

NOTICE TO PUBLIC



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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

LICENSED FINANCE COMPANIES AUTHORIZED TO MOBILIZE DEPOSITS FROM PUBLIC AS AT 30.09.2020

- The Central Bank of Sri Lanka (CBSL) regulates and supervises Licensed Finance Companies (LFCs) in terms of provisions of the Finance Business Act No. 42 of 2011 (FBA) and Directions issued thereunder to promote safety and soundness of the overall financial sector. However, regulation and supervision of the CBSL does not necessarily prevent the failure of any financial institution, including LFCs.
- CBSL has the power to take different regulatory actions on LFCs in the event of any non-compliance with prudential requirements. The management of LFCs has the ultimate responsibility to operate them in a safe and sound manner while complying with regulatory and supervisory requirements of CBSL.
- CBSL does not have a legal authority to guarantee deposits of LFCs. However, all LFCs are required to insure their deposit liabilities with the Sri Lanka Deposit Insurance and Liquidity Support Scheme (SLDILSS) established by the CBSL. Currently, the maximum compensation of Rs. 600,000 per depositor, per institution will be paid by SLDILSS in the event of a suspension/cancellation of any LFC. General public are hereby informed that no other instruments other than "deposits" will be covered under SLDILSS.
- To assist public in making informed decisions, LFCs are required to disclose key financial information/indicators in the press every six months in terms of the regulations issued under FBA.
- Further, attention of the public is drawn to the positive relationship between the risk and return of any investment including deposits.
- Considering the above, public is advised to exercise due care when making deposits in LFCs to ensure the safety of their funds and also to refrain from depositing funds in unauthorized institutions/persons.

LICENSED FINANCE COMPANIES (in alphabetical order)

1. Abans Finance PLC
2. Alliance Finance Co. PLC
3. AMW Capital Leasing & Finance PLC
4. Arpico Finance Co. PLC*
5. Asia Asset Finance PLC
6. Associated Motor Finance Co. PLC*
7. Bimpuh Finance PLC*
8. Central Finance Co. PLC
9. Citizens Development Business Finance PLC
10. Commercial Credit and Finance PLC
11. Commercial Leasing and Finance PLC
12. Dialog Finance PLC
13. Fintrex Finance Ltd.
14. HNB Finance PLC
15. Ideal Finance Ltd
16. Kanrich Finance Ltd*
17. Lanka Credit and Business Finance Ltd
18. LB Finance PLC
19. LOLC Development Finance PLC
20. LOLC Finance PLC
21. Mercantile Investments and Finance PLC
22. Merchant Bank of Sri Lanka & Finance PLC*
23. Multi Finance PLC
24. Nation Lanka Finance PLC**
25. Orient Finance PLC
26. People's Leasing & Finance PLC
27. People's Merchant Finance PLC
28. Prime Finance PLC
29. Richard Pieris Finance Ltd*
30. Sarvodaya Development Finance Ltd.
31. Senkadagala Finance PLC
32. Serendib Finance Limited
33. Singer Finance (Lanka) PLC
34. Siyapatha Finance PLC
35. Softlogic Finance PLC*
36. Trade Finance & Investments PLC
37. UB Finance Co. Ltd*
38. Vallibel Finance PLC

* Non-compliant with the minimum capital adequacy requirement and the company has been given time extension to rectify the non-compliance.

** Non-compliant with the minimum capital adequacy requirement and the company is yet to submit a feasible capital augmentation plan.

A notice of cancellation of the licence issued to carry on finance business under the Finance Business Act, No. 42 of 2011 has been issued to Sinhaputhra Finance PLC (SINF) by the Monetary Board of the CBSL. However, in terms of the provisions of the Act, Monetary Board decided to provide SINF with an opportunity to implement the proposed capital augmentation plan within the timeframe stipulated.

Note: LFCs that are non-compliant with minimum capital adequacy requirement are indicated above as it poses a significant risk to the depositors.

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