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## INTRODUCTION

By creating more economic opportunities for rural people of the country, social economical life of rural people shall be developed more and poverty be alleviated to certain degree. At opening ceremony of **“ National Workshop on Rural Development and Poverty Reduction ”** held on 20<sup>th</sup> of May, President delivered the speech that, **“ Microfinance activities have to be carried out in order to make capital investment needed by rural people accessible to rural areas. Formations are to be made legally in consonance with rural and regulations for systematic and sustainable operations of microfinance activities. An organization is to assume responsibility and supervision to coordinate and specify uniform standards for private Entrepreneurs and NGOs currently performing on self-arrangement, to be legal institutions.”**

For supervising and guiding the rural development and poverty reduction activities, **“Rural Development and Poverty Reduction Central Committee”** comprising the President as Chairman is formed and eight major activities have been laid down. For implementing these eight activities with cooperation, assistance and fulfilling of the Working Committee of respective Region and State **“Rural Development and Poverty Reduction Working Committee”** was formed with Vice President (2) as Chairman.

Out of eight major tasks for rural development and poverty reduction, **“Development of Micro Private Savings and Credit Enterprise”** was specifically assigned to Ministry of Finance and Revenue. Hence, by Notification No. (30/2011) of Union Government of the Republic of Union of Myanmar dated 7- 7- 2011 **“ Supporting Committee for Development of Micro Private Savings and Credit Enterprises ”** was formed comprising the Union Minister for Finance and Revenue as the Chairman. Supporting Committee drafted the Microfinance Law of the Republic of the Union of Myanmar phase by phase with participation of intellectuals and departmental officials. This Bill was submitted to second regular session of first Pyitaungsu Hluttaw held on 25. 11. 2011, and the **“ Microfinance Law ”** was enacted on 30. 11. 2011, by **“ Pyitaungsu Hluttaw Law No.13 ”**. For supporting **“Rural Development and Poverty Reduction Committee” “ Microfinance Supervisory Committee ”** was formed under section (6), chapter (4) of enacted Microfinance Law with (30) members, comprising Union Minister for Finance and Revenue as Chairman.

In order to take practical measures based on provisions of aforesaid Law, microfinance related Rules and Regulations issued by the Ministry , the Directives issued by Microfinance Supervisory Committee , and the Formats of Accounting and Reports to be maintained by microfinance institutions issued by Myanma Microfinance Supervisory Enterprise are collectively mentioned.

**The Government of Republic of Union of Myanmar**

**Ministry of Finance and Revenue**

**Minister Office**

**Notification No. 277/2011**

**Nay Pyi Taw ,1373 ME,13<sup>th</sup> Waxing of Nattaw**

**(2011 , December 23)**

Practicing the powers authorized as per Microfinance Law Section 68 , sub-section (a) Ministry of Finance and Revenue issues this Regulation for Microfinance Institutions.

**Chapter (1)**

**Microfinance Supervisory Committee**

**Formation**

1. According to notification no .58/2011 dated 22-12-2011 by the Government of the Republic of Union of Myanmar , the Microfinance Supervisory Committee has been formed with 30 members comprising the Union Minister as Chairman.

**Functions , Duties and Powers thereof**

2. The functions ,duties and powers of Microfinance Supervisory Committee are as per Microfinance Law Section 7 and 8.

**License to Carry out Business**

3. Granting License to carry out Business , the Microfinance Supervisory Committee shall perform as follows:
  - (a) The Microfinance Supervisory Committee may after scrutinizing the duty application form and the feasibility study of the institution desirous to carry out the microfinance , issue or refuse to the License to operate within (30) days from the date of receipt of application.
  - (b) A License shall not be granted to the institution desirous to carry out microfinance , if in the Microfinance Supervisory Committee's opinion , the

name chosen by the institution might mislead the public regarding the true nature of shareholders or activities.

- (c) The Microfinance Supervisory Committee shall in granting or withdrawing a license to a microfinance institution , publish it in the Myanmar Gazette.
- (d) If any of the following situations occurs, Microfinance Supervisory Committee shall withdraw the license to operate of the relevant microfinance institution.
  - (1) failing within period specified , to deposit the amended minimum capital requirements prescribed for the microfinance institution;
  - (2) failing within the period specified , to restore the minimum capital required due to losses in business;
  - (3) liquidation voluntarily or being liquidated;
  - (4) extinguishing the original legal entity due to the merging with other microfinance institution or due to secession of institution;
  - (5) failure to comply by-laws and directives issued by Supervisory Committee and respective working committee.
- (e) If the microfinance institution is desirous to merger with any other microfinance institution or secession of its institution , it shall submit and obtain the prior approval of the Supervisory Committee through the respective working committee.
- (f) The microfinance institution which will be emerged due to merger or secession under subsection (a) shall carry out the microfinance business only when it obtains the license to operate issued by Supervisory Committee.
- (g) The microfinance institution shall obtain the prior approval of Supervisory Committee through the respective working committee for establishment of branch offices , changing the location and closing of business.

#### **Function to carry out**

- 4. The microfinance institution may with the approval of supervisory committee, carry out the following functions:
  - (a) extending micro-credit
  - (b) accepting the deposit
  - (c) carrying out remittance
  - (d) carrying out the insurance business
  - (e) borrowing from the local and abroad
  - (f) carrying out other financial activities.

## **Auditing**

5. For appointing the Auditor , Microfinance Supervisory Committee may perform as follows;
  - (a) The Auditors shall be appointed to each microfinance institution by approval of Supervisory Committee.
  - (b) The Microfinance Supervisory Committee may appoint appropriate persons as Auditors to inspect the microfinance institution. The said Auditors may:
    - (1) examine the accounts and related documents, the books and other documents;
    - (2) verify and query the supervisor, administrators, agents, personal and members of the microfinance institution for information on any matter relating or its institution and operation.

## **Formation of Audit Committee**

6. The Supervisory Committee may have an Audit Committee comprising three members for a microfinance institution.

## **Taking Action by Administrative Means**

7. The Supervisory Committee shall , if the microfinance institutions , its members , shareholders, administrators, managers and personnel violate any of the provisions of this Law, pass the following administrative penalty:
  - (a) warnings,
  - (b) orders including those restricting the operations of microfinance institution,
  - (c) fines,
  - (d) temporary or permanent termination from duties in the microfinance institution ,
  - (e) cancellation of the license to operate.
8. The Supervisory Committee shall pass administrative penalties contained in above paragraph 7 against any person or any legal entity which violates any of the provisions contained in this Law by carrying out the activities prescribed under this Law to be performed only by the microfinance institution.

## Liquidation

9. The Supervisory Committee may determine the period to restore the normal situation if the situation occurs that may lose the deposits and capital fund of the person in dealing with such institution as the situation is not in conformity with the minimum requirement to carry out the business of the relevant microfinance institution is not restored to normal within the specified period ,the license to operate may be cancelled and may liquidate that microfinance institution in accordance with the stipulations.
10. Before passing the order of liquidation:
  - (a) the body formed by the Supervisory Committee or the body formed by the relevant Region or State Government and Nay Pyi Taw Council Microfinance Development Working Committee with the approval of the Supervisory Committee shall investigate,
  - (b) the Supervisory Committee shall be render right to defend to the relevant microfinance institution.
11. If the relevant body contained in above paragraph 10 submits that it should be liquidated , the Supervisory Committee shall order to liquidate the microfinance institution.
12. In liquidating the microfinance institution , the Supervisory Committee
  - (a) may cause to carry out by handing over the administrative matters of such institution and until the liquidation has been completed by appointing a liquidator or by forming assigning the liquidation body consisting of suitable citizens.
  - (b) shall liquidate the receivable and payable of such institution.

## Prohibitions

13. Any member or personnel of the Supervisory Committee shall not , without permission under the law, disclose or publish information which they have learned in the performance of the duties , or allow such information to be seen or examined by another person.

### **Offences and Penalties**

14. Any member or personnel of the Supervisory Committee who violates the prohibitions mentioned in paragraph 13 shall on conviction ,be punished as per section 58 of Microfinance Law.

### **Miscellaneous**

15. If the members , personnel and auditors of the microfinance institution , without permission under the law, disclose or publish information which they have learned in the performance of the financial activities and services, or allow such information to be seen or examined by another person , if any member or personnel of the Supervisory Committee and relevant working committee, without permission under the law , disclose or publish information which they have learned in the performance of the duties , or allow such information to be seen or examined by another person , if any person who carry out business of the microfinance institution without a license to operate ; in taking legal action the prior sanction of the Supervisory Committee shall be obtained.
16. The Microfinance Supervisory Committee may issue necessary notifications and directives.

## **Chapter (2)**

### **Microfinance Development Working Committee of the respective Region or State Government and Nay Pyi Taw Council**

#### **Formation**

17. The Microfinance Development Working Committee of Region or State Government and Nay Pyi Taw Council shall be formed as per section 9 of the Microfinance Law.

#### **Functions and Duties**

18. The Function and Duties of Microfinance Development Working Committee formed by Region or State Government and Nay Pyi Taw Council are as per section 10 of Microfinance Law.

### **Appointment of Inspectors**

19. Microfinance Development Working Committee shall appoint the appropriate persons as inspectors for inspecting of microfinance institution.

### **Prohibitions**

20. Any member or staff of the Microfinance Development Working Committee of Region or State Government and Nay Pyi Taw Council shall not without permission under the law ,disclose or publish information which they have learned in the performance of the financial activities and services , or allow such information to be seen or examined by another person.

### **Offences and Penalties**

21. Any member, personnel of the Microfinance Development Working Committee of Region or State Government and Nay Pyi Taw Council who violates prohibition under above paragraph 20 shall, on conviction, be punished according to section 58 of Microfinance.

### **Miscellaneous**

22. The Microfinance Development Working Committee of Region or State Government and Nay Pyi Taw Council may issue necessary notifications and directives.

## **Chapter (3)**

### **Myanmar Microfinance Supervisory Enterprise**

#### **Functions and Duties**

23. The Myanmar Microfinance Supervisory Enterprise shall carry out the following functions and duties relating to microfinance :
- (a) scrutinizing the applications to carry out microfinance, submitting to the respective working committee;
  - (b) prescribing the formats of accounts and forms of report to use in microfinance institution;
  - (c) supervising and field-inspecting the microfinance institution



- (d) reporting and submitting the working committee in accordance with the stipulations;
- (e) performing the duties assigned by the Supervisory Committee to the respective working committee from time to time;

### **Miscellaneous**

24. The Myanma Microfinance Supervisory Enterprise shall also has responsibilities and carry out the works arising out of or in connection with the performance of functions and duties conferred under this Law.

## **Chapter (4)**

### **Microfinance Institutions**

#### **The Institutions Permissible for Microfinance Activities**

25. The under mentioned institutions formed under the Myanmar Company Act, the Cooperative Society Act, the Law relating to Formation of Associations and any other Law can apply for License to carry out business,
- (a) Local or international institutions,
  - (b) Partnership Firms ,
  - (c) Companies,
  - (d) Cooperative Society,
  - (e) Bank and Non-banking Financial Institutions.

#### **Management Committee and Memorandum of Association , Articles of Association**

26. The institutions desirous to carry out the microfinance shall:
- (a) draft the Memorandum of Association and Articles of Association,
  - (b) from the management committee and manage in accordance with the Memorandum of Association and Articles of Association,
  - (c) be fulfilled with the necessary qualification to be a member of management committee prescribed by the Supervisory Committee in forming the management committee.

27. The management committee of the microfinance institution may delegate its powers to the responsible persons of the relevant microfinance institution.
28. The management committee of microfinance institution may appoint or hire any expert to help Audit Committee.
29. If microfinance institution is desirous to amend the Memorandum of Association and Articles of Association, the microfinance institution shall submit to respective working Committee and shall amend only after obtaining the prior approval of Supervisory Committee .

### **Categories of microfinance institutions**

30. The microfinance institutions shall be categorized as follows;
  - (a) **Non deposit taking microfinance institution** ; the non deposit taking microfinance institution shall carry out extending micro-credit by the funds collected by other means which is not deposit from the public ,compulsory saving of members whenever the members acquired the micro-credit;
  - (b) **Deposit taking microfinance institution** ; the deposit taking microfinance institution shall carry out extending micro-credit by the funds collected by other means which is not deposit from the public and compulsory saving of members whenever the members acquired the micro-credit and voluntary saving deposits.

### **Functions to carry out:**

31. The microfinance institution may , with the approval of the Supervisory Committee , carry out the following functions:
  - (a) extending micro-credit;
  - (b) accepting the deposit;
  - (c) carrying out remittance ;
  - (d) carrying out the insurance business ;
  - (e) borrowing from the local abroad ;
  - (f) carrying out other financial activities.

## License to Operate

32. Concerning with license to carry out business , shall follow as below:
- (a) The institutions desirous to carry out microfinance shall submit the stipulated application attached with feasibility study to respective Region or State Government and Nayp Pyi Taw Council Microfinance Development Working Committee.
  - (b) shall not transfer the license ;
  - (c) shall commence the business within six months from the date of receipt of the license ;
  - (d) the institution which performing the microfinance business before the enactment of this law shall apply for the license to operate within three months from the date of the enactment of this Law ;

## Paid-up Capital :

33. The institution desirous to carry out the microfinance shall, subscribe the paid-up capital according to category prescribed by Microfinance Supervisory Committee.
34. Concerning with Paid-up Capital, to follow as below:
- (a) The microfinance institution desirous to carry out microfinance by category shall subscribe the minimum paid-up capital as prescribed by Microfinance Supervisory Committee, the paid-up capital shall be deposited in cash, or by money order of any Bank.
  - (b) deposit the fully paid-up capital to the accounts of the Myanmar Microfinance Supervisory Enterprise at the Myanmar Economic Bank in the respective Region or State and Nay Pyi Taw Council
  - (c) such paid-capital shall be entitled to withdraw only the completion of issuing license from the Microfinance Supervisory Committee
  - (d) the microfinance institution may increase the paid-up capital if can fulfill the institution prescribed by Microfinance Supervisory Committee
  - (e) the microfinance institution shall deposit the prescribed 25% of net profit in a general reserve fund account. The said deposit shall be up to 100% level of subscribed paid-up capital. The reserve fund shall be in accordance to institutions of Microfinance Supervisory Committee regarding with specific asset ; and can made provision with own arrangement for other reserve funds.

**Interest Rate :**

35. The interest rate on deposit and credit shall be followed as prescribed by the Microfinance Supervisory Committee.

**Service Charges :**

36. The following Service Charges prescribed by the Microfinance Supervisory Committee shall be paid
- (a) Service Charges for establishing branch offices, change of location and close of business
  - (b) Service Charges for change of category of microfinance

**License Fees :**

37. The following license fees prescribed by the Microfinance Supervisory Committee shall be paid
- (a) **Initial License Fee** : the microfinance institution shall pay the license fee within 15 days of receiving the license to carry out business
  - (b) **Annual License Fee** : shall pay the prescribed fee in April of financial year
  - (c) In case of increasing the paid-up capital the prescribed License fee on increased amount.

**Extending Credit :**

38. The microfinance institution shall obtain the following legal documents in providing micro-credit;
- (a) the credit application and the submission of the utilization of credit;
  - (b) the records of undertaking of the borrower and guarantors which will be basically support for the microfinance business;
  - (c) if it is agreement signed by the person himself who shall obtain the micro-credit and matter collectively decided , the meeting minute agreed on such matter.
39. The microfinance institution shall, in providing micro-credit, carry out in accordance with the terms and conditions prescribed by the Microfinance Supervisory Committee in order to protect and preserve the long term existence of its business.

**Other factors to follow:**

40. The microfinance institution shall regularly notify their customers of
  - (a) the terms and conditions associated with their deposits and loans,
  - (b) including the annual rate of interest and calculation method used. The Supervisory Committee shall determine the intervals at which such declaration shall be made and the forms to be used
41. The microfinance institution shall be prohibited from engaging manipulative practices in order to obtain an unfair advantage for themselves or third parties.
42. The microfinance institution shall comply with the provisions of the Money Laundering Law .
43. The microfinance institution shall be required to keep records of accounts and prepare periodic reports prescribed by Myanmar Microfinance Supervisory Enterprise.
44. The microfinance institution shall submit the reports prepared in accordance with the prescribed standards to Microfinance Development Working Committee of respective Region or State Government and Nay Pyi Taw Council.

**Appointment of Auditor**

45. The Auditor shall be appointed to each microfinance institution by approval of Microfinance Supervisory Committee. The auditor of the microfinance institution shall have the following duties and responsibilities of preparing the audit report on the balance-sheet, profit and loss of accounts after having audited in accordance with the Myanmar Standards on Auditing and assessing and submitting in report whether the financial statements in such report adequately reflect the financial position of the institution and its solvency notifying the activities which may cause the loss for the business and the defects and requirements of the accounts.

**Formation of Audit Committee:**

46. The microfinance institution shall form the Audit Committee in accordance with instruction of Microfinance Supervisory Committee. The Audit Committee shall
  - (a) monitor whether the microfinance institution carries out in conformity with the prescribed terms and conditions or not
  - (b) moreover, it shall submit to the management committee the matters which it deems fit

- (c) give its opinion on the matters which are required by the management committee
- (d) the Audit Committee shall meet ordinarily once in three months
- (e) extraordinarily when convened by the management committee
- (f) all members of the Audit Committee shall be present at such meeting and shall be no abstentions from voting
- (g) decisions shall be taken by majority votes of the members

**Accepting the inspection:**

47. The microfinance institution shall accept the inspection of the auditors appointed by the Microfinance Supervisory Committee or inspectors assigned by the respective working committee of Region or State Government and Nay Pyi Taw Colcil.

**Taking Action by Administration means:**

48. The Supervisory Committee shall, if the microfinance institution, its members, shareholders, administrators, managers and personnel violate any of the provisions of this law, pass the following administrative penalty:
- (a) warnings;
  - (b) orders including those restricting the operations of microfinance institution;
  - (c) fines;
  - (d) temporary or permanent termination from duties in the microfinance institution;
  - (e) cancellation of the license to operate
49. The person who is being taken action shall have the full right to defend.
50. In addition, the person being taken action shall have the right of appeal to Rural Development and Poverty Reduction Working Committee within 30 days from the date the penalty order is received.

**Withdrawing License:**

51. If any of following situations occurs, the license to operate the relevant microfinance institution shall be withdrawn
- (a) failing, within the period specified, to deposit the amended minimum capital requirements prescribed for the microfinance institution ;
  - (b) failing, within the period specified, to restore the minimum capital required due to losses in business ;
  - (c) liquidation voluntarily or being liquidated ;

- (d) extinguishing the original legal entity due to the merging with other microfinance institution or due to secession of institution
- (e) failure to comply by-laws and directives issued by Microfinance Supervisory Committee and respective Microfinance Development Working Committee of Region or State Government and Nay Pyi Taw Council.

**Liquidation:**

- 52. A microfinance institution shall be liquidated if any of the following situation occurs
  - (a) the situation is not in conformity with the minimum requirement to carry out the business
  - (b) the situation occurs that may lose the deposits and capital fund of the persons in dealing with such institution
- 53. Before passing the order of liquidation, the body formed by the Microfinance Supervisory Committee or the body formed by the relevant Microfinance Development Working Committee of Region or State Government and Nay Pyi Taw Council with the approval of the Microfinance Supervisory Committee shall investigate. The relevant microfinance institution shall have the right to defend the investigation.

**Restriction:**

- 54. The members, personnel and auditors of the microfinance institution shall not, without permission under the law, disclose or publish information which they have learned in the performance of the financial activities and services, or allow such information to be seen or examined by another person.
- 55. The institution desirous to carry out microfinance shall not be allowed without a license to operate.

**Offences and Penalties:**

- 56. Any person who violates the prohibition under section 54 shall, on conviction, be punished with fine or with imprisonment for a term not exceeding five years or with both
- 57. Any member or personal of the Supervisory Committee and respective working committee who violates the prohibition under section 55 shall, on conviction, be punished according to section 57 of Microfinance Law.

**Miscellaneous:**

58. The microfinance institution shall have the right to carry out under its own seal, as a legal entity having perpetual succession, capable of suing and being sued.
59. Notwithstanding anything contained in the Registration Act, the instruments executed in respect of micro-credit extended by the microfinance institution shall be exempted from registration and from payment of stamp duty under the existing Law.
60. Levying tax on the microfinance institution shall be subject to existing Laws.

Hla Htun

Union Minister

Ministry of Finance and Revenue

RL No: Ba Kha – 1/274 (4354/2011)

Date : 2011,December 23

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- Rural Development and Poverty Reduction Working Committee Members
- Microfinance Supervisory Committee members
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- Constitutional Tribunal of the Union
- Office of the Union Election Commission
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By order

(Min Htut )

Head of Ministry' s Office



Government of the Republic of Union of Myanmar

Microfinance Supervisory Committee

Directive No. 1/2011

Nay Pyi Taw, 1373 ME, 13<sup>th</sup> Waxing of Nattaw

(2011, December 23)

1. Practicing the powers authorized as per Microfinance Law Section 68, Sub-section (b), Microfinance Supervisory Committee issues this Directive No. 1/ 2011.
2. An institution desirous to carry out microfinance , is eligible to apply for License to carry out business if it is the one formed and established under Myanmar Company Act, Co-operative Societies Act, Law relating to formation of associations and other prevailing Law.
3. An institution desirous to carry out microfinance , shall apply using prescribed form to Microfinance Supervisory Committee for License to carry out business through respective Region or State Government and Nay Pyi Taw Council, Microfinance Development Working Committee.
4. Microfinance Supervisory Committee may after scrutinizing the duly application form and feasibility study, issue or refuse to the License to carry out business within 30 days starting from the date of receipt of application.
5. According to Microfinance Law Section 7 Sub section (f) (g), Section 8 sub- section (a), with determination of Union Government Meeting No (16/2011), minimum capital to be contributed by institution , Interest rate, License fees, Service Charges for microfinance institution are prescribed as below:

(a) **Capital**

- (1) Institution not accepting deposit - Kyat 15 million
- (2) Institution accepting deposit - Kyat 30 million

(Note; as to capital of existing Co-operative Societies, Microfinance Supervisory Committee shall decide with special consideration.)

(b) **Interest rate**

- (1) Interest rate of microcredit on kyat 100 shall not exceed 2.50 kyat per month, 30 kyat per year.

- (2) Interest rate of deposit/ savings on kyat 100 shall not be less than 1.25 kyat per month, 15 kyat per year.

(c) **Service Charges**

- (1) For establishment of branch office, changing the location, closing business, Services Charges kyat 50000  
(Note; not necessary to pay charges for changing location within township, and for changing location from one township to another for which Supervisory Committee remarks not payable Service Charges)
- (2) For change of category of microfinance (institution which does not accept deposit / accept deposit) , Service Charges kyat 50000.

(d) **License Fees**

- (1) **Initial License Fees** : Amount equivalent to 0.1% of paid up capital shall be paid within 15 days of receiving License to Carry out Business.
  - (2) **License Fees for increased paid up capital** : In case of paid up capital increased , additional 0.1% on increase of paid up capital shall be paid.
  - (3) **Yearly License Fee** : Yearly, in April of financial year, amount of cash equivalent to 0.1% of paid up capital shall be paid.
6. Above prescription, if necessary, in compliance with conditions of market, shall be amended, changed, and prescribed.

Hla Tun

Chairman

Microfinance Supervisory Committee

RL No: Ka Ka-1/6 (1/2011)

Date : 2011, December 23

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- Microfinance Supervisory Committee members

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Printing and Publication Enterprise }

By order

(Htein Lin)

Secretary

Microfinance Supervisory Committee

Government of the Republic of Union of Myanmar

Microfinance Supervisory Committee

Directive No. 2/2011

Nay Pyi Taw, 1373 ME, 13<sup>th</sup> Waxing of Nattaw

(2011, December 23)

1. Practicing the powers authorized as per Microfinance Law Section 68, Sub-section (b), Microfinance Supervisory Committee issues this Directive No. 2/ 2011.
2. The application forms to be used by the institutions desirous to carry out the microfinance are prescribed as below;
  - (a) **MFI(s) - 01 form:** This form is to be applied by Microfinance institutions for License to carry out business  
This form is to be used under following situations
    1. Applying for license to start operation
    2. Changing category of microfinance (Institution not accepting deposit / Institution accepting deposit)
    3. Merging with other MFI or secession its institution.
    4. Applying for license desirous to continue by the institutions performing microfinance before enactment of law.
  - (b) **MFI(s) - 02 form:** This form is to be applied by Microfinance institutions for establishment of branch offices, changing the location, closing of business.
3. Among the institutions permissible for carrying out microfinance according to Section 2, Sub-section (b), as banks are not in such a position to make systematic supervision of microfinance, except banks, such institutions formed and registered under relevant law, local and international institutions, partnership firms, companies, co- operative societies, nonbanking financial institutions can perform microfinance activity.
4. According to Section 29, although microfinance institutions , with approval of Supervisory Committee , can carry out extending microcredit, accepting deposit, carrying out remittance, carrying out insurance business, borrowing from local and abroad and carrying out other financial activities, currently License to carry out business shall be issued for following two types of services only;
  - (a) Extending microcredit
  - (b) Accepting deposits
5. If the institutions desirous to carry out the microfinance in the areas more than one Region or State Government and Nay Pyi Taw Council, must apply directly to Microfinance Supervisory Committee. In doing so submit with the approval from relevant Region or State Government and Nay Pyi Taw Council- Microfinance Development Working Committee. Only one License to carry out business shall be issued for one Microfinance Institution.

6. As for microfinance institutions performing microfinance before the law is enacted, accounting statements and supports for confirming Paid-up Capital shall be presented. Such institutions shall apply for the License to carry out business with approval of Myanmar Microfinance Supervisory Enterprise for authentication of statement and testimonials.
7. The sample application forms mentioned in paragraph 2 are as per appendix (A) and (B).

Hla Tun

Chairman

Microfinance Supervisory Committee

RL No: Ka Ka-1/6 (2/2011)

Date : 2011, December 23

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By order

(Htein Lin)

Secretary

Microfinance Supervisory Committee

**Application form for performing Microfinance in  
The Republic of Union of Myanmar**

Chairman

Microfinance Supervisory Committee

Building No (26), Nay Pyi Taw

The Republic of Union of Myanmar

Date: .... / .... / .....

My ..... would like to perform Microfinance in the Republic of Union of Myanmar and apply for License to carry out business. Necessary information is presented, attached herewith.

Yours respectfully

Signature .....

Name .....

Designation .....

Name of Company/ Organization/ Institution .....

1. Name, National Registration Card No and Address  
.....
2. Name, education, experience of Head of Institution  
.....
3. Operation Area ( township / ward/ village tract/ village)  
.....
4. Location of Head Office  
.....
5. Category of Institution

- .....
6. Supervision and control system on operation
- .....
7. Paid-up capital for the Institution for which application is made
- .....
8. Memorandum of Association and Articles of Association (OR) Documents related to establishment of Institution
- .....
9. A Paper on Feasibility Study
- .....
10. Testimonials reflective of operational and financial status ( invested capital in Kyat/ Dollar/Donation/ Grant)
- .....
11. In case of Microfinance Institution established abroad –
- (a) Name of main institution .....
- (b) Date and place of establishment .....
- (c) Numbers of National (or) non- National share holder, No of shares .....
- (d) Address of Head Office .....
- (e) Location of Main institution which will perform operation within The Republic of Union of Myanmar .....
- (f) Amount of capital and number of shares making up capital .....
- (g) If more than one types of share is permitted to describe respective share type and right of ownership and benefits.....
- (h) Amount of capital brought into / scheduled to be brought into The Republic of Union of Myanmar .....
- (i) As to number of voting, if there is separation among share holders according to type of shares, to mention .....
- (j) Final Balance Sheet and Profit and Loss Account of Head Office, certified by Auditor .....
12. Self certifications of obeying the law , relating initial capital including amount of cash to be paid prior to start up of business .....

**Application form for Approval of Establishing Branch Office/**

**Change of Location/ Closing of Business in**

**The Republic of Union of Myanmar**

Chairman

Microfinance Supervisory Committee

Building No (26), Nay Pyi Taw

The Republic of Union of Myanmar

Date: ..../..../.....

My ..... would like to apply for approval of establishing branch office/ change of location/ closing of Business. Submitted with attached necessary document and information

Respectfully

Signature .....

Name .....

Designation .....

Name of Company/ Organization/ Institution .....

1. Name, National Registration Card No and Address  
.....
2. Location of Office Registered and Head Office  
.....
3. Date of Starting Business (if applied before to submit information)  
.....
4. Name, Education, Experience, Age and Salary of Head of Operation who applied  
.....
5. No. of existing offices and information on branch offices in the Republic of Union of Myanmar  
.....
6. Location of Proposed Office  
.....
7. Propose of Establishing new office  
.....
8. Supervision and control system  
.....
9. Estimated Expense  
.....
10. Other information.....



**Ministry of Finance and Revenue**

**Myanmar Microfinance Supervisory Enterprise**

**Directive No. 1/2011**

**1373 ME, 13<sup>th</sup> Waxing of Nattaw**

**(2011, December 23)**

1. According to Section 11 sub-section (a) the accounting forms and reporting format to be maintained by MFIs are prescribed as below:

(a) **Accounting Forms**

|      |  |                |
|------|--|----------------|
| (1)  | Application form for membership                            | Nga Sa Ya (1)  |
| (2)  | Self Reliance Group (Grantee Group)<br>Formation Record    | Nga Sa Ya (2)  |
| (3)  | Members Register   | Nga Sa Ya (3)  |
| (4)  | Loan Application Loan                                      | Nga Sa Ya (4)  |
| (5)  | Loan Contract  | Nga Sa Ya (5)  |
| (6)  | Daily Loan Disbursement Record                             | Nga Sa Ya (6)  |
| (7)  | Savings and Credit Passbook for individual member          | Nga Sa Ya (7)  |
| (8)  | Checking Record for Payment of loan Interest<br>and Saving | Nga Sa Ya (8)  |
| (9)  | Daily Cash Accounting Record                               | Nga Sa Ya (9)  |
| (10) | Receipt and Payment Voucher                                | Nga Sa Ya (10) |
| (11) | Furniture Record   | Nga Sa Ya (11) |
| (12) | Working Tools and Equipment Record                         | Nga Sa Ya (12) |
| (13) | Cash Account   | Nga Sa Ya (13) |
| (14) | General Ledger   | Nga Sa Ya (14) |
| (15) | Journal  | Nga Sa Ya (15) |
| (16) | Trial Balance  | Nga Sa Ya (16) |
| (17) | Profit and Loss Account                                    | Nga Sa Ya (17) |

- |                                    |                |
|------------------------------------|----------------|
| (18) Balance Sheet                 | Nga Sa Ya (18) |
| (19) Meeting Record                | Nga Sa Ya (19) |
| (b) <b>Monthly Progress Report</b> | Ah Sa Ya (1)   |
2. The Prescribed Accounting form, and reporting formats are as per Appendix (A)

(Htein Lin)

Managing Director

Myanma Microfinance Supervisory Enterprise

LR Nga Ka Sa(finance)/1/2011-2012

Date : 2011, December 23

**Distribution**

- Union Minister Ministry of Finance and Revenue
- Microfinance Supervisory Committee members
- Region State Government and Nay Pyi Taw Council Microfinance Development Working Committee
- Chairman, Central Bank of Myanmar
- Region, State and Nay Pyi Taw Council Myanma Microfinance Supervisory Enterprise, Assistant Manager's Office
- The Institution desirous to carry out Microfinance
- Office file
- Float file

## Forms of Accounting and Reporting for Microfinance Institutions

### Accounting Forms

1. **Membership Application Form Nga Sa Ya (1)** : Membership Application Form is to be used in applying to be admitted as member. Form is to be filled up by applicant with own hand writing and signed personally. For illiterate persons, hand print is to be made with left hand thumb. With application form , copies of household registration card as a proof of living in relevant ward and copy of NRC must be presented. The set of these membership application form copies of household registration card and NRC must be systematically filed and kept.
2. **Self Reliance Groups (Guarantee Groups) Formation Record List Nga Sa Ya (2)**: The is the list for recording the Self Reliance Groups (Guarantee Groups) composed of five persons of same mind and desire who can help closely and guarantee each other.
3. **Member Registration Nga Sa Ya (3)**: This is for registration of personal data of each member.
4. **Loan Application Form Nga Sa Ya (4)**: This form is to be used for applying loan and to be filled up with own hand writing by person who wants to obtain loan and he/she himself/herself shall sign. For illiterate person, hand print is to the made with left hand thumb. Group Leader also shall sign for recommendation. As Loan is to be disbursed with decisions of 3 persons, responsible person, organizer and accountant, it is necessary to fill up in the form of decisions of meeting with the date of holding.
5. **Loan Contract Nga Sa Ya (5)**: This contract is printed by relevant central unit to be filled by member who wants to borrow. Person who receives loan must sign personally and for illiterate person, left hand thumb print is to be made. Members of Self Reliance Group (Guarantee Group) of comprising the loan receiver as a member, are required to sign and responsible person must issue loan in their presence.
6. **Daily Loan Disbursement Register Nga Sa Ya (6)**: This register is for entering daily disbursement according to date and it needs to sign by loan receiver by him/her self. Only persons who borrow the loan in cash are to be entered in the list. Borrowing the money by single person dishonestly in way of misappropriation without drawing the loans in cash, and disbursing loans to phantom borrowers just to match the member of members contained in form are to be avoided.

7. **Pass Book for Individual Nga Sa Ya (7):** Saving deposit and issue, and saving balance, disbursed loan, repayment, out standing loan inclusive of principal interest, with description of loan type, can be easily observed. The book is to be kept personally by member who receives loan.
8. **Loan, Interest , Saving entry Register Nga Sa Ya (8):** As this register states condition of loan repayment of groups which receive loans, it is an important one. As the groups shall repay loans in accordance with loan disciplines by observing this register, proper or improper repayment of members can be known (✓) mark is to be used for daily (or) weekly (or) monthly repayment of members in accordance with prescribed discipline and (×) mark is for failure in repayment. In register Nga Sa Ya (8) it requires to mention mischievous members who borrow loans do not repay the loan in cash, if they do so really, and improper mentioning must not be made. Moreover, as mentioned in daily Loan Disbursement Register Nga Sa Ya (6), it particularly needs not to conduct repayment of ghost members with intention of multiplying the member number until it matches number of members in Model. Sample filling up is mentioned in loan, interest, saving entry Register Nga Sa Ya (8).
9. **Daily Cash Account Register Nga Sa Ya (9):** This register is the consolidated one that mentions opening balance, income, payment and closing balance of Cash Book. By observing this register, inspection team can easily know if cash in balance are being held more than required.
10. **Receipt/Payment voucher Nga Sa Ya (10):** This is to be used for entries for cash payment/receipt purposes between Microfinance Institution and Guarantee Groups, as well as for purposes of cash payment/receipt with organizations. This is to be used for loan disbursement, receipt, saving receipt, reissue and issue of expenses, etc.
11. **Furniture Record Nga Sa Ya (11):** This is to be used for entries of furniture, such as, table, chair, cupboard, etc of Microfinance Institutions.
12. **Working Tools and equipment Register Nga Sa Ya (12):** This is to be used for entries of sign board, calculator etc.
13. **Cash Account Nga Sa Ya (13):** It needs to make systematic entries in the cash book as soon as every cash respect, issue transaction of Microfinance Institutions has been made. In doing so, such complete documents as records, vouchers are required and cash book is to be closed daily. Entries in Cash Account must match with those under respective headings in relevant records, vouchers and general ledgers. After closing cash book daily, responsible personnel of Microfinance Institutions comprising regional responsible person, organizer and accountant are

required to oversee, check the entries in Cash Book and sign signature daily. Regional responsible person must personally check entries in Cash Book whether these are in agreement with documents, such as records, vouchers. After checking cash balance in Cash Book with cash in hand in balance, cash balance must be systematically and safely kept. Consolidated cash Account is also to be drawn according to budget year in form of monthly report, quarterly report, six monthly and nine month, annual report, report for period from starting of operation to reporting month.

14. **General Ledger (14):** In line with Double Entry Accounting Principle, General Ledger book is to be maintained. Headings of General Ledger should be accounting to headings mentioned in Cash Book, Profit and Loss Account and Balance sheet. Entries under respective headings in General Ledger must agree with those is Cash Account, Profit and Loss Account, Balance Sheet, relevant records and vouchers.
15. **Journal Record Nga Sa Ya (15):** To make adjustment entries according to Double Entry Account Principle, Journal Record is to be kept.
16. **Trial Balance Nga Sa Ya (16):** Trial Balance is to be prepared at end of month according to principles of Double Entry Accounting system. In drawing so, total trial balance and balancing trial balance are to be prepared. Trial balance is for preparing Profit and Loss Account of monthly, quarterly, six monthly, nine monthly and yearly in every financial year since beginning to the month reported.
17. **Profit and Loss Account Nga Sa Ya (17):** Microfinance Institution has to prepare Profit and Loss Account of monthly, quarterly, six monthly , nine monthly and yearly for the period from the starting of operation to reporting month.
18. **Balance Sheets Nga Sa Ya (18):** Balance Sheets providing liabilities and assets of microfinance institution as of end of the month are to be prepared. For instance, seed money, bank interests on seed money, form coats, signboard costs salaries of staff contributed by Central Unit, mentioned in Liabilities must be to be in agreement with these of Central Unit. In case of disagreement the for various reasons to do necessary adjustments. Outstanding loans in assets of balance sheet and savings , interest on savings accounts is Liabilities must match with total outstanding loans, savings and interest on savings of individual member.
19. **Meeting Record Nga Sa Ya (19):** In implementing microfinance operations, Microfinance Institutions formed with (3) staffs of regional responsible person, organizer and accountant, for carrying out key activities including financial matters

such as issue of loans, expenditure shall be submitted in the meeting attended by those staff and meeting records are to be maintained.

20. Microfinance Institution is to compile monthly account forms of Receipt and Payment Cash Account Nga Sa Ya (13), Trail Balance Nga Sa Ya (16), Profit and Loss Account. Nga Sa Ya (17), Balance Sheet Nga Sa Ya (18) and to forward not later than designated period keeping pace with time. It required to send, quarterly account, six month consolidated accounts to reach on third day of the month, and annual report on tenth day of the month.

### **Report Form**

21. Operational Progressing Report of ..... Microfinance Institutions, ..... township, ..... Region on state , Nay Pyi Taw Council for the month ..... of 2011, Ah Sa Ya (1) Monthly Performance status of Microfinance Institution is to be compiled and entered in this form. These reports are to be sent to relevant Region on sate, Nay Pyi Taw Council Microfinance Development Working Committee within designated period.

..... Microfinance Institution .....Township

Region or State, Nay Pyi Taw Council

Application for Membership

To

In-charge

..... Microfinance Institution

..... Township

Date: 2011 ..... month      day

Subject: Application for Membership

Dear Sir/Madam

1. I believe that participation as a member in your institution would benefit myself and helping for the benefit of others.
2. As I have read prescribed rules and discipline and been prepared to obey, I would Like to apply for membership.

Signature -----

Name -----

Father's Name -----

NRC No -----

Address (Village,Ward,House No,Road,): -----

Name of spouse -----

Recommended by

(1) Name -----, Member No -----, Signature -----

(2) Name -----, Member No -----, Signature -----

(3) Name -----, Member No -----, Signature -----

..... Microfinance Institution .....Township  
 Region or State, Nay Pyi Taw Council

**Self Reliance Groups (Guarantee Group)**

**Group Forming Record**

| Sr.No | Group No: | Name |   | Group Leader/<br>Member | Remark |
|-------|-----------|------|---|-------------------------|--------|
| 1     | 2         |      | 3 | 4                       | 5      |
|       |           |      |   |                         |        |

(Prepared by)

Name -----

Designation-----

(Checked by)

Name -----

Designation-----

(Approved by)

Name -----

Designation-----



..... Microfinance Institution .....Township  
 Region or State, Nay Pyi Taw Council

### Members Register

| Sr<br>.<br>N<br>o. | Nam<br>e | Member<br>No: | Joining<br>Date | A<br>G<br>e | Group<br>No: | Occupati<br>on | NR<br>C<br>No. | Father<br>'s<br>Name | Name<br>Of<br>Spouse | Addr<br>ess | Daily<br>Incom<br>e |
|--------------------|----------|---------------|-----------------|-------------|--------------|----------------|----------------|----------------------|----------------------|-------------|---------------------|
| 1                  | 2        | 3             | 4               | 5           | 6            | 7              | 8              | 9                    | 10                   | 11          | 12                  |
|                    |          |               |                 |             |              |                |                |                      |                      |             |                     |

(Prepared by)

Name -----

Designation-----

(Checked by)

Name -----

Designation-----

(Approved by)

Name -----

Designation-----

Loan Application Form

To

In-charge

..... Microfinance Institution

..... Township

Date: 2011 ..... month day

- 1. To do ..... business I would like to apply for your approval to allow me to borrow loan amount ..... Kyat (kyat ..... only)
- 2. I promise that I will pay amount of the loan and interest of repayment in .....

- (a) Name -----
- (b) Occupation -----
- (c) Father's Name -----
- (d) NRC No -----
- (e) Name of spouse -----
- (f) Guarantee Group No -----
- (g) Address -----

Applicant's Signature -----

Finger Print -----

Name -----

- 3. It is recommended the applicant is a member of Guarantee Group No. (.....) and to lend loan amount ..... kyat (kyat ..... Only)

Group Leader's Signature -----

Group Leader's Name -----

Guarantee Group No. -----

- 4. The above applied loan amount ..... kyat (kyat ..... Only) is approved as per meeting's decision on the date of

Signature -----

Name -----

Responsibility -----

..... Microfinance Institution .....Township  
 Region or State, Nay Pyi Taw Council

**Loan Contract**

1. Borrower's Name -----  
 Occupation -----  
 Father's Name -----  
 NRC No -----  
 Name of spouse -----  
 Group No -----  
 Address -----
  
2. To do .... business I would like to apply for your approval to allow me to borrow loan amount ..... kyat (kyat .....only)
  
3. I promise that I will pay amount of the loan and interest within ( ) days regularly as fixed by the terms of repayment.
  
4. In case of default the members of grantee group no. ( ) will take responsible to pay equally
 

|                |           |           |
|----------------|-----------|-----------|
| (1) Sign ----- | (2) ----- | (3) ----- |
| Name -----     | -----     | -----     |
| NRC No -----   | -----     | -----     |
| Group's Leader | Member    | Member    |

|                |           |
|----------------|-----------|
| (4) Sign ----- | (5) ----- |
| Name -----     | -----     |
| NRC No -----   | -----     |
| Member         | Member    |
  
5. I hereby sign I received loan amount loan amount kyat ..... (kyat ..... exactly) from Microfinance Institution.

Signature (figure print) -----  
 Name -----  
 Group No -----

Witnesses

|                        |                        |
|------------------------|------------------------|
| (1) Signature -----    | (2) Signature -----    |
| Name -----             | Name -----             |
| Group Leader           | Group Leader           |
| Guarantee Group No ( ) | Guarantee Group No ( ) |

..... Microfinance Institution .....Township  
 Region or State, Nay Pyi Taw Council

### Daily Loan Disbursement Record

2011, month

| Sr. No. | Date | Member Name |   | Member No: | Group No: | Loan | Signature of Receipt | Remark |
|---------|------|-------------|---|------------|-----------|------|----------------------|--------|
| 1       | 2    |             | 3 | 4          | 5         | 6    | 7                    | 8      |
|         |      |             |   |            |           |      |                      |        |

(Prepared by)

Name -----

Designation-----

(Checked by)

Name -----

Designation-----

(Approved by)

Name -----

Designation-----

..... Microfinance Institution .....Township

Region or State, Nay Pyi Taw Council

**Savings and Credit Pass Book for individual member**

**Sample**

1. Particulars is Pass Book
  - (a) **Front Cover of Pass Book:** to mention following facts
    - (1) Name of Institution
    - (2) Region
    - (3) Seal of Institution
    - (4) Savings and Credit Pass Book
  - (b) **Inside of Front Cover:** to mention following facts
    - (1) Savings and Credit Account Number
    - (2) Name of Institution/Office seal
    - (3) Specimen of signature, Book No
    - (4) Issue date of Pass Book
    - (5) Signature of person responsible for issuing Pass Book
  - (c) **Page No.(1) in Pass Book :** To mention as follow
    - (1) Member's Name
    - (2) NRC No
    - (3) Father's Name
    - (4) Address
    - (5) To carry facts from old pass book to fresh one
      - (a a) Last date of entry/ withdrawal
      - (b b) Cash Balance
  - (d) To state separately the account of savings and loan inside pages
    - (1) **To mention following tables is savings account**
      - (a a) Date
      - (b b) Deposit/ withdrawal (in wards)
      - (c c) Deposit (Kyat/Pya)
      - (d d) withdrawal (Kyat/Pya)
      - (e e) Balance (Kyat/Pya)
      - (f f) Signature of responsible person
      - (g g) Date/Seal
    - (2) To mention following tables in loan account
      - (a a) Date
      - (b b) Type of Loan
      - (c c) Disbursement

(d d) Repayment

(11) Principle

(22) Interest

(33) Penalty

(e e) Balance

(f f) Signature of responsible

(g g) Remark

(e) **Inside of back cover of Pass Book** to mention facts to note

- (1) **Type of Account** : account can be opened individually or joint account with other will grown up persons, or guardian on behalf of not grown up persons
- (2) **Opening Account and minimum balance** : Minimum opening saving account is kyat ..... Further savings can be deposited in successive installments. Minimum balance must be kyat .....
- (3) **Interest**: Computation will be based on monthly minimum balance, according to designated interest rate. Monthly interest shall be entered at the end of financial year. Any change of interest rate, announcement shall follow.
- (4) **Amount of savings**: Amount of money ,as prescribed , can be saved.
- (5) **Deposit/withdrawal**: this process can be made as prescribed by institution
- (6) **Secret Controlling**: Name of saver, deposited amount, withdrawal amount, etc shall be under secret control. All saving matter shall be kept under secret control
- (7) **Benefit** : For transferring saving after demise to dependents, such as wife, husband, son, daughter, grandsons/granddaughters, brother,

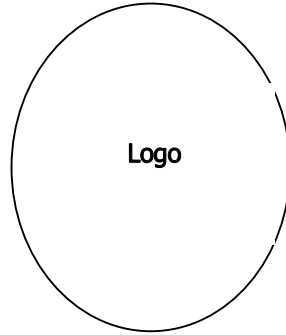
elder sister, mother, father or to anybody if there is no dependent application form of transferring benefit can be submitted

(f) **Outside of back cover of Pass Book** to mention " Precaution to be taken for savers and borrower "

- (1) Carefully check the entries are correct or incorrect whenever deposit, withdrawal is made in pass book. If observing any sign of erasure , change and difference ask directly to concerned organization
- (2) Separate conformation statement shall be delivered whenever deposit/ withdrawal is made. If not obtained, ask directly to concerned organization.
- (3) For entering interest or for checking or for account transfer, if the organization demands the book never give it without getting receipt voucher of mentioning cash balance. Give the book for entering interest at the end of financial year.
- (4) Keep the Pass Book safely. Responsibility will not be taken in such a case in which the book is lost or any other body withdrawal the money mischievously/ dishonestly.
- (5) Try to sign the identically when money is withdrawal
- (6) Legal actions shall be taken of illegal corrections, adding and charges are found

**Note:** If application is to be made for any purpose, letter of application can be forwarded to responsible person (or) ..... Microfinance Institution. Mention credit and savings passbook number

**Note:** Simple of Pass Book is attached herewith



**Saving and Credit Pass Book**

Name of Microfinance Institution -----

Location -----



Myanma Microfinance Supervisory Enterprise

Nga Sa Ya (7)

| Saving Account No |  | Book No of<br>Sample Signature |
|-------------------|--|--------------------------------|
|                   |  |                                |
|                   |  |                                |
|                   |  |                                |
|                   |  |                                |

If account is opened at branch office , mention its name.

---

Branch Name -----

-----

-----

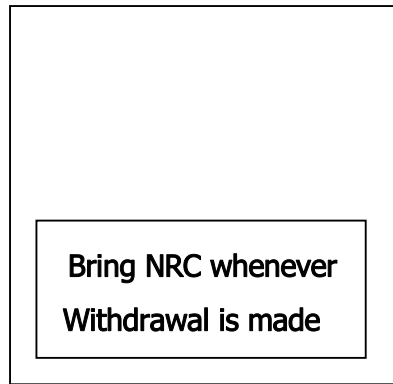
---

Issued date of Saving Pass Book -----

Manager

Name -----  
NRC No -----  
Father's Name -----  
Address -----  
-----

To note as below for joint account /account of immature account of institution



If copied from old book to new ones.

Date of last entry/withdrawal -----

Balance -----





### Fact to Note

1. **Type of Account:** account can be opened individually or joint account with other well grown up persons, or guardian on behalf of not grown up persons
2. **Opening Account and minimum balance:** Minimum opening saving account is kyat ..... Further savings can be deposited in successive installments. Minimum balance must be kyat .....
3. **Interest:** Computation will be based on monthly minimum balance, according to designated interest rate. Monthly interest shall be entered at the end of financial year. Any change of interest rate, announcement shall follow.
4. **Amount of savings:** Amount of money ,as prescribed , can be saved.
5. **Deposit/withdrawal:** this process can be made as prescribed by institution
6. **Secret Controlling:** Name of saver, deposited amount, withdrawal amount, etc shall be under secret control. All saving matter shall be kept under secret control.
7. **Benefit :** For transferring saving after demise to dependents, such as wife, husband, son, daughter, grandsons/granddaughters, brother, elder sister, mother, father or to anybody if there is no dependent application form of transferring benefit can be submitted

### Precautions to be taken for savers and borrower

1. Carefully check the entries are correct or incorrect whenever deposit, withdrawal is made in pass book. If observing any sign of erasure , change and difference ask directly to concerned organization
2. Separate conformation statement shall be delivered whenever deposit/withdrawal is made. If not obtained , ask directly concerned organization
3. For entering interest or for checking or for account transfer , if the organization demands the book for never give it without getting receipt voucher of mentioning cash balance. Give the book for entering interest at the end of financial year.

4. Keep the Pass Book safely. Responsibility will not be taken in such a case in which the book is lost or any other body withdraw the money mischievously/dishonestly.
5. Try to sign the identically when money is withdrawn
6. Legal actions shall be taken of illegal corrections, adding and changes are found

**Note:** If application is to be made for any purpose, letter of application can be forwarded to responsible person (or) ..... Microfinance Institution. Mention credit and savings passbook number.

----- Microfinance Institution ----- Township

----- Region or State , Nay Pyi Taw Council

Checking Record for Payment of Loan Interest and Saving ( Year 2011 ----- Month-----)

From (-----) To (-----)

| Sr<br>No: | Mem<br>ber<br>Name | Mem<br>ber<br>No | Grou<br>p<br>No | 1 | 2 | 3 | 4 | 5 | 6  | 7  | 8  | 9  | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |
|-----------|--------------------|------------------|-----------------|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|
| 1         | 2                  | 3                | 4               | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 1         |                    |                  |                 | ✓ | ✓ | ✓ |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |
| 2         |                    |                  |                 | ✓ | ✓ | ✓ |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |
| 3         |                    |                  |                 | ✓ | ✓ | ✓ |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |
| 4         |                    |                  |                 | ✓ | x | x |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |
| 5         |                    |                  |                 | ✓ | x | x |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |

(Prepared by)  
Name -----  
Designation -----

(Checked by)  
Name -----  
Designation -----

(Approved by)  
Name -----  
Designation -----

----- Microfinance Institution ----- Township  
 ----- Region or State , Nay Pyi Taw Council

Daily Cash Accounting Record

2011 ----- Month

| Sr.No | Date | Particular | Receipt | Payment | Balance | Remark |
|-------|------|------------|---------|---------|---------|--------|
| 1     | 2    | 3          | 4       | 5       | 6       | 7      |
|       |      |            |         |         |         |        |

(Prepared by)

Name -----

Designation -----

(Checked by)

Name -----

Designation -----

(Approved by)

Name -----

Designation -----



----- Microfinance Institution ----- Township  
----- Region or State , Nay Pyi Taw Council

Receipt and Payment Voucher

1. Received from whom/To whom it is paid

(1) Name -----

(2) NRC No -----

(3) Address (Village, Ward) -----

2. Amount received / paid

a. In Figure -----

b. In words -----

3. Reason of receipt / payment -----

-----

4. Date of receipt / payment -----

-----

-----

Signature of payer

Signature of Receiver

Name -----

Name -----

Designation -----

Designation -----

----- Microfinance Institution ----- Township  
 ----- Region or State , Nay Pyi Taw Council

### Furniture Record

| Sr.No: | Description | Type | Quantities | Unit Price | Amount | Description Rate | Remark |
|--------|-------------|------|------------|------------|--------|------------------|--------|
| 1      | 2           | 3    | 4          | 5          | 6      | 7                | 8      |
|        |             |      |            |            |        |                  |        |

(Prepared by)

Name -----

Designation -----

(Checked by)

Name -----

Designation -----

(Approved by)

Name -----

Designation -----

----- Microfinance Institution ----- Township  
 ----- Region or State , Nay Pyi Taw Council

### Working Tools and Equipments Record

| Sr.No: | Description | Type | Quantities | Unit Price | Amount | Description Rate | Remark |
|--------|-------------|------|------------|------------|--------|------------------|--------|
| 1      | 2           | 3    | 4          | 5          | 6      | 7                | 8      |
|        |             |      |            |            |        |                  |        |

(Prepared by)

Name -----

Designation -----

(Checked by)

Name -----

Designation -----

(Approved by)

Name -----

Designation -----

----- Microfinance Institution ----- Township  
----- Region or State , Nay Pyi Taw Council

**Cash Account (Receipt and Payment Account ) for 2011, Month**

| Sn | Receipts           | Amount |      | Total Amount |      | Sr.<br>No<br>: | Payments               | Amount |      | Total Amount |      |
|----|--------------------|--------|------|--------------|------|----------------|------------------------|--------|------|--------------|------|
|    |                    | Kyat   | pyar | Kyat         | pyar |                |                        | Kyat   | pyar | Kyat         | pyar |
| 1  | Opg Cash Bal.      |        |      |              |      | 1              | Bank Deposits          |        |      |              |      |
| 2  | Withdrawal         |        |      |              |      | 2              | Payments to            |        |      |              |      |
| 3  | From bank          |        |      |              |      |                | Central Unit           |        |      |              |      |
|    | Cash from          |        |      |              |      |                | 1.Repayment of         |        |      |              |      |
|    | Central Unit       |        |      |              |      |                | Seed Money             |        |      |              |      |
|    | 1. Sd. money       |        |      |              |      |                | 2.staff salary         |        |      |              |      |
|    | 2. Rcd for staff   |        |      |              |      |                | 3. Bank Interest       |        |      |              |      |
|    | Salary             |        |      |              |      |                | 4.                     |        |      |              |      |
|    | 3.                 |        |      |              |      | 3              | Paid to Members        |        |      |              |      |
|    | 4.                 |        |      |              |      |                | 1.Loans disbursemt     |        |      |              |      |
| 4  | Rcpt from          |        |      |              |      |                | 2.Savings return       |        |      |              |      |
|    | Members            |        |      |              |      |                | 3.Interest on Savings  |        |      |              |      |
|    | 1. Contribution    |        |      |              |      |                | 4.                     |        |      |              |      |
|    | 2. Savings         |        |      |              |      | 4              | Admin Staff Salary     |        |      |              |      |
|    | 3.Repment of       |        |      |              |      |                | 1.Staff Salary         |        |      |              |      |
|    | Principals         |        |      |              |      |                | 2.                     |        |      |              |      |
|    | 4.Interst          |        |      |              |      | 5              | General expenses       |        |      |              |      |
| 5  | Receipt from Staff |        |      |              |      |                | 1.Stationary           |        |      |              |      |
|    | 1.                 |        |      |              |      |                | 2.Daily allowance &    |        |      |              |      |
|    | 2.                 |        |      |              |      |                | Travel costs           |        |      |              |      |
| 6  | Other incomes      |        |      |              |      |                | 3.Entertainments       |        |      |              |      |
|    |                    |        |      |              |      |                | 4. Phone charges       |        |      |              |      |
|    |                    |        |      |              |      |                | 5.Form charges         |        |      |              |      |
|    |                    |        |      |              |      |                | 6.Rental charges       |        |      |              |      |
|    |                    |        |      |              |      |                | 7.Others               |        |      |              |      |
|    |                    |        |      |              |      |                | (a)                    |        |      |              |      |
|    |                    |        |      |              |      |                | (b)                    |        |      |              |      |
|    |                    |        |      |              |      |                | (c)                    |        |      |              |      |
|    |                    |        |      |              |      |                | Issued To Staff        |        |      |              |      |
|    |                    |        |      |              |      |                | (1)                    |        |      |              |      |
|    |                    |        |      |              |      |                | <b>Closing Balance</b> |        |      |              |      |
|    | <b>Total</b>       |        |      |              |      |                | <b>Total</b>           |        |      |              |      |

(Prepared by)

Name -----

Designation -----

(Checked by)

Name -----

Designation -----

(Approved by)

Name -----

Designation -----

..... Microfinance Institution ..... Township

..... Region or State, Nay Pyi Taw Council

**General Ledger**

Debit

Account No: -----

Credit

| Date | Particular | Reference | Amount | Total Amount |  | Date | Particular | Reference | Amount | Total Amount |
|------|------------|-----------|--------|--------------|--|------|------------|-----------|--------|--------------|
|      |            |           |        |              |  |      |            |           |        |              |

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..... Microfinance Institution ..... Township

..... Region or State, Nay Pyi Taw Council

### Journal Record

| Journal No: & Date | Particular | Amount |        |
|--------------------|------------|--------|--------|
|                    |            | Debit  | Credit |
|                    |            |        |        |

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..... Microfinance Institution ..... Township

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### Trial Balance

| Sr. No: | Accounts Heads | Reference | Total |        | Balance |        |
|---------|----------------|-----------|-------|--------|---------|--------|
|         |                |           | Debit | Credit | Debit   | Credit |
|         |                |           |       |        |         |        |

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..... Microfinance Institution ..... Township  
 ..... Region or State, Nay Pyi Taw Council

**Profit & Loss Account**

| Sr. No: | Particular of Expenditures             | Amount |      | Total Amount |      | Sr.No: | Particular of Incomes | Amount |      | Total Amount |      |
|---------|--|--------|------|--------------|------|--------|-----------------------|--------|------|--------------|------|
|         |  | Kyat   | Pyar | Kyat         | Pyar |        |                       | Kyat   | Pyar | Kyat         | Pyar |
| 1       | Administrative Salaries and allowances |        |      |              |      | 1      | Incomes               |        |      |              |      |
| 2       | (1) Staff salary                       |        |      |              |      |        | (1) Interest on loans |        |      |              |      |
|         | General Expenses                       |        |      |              |      |        | (2) Contribution      |        |      |              |      |
|         | (1) Stationary                         |        |      |              |      |        | (3)                   |        |      |              |      |
|         | (2) Daily Allowance and Travel cost    |        |      |              |      |        | (4)                   |        |      |              |      |
|         | (3) Entertainments                     |        |      |              |      |        | (5)                   |        |      |              |      |
|         | (4) Phone charges                      |        |      |              |      |        |                       |        |      |              |      |
|         | (5) Rental changes                     |        |      |              |      |        |                       |        |      |              |      |
|         | (6) Other expenses                     |        |      |              |      |        |                       |        |      |              |      |
|         | (a)                                    |        |      |              |      |        |                       |        |      |              |      |
|         | (b)                                    |        |      |              |      |        |                       |        |      |              |      |
|         | (c)                                    |        |      |              |      |        |                       |        |      |              |      |
| 3       | Payable expenses                       |        |      |              |      |        |                       |        |      |              |      |
|         | (1) Interest on savings                |        |      |              |      |        |                       |        |      |              |      |
|         | (2) Bank Interest                      |        |      |              |      |        |                       |        |      |              |      |
|         | (3) Form changes                       |        |      |              |      |        |                       |        |      |              |      |
|         | (4)                                    |        |      |              |      |        |                       |        |      |              |      |
| 4       | <b>Net Profit</b>                      |        |      |              |      |        |                       |        |      |              |      |
|         | <b>Total</b>                           |        |      |              |      |        | <b>Total</b>          |        |      |              |      |

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Designation-----



..... Microfinance Institution ..... Township  
 ..... Region or State, Nay Pyi Taw Council

## Balance sheet

| Sr.<br>No: | Capital &<br>Liabilities                                    | Amount |      | Total<br>Amount |      | Sr.<br>No: | Fixed Assets & Current<br>Assets                               | Amount |      | Total<br>Amount |      |
|------------|---|--------|------|-----------------|------|------------|--|--------|------|-----------------|------|
|            |   | Kyat   | Pyar | Kyat            | Pyar |            |  | Kyat   | Pyar | Kyat            | Pyar |
| 1          | Paid up Capital<br>1. Seed Money<br>Reserved                |        |      |                 |      | 1          | Fixed Assets<br>1. Sign Board cost                             |        |      |                 |      |
| 2          | fund  |        |      |                 |      | 2          | 2.<br>3.<br>Receivable   |        |      |                 |      |
| 3          | Liabilities<br>1. Savings<br>2. Interest on<br>Saving<br>3. |        |      |                 |      | 3          | 1. Loans disbursed to<br>Members<br>2.<br>3.<br>Cash Account   |        |      |                 |      |
| 4          | Net Profit Other  |        |      |                 |      | 4          | 1. Cash in hand<br>2. Cash in bank<br>3.<br>Other fixed assets |        |      |                 |      |
| 5          | Liabilities<br>1.<br>2.<br>3.                               |        |      |                 |      |            | 1.<br>2.<br>3.   |        |      |                 |      |
|            | <b>Total</b>  |        |      |                 |      |            | <b>Total</b>   |        |      |                 |      |

(Prepared by)

Name -----

Designation-----

(Checked by)

Name -----

Designation-----

(Approved by)

Name -----

Designation-----

..... Microfinance Institution ..... Township  
 ..... Region or State, Nay Pyi Taw Council

Meeting Record ( /2011)

Date of meeting -----

Time of meeting -----

Venue of meeting -----

Attendance

1. -----

2. -----

3. -----

| Sr.<br>No: | Discussion/Decisions  | Actions to be taken |
|------------|---|---------------------|
| 1          | Agenda (1)  |                     |
| 2          | Agenda (2)  |                     |
| 3          | Agenda (3)  |                     |
|            | Decisions;<br>(1) .....<br>(2) .....<br>(3) .....<br><br>Record by<br><br>Date 20 , Month , Day |                     |

..... Microfinance Institution .....  
..... Region or State, Nay Pyi Taw Council

Reference:

Date ...../...../.....

To

Chairman

Microfinance Development working Committee

..... Region on State, Nay Pyi Taw Council

Subject: Accomplishment Report of ..... Microfinance Institution for the month  
..... , 2011

1. Name of Microfinance Institution:
2. Address of Microfinance Institution:
3. Area of operation:
4. Status of operation: The operational accomplishment of ..... Microfinance Institution for the month of ....., 2011 ....., is as follow;

(A) Location of Operation,

- (1) Township (Name and Numbers).....
- (2) Ward, Village Tract (Numbers).....
- (3) Village (Numbers).....

(B) Population in the area of operation

- (1) Population
  - (a a) Male -----
  - (b b) Female -----
  - (c c) Total -----

(2) Number of Household .....

- (C) Number of Microfinance Institutions operating .....
- (D) Number of Members .....
- (E) Number of Active Borrowers .....

- (F) Status of operation accomplished .....
  - (1) Percentage of members borrowed against the population .....
  - (2) Percentage of members borrowed against the number of households ...
  - (G) Capital .....
  - (H) Disbursed loans (to mention disbursement for month of reporting ) .....
  - (I) Repayment (to mention Repayment for reporting month) .....
  - (J) Outstanding Loans .....
  - (K) Interest Received (interest on disbursement for reporting month) .....
  - (L) Savings (Saving for reporting month) .....
  - (M) Interest on savings .....
  - (N) Income (for reporting month) .....
  - (O) Expense (for reporting month) .....
  - (P) Profit (for reporting month) .....
  - (Q) Consolidated Report on implementation
5. Consolidated report of ..... Microfinance as presented in annex (A)
6. General (if anything to mention)

(Signature)

Microfinance Institution .....

Name .....

Position .....

Date .....

..... Microfinance Institution ..... Township  
 ..... Region or State, Nay Pyi Taw Council  
 .....YR, ..... Month Report

**Consolidated Account of operation**

| Sr.<br>No | Particulars                     | Status of operation |  |
|-----------|---------------------------------|---------------------|--|
|           |                                 | 2011<br>..... Month | 2011-2012 Financial Year<br>From April to .....<br>Month |
| 1         | Capital                         |                     |  |
| 2         | Disbursed Loans                 |                     |  |
| 3         | Repayment                       |                     |  |
| 4         | Outstanding Loans               |                     |  |
| 5         | Receipts of Interests           |                     |  |
| 6         | Savings                         |                     |  |
| 7         | Payment of Interests of Savings |                     |  |
| 8         | Income                          |                     |  |
| 9         | Expenses                        |                     |  |
| 10        | Profit                          |                     |  |