



ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ගැසට් පත්‍රය
අති විශේෂ

The Gazette of the Democratic Socialist Republic of Sri Lanka EXTRAORDINARY

අංක 2157/28 - 2020 ජනවාරි මස 09 වැනි බ්‍රහස්පතින්දා - 2020.01.09
No. 2157/28 - THURSDAY, JANUARY 09, 2020

(Published by Authority)

PART I : SECTION (I) — GENERAL

Central Bank of Sri Lanka Notices

MONETARY BOARD

Central Bank of Sri Lanka

07th January, 2020

MICROFINANCE ACT RULES

No. 01 of 2020

Application for Renewal of Licence

Issued under Section 13(2) of the Microfinance Act, No. 6 of 2016

- | | |
|-------------------------------------|---|
| 1. Renewal of Licence | 1.1 Every Licensed Microfinance Company (LMFC) shall apply for renewal of its licence during the month of November each year |
| | 1.2 The application for renewal of licence shall be in the form given in the Annexure. |
| 2. Renewal of Licence for year 2020 | 2.1 Notwithstanding Rule 1.1 above, LMFCs may, for renewal of licence for year 2020 only, apply on or before 31st January 2020. |

Professor W. D. LAKSHMAN,
Chairman of the Monetary Board,
Governor of the Central Bank of Sri Lanka.



Annexure

**APPLICATION FOR RENEWAL OF LICENCE UNDER THE
MICROFINANCE ACT, No. 6 OF 2016**

INSTRUCTIONS

- 1) All applications should be type written or written in clear block letters
- 2) Every page of the completed application including annexures should be initiated by at least two directions.
- 3) Completed application signed by all members of the board of directors of the applicant company along with the other required documents should be submitted to :

The Director,
Department of Supervision of Non-Bank Financial Institutions,
Central Bank of Sri Lanka,
No. 30, Janadhipathi Mawatha,
Colombo 01,
Sri Lanka.

To : The Monetary Board of the Central Bank of Sri Lanka,
Central Bank of Sri Lanka,
Colombo 01.

.....
(Name of the Company)
of
.....
.....

(Address)

Do hereby apply to the Monetary Board of the Central Bank of Sri Lanka for a licence in terms of the provisions of the Microfinance Act, No. 6 of 2016. The following information and documents are furnished in support of the application.

1. General Information of the Company

- 1.1 Address of the Head/Administrative Office (if different from the registered address) :
- 1.2 Company Secretary :
- 1.3 Address of the Company Secretary :
- 1.4 Auditors (External) :
 - 1.4.1 Name of the Auditor, Address and contact details :
 - 1.4.2 Whether any of the partners/directors of the audit firm is a shareholder of the company, (if yes, give details) :
 - 1.4.3 Audit fees paid for last financial year :
 - 1.4.4 Whether the auditor supplies any other service to the company or has had any other transaction with the Company during the immediately preceding year, (if yes, give details) :
 - 1.4.5 Whether any financial accommodation is granted to the audit firm or a partner/director of the firm or a close relative of the auditor. (if yes, give details) :
- 1.5 No. of Business Places :
- 1.6 No. of Employees :
- 1.7 Core Capital of the Company (Annexure I) :

1.8 Asset Quality (Annexure II)

1.9 Lending Rates (Annexure III)

1.10 Documents to be submitted with the application

- 1.10.1 All members of the board of directors and the Chief Executive Officer/General Manager of the applicant company shall submit an affidavit and a declaration as in **Annexure IV** and **Annexure V**, respectively.
- 1.10.2 The Annual Business Expansion Plan for the forthcoming calendar year.
- 1.10.3 A letter of confirmation from the external auditor on the availability of minimum core capital as at end of the month immediately preceding the month in which the application is made.

We declare that the particulars in this application have been verified and are complete in all respects, and that the information is to our knowledge and belief true and accurate.

For and on behalf of

.....
(Company)

Names of Directors

Signatures

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.

Common Seal of the Company

Date :

Core Capital of the Company

As per the audited accounts for the immediately preceding financial year and as at the end of the month immediately preceding the month in which the application is made.

	Item	As at	As at
(a)	Issued and fully paid ordinary shares (issued for cash)		
(b)	Issued an fully paid non-cumulative non-redeemable preference shares (issued for cash)		
(c)	Statutory reserves		
(d)	General reserves		
(e)	Retained profit or (loss) as shown in last audited statement of accounts		
(f)	Unpublished current year's profit/(loss)		
(g)	Core capital (from (a) to (f))		

Annex II

Asset Quality

[illegible]

Annex III

Lending Rates

Loan Type	<i>Lending Rates (Range/Annual)</i>						<i>Default Charges</i>	
	Less than 12 Months			12 Months	24 Months	Over 24 Months	%	Amount (Rs. '000)

Format of the affidavit to be submitted by Directors, the Chief Executive Officer/General Manager

Affidavit

I,(full name)
holder of National Identity Card No./Passport No.of
.....(address) being a Buddhist/
Hindu/Christian/Catholic/Muslim do hereby solemnly, sincerely and truly declare and affirm/make oath and state ¹
follows :

1. I am the affirmant/deponent above named.
2. I am a /the(designation) of
.....(name of the company)
3. I affirm/state that I am not being subjected to any investigation or inquiry in respect of a fraud, deceit, dishonesty or other similar criminal activity, conducted by the police, any regulatory or supervisory authority, professional association, commission of inquiry, tribunal, or any other body, established by law, in Sri Lanka or abroad ;
4. I affirm/state that I have not been found by any regulatory or supervisory authority, professional association, commission of inquiry, tribunal, or any other body established by law, in Sri Lanka or abroad, that I have committed or have been connected with the commission of any act which involves of fraud, deceit, dishonesty or other similar criminal activity or non-compliance with any statute or rules, regulations, directions or determinations issued thereunder ;
5. I affirm/state that I am not being subject to court proceedings or have been convicted by any court for an offence involving an act of fraud, deceit, dishonesty or other similar criminal activity ;
6. I affirm/state that I have not been convicted by any court for an offence involving moral turpitude ;
7. I affirm/state that I have not been declared an undischarged insolvent or a bankrupt, by any court in Sri Lanka or abroad.
8. I affirm/state that I have not failed to satisfy any judgment or order of any court to repay a debt ;
9. I affirm/state that I have not been removed or suspended by a regulatory or supervisory authority from serving as a director, chief executive officer or other officer in any corporate body in Sri Lanka or abroad ;
10. I affirm/state I have not been declared by a court of competent jurisdiction to be of unsound mind ;

11. I affirm/state that I am not a chief executive officer, director or holding any other position of authority in any licensed bank or a non-bank financial institution ;
- (i) whose licence or business has been cancelled or suspended on grounds of regulatory concerns ; or
- (ii) which has been wound up or is being wound up or which is being compulsorily liquidated whether in Sri Lanka or abroad.
12. I affirm/state that I am not a director or an employee of another licensed microfinance company.

The averments contained herein)
were read over to the affirmant/)
deponent who having understood)
the contents hereof and having)
accepted same as true, affirmed/)
swore to and placed his/her)
signature before me at.....)
on thisday of)

Affix Stamps as
Applicable

Before me

Justice of the Peace/Commissioner for oaths

Note :

- 1_ *Delete inapplicable words.*
Christians and Catholics must make oath and state and Buddhists, Hindu, Muslims and persons following any other religion must declare and affirm.

Name of the company :

Declaration to be submitted by Directors/Chief Executive Officer/General Manager (with enclosures as appropriate as of)

1. Personal Details

- 1.1 Full name :
- 1.2 National Identity Card Number :
- 1.3 Passport Number :
- 1.4 Date of Birth :
- 1.5 Permanent address :
- 1.6 Present address :

2. Appointment to the company

- 2.1 Date of appointment to the board/present position :
- 2.2 Designation :
- 2.3 Local or expatriate :
- 2.4 Annual remuneration (with details) :
- 2.5 Annual value of benefits derived by director of Chief Executive Officer/General Manager and/or his/her family from company assets.
(Example by use of company land, building, vehicles *etc.*)
- 2.6 Expenses borne by the company on account of the maintenance of assets referred to in 2.5 or for reimbursement of any expenses (credit card bills, utility bills *etc.*)
- 2.7 Purchased value and book value of such assets and the location of immovable assets.

3. Personal Details of Relatives

- 3.1 Full name of spouse :
- 3.2 National Identity Card Number :
- 3.3 Passport Number :
- 3.4 Details of dependent children

	<i>Full Name</i>	<i>NIC No.</i>	<i>Passport No.</i>
3.4.1			
3.4.2			
3.4.3			

4. Shareholdings in Licensed Microfinance Companies, their Related Companies or any other financial institution

Share ownership in Licensed Microfinance Companies, their subsidiaries and associates, if any, presently held :

<i>Name of the institution</i>	<i>No. of shares</i>	<i>Percentage of holding</i>

5. Business Transactions

Any business transaction the director or Chief Executive Officer/General Manager presently has with the applicant company, its subsidiaries or associates (if any) and other financial institutions.

<i>Name of the institution</i>	<i>Nature of transaction</i>	<i>Amount as at dd/mm/yyyy (Rs. mn.)</i>		<i>Loan Classification (performing/non-performing)</i>	<i>Collateral</i>	
		<i>Limit</i>	<i>Outstanding</i>		<i>Type</i>	<i>Value (Rs. mn.)</i>

6. Any other explanation/information with regard to the information furnished above

Declaration :

I confirm that the above information is to the best of my knowledge and belief true and complete. I undertake to keep the Company and the Director, Department of Supervision of Non-Bank Institutions of the Central Bank of Sri Lanka duly informed, as soon as possible, of all events, which take place subsequently, which is relevant to the information provided above.

I state that I am not prevented by any Statute from being appointed to the above post.

Date :

.....
Signature of Director/Chief Executive Officer/General Manager

To be completed by the Chairman of the Board of Directors

Any other explanation/information in regard to the information furnished above and other information considered relevant for assessing the suitability of the Director/Chief Executive Officer/General Manager or person selected for such appointment.

Date :

.....
Signature of the Chairman of the Board of Directors