



KEY FACT DOCUMENT

LAK JAYA MICRO FINANCE LIMITED

386/B/1/1 1st Floor

High Level Road

Pannipitiya

The Key Facts Document consists KEY of the FACTS main DOCUMENT features of the products and services offered by Lak Jaya Micro Finance Ltd.

This document serves to comply with the requirements of the Financial Consumer Protection Regulations issued by the Central Bank of Sri Lanka.

The Company reserves the right to amend, add or remove any of the terms, conditions, charges and fees mentioned below at the discretion of the Company.

KEY FACT DOCUMENT

1. Loan Products

The following products and services are offered to customers by Lak Jaya Micro Finance Ltd.

Key Features/ Nature of the Product/Benefits	Procedure to be followed and Terms and Conditions	Documents Required to process a facility
GENERAL LOAN		
✓ Helps to provide financial services to those in remote locations where traditional financial institutions do not serve. ✓ Gradual increase of Savings habits. ✓ To reduce dependency on money lenders/others. ✓ To create employment opportunities ✓ To uplift the living standards. ✓ To assist in achieving economic and social self-reliance and empowerment. ✓ Small Business expansion purpose. ✓ Working capital finance ✓ Fast service ✓ Flexible repayment terms.	✓ Applicant should be citizens of Sri Lanka. ✓ Applicant aged between 18 to 65 years (upper age will not be applicable for existing customers). ✓ Borrower shall have engaged in an active Income Generating Activity (IGA) ✓ Funds granted shall be utilized only for approved purposes. ✓ Customer profile should be in line and meet the requirements as per the Microfinance lending criteria. ✓ Facility will be approved based on evaluating Business Reports and Repayment capacity. ✓ Loan installment should be paid on weekly/bi-weekly/monthly basis. ✓ Initial Collateral savings deposit which is 5% of the loan amount and balance build up ✓ Tenor 3 -36 months	✓ Duly completed Loan Application. ✓ Guarantors' Statement ✓ National Identity Card (Borrower/ Joint Borrower and Guarantor/s) ✓ Statement of Expenditures on utilization of funds. ✓ Salary Statements or Income Statements of the Guarantors ✓ Grama Niladhari Certificate or Letter issued by Grama Niladhari for Confirmation of residence if not latest monthly utility bill – Electricity/Water ✓ Route map from the place of residence of the borrower to the Branch. ✓ Copy of currently operating Bank Savings Passbook/Statement.
SME LOAN		
✓ Helps to provide financial services to those in remote locations where traditional	✓ Applicants should be citizens of Sri Lanka. ✓ applicant aged between 18 to 65 years (upper age will	✓ Duly completed Loan Application. ✓ Guarantors' Statement

financial institutions do not served. ✓ To reduce dependency on money lenders/others. ✓ To create employment opportunities ✓ Business expansion purpose. ✓ Working capital finance ✓ Fast service ✓ Flexible repayment terms.	not be applicable for existing customers). ✓ Funds granted shall be utilized only for approved purposes. ✓ Facility will be approved based on evaluating Business Reports and Repayment capacity. ✓ Loan installment should be paid on weekly/bi-weekly/monthly basis. ✓ Initial Collateral savings deposit which is 5% of the loan amount and balance build up ✓ ✓ Tenor 6 -36 months	✓ National Identity Card (Borrower/ Joint Borrower and Guarantor/s) ✓ Business Registration ✓ Income Proof ✓ Business Plan /Profitability Forecast ✓ Statement of Expenditures on utilization of funds. ✓ Latest last 03 months Bank Statements ✓ Salary Statements or Income Statements of the Guarantors ✓ Grama Niladhari Certificate or Letter issued by Grama Niladhari for Confirmation of residence if not latest monthly utility bill – Electricity/Water ✓ Route map from the place of residence of the borrower to the Branch. ✓ Copy of currently operating Bank Passbook.
PERSONAL LOAN		
✓ To finance the emergency financial need of the monthly salary earners. ✓ To reduce dependency on money lenders/others.	✓ Applicant should be citizens of Sri Lanka. ✓ The applicant should be engaged in a permanent job in the government or private sector. ✓ Applicant aged between 18 to 55 years (upper age will not be applicable for existing customers). ✓ Initial Collateral savings deposit which is 5% of	✓ Duly completed Loan Application. ✓ Guarantors' Statement ✓ National Identity Card (Borrower/ Joint Borrower and Guarantor/s) ✓ Letter from the current Employer confirming employment. ✓ Latest last 3 months Salary Slips.

	the loan amount and balance build up ✓ ✓ Tenor 6 -36 months	✓ Salary Statements or Income Statements of the Guarantors ✓ Grama Niladhari Certificate or Letter issued by Grama Niladhari for Confirmation of residence if not latest monthly utility bill – Electricity/Water ✓ Route map from the place of residence of the borrower to the Branch. ✓ Copy of currently operating Bank Passbook.
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2. Interest Rates, Fees/ Charges, Commissions,

2.1 Interest rates

Interest rates applicable for lending products are depend on the type of facility and based on the credit risk of the client, tenure and the security offered. Based on the market conditions, our interest rates are revised by the management from time to time.

Annual Effective Rate of Interest: 30% and upwards.

2.2 Other Charges

Loan Processing Fee of 3% based on finance amount

Client Verification Fee of 2% based on finance amount, will be charged and charges and fees applicable for the facility will be reviewed by the management from time to time

3. Procedure of obtaining products and services from Lak Jaya Micro Finance Ltd (LJMFL)

All potential customers seeking to obtain products/services from LJMFL should either visit or contact the closest branch location/Customer Service Point (Center).

After a discussion with an authorized officer of LJMFL regarding their requirement the customer would be required to complete an application form. Any relevant documents related to the product/service requested should also be handed over to the authorized officer of LJMFL for evaluating and processing the request.

An investigation of business and residential premises will be carried out by an authorized officer of the Company as part of the evaluation process.

4. Procedure for Recovery of Credit Facilities

- ✓ LJMFL makes every endeavor to facilitate the re-payment of the credit facilities by the Customers. These endeavors may include re-scheduling and restructuring of facilities to suit the customer's cash flow within the Company's overall Operational Manual on a case by case basis.
- ✓ In the event the customers are still unable to settle, LJMFL would be compelled to initiate recovery actions in accordance with its contractual rights and the laws of the country. If we are compelled to deploy our recovery officers as a result of contract becoming delinquent, the cost incurred due to such visits will be charged to the contract. All legal and other expenses incurred by the Company in this regard shall be borne by the Customer.

5. Disclosure of Customer Information

LJMFL observes strict secrecy in respect of all transactions of the Customer with the company subject to the provisions of the Financial Consumer Protection Regulations issued by the Central Bank of Sri Lanka.

However, LJMFL is regulated by the Central Bank of Sri Lanka, and is obligated to provide details of customer transactions to the Central Bank of Sri Lanka and other regulatory/statutory institutions without prior notice to the customer, and without further obligations or legal recourse to the customer.

6. Financial Transaction Reporting Act No 6 of 2006

Where LJMFL has reasonable grounds to suspect that any transaction or attempted transaction may be related to the commission of any unlawful activity or any criminal offense, it will report such transaction to the Financial Intelligence Unit under the provisions of Section 7 of the Financial Transaction Reporting Act No 6 of 2006.

7. Applicable Legal Provisions

Products are governed under the provisions of the

- Microfinance Act No. 6 of 2016
- Financial Transactions Reporting Act No.6 of 2006
- Prevention of Money Laundering Act No 5 of 2006
- Directions/Circulars issued by the Central Bank of Sri Lanka
- Any other laws which are in existence for the time being or any other laws which will be introduced from time to time.

8. Customer Complaint Handling Procedure

Our staff members are well groomed to provide an efficient, friendly and prompt service to our customers. Lak Jaya Micro Finance Ltd respects its customers' right to receive efficient service at all times.

However, if you are dissatisfied with the service provided by us, you should in the first instance consider speaking to directly with the staff member you have been dealing with. If you are uncomfortable with this or consider the relevant staff member is unable to address your concerns and can lodge a complainant with us in one of the following methods.

Mode	Details
Telephone	+94 112851288
Email	inquiries@lakjaya.com
By post or in person	No. 386 B/1/1, 1 st Floor, High level Road, Pannipitiya

In the event a satisfactory solution is not provided by the Company, customer can escalate his/her complain to the office of the

Financial Ombudsman of Sri Lanka.

Write: -

Financial Ombudsman,
No.143A, Vajira Road,
Colombo 05.

Call: -

0112595624

Email:-

fosril@sltnet.lk

Website:-

www.financialombudsman.lk