

# Key Fact Document (KFD)

## Microfinance

### Commercial Credit & Finance PLC



## Microfinance Loan

Key Features & Benefits	Nature of the Product and Applicable Legal Provisions	Interest Rates & Other Charges	Procedure to be Followed to obtain the Facility	Main terms & Conditions
<ul style="list-style-type: none"> <li>- Helps to provide financial services to those in remote locations where traditional financial institutions do not served</li> <li>- Social Performance Management (SPM) - Managing the progress of physical, mental, and educational self-reliance, while understanding the responsibilities of life for individuals to reach their goals, aims at the economic and social uplifting of clients and their families.</li> <li>- Small Business expansion purpose.</li> <li>- working capital finance</li> <li>- Fast service</li> <li>- Flexible repayment terms</li> <li>- Customer service.</li> <li>- Savings habit gradually increase</li> </ul>	<p>-The Micro finance loan is a short term a collateral-free loan that is designed to provide financial support for business needs and consumption needs of lower income female customers. The micro finance marketing officer visit the Customer Service Unit (CSU), where groups of customers gather at predetermined frequencies to collect rentals. This document outlines the procedure for the operation of the microfinance division of the company.</p> <p>-The loan is granted on cross guarantees of members of a group formed within the CSU.</p> <p>The following legal frameworks are applicable for the operation of the microfinance loans.</p> <p>-Finance Business Act No. 42 of 2011</p>	<p><b>Interest rates</b></p> <p>Interest rates will be decided by the management from time to time and published in the website see the Interest rate annexure.</p> <p><b>Other Charges</b></p> <p>3.5% of service charge.</p> <p>Document charge 1% 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</p> <p><b>Penalty interest</b></p> <p>Current applicable Default interest rate is 5% per month.</p>	<p>-Only female applicants aged between 18 to 65 years.</p> <p>-Applicants should be citizens of Sri Lanka.</p> <p>-The customer should be a member of an active CSU for the first loan and customer should be an active member of a CSU.</p> <p>-All customers should be screened and cleared as per the Company's Anti Money Laundering (AML) and Terrorist Financing (TF) Policy.</p> <p>-Funds granted by way of the microfinance loan should be utilized only for approved purposes.</p> <p><b>Documents Needed</b></p> <ul style="list-style-type: none"> <li>- NIC (Borrower &amp; Joint Borrower)</li> <li>- Relationship Proof Documents (Marriage Certificate, Birth Certificates, Relationship Confirmation Letter Issues by JP Officer)</li> <li>- Billing proof to confirm the permanent residence of the customer. GS certificate,</li> </ul>	<ul style="list-style-type: none"> <li>-The applicant should be sri lankan women within the legally acceptable age limit between 18 to 65 to obtain a finance facility.</li> <li>-Applicant must be self-employed or doing small-scale business.</li> <li>-Customer profile should be in line and meet the requirements as per the Microfinance lending criteria.</li> <li>- Facility will be approved based on evaluating Business/CRIB reports/ Repayment capacity.</li> <li>- Loan installment should be paid on weekly basis</li> <li>- Outstanding arrears will be charged default interest.</li> </ul>

	<p>-The Contract Law of Sri Lanka is the legal framework that governs the micro finance loan transactions and recovery proceedings of microfinance loans.</p> <p>-Circulars issued by the CBSL in connection with microfinance\products.</p> <p>-Financial Consumer Protection Regulations No. 01 of 2023 (GAZETTE No. 2344/17)</p>		<ul style="list-style-type: none"> <li>- Water bill, Electricity bill or fixed telephone bills are considered which are not exceed 3 month.</li> <li>- Photograph of passbook.</li> <li>- Minimum 2 business photos if loan is above Rs. 100,000</li> </ul>	
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## Complaint Handling Procedure

We value your feedback and encourage you to share any concerns if our services don't meet your expectations. If our response doesn't, you can seek a review or intervention from the Financial Ombudsman Service.

Customers can lodge complaints with regard to our products or services using following methods

- Contacting the relevant Location Head
- Contacting our hotline [+94 112 000 000](tel:+94112000000)
- Emailing or Via Corporate website and web chat : [ccl@cclk.lk](mailto:ccl@cclk.lk) or <https://www.cclk.lk>
- WhatsApp to call center manager to telephone number: [+ +94 076517136294](tel:+94076517136294)
- Write to: Head Office - No. 106, Yatinuwara Veediya , Kandy  
Corporate Office - No 165, Kynsey Road Colombo 08.
- Financial Ombudsmen: 143A, Vajira Road, Colombo 05. [+94 11 2 595 624](tel:+94112595624)
- Compliant Handling Policy is available on the Corporate Website for customers to refer to for further information.

**Last Reviewed on 07 May 2024**