



## Sanasa Development Bank



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### Sanasa Development Bank (SDB)

The Sanasa Development Bank was established in 1997. The bank is an initiative of the Sanasa Movement (Sri Lanka's largest network of credit cooperatives), to serve the banking needs of the cooperatives and rural low-income communities. The Bank's head office is located in Colombo, and its operations are spread across Sri Lanka through a network of 90+ branches. As of June-18, GLP stands at ~EUR 406 million, with 65% in rural areas (compared to banks which have 70-80% of their activities in the Colombo area).

### Sector

The bank offers financial services to over 120k clients, 42% of which are women. The bank's clientele consists of retail clients, SMEs and cooperatives.

### Total investment

DGGF will provide a loan to SDB in local currency, with equivalent of USD 10m million.

### Impact

SDB finances underserved SMEs in rural and semi-urban areas in Sri Lanka where the offer of financial services to SMEs is limited. The institution's products and processes are tailored to the needs of SMEs. The DGGF loan will be used to finance the portfolio of loans between USD 15k and USD 200k and is expected to finance approximately 500 SMEs who employ an estimated average of 8 employees each.

Through SDB's dedicated SME product for young entrepreneurs, DGGF expects a significant share of the funding to support young entrepreneurs. Next to financial services, SDB provides some advice to SME clients and plans to formalize and expand this through the set-up of dedicated SME centers. DGGF's subordinated debt to the institution will allow it to strengthen its capital base and continue the strategic goal of expanding its SME activities.

**Website** <https://sdb.lk/en/>