.8)	(182,437)	130,732	(239.6)
Total comprehensive income for the year	15,973,056	10,459,323	52.7	4,418,388	(2,268,707)	(294.8)	15,577,233	11,699,965	33.1	5,267,330	(1,830,495)	(387.8)

As at	Bank			Group		
	31-Dec-2020	31-Dec-2019	Change %	31-Dec-2020	31-Dec-2019	Change %
Assets						
Cash and cash equivalents	84,416,624	64,868,895	30.1	83,198,445	64,829,735	28.3
Balances with Central Banks	33,351,852	54,594,436	(38.9)	33,351,852	54,594,436	(38.9)
Placements with banks	27,615,851	44,476,343	(37.9)	27,913,969	47,911,621	(41.7)
Securities purchased under resale agreements	2,001,047	2,179,449	(8.2)	3,822,312	3,981,886	(4.0)
Derivative financial instruments	548,926	132,090	315.6	548,926	132,090	315.6
Financial assets recognized through profit or loss measured at fair value	9,856,220	10,055,415	(2.0)	10,869,471	11,052,769	(1.7)
Financial assets at amortized cost						
- loans and advances	1,988,409,007	1,549,804,871	28.3	2,018,393,730	1,580,949,025	27.7
- debt and other instruments	724,390,172	572,747,809	26.5	725,579,585	573,977,330	26.4
Financial assets - measured at fair value through other comprehensive income	15,362,480	14,236,090	7.9	17,913,778	17,016,553	5.3
Investment in Subsidiary companies	6,513,048	6,513,048	-	-	-	-
Investment in Associate companies	92,988	92,988	-	510,084	447,035	14.1
Investment properties	2,534,118	2,648,784	(4.3)	114,370	117,276	(2.5)
Property, plant and equipment	33,366,003	25,579,065	30.4	47,418,620	39,486,380	20.1
Right of Use Asset / Leasehold properties	3,208,879	3,479,937	(7.8)	2,643,686	2,187,622	20.8
Intangible assets	1,020,881	1,127,007	(9.4)	1,228,597	1,361,858	(9.8)
Deferred tax assets	-	-	-	76,873	511,936	(85.0)
Other assets	50,292,999	62,580,402	(19.6)	51,189,477	63,926,060	(19.9)
Total assets	2,982,981,095	2,415,116,629	23.5	3,024,773,775	2,462,483,612	22.8
Liabilities						
Due to banks	2,402,043	2,669,407	(10.0)	2,628,434	2,932,950	(10.4)
Securities sold under repurchase agreements	57,106,652	34,183,210	67.1	57,697,780	34,880,507	65.4
Derivative financial instruments	102,182	106,677	(4.2)	102,182	106,677	(4.2)
Financial liabilities at amortized cost						
- due to depositors	2,474,775,488	2,005,211,794	23.4	2,493,110,291	2,025,204,033	23.1
- due to other borrowers	180,884,127	137,833,543	31.2	185,102,055	145,095,262	27.6
Debt securities issued	-	-	-	2,107,493	2,107,810	(0.0)
Current tax liabilities	591,723	-	-	775,259	138,677	459.0
Deferred tax liabilities	923,462	4,592,021	(79.9)	3,305,797	7,182,866	(54.0)
Insurance provision - Life	-	-	-	498,767	511,091	(2.4)
Insurance provision - Non life	-	-	-	488,784	358,504	36.3
Other liabilities	44,898,628	34,015,688	32.0	45,372,722	34,758,044	30.5
Subordinated liabilities	64,637,407	54,221,552	19.2	64,627,397	54,211,542	19.2
Total liabilities	2,826,321,712	2,272,833,892	24.4	2,855,816,961	2,307,487,963	23.8
Equity						
Share capital	25,000,000	25,000,000	-	25,000,000	25,000,000	-
Permanent reserve fund	13,739,000	13,383,000	2.7	13,739,000	13,383,000	2.7
OCI reserve	1,704,356	1,976,601	(13.8)	2,573,148	2,571,824	0.1
Retained earnings	96,983,948	87,689,480	10.6	97,463,266	89,140,565	9.3
Other reserves	19,232,079	14,233,656	35.1	28,913,613	23,115,173	25.1
Total equity attributable to equity holder of the Bank	156,659,383	142,282,737	10.1	167,689,027	153,210,562	9.5
Non controlling interest	-	-	-	1,267,787	1,785,087	(29.0)
Total equity	156,659,383	142,282,737	10.1	168,956,814	154,995,649	9.0
Total liabilities and equity	2,982,981,095	2,415,116,629	23.5	3,024,773,775	2,462,483,612	22.8
Contingent liabilities and commitments	580,448,870	508,217,961	14.2	599,908,069	516,632,979	16.1

STATEMENT OF CHANGES IN EQUITY - BANK

4

Rs. 000

	Share capital		Permanent reserve fund	OCI reserve	Other reserves		Retained earnings	Total Equity
	Share capital	Capital pending allotment			Other reserves	Revaluation reserve		
Balance as at 01 January 2019	20,000,000	5,000,000	12,890,000	1,838,194	2,681,679	11,698,270	78,061,681	132,169,824
Total comprehensive income for the year								
Profit for the year	-	-	-	-	-	-	23,098,035	23,098,035
Other comprehensive income, net of tax	-	-	-	138,407	(142,361)	-	(12,634,758)	(12,638,712)
Transfers to share capital	5,000,000	(5,000,000)	-	-	-	-	-	-
Dividends for the year	-	-	-	-	-	-	(346,410)	(346,410)
Revaluation surplus of disposed property	-	-	-	-	-	(3,932)	3,932	-
Transfers to permanent reserve fund	-	-	493,000	-	-	-	(493,000)	-
Balance as at 31 December 2019	25,000,000	-	13,383,000	1,976,601	2,539,318	11,694,338	87,689,480	142,282,737
Balance as at 01 January 2020	25,000,000	-	13,383,000	1,976,601	2,539,318	11,694,338	87,689,480	142,282,737
Total comprehensive income for the year								
Profit for the year	-	-	-	-	-	-	17,765,132	17,765,132
Other comprehensive income, net of tax	-	-	-	(272,245)	11,571	4,991,749	(6,523,151)	(1,792,076)
Dividends for the year	-	-	-	-	-	-	(1,596,410)	(1,596,410)
Revaluation surplus of disposed property	-	-	-	-	-	(4,897)	4,897	-
Transfers to permanent reserve fund	-	-	356,000	-	-	-	(356,000)	-
Balance as at 31 December 2020	25,000,000	-	13,739,000	1,704,356	2,550,889	16,681,190	96,983,948	156,659,383

STATEMENT OF CHANGES IN EQUITY -GROUP

Rs. 000

	Share capital		Permanent reserve fund	OCI reserve	Other reserves		Retained earnings	Non controlling interest	Total Equity
	Share capital	Capital pending allotment			Other reserves	Revaluation reserve			
Balance as at 01 January 2019	20,000,000	5,000,000	12,890,000	2,474,454	3,882,588	18,746,709	79,179,548	695,149	142,868,448
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	-	23,452,040	295,295	23,747,335
Other comprehensive income, net of tax	-	-	-	97,370	(55,239)	545,047	(12,656,682)	22,134	(12,047,370)
Transfers to share capital	5,000,000	(5,000,000)	-	-	-	-	-	-	-
Dividends for the year	-	-	-	-	-	-	(346,410)	-	(346,410)
Subsidiary dividends to non controlling interest	-	-	-	-	-	-	-	(18,490)	(18,490)
Revaluation surplus of disposed property	-	-	-	-	-	(3,932)	3,932	-	-
Transfers to permanent reserve fund	-	-	493,000	-	-	-	(493,000)	-	-
Reversal of unclaimed dividend	-	-	-	-	-	-	1,137	-	1,137
Loss of control of subsidiaries	-	-	-	-	-	-	-	790,999	790,999
Balance as at 31 December 2019	25,000,000	-	13,383,000	2,571,824	3,827,349	19,287,824	89,140,565	1,785,087	154,995,649
Balance as at 01 January 2020	25,000,000	-	13,383,000	2,571,824	3,827,349	19,287,824	89,140,565	1,785,087	154,995,649
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	-	16,842,514	(535,108)	16,307,406
Other comprehensive income, net of tax	-	-	-	1,324	233,259	5,570,078	(6,572,300)	37,466	(730,173)
Dividends for the year	-	-	-	-	-	-	(1,596,410)	-	(1,596,410)
Subsidiary dividends to non controlling interest	-	-	-	-	-	-	-	(19,658)	(19,658)
Revaluation surplus of disposed property	-	-	-	-	-	(4,897)	4,897	-	-
Transfers to permanent reserve fund	-	-	356,000	-	-	-	(356,000)	-	-
Balance as at 31 December 2020	25,000,000	-	13,739,000	2,573,148	4,060,608	24,853,005	97,463,266	1,267,787	168,956,814

STATEMENT OF CASH FLOWS

5

Rs.'000

For the year ended 31 December	Bank		Group	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before income tax	23,551,881	29,685,227	22,246,153	30,675,569
Adjustments for :				
Net interest income	(74,775,866)	(75,146,478)	(77,203,241)	(78,294,886)
Dividend income on trading securities	(73,023)	(96,309)	(73,245)	(97,092)
Dividends from Subsidiaries and Associates	(434,475)	(345,585)	-	-
Share of profits of Associate companies, net of tax	-	-	(82,488)	(48,187)
Change in operating assets	(413,982,794)	(123,777,345)	(409,184,335)	(126,506,700)
Change in operating liabilities	496,722,445	176,310,288	497,455,395	180,103,954
Other non cash items included in profit before tax	39,963,871	23,347,090	40,978,788	23,991,568
Other net (gains)/ losses from investing activities	(1,410,918)	604,049	(1,484,521)	635,619
	69,561,121	30,580,937	72,652,506	30,459,845
Contribution paid from defined benefit plans	(8,590,729)	(8,375,632)	(8,625,429)	(8,440,117)
Interest received	168,040,640	154,261,084	172,733,898	161,145,280
Interest paid	(128,555,512)	(129,479,004)	(130,549,871)	(132,815,732)
Dividends received	73,023	96,309	73,245	97,092
Net cash from operating activities before income tax	100,528,543	47,083,694	106,284,349	50,446,368
Income tax paid	(5,158,415)	(10,870,994)	(5,361,254)	(11,174,355)
Net cash from operating activities	95,370,128	36,212,700	100,923,095	39,272,013
Cash flows from investing activities				
Net increase in financial investments at amortized cost	(145,229,377)	(21,107,321)	(145,189,269)	(22,219,557)
Net decrease/ (increase) in financial investments recognized through OCI	(206,410)	1,923,846	162,251	2,755,046
Addition to investment properties	(3,007)	-	-	-
Purchase of property plant and equipment and leasehold properties	(2,946,477)	(3,386,478)	(3,059,995)	(3,711,782)
Purchase of intangible assets	(367,195)	(317,483)	(401,078)	(394,389)
Proceeds from sale of property plant and equipment	37,635	77,270	50,688	183,306
Dividends received	764,802	659,522	557,924	348,398
Interest received	44,988,953	47,770,628	45,439,524	48,246,461
Net cash from/ (used in) investing activities	(102,961,076)	25,619,984	(102,439,955)	25,207,483
Cash flows from financing activities				
Net increase/ (decrease) in other borrowings	28,159,729	(69,863,965)	21,685,842	(70,338,490)
Proceeds from issue of debentures/ capital bonds	15,000,000	9,210,000	15,000,000	9,210,000
Payments on redemption of debentures	(4,779,196)	(6,166,475)	(4,779,196)	(8,165,598)
Dividends paid to Government of Sri Lanka	(1,596,410)	(346,410)	(1,596,410)	(346,410)
Dividends paid to non controlling interest	-	-	(19,658)	(18,490)
Interest payments on borrowings and debt securities	(8,738,923)	(8,733,722)	(9,461,333)	(9,188,023)
Net cash from/ (used in) financing activities	28,045,200	(75,900,572)	20,829,245	(78,847,011)
Net increase/ (decrease) in cash and cash equivalents during the year	20,454,252	(14,067,888)	19,312,385	(14,367,515)
Cash and cash equivalents at the beginning of the year	63,523,958	77,591,846	63,221,255	77,588,770
Cash and cash equivalents at the end of the year	83,978,210	63,523,958	82,533,640	63,221,255
Analysis of cash and cash equivalents				
Cash and cash equivalents	84,416,624	64,868,895	83,198,445	64,829,735
Bank overdrafts	(438,414)	(1,344,937)	(664,805)	(1,608,480)
Cash and cash equivalents at the end of the year	83,978,210	63,523,958	82,533,640	63,221,255

As at	Bank		Group	
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019
Net assets value per share (Rs)	6,266.38	5,691.31	6,707.56	6,128.42
Profitability				
Interest margin	2.77%	3.20%	2.81%	3.27%
Return on assets (before tax)	0.87%	1.26%	0.81%	1.28%
Return on equity (after tax)	11.89%	16.83%	10.07%	15.95%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	4.76%	4.79%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	1.36%	1.75%		
Investor Information				
Debt equity (%)	35.37	34.68		
Interest cover (times)	2.54	2.63		
Memorandum Information				
Number of employees	8,479	8,503		
Number of branches	582	581		

KEY REGULATORY RATIOS - CAPITAL AND LIQUIDITY

As at	Bank		Group	
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019
Regulatory Capital (Rs. ' 000)				
Common equity Tier 1	134,161,198	127,675,095	139,751,189	135,727,486
Total Tier I capital	149,161,198	127,675,095	154,751,189	135,727,486
Total capital	197,801,611	178,243,760	204,636,436	187,530,766
Regulatory Capital Ratios (%)				
Common equity Tier 1 capital ratio * (Minimum requirement, Basel III - 7.50%)	10.09%	11.16%	10.19%	11.38%
Total Tier I capital ratio * (Minimum requirement, Basel III - 9.00%)	11.22%	11.16%	11.28%	11.38%
Total capital ratio * (Minimum requirement, Basel III - 13.00%)	14.88%	15.58%	14.92%	15.72%
Leverage ratio (Minimum requirement - 3%)	4.68%	4.97%	4.78%	5.18%
Regulatory Liquidity				
Statutory liquid assets, - Domestic banking unit (Rs. ' 000)	625,559,328	547,432,530		
- Off-shore banking unit (US\$ 000)	855,315	717,216		
Total Stock of High Quality Liquid Assets	526,041,060	370,026,325		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	26.57%	24.57%		
- Off-shore banking unit	29.48%	58.32%		
Liquidity coverage ratio - Rupee ** (Minimum requirement, 90.00%)	190.00%	188.19%		
Liquidity coverage ratio - All currency ** (Minimum requirement, 90.00%)	136.97%	125.62%		
Net stable funding ratio ** (Minimum requirement - 90%)	131.00%	135.71%		

* Minimum requirement as at 31.12.2019 : Common equity Tier 1 capital ratio 8.5%, Tier 1 capital ratio 10%, Total capital ratio 14%

** Minimum requirement as at 31.12.2019 : Liquidity coverage ratio - Rupee 100%, Liquidity coverage ratio - All currency 100%, Net stable funding ratio 100%

SHARE INFORMATION

Shareholder	31-Dec-2020		31-Dec-2019	
	No. of Ordinary Shares	Holding %	No. of Ordinary Shares	Holding %
Government of Sri Lanka	25,000,000	100	25,000,000	100

- I. The interim Financial Statements are presented in accordance with Sri Lanka Accounting Standard - LKAS 34 on “Interim Financial Reporting”. These interim condensed Financial Statements should be read in conjunction with the annual financial statements for the year ended 31 December 2019. In order to conform to better presentation, previous year figures and phrases have been adjusted where relevant.
- II. There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2019.
- III. No circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.
- IV. The outbreak and spread of the coronavirus globally since January 2020 has caused disruption to business and economic activities, and uncertainty to the global economy. Consequent to the diagnosis of COVID-19 virus within Sri Lanka many measures were introduced by the Sri Lankan Government and the Central Bank of Sri Lanka with a view to easing the pressure due to safety measures taken to face the pandemic situation. COVID -19 pandemic has had a significant impact on business operations of the Bank due to changes that took place in normal business practices. However, the Bank proactively adjusted to the situation very quickly and took all necessary steps to provide the customer services in best possible manner in this pandemic situation.

The Bank will continue to support the measures taken to revive the economy and the safety of the customers and the staff also will be considered as being of paramount importance in conducting all operational activities.

Considering the COVID 19 impact on the economy, the Bank has made adequate impairment provision for loans and advances as at 31 December 2020 in order to ensure the expected losses due to prevailing economic condition are adequately captured in the Financial Statements.

Significant Customers were individually assessed with due consideration on the emerged or potential risk on their business due to pandemic condition, regardless the concessions they enjoy under relief packages. In providing collective impairment actual past due position was considered irrespective of the concessions given and significant level of impairment provision has been made to account for the elevated risk.

Apart from above, the Bank recognized an additional impairment provision against the Foreign Currency Denominated (FCY) Government exposures and Government guaranteed State Owned Enterprises (SOEs) exposures due to the downgrading of sovereign rating during the year 2020.

- V. During the year there were no material changes in the composition of assets, liabilities and contingent liabilities.
- VI. All known expenses have been charged in these financial statements.
- VII. The Group financial statements comprise a consolidation of the Bank and its Subsidiaries, Property Development PLC, Merchant Bank of Sri Lanka & Finance PLC, Hotels Colombo (1963) Limited, BCC Property Development & Management (Private) Limited, BOC Travels (Private) Limited, Ceybank Holiday Homes (Private) Limited, BOC Management & Support Services (Private) Limited, MBSL Insurance Company Limited, Koladeniya Hydropower (Private) Limited and Bank of Ceylon (UK) Limited and the Group’s interest in its Associate companies, Lanka Securities (Private) Limited, Southern Development Financial Company Limited, Transnational Lanka Records Solutions (Private) Limited and Ceybank Asset Management Limited.

We certify that the above financial statements give a true and fair view of the state of affairs of Bank of Ceylon and the Group as at 31 December 2020 and its profit for the year ended 31 December 2020.

Sgd.
W P Russel Fonseka
Chief Financial Officer

We, the undersigned, being the Directors and General Manager of the Bank of Ceylon certify jointly that;

- a) the above statements have been prepared in compliance with the formats and definitions prescribed by the Central Bank of Sri Lanka and Rule 7.4 of Colombo Stock Exchange and Sri Lanka Accounting Standard – LKAS 34 on “Interim Financial Reporting”.
- b) the information contained in these statements have been extracted from the audited financial statements of the Bank and the Group.

Sgd.
Kanchana Ratwatte
Chairman
(Independent Non-Executive)

Sgd.
A C M Fernando
Director
(Independent Non-Executive)

Sgd.
D P K Gunasekera
General Manager

18 March 2021
Colombo

As at 31 December	2020				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	84,416,624	-	-	84,416,624
Balances with Central Banks	-	33,351,852	-	-	33,351,852
Placements with banks	-	27,615,851	-	-	27,615,851
Securities purchased under resale agreements	-	2,001,047	-	-	2,001,047
Derivative financial instruments	548,926	-	-	-	548,926
Loans and advances	-	1,988,409,007	-	-	1,988,409,007
Financial investments	9,856,220	724,390,172	15,362,480	-	749,608,872
Total financial assets	10,405,146	2,860,184,553	15,362,480	-	2,885,952,179
Other assets				97,028,916	97,028,916
Total assets	10,405,146	2,860,184,553	15,362,480	97,028,916	2,982,981,095

	Fair value through profit or loss	Amortised Cost	Others	Total
Financial liabilities				
Due to banks	-	2,402,043	-	2,402,043
Securities sold under repurchase agreements	-	57,106,652	-	57,106,652
Derivative financial instruments	102,182	-	-	102,182
Other financial liabilities held for trading	-	-	-	-
Due to depositors	-	2,474,775,488	-	2,474,775,488
Other borrowings	-	180,884,127	-	180,884,127
Debt securities issued	-	-	-	-
Subordinated liabilities	-	64,637,407	-	64,637,407
Total financial liabilities	102,182	2,779,805,717	-	2,779,907,899
Other liabilities	-	-	46,413,813	46,413,813
Total liabilities	102,182	2,779,805,717	46,413,813	2,826,321,712

As at 31 December	2019				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	64,868,895	-	-	64,868,895
Balances with Central Banks	-	54,594,436	-	-	54,594,436
Placements with banks	-	44,476,343	-	-	44,476,343
Securities purchased under resale agreements	-	2,179,449	-	-	2,179,449
Derivative financial instruments	132,090	-	-	-	132,090
Loans and advances	-	1,549,804,871	-	-	1,549,804,871
Financial investments	10,055,415	572,747,809	14,236,090	-	597,039,314
Total financial assets	10,187,505	2,288,671,803	14,236,090	-	2,313,095,398
Other assets	-	-	-	102,021,231	102,021,231
Total assets	10,187,505	2,288,671,803	14,236,090	102,021,231	2,415,116,629

	Fair value through profit or loss	Amortised Cost	Others	Total
Financial liabilities				
Due to banks	-	2,669,407	-	2,669,407
Securities sold under repurchase agreements	-	34,183,210	-	34,183,210
Derivative financial instruments	106,677	-	-	106,677
Due to depositors	-	2,005,211,794	-	2,005,211,794
Other borrowings	-	137,833,543	-	137,833,543
Debt securities issued	-	-	-	-
Subordinated liabilities	-	54,221,552	-	54,221,552
Total financial liabilities	106,677	2,234,119,506	-	2,234,226,183
Other liabilities	-	-	38,607,709	38,607,709
Total liabilities	106,677	2,234,119,506	38,607,709	2,272,833,892

As at 31 December	2020				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	83,198,445	-	-	83,198,445
Balances with Central Banks	-	33,351,852	-	-	33,351,852
Placements with banks	-	27,913,969	-	-	27,913,969
Securities purchased under resale agreements	-	3,822,312	-	-	3,822,312
Derivative financial instruments	548,926	-	-	-	548,926
Loans and advances	-	2,018,393,730	-	-	2,018,393,730
Financial investments	10,869,471	725,579,585	17,913,778	-	754,362,834
Total financial assets	11,418,397	2,892,259,893	17,913,778	-	2,921,592,068
Other assets	-	-	-	103,181,707	103,181,707
Total assets	11,418,397	2,892,259,893	17,913,778	103,181,707	3,024,773,775

	Fair value through profit or loss	Amortised cost	Others	Total
Financial liabilities				
Due to banks	-	2,628,434	-	2,628,434
Securities sold under repurchase agreements	-	57,697,780	-	57,697,780
Derivative financial instruments	102,182	-	-	102,182
Other financial liabilities held for trading	-	-	-	-
Due to depositors	-	2,493,110,291	-	2,493,110,291
Other borrowings	-	185,102,055	-	185,102,055
Debt securities issued	-	2,107,493	-	2,107,493
Subordinated liabilities	-	64,627,397	-	64,627,397
Total financial liabilities	102,182	2,805,273,450	-	2,805,375,632
Other liabilities	-	-	50,441,329	50,441,329
Total liabilities	102,182	2,805,273,450	50,441,329	2,855,816,962

As at 31 December	2019				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	64,829,735	-	-	64,829,735
Balances with Central Banks	-	54,594,436	-	-	54,594,436
Placements with banks	-	47,911,621	-	-	47,911,621
Securities purchased under resale agreements	-	3,981,886	-	-	3,981,886
Derivative financial instruments	132,090	-	-	-	132,090
Loans and advances to customers	-	1,580,949,025	-	-	1,580,949,025
Financial investments	11,052,769	573,977,330	17,016,553	-	602,046,652
Total financial assets	11,184,859	2,326,244,033	17,016,553	-	2,354,445,445
Other assets	-	-	-	108,038,167	108,038,167
Total assets	11,184,859	2,326,244,033	17,016,553	108,038,167	2,462,483,612

	Fair value through profit or loss	Amortised cost	Others	Total
Financial liabilities				
Due to banks	-	2,932,950	-	2,932,950
Securities sold under repurchase agreements	-	34,880,507	-	34,880,507
Derivative financial instruments	106,677	-	-	106,677
Due to depositors	-	2,025,204,033	-	2,025,204,033
Other borrowings	-	145,095,262	-	145,095,262
Debt securities issued	-	2,107,810	-	2,107,810
Subordinated liabilities	-	54,211,542	-	54,211,542
Total financial liabilities	106,677	2,264,432,104	-	2,264,538,781
Other liabilities	-	-	42,949,182	42,949,182
Total liabilities	106,677	2,264,432,104	42,949,182	2,307,487,963

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount			
					31.12.2020	31.12.2019		Bank		Group	
								31.12.2020	31.12.2019	31.12.2020	31.12.2019
					%	%	%	Rs '000	Rs '000	Rs '000	Rs '000
Subordinated debentures											
Fixed interest rate											
Listed, unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2021	13.25	13.25	4.98	1,226,594	1,226,594	1,226,594	1,226,594
Listed, unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	5.77	1,227,617	1,227,617	1,227,617	1,227,617
Listed, unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	5.98	1,638,142	1,638,142	1,638,142	1,638,142
Listed, unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2022	8.25	8.25	5.61	1,873,793	1,873,793	1,873,793	1,873,793
Listed, unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2020	-	8.25	-	-	293,991	-	293,991
Listed, unsecured, subordinated, redeemable debentures	a	Quarterly	06.10.2015	05.10.2020	-	8.00	-	-	12,449	-	12,449
Listed, unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2023	9.50	9.50	5.98	1,205,580	1,205,580	1,205,580	1,205,580
Listed, unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2021	13.25	13.25	5.05	8,003,631	8,003,631	7,993,621	7,993,621
Listed, unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2024	12.75	12.75	6.45	784	784	784	784
Unlisted, unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2022	12.50	12.50	5.81	5,004,843	5,003,228	5,004,843	5,003,228
Unlisted, unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2025	12.75	12.75	6.72	5,004,934	5,003,289	5,004,934	5,003,289
Unlisted, unsecured, subordinated, redeemable debentures		Annually	31.07.2018	30.07.2026	12.00	12.00	6.82	7,028,208	7,026,114	7,028,208	7,026,114
Unlisted, unsecured, subordinated, redeemable debentures		Annually	03.12.2018	02.12.2023	12.00	12.00	6.03	5,347,957	5,346,308	5,347,957	5,346,308
Unlisted, unsecured, subordinated, redeemable debentures		Annually	27.06.2019	26.06.2024	11.75	11.75	6.87	3,176,666	3,175,700	3,176,666	3,175,700
Unlisted, unsecured, subordinated, redeemable debentures		Annually	17.07.2019	16.07.2024	11.80	11.80	6.39	1,104,102	1,103,765	1,104,102	1,103,765
Unlisted, unsecured, subordinated, redeemable debentures		Annually	18.07.2019	17.07.2024	11.80	11.80	6.39	2,315,186	2,314,479	2,315,186	2,314,479
Unlisted, unsecured, subordinated, redeemable debentures		Annually	23.07.2019	22.07.2024	11.80	11.80	6.39	2,626,817	2,626,021	2,626,817	2,626,021
Unlisted, unsecured, subordinated, redeemable debentures		Annually	24.07.2019	23.07.2024	11.50	11.50	6.39	419,674	419,549	419,674	419,549
Unlisted, unsecured, subordinated, redeemable debentures		Annually	26.07.2019	25.07.2027	11.75	11.75	7.00	64,181	64,162	64,181	64,162
Listed, unsecured, redeemable, debentures		Annually	12.05.2017	03.05.2022	15.00	15.00	5.55	-	-	884,981	885,298
Listed, unsecured, redeemable, debentures		Semi annually	12.05.2017	03.05.2022	14.50	14.50	5.55	-	-	1,220,257	1,221,479
Listed, unsecured, redeemable, debentures		Semi annually	12.05.2017	03.05.2022	13.90	13.90	5.55	-	-	2,255	1,033
								47,268,709	47,565,196	49,366,192	49,662,996
Floating interest rate											
Listed, unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2021	4.87	8.66	4.98	1,009	1,016	1,009	1,016
Listed, unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2022	5.14	8.25	5.61	30	31	30	31
Listed, unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2020	-	8.98	7.20	-	4,571,357	-	4,571,357
Listed, unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2023	5.89	8.98	5.98	2,068,443	2,082,911	2,068,443	2,082,911
Listed, unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2021	6.03	9.27	5.05	1,021	1,021	1,021	1,021
Listed, unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2024	6.03	9.27	6.45	20	20	20	20
								2,070,523	6,656,356	2,070,523	6,656,356
Additional Tier I capital bond											
Unlisted, unsecured, subordinated, perpetual capital bond (12 months TB (Net) rate plus 150 basis points with a Floor rate of 9.5%)	c	Annually	06.07.2020	N/A	9.50	-	-	5,226,897	-	5,226,897	-
Unlisted, unsecured, subordinated, perpetual capital bond (Weighted average 12 months TB (Net) rate plus 150 basis points with a Floor rate of 9.0%)	c	Annually	01.12.2020	N/A	9.00	-	-	10,071,278	-	10,071,278	-
								15,298,175	-	15,298,175	-
								64,637,407	54,221,552	66,734,890	56,319,352

Notes

- a) Debentures that are listed in the Colombo Stock Exchange. Some of these have been traded in the Colombo Stock Exchange during the year ended 31 December 2020
2013/2021 - (Highest Price - Rs. 100.00, Lowest Price - Rs. 100.00, Last Transaction Price - Rs. 100.00)
2015/2020 - (Highest Price - Rs. 99.80, Lowest Price - Rs. 99.80, Last Transaction Price - Rs. 99.80)
2016/2021 - (Highest Price - Rs. 103.74, Lowest Price - Rs. 101.00, Last Transaction Price - Rs. 103.74)
2016/2021 - (Highest Price - Rs. 98.00, Lowest Price - Rs. 98.00, Last Transaction Price - Rs. 98.00)
- b) Weighted average 6 months Treasury Bill interest rate before deducting relevant tax at the primary quotations as announced by the Central Bank of Sri Lanka, at the preceding week of the interest resetting date.
- c) The Bank issued Rs. 15.0 billion worth of Basel III compliant, unlisted, unsecured, subordinated, perpetual Additional Tier 1 (AT1) capital bonds during the year 2020.

INFORMATION ON LISTED DEBENTURES

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	01-Jan-2020 to 31-Dec-2020 Rs.	01-Jan-2019 to 31-Dec-2019 Rs.
Market Value		
BoC Debentures 2013/2023 ,		
Unsecured, subordinated, redeemable, 8 years, fixed rate (13.25%)		
Highest	100.00	Not Traded
Lowest	100.00	Not Traded
Last transaction	100.00	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 9 years, fixed rate (13.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 10 years, fixed rate (13.75%)		
Highest	Not Traded	102.22
Lowest	Not Traded	102.22
Last transaction	Not Traded	102.22
BoC Debentures 2014/2022 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.00%)		
Highest	Not Traded	97.31
Lowest	Not Traded	97.30
Last transaction	Not Traded	97.30
Unsecured, subordinated, redeemable, 5 years, fixed rate (7.75%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, fixed rate (8.25%)		
Highest	Not Traded	80.00
Lowest	Not Traded	80.00
Last transaction	Not Traded	80.00
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
BoC Debentures 2015/2023		
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.00%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)		
Highest	Not Traded	98.50
Lowest	Not Traded	97.00
Last transaction	Not Traded	97.00
Unsecured, subordinated, redeemable, 8 years, fixed rate (9.50%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024		
Unsecured, subordinated, redeemable, 5 years, fixed rate (13.25%)		
Highest	101.00	100.46
Lowest	101.00	98.20
Last transaction	101.00	100.34
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
Highest	98.00	Not Traded
Lowest	98.00	Not Traded
Last transaction	98.00	Not Traded
Unsecured, subordinated, redeemable, 8 years, fixed rate (12.75%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded

	31-Dec-2020 %	31-Dec-2019 %
Interest yield as at date of last trade done		
BoC Debentures 2013/2023 ,		
8 years, fixed rate (13.25%)	13.24	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
9 years, fixed rate (13.25%)	Not Traded	Not Traded
10 years, fixed rate (13.75%)	Not Traded	13.00
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.00%)	Not Traded	12.50
5 years, fixed rate (7.75%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
8 years, fixed rate (8.25%)	Not Traded	16.56
8 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
BoC Debentures 2015/2023 ,		
5 years, fixed rate (8.25%)	Not Traded	Not Traded
5 years, fixed rate (8.00%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	13.08
8 years, fixed rate (9.50%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024 ,		
5 years, fixed rate (13.25%)	12.60	13.02
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	11.99	Not Traded
8 years, fixed rate (12.75%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
Yield to maturity of last trade done		
BoC Debentures 2013/2023 ,		
8 years, fixed rate (13.25%)	13.25	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
9 years, fixed rate (13.25%)	Not Traded	Not Traded
10 years, fixed rate (13.75%)	Not Traded	13.04
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.00%)	Not Traded	12.67
5 years, fixed rate (7.75%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
8 years, fixed rate (8.25%)	Not Traded	16.06
8 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
BoC Debentures 2015/2023 ,		
5 years, fixed rate (8.25%)	Not Traded	Not Traded
5 years, fixed rate (8.00%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	13.24
8 years, fixed rate (9.50%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024 ,		
5 years, fixed rate (13.25%)	12.67	13.10
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	11.92	Not Traded
8 years, fixed rate (12.75%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded

1) Loans and advances to customers

As at	Bank		Group	
	31.12.2020 Rs '000	31.12.2019 Rs '000	31.12.2020 Rs '000	31.12.2019 Rs '000
Gross loans and receivables	2,115,204,744	1,648,760,589	2,148,747,485	1,682,589,120
Stage 1	1,786,211,706	1,380,927,013	1,801,797,522	1,396,100,809
Stage 2	121,469,096	101,146,342	126,232,816	106,780,647
Stage 3	207,523,942	166,687,234	220,717,147	179,707,664
Less : Accumulated impairment	126,795,737	98,955,718	130,353,755	101,640,095
Stage 1	11,640,862	6,954,029	11,846,679	7,087,327
Stage 2	11,447,964	9,530,117	11,678,868	9,646,175
Stage 3	103,706,911	82,471,572	106,828,208	84,906,593
Net loans and advances	1,988,409,007	1,549,804,871	2,018,393,730	1,580,949,025

2) Loans and advances to customers - By product

Local currency As at	Bank		Group	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Overdrafts	309,022,965	237,239,577	308,799,265	237,161,078
Term loans	517,251,819	452,776,469	518,944,638	459,252,616
Lease rentals receivable	31,958,992	39,233,313	50,977,005	56,081,004
Credit cards	5,397,818	5,037,574	5,397,818	5,037,574
Pawning	74,853,575	69,089,836	78,679,236	70,703,614
Loans under schemes	133,086,170	76,944,532	133,404,786	77,930,003
Housing loans	77,822,934	76,065,512	79,253,538	77,960,039
Trade finance	43,251,289	61,494,354	44,212,949	61,719,233
Personal loans	375,931,300	214,236,288	377,281,078	215,814,602
Staff loans	22,011,830	20,701,770	22,904,576	21,690,284
Foreclosed properties	2,398,252	1,523,199	2,398,252	1,523,199
Other loans	27,925,566	9,618,713	27,925,566	9,618,713
Total local currency loans and advances	1,620,912,510	1,263,961,137	1,650,178,707	1,294,491,959
Foreign currency				
Overdrafts	31,029,463	33,887,024	31,559,101	34,875,569
Term loans	415,154,357	312,849,314	418,450,922	314,743,458
Trade finance	43,688,323	34,715,177	44,136,273	35,120,389
Lease rentals receivable	218,654	237,828	218,654	237,828
Housing loans	388,837	376,549	388,837	376,549
Staff loans	10,323	14,506	12,714	24,314
Foreclosed properties	2,975	4,487	2,975	4,487
Other loans	3,799,302	2,714,567	3,799,302	2,714,567
Total foreign currency loans and advances	494,292,234	384,799,452	498,568,778	388,097,161
Total loans and advances to customers	2,115,204,744	1,648,760,589	2,148,747,485	1,682,589,120

3) Movement in impairment provisions during the period for loans and advances to customers

	Bank			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	6,954,029	9,530,117	82,471,572	98,955,718
Charge / reversal during the period	4,623,993	1,997,984	29,773,712	36,395,689
Amount recovered during the period	-	-	(8,440,687)	(8,440,687)
Exchange rate variance on foreign currency impairment	62,840	(80,137)	(97,686)	(114,983)
Amount written-off during the period	-	-	(1,001)	(1,001)
Other movements	-	-	1,001	1,001
Closing balance as at 31 December 2020	11,640,862	11,447,964	103,706,911	126,795,737
Group				
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	7,087,327	9,646,175	84,906,593	101,640,095
Charge / reversal during the period	4,593,426	2,040,650	30,463,279	37,097,355
Amount recovered during the period	-	-	(8,440,687)	(8,440,687)
Exchange rate variance on foreign currency impairment	62,840	(80,136)	(97,687)	(114,983)
Amount written-off during the period	-	-	(3,826)	(3,826)
Other movements	103,086	72,179	536	175,801
Closing balance as at 31 December 2020	11,846,679	11,678,868	106,828,208	130,353,755

Rs.'000

4) Contingent liabilities and commitments

As at	Bank		Group	
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019
By product - Domestic currency				
Acceptances and documentary credits	13,180,502	15,101,829	13,180,502	15,101,829
Bills for collection	4,230,225	4,270,512	4,230,225	4,270,512
Forward exchange contracts	27,424,280	22,667,091	27,424,280	22,667,091
Guarantees	78,435,253	63,531,860	78,486,203	63,611,710
Undrawn and undisbursed facilities	181,885,609	115,693,285	181,885,609	115,693,285
Other commitments	7,282,295	10,275,961	26,553,206	18,352,762
Total domestic currency contingent liabilities and commitments	312,438,164	231,540,538	331,760,025	239,697,189
By product - Foreign currency				
Acceptances and documentary credits	175,338,170	200,897,287	175,405,672	200,950,618
Bills for collection	15,869,979	16,021,119	15,869,979	16,021,119
Forward exchange contracts	6,986,518	5,774,592	6,986,518	5,774,592
Guarantees	46,411,618	37,593,000	46,452,315	37,631,478
Undrawn and undisbursed facilities	22,783,068	14,491,789	22,812,207	14,658,347
Other commitments	621,353	1,899,636	621,353	1,899,636
Total foreign currency contingent liabilities and commitments	268,010,706	276,677,423	268,148,044	276,935,790
Total Contingent liabilities and commitments	580,448,870	508,217,961	599,908,069	516,632,979

5) Financial liabilities at amortised cost

Due to depositors - By product

As at	Bank		Group	
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019
Local currency				
Demand deposits (current accounts)	137,045,468	103,815,364	136,886,276	103,681,039
Savings deposits	582,379,867	411,614,032	583,280,576	412,461,931
Time deposits	1,195,753,019	1,000,720,894	1,212,138,000	1,018,434,307
Other deposits	4,019,586	2,038,367	4,024,106	2,042,887
Total local currency deposits	1,919,197,940	1,518,188,657	1,936,328,958	1,536,620,164
Foreign currency				
Demand deposits (current accounts)	28,108,479	29,604,754	28,716,661	30,671,680
Savings deposits	110,117,781	91,337,588	110,573,639	91,720,706
Time deposits	416,595,372	364,794,113	416,735,117	364,904,801
Other deposits	755,916	1,286,682	755,916	1,286,682
Total foreign currency deposits	555,577,548	487,023,137	556,781,333	488,583,869
Total due to depositors	2,474,775,488	2,005,211,794	2,493,110,291	2,025,204,033

SEGMENTAL ANALYSIS - GROUP

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Rs. '000												
For the Year ended 31 December	Retail Banking		Corporate Banking		International, Treasury and Investment		Group Functions		Unallocated		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue from external customers:												
Net interest income	38,837,496	44,590,816	21,938,263	19,533,602	14,094,243	10,439,891	2,427,375	3,148,409	(94,136)	582,168	77,203,241	78,294,886
Net fee and commission income	9,034,700	8,098,508	1,735,384	2,302,551	634,938	1,024,387	217,646	360,570	554,069	671,361	12,176,737	12,457,377
Other income	284,537	346,879	1,331,677	(97,768)	4,869,475	3,637,319	208,521	2,275,110	106,554	183,103	6,800,764	6,344,643
Total operating income	48,156,733	53,036,203	25,005,324	21,738,385	19,598,656	15,101,597	2,853,542	5,784,089	566,487	1,436,632	96,180,742	97,096,906
Expenses :												
Impairment (charge)/reversal for loans and other losses	(11,860,677)	(7,714,890)	(14,987,487)	(9,664,033)	(3,885,611)	(833,822)	(799,895)	(121,518)	(498,403)	(384,980)	(32,032,073)	(18,719,243)
Total operating expenses	(23,052,120)	(23,083,065)	(5,114,790)	(4,661,053)	(4,457,010)	(4,232,170)	(3,437,149)	(4,390,490)	(460,753)	(532,954)	(36,521,822)	(36,899,732)
Total expenses	(34,912,797)	(30,797,955)	(20,102,277)	(14,325,086)	(8,342,621)	(5,065,992)	(4,237,044)	(4,512,008)	(959,156)	(917,934)	(68,553,895)	(55,618,975)
Operating profit before taxes on financial services	13,243,936	22,238,248	4,903,047	7,413,299	11,256,035	10,035,605	(1,383,502)	1,272,081	(392,669)	518,698	27,626,847	41,477,931
Taxes on financial services											(5,463,182)	(10,850,549)
Operating profit after taxes on financial services											22,163,665	30,627,382
Share of profits/ (losses) of Associate companies, net of tax							82,488	48,187			82,488	48,187
Profit / (loss) before income tax	13,243,936	22,238,248	4,903,047	7,413,299	11,256,035	10,035,605	(1,301,014)	1,320,268	(392,669)	518,698	22,246,153	30,675,569
Income tax expense											(5,938,747)	(6,928,234)
Profit for the year											16,307,406	23,747,335
Total assets	902,023,302	729,200,232	1,086,867,184	841,739,679	861,849,707	708,408,763	41,792,680	47,366,987	132,240,902	135,767,951	3,024,773,775	2,462,483,612
Total liabilities	854,651,090	686,240,566	1,029,787,391	792,149,931	816,587,321	666,673,992	29,495,247	34,654,076	125,295,912	127,769,398	2,855,816,961	2,307,487,963
Cash flows from / (used in) operating activities	49,210,881	21,033,018	25,552,690	8,620,976	20,027,670	5,988,969	5,552,967	3,059,313	578,887	569,737	100,923,095	39,272,013
Cash flows from / (used in) investing activities	(31,134,388)	7,735,485	(37,514,490)	8,929,323	(29,747,749)	7,514,925	521,121	(412,501)	(4,564,449)	1,440,251	(102,439,955)	25,207,483
Cash flows from/ (used in) financing activities	8,480,585	(22,916,788)	10,218,438	(26,453,597)	8,102,883	(22,263,368)	(7,215,955)	(2,946,439)	1,243,294	(4,266,819)	20,829,245	(78,847,011)
Capital expenditure to non current assets											3,461,073	4,106,171
Depreciation and amortisation expenses	1,286,526	1,118,356	1,550,163	1,290,955	1,229,228	1,086,469	136,624	71,140	188,611	208,224	4,391,152	3,775,144

During the period from 01.01.2015 to 31.12.2020

Year	Objective number	Objective as per Prospectus	Amount allocated as per Prospectus in Rs.	Proposed date of utilization as per Prospectus	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amounts utilized in Rs. (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested (eg : whether lent to related party/s etc...)
2015	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit to facilitate expansion of the loan book.	8 Billion	06.10.2015	8 Billion	100	8 Billion	100	Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.							
	3	To strengthen the Bank's liquidity position and to increase the asset base.							
2016	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit.	8 Billion	29.12.2016	8 Billion	100	8 Billion	100	Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.							
	3	To strengthen the Bank's liquidity position and to increase the asset base / loan book.							