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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1691/49 - 2011 පෙබරවාරි 02 වැනි බදාදා - 2011.02.02

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(Published by Authority)

PART I : SECTION (I) — GENERAL

Central Bank of Sri Lanka Notices

FINANCE LEASING ACT, No. 56 OF 2000

DIRECTION issued under section 34 of the Finance Leasing Act, No. 56 of 2000.

K. M. A. N. Daulagala,

Director,

Department of Supervision of Non- Bank Financial Institutions,
Central Bank of Sri Lanka.

09th December, 2010.

Finance Leasing (Opening/Shifting/Closure of Branches/Business Places) Direction No. 3 of 2010

1. This Direction may be cited as the Finance Leasing (Opening/Shifting/Closure of Branches/ Business Places) Direction No 3 of 2010 and shall apply to every Registered Finance Leasing Establishment, which is a public company referred to in paragraph (c) of section 3 of the Finance Leasing Act (hereinafter referred to as “Specialized Leasing Company”) with immediate effect.

Citations

2. No specialized leasing company shall open, change the location or close any of its branches Business places without the prior approval in writing of the Director. Business places shall mean offices, window offices, service centres or any other outlets operated by the specialized Leasing Company.

3. The evaluating criteria of the specialized leasing company when assessing a request for approval for a new branch or a business places are as follows:-

Assessment
Criteria

- (a) Core capital as per last audited financial statements;
- (b) The level of compliance with the regulations/directions/instructions issued under the Finance Leasing Act, No. 56 of 2000;
- (c) The business / financial profile and profitability;
- (d) Assets quality;
- (e) The level of liquidity;
- (f) The availability of qualified and experienced staff at all levels;
- (g) Convenience of the proposed location to the customers; and
- (h) Strength of Information Technology;

- Issuing of debt instruments 4. Issuing of debt instruments may be carried out only by the head office or a branch, of a Specialized Leasing Company.
- Applications 5. The Specialized Leasing Company shall use the following formats of application for seeking approval :-
- (i) Form "A" for an opening of a new branch / business place;
 - (ii) Form "B" for closure of existing branch / business place;
 - (iii) Form "C" for shifting of a branch / business place.
- Validity period 6. Validity period of approval shall be six months from the date of approval.
- Business Hours 7. No Specialized Leasing Company shall close its any of branches / business places for business on any day , which is not a holiday declared by the Ceylon Chamber of Commerce, without the prior approval in writing of the Director.

Form 'A'

APPLICATION FOR OPENING OF A BRANCH / BUSINESS PLACE

1. Name of the Specialized Leasing Company:
2. Category: Head office/ branch/window office/service centres/any other outlets :
3. Core Capital (as shown in the last audited balance sheet):
4. Address of the proposed location:
5. Details of the existing places of business belonging to the company or its related companies in the Administrative District where the branch/business place is proposed to be established.

(A) Applicant Company:

Rs. 000'

Location of the Place of Business	Date of Establishment	Type of Business	As per last audited financial statements				
			Total Accommodations	Finance Leasing	Borrowings by issuing Debt Instruments	Total Assets	Profit (Loss) for the financial year

(B) Other entities belonging to the same group of companies operating in the Administrative District where the branch / business place is proposed to be located:

Name of the Entity	Address of the Place of Business	Type of Business	Relationship to the Company

6. Names of other Specialized Leasing Companies in the town / village where the proposed branch / business place is to be located:
7. Names of Commercial banks and Registered Finance Companies in the town / village where the proposed branch / business place is to be located:
8. The main types of business of the proposed branch / business place:
9. Estimated capital expenditure in respect of opening of a new branch / business place:
 - (a) Land & building / rent paid in advance:
 - (b) Furniture, fittings and fixtures :
 - (c) Office equipment :
 - (d) Other fixed assets :
 - (e) Other :
10. Means of communication / flow of information (*i.e.*, messenger / courier / facsimile / on-line systems) and the frequency of flow of information (*i.e.*, daily / weekly / monthly) between the proposed branch / business place and the Head Office :
11. Projections for the first three years of operations of the proposed branch / business place:

	<i>1st Year</i>	<i>2nd Year</i>	<i>3rd Year</i>
(a) <i>Accommodation:</i>
Finance Leasing
Term Loans
Hire Purchase
Factoring
Real Estate
Other
(b) <i>Borrowings:</i>
Promissory Notes
Commercial Papers
(c) <i>Income:</i>
Interest Income from:
Finance Leasing
Term Loans
Hire Purchase
Factoring
Real Estate
Other
Non-interest Income:
(d) <i>Expenses:</i>
Interest on Debt
Instruments
Salaries & Wages
Rent
Depreciation
Other Expenses
(e) <i>Profit / (Loss) :</i>

4A

I කොටස : (I) ඡේදය - ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අතිවිශේෂ ගැසට් පත්‍රය - 2011.02.02

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12. Names, qualifications and experience of the officers who will be posted as manager (officer in -charge) and second officer to the proposed branch / business place and details of support staff:

13. Whether necessary approval has been obtained from the relevant local authority to establish a branch / business place at the proposed location:

I certify that the above information is true and correct.

Name of the Officer:

Designation:

Signature:

Date:

Form B

APPLICATION FOR CLOSURE OF A BRANCH / BUSINESS PLACE

1. Name of the specialized leasing company:
2. Category: head office/ branch/window office/service centres/any other outlets :
3. Address of the location to be closed:
4. Details of the branch /business place to be closed as follows:

<i>Type</i>	<i>As per the latest Financial Statements Rs. 000'</i>
Total Core Capital	
Total Accommodation:	
Finance Leasing (including No. of contract)	
Hire Purchase	
Total Borrowings	
Promissory notes borrowings	
Commercial paper borrowings	
Others	
Total Assets	
Profit/(Loss)	
No. of investors on debt instruments	

5. Whether necessary approval has been obtained from the relevant Local Authority to close the branch / business place:
6. Action to be taken on investors of debt instruments holders:
7. Justifying reasons for the closure of branches/ business place:

I certify that the above information is true and correct.

Name of the officer:

Designation:

Signature :

Date:

Form 'C'

APPLICATION FOR SHIFTING OF A BRANCH / BUSINESS PLACE

1. Name of the Specialized Leasing Company:
2. Category: Head office/ branch/window office/service centres/any other outlets:.....
3. Address of the current location :.....
4. Address of the proposed location:
5. Details of the branch / business place to be shifted as follows:

<i>Type</i>	<i>As per the latest Financial Statements Rs. 000'</i>
Total Core Capital	
Total Accommodation:	
Finance Leasing (including No. of contract)	
Hire Purchase	
Total Borrowings :	
Promissory notes borrowings	
Commercial paper borrowings	
Others	
Total Assets	
Profit/(Loss)	
No. of investors on debt instruments	

6. Whether necessary approval has been obtained from the relevant Local Authority to shift the branch / business place to the proposed location from the existing location :
7. Justifying reasons for the shifting of branch / business place:

I certify that the above information is true and correct.

Name of the officer:

Designation:

Signature :.....

Date:

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