

Confidential

**APPLICATION FOR A REGISTRATION UNDER THE
MICROFINANCE ACT, NO. 6 OF 2016**

Instructions

- 1) All applications should be type written or written in clear block letters.
- 2) If the space provided to give full details pertaining to an item of the application is not adequate, please use a separate sheet of paper wherever necessary. Such sheets should carry a cross reference to the relevant item. If an item is not applicable it must be clearly stated.
- 3) Every page of the completed application including annexures should be initialed by at least two directors.
- 4) All documents and statements referred to in Schedule I shall be submitted with the application.
- 5) Completed application signed by all members of the board of directors of the applicant NGO along with the other required documents should be submitted to:

*Director General / Registrar
National Secretariat for Non-Governmental Organizations
Ministry of National Co-existence, Dialogue and Official Languages
3rd floor, Sethsiripaya,
Battaramulla*

To: Director General / Registrar
 National Secretariat for Non-Governmental Organizations
 Ministry of National Co-existence, Dialogue and Official Languages
 3rd floor, Sethsiripaya, Battaramulla

.....

(Name of NGO) of

.....(Address)

do hereby apply to the Director General / Registrar of the National Secretariat for Non-Governmental Organizations for registration 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 NGO

- 1.1. Date of registration as a NGO:
- 1.2. Date of commencement of operations:
- 1.3. Address of:
 - 1.3.1. Registered Office:
 - 1.3.2. Head/Administrative Office:
 - 1.3.3. Branch Office(s):

Location	DS Division	District	Contact Details

1.4. Financial year of the NGO:

1.5. Description of the main lines of microcredit operations:

.....

1.6 (A). Board of Directors

Full Name of director (Please begin with the name of the Chairman)	Residential Address	Date of Birth DD/MM/YYYY	National Identity Card (NIC)No.	Passport No.	Date of appointment as a director DD/MM/YYYY	Qualifications	Occupation a/	Contact Details
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								

a/ Position held in other entity

1.7 (B). Chief Executive Officer (CEO)/General Manager (GM)

Full Name of CEO/GM	Residential Address	Date of Birth DD/MM/YYYY	NIC No.	Passport No.	Date of appointment as a CEO/GM DD/MM/YYYY	Qualifications	Occupation a/	Contact Details
1.								

a/ Position held in other entity

1.7. Name, address and contact details of the Secretary of the NGO:

.....
.....
.....
.....

1.8. Names and addresses of the NGO's bankers:

Name of the Bank	Branch	Address

1.9. **Auditors (External)**

- 1.10.1. Name of the Auditor, address and contact details:
- 1.10.2. Since which financial year has the said auditor audited the NGO?
- 1.10.3. Whether any of the partners/directors of the audit firm is a shareholder of the NGO. (If yes, give details):
- 1.10.4. Audit fees paid for the last three financial years :
- 1.10.5. Whether any financial accommodation is granted to the audit firm or a partner/director of the firm. (If yes, give details):

1.10. **Auditors (Internal)**

1.10.1. State whether the NGO has an internal auditor/internal audit functions:

If yes, provide the following details

- a) Name of the internal auditor:
- b) Qualifications and experience:
- c) Total staff available to the internal auditor and their qualifications:

Name	Qualification	No. of Years in Service
1.		
2.		
3.		
4.		
5.		

1.10.2. If the internal audit function is outsourced, state the following details:

- a) Name of the internal auditor:
- b) Address and contact Details:
- c) Qualifications and experience:
- d) Number of years of service to the NGO:

1.10.3. Name of the authority to which the internal auditor reports:

2. Core Capital of the NGO ^{a/}

As at the end of the last three financial years and as at the end of the month immediately preceding the month in which the application is made.

(In Rupees '000)

Item		20.....	20.....	20.....	As at
(a)	Issued and fully paid ordinary shares (issued for cash)				
(b)	Statutory reserves				
(c)	General reserves				
(d)	Retained profit or (loss) as shown in				
(e)	Unpublished current year's profit/(loss)				
(f)	Core capital (from (a) to (f))				

a/ Refer item No. 6 of Schedule I

3. Details of the immovable properties (land and building) ^{a/}

Type of Immovable Property	Location	Cost	Revaluation (if any)	
			Date	Amount (Rs)

a/ Refer item No. 7 of Schedule I

4. Related Party Exposures (Rs. '000)

Name of Microfinance NGO	Nature of Relationship ¹	Nature of Business	Loans & Advances ²		Collateral ³		Any Other Exposures ⁴		
			On Balance Sheet	Off Balance Sheet	Amount	Type ⁵	On Balance Sheet	Off Balance Sheet	Nature of Transactions (Pls. specify)

¹ **H** – Holding NGO/company **S** – Subsidiary (directly or indirectly owned subsidiaries) **A** – Associate (directly or indirectly owned associates)
OI – Other investee entities **D** – directors of the NGO/Company **DH** – directors of the Holding NGO/Company **DS** – directors of the Subsidiary NGO/Company
DA – directors of the Associate NGO/Company **DOI** – directors of the Other Investee Entities **SDC** – Spouse and Dependent Children of directors of the NGO/Company
SDCO - Spouse and Dependent Children of directors of any other related party NGO/companies **KMP** - Key Management Personnel of the NGO/Company
KMPO – Spouse and Dependent Children of a KMP of the NGO/Company **JD** – director of a company is a director of any entity (based on common directorship) shareholding

² Loans and advances extended to the related party NGO/company/individual by the applicant NGO/company

³ Collateral accepted against loans and advances extended to the related party NGO/company/individual by the applicant NGO/company

⁴ Any **exposure** other than equity investment and loans and advances, e.g., interNGO/company transactions

⁵ **IPF** – Immovable properties (Freehold basis) **IPL** - Immovable properties (Leasehold basis) **C** – Cash **GS** – Government securities
O – Any other securities

Note: KMP means a person having authority and responsibility for planning, directing and controlling the activities of any microfinance NGO/company directly or indirectly.

5. Large Exposures

(Facilities that exceed 5% of the core capital of the applicant NGO or the 10 largest exposures)

Name of Microfinance NGO	Nature of Relationship ¹	Loan Type ⁶	Classification ⁷	Loans & Advances		Collateral	
				Granted Amount (Rs. '000)	Outstanding (Rs. '000)	Amount (Rs. '000)	Type

¹ **H** – Holding NGO/company **S** – Subsidiary (directly or indirectly owned subsidiaries) **A** – Associate (directly or indirectly owned associates)
OI – Other investee entities **D** – directors of the NGO/Company **DH** – directors of the Holding NGO/Company **DS** – directors of the Subsidiary NGO/Company
DA – directors of the Associate NGO/Company **DOI** – directors of the Other Investee Entities **SDC** – Spouse and Dependent Children of directors of the NGO/Company
SDCO - Spouse and Dependent Children of directors of any other related party NGO/companies **KMP** - Key Management Personnel of the NGO/Company
KMPO – Spouse and Dependent Children of a KMP of the NGO/Company **JD** – director of a company is a director of any entity (based on common directorship) shareholding

⁶ **TL** –Term Loans **L** – Leasing **HP** – Hire Purchases **P** – Pawning **O** – Others

⁷ **C** – No arrears **O** – 30 to 60 days in arrears **S** - 61 to 90 days in arrears **D** – 91 to 180 days in arrears **L** – Over 180 days in arrea

6. Asset Quality

Loan Type	Performing Loans		Non-Performing Loans								Total	
	No Arrears		31-60 days in Arrears		61 - 90 days in Arrears		91 - 180 days in Arrears		Over 180 days in Arrears			
	No. of Accounts	Outstanding (Rs.'000)	No. of Accounts	Outstanding (Rs.'000)	No. of Accounts	Outstanding (Rs.'000)	No. of Accounts	Outstanding (Rs.'000)	No. of Accounts	Outstanding (Rs.'000)	No. of Accounts	Outstanding (Rs.'000)
Term Loans												
Leasing												
Hire Purchase												
Pawning												
.....												
.....												
Other												
Total												

7. Details of the borrowings as at end of the month immediately preceding the month in which the application is made.

Name of the Source	Amount Received (Rs.'000)	Annual Interest Rate %	Date of Receipt of the Loan	Nature of Security	Amount Outstanding (Rs.'000)
A. From Licensed Banks i. ii. iii.					
B. From Other Financial Institutions i. ii.					
C. From directors i. ii. iii.					
D. From Other Sources i. ii. iii.					
Total					

8. Current Lending Rates/Charges:

Category	Lending Rates (Range/Annual)				Default Charges	
	Less than 12 Months	12 Months	24 Months	Over 24 Months	%	Amount (Rs.'000)
Loans						
Hire Purchase						
Finance Leasing						
Pawning						
Other Products						

We declare that the particulars stated 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
(NGO)

Names of directors

Signatures

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

Date :

(Common seal of the NGO)

9.3.1. (A). Board of directors

Full Name of director (Please begin with the name of the Chairman)	Residential Address	Date of Birth DD/MM/YYYY	NIC No.	Passport No.	Date of appointment as a director DD/MM/YYYY	Qualifications	Occupation	Contact Details
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								

9.4.2. (B). Chief Executive Officer (CEO)/General Manager (GM)

Full Name of CEO/GM	Residential Address	Date of Birth DD/MM/YYYY	NIC No.	Passport No	Date of appointment as CEO/GM DD/MM/YYYY	Qualifications	Occupation	Contact Details
1.								

We declare that the particulars stated in this form 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
(*Holding NGO*)

Names of directors

Signatures

1.

.....

2.

.....

3.

.....

4.

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5.

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6.

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7.

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8.

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9.

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Date :

(Common seal of the NGO)

Schedule I

Documents to be submitted along with the application

1. A certified copy of the Certificate of Registration/Incorporation.
2. A certified copy of the Constitution, Memorandum and /or Articles of Association. (If the NGO has constitution of the Mother NGO, a certified statement should be submitted)
3. Affidavits and declarations of the directors, CEO/General Manager and person selected for such appointment as per Schedule I (A) and Schedule I (B).
4. A letter of confirmation from the qualified auditor on the availability of minimum core capital as at end of the month immediately preceding the month in which the application is made.
5. Certified copies of valuation reports of each revalued immovable property.
6. Audited financial statements of the applicant NGO and its holding NGO for the last three years.
7. Financial statements of the applicant NGO audited by a qualified auditor as at the end of the month immediately preceding the month in which the application is made.
8. Organization chart of the applicant NGO.
9. A copy of the manual of operations of the applicant NGO.
10. A feasibility report, including projections on deposits, lending and other operations, profit and loss, etc., for the first 3 years of operation after obtaining registration.
11. Statement of the Board of directors in respect of the NGO's ability to comply with the Directions issued and Rules made under the Microfinance Act No. 6 of 2016.
12. Tax clearance certificate issued by the Inland Revenue Department.

Note: In addition to the above, on receipt of the application, the Director General / Registrar of National Secretariat for Non-Governmental Organizations may, where deemed necessary, require the applicant to furnish such other documents, information or other particulars.

Format of the affidavit to be submitted by directors, chief executive officer/general manager and persons selected for such appointment

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 state¹ as follows:

1. I am the affirmant / deponent above named.
2. I am a / the.....(designation) /I have been selected for appointment as a/the(designation) of.....(name of the NGO).
3. I affirm/state that I possess the following academic and /or professional qualification/s in the relevant fields:
.....
.....
4. I affirm/state that the effective experience I possess in microfinance business, banking, finance, law or administration or other relevant discipline is as follows:
.....
.....
.....
5. 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;
6. 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;
7. 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;
8. I affirm/ state that I have not been convicted by any court for an offence involving moral turpitude;
9. I affirm/ state that I have not been declared an undischarged insolvent or a bankrupt, by any court in Sri Lanka or abroad;

10. I affirm/ state that I have not failed to satisfy any judgment or order of any court to repay a debt;
11. 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;
12. I affirm/ state that I have not been declared by a court of competent jurisdiction to be of unsound mind;
13. 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.
14. 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, Hindus, Muslims and persons following any other religion must declare and affirm.

Name of the NGO:

**Declaration to be submitted by directors/ Chief Executive Officer/General Manager/
Persons selected for such appointment
(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 NGO

- 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 or 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. Background and Experience

Name/s of the other institutions in which he/she is or has been a director or has been employed as the Chief Executive Officer/General Manager:

<i>Name of the institution</i>	<i>Period of office</i>	<i>Designation</i>

5. Shareholdings in Licensed Microfinance Companies and their Related Companies

Share ownerships 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>

6. Business Transactions

Any business transaction the director or chief executive officer /general manager or a person selected for such appointment 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>

7. Any other explanation/information with 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 in the applicant Company.

DECLARAION:

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 Microfinance 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/ person selected for such appointment

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 Director