

Special Funds by Bank Negara Malaysia – TIKS2, TUB2 dan SDRS

Small and Medium Enterprises (SMEs) can get access to Bank Negara Malaysia Special Funds under the **Fund for Small and Medium Industries 2 (FSMI2)** and **New Entrepreneurs Fund 2 (NEF2)** through the Participating Financial Institutions (PFIs), at reasonable financing rates.

- Maximum aggregate amount up to RM5 million.
- Financing rates of 4% -6% per annum for a period of 5 years.
- Purpose for increasing production capacity and working capital.

Application for financing can be made through all commercial banks, Islamic banks and development financial institutions.

SMEs facing business financing problems can also seek advice on restructuring or rescheduling of the existing financing under the Small Debt Resolution Scheme (SDRS).

For further enquiry and assistance, SMEs can contact the customer service centres of the respective PFIs.

Further details of FSMI2, NEF2 and SDRS are provided at the following link:

- Funds for Small and Medium Industries 2 (FSMI2)
- New Entrepreneurs Fund 2 (NEF2)
- Small Debt Resolution Scheme (SDRS)



FUNDS FOR SMALL AND MEDIUM INDUSTRIES 2 (FSMI2)

Objective

To ensure eligible SMEs in both the export and domestic-oriented sectors have access to financing at reasonable cost.

Financing rate : 4% to 6% per annum

Maximum tenure : 5 years

Financing Margin : RM5 million

Participating financial institutions

- All commercial banks and Islamic banks;
- Small Medium Enterprise Development Bank Malaysia Berhad (*SME Bank*);
- Bank Pertanian Malaysia Berhad (*Agrobank*);
- Malaysian Industrial Development Finance Berhad; and
- Sabah Development Bank Berhad.

Eligibility criteria

- Business enterprise based on the definition of SMEs in Malaysia;
- Maximum shareholders' funds not exceeding RM2 million;
- Shareholding by Public Listed Companies or Government-Linked Companies (if any) should not exceed 20%;
- Malaysian residing in Malaysia and owned minimum 51% shareholding incorporated under the Companies Act 1965, the Co-operative Societies Act 1993, the Societies Act 1966, registered with the Companies Commission of Malaysia or any other authoritative bodies; and
- Not more than seven (7) years in operation.
(However, participating financial institutions may consider cases of SMEs who have been in operation for more than seven (7) years).

Purpose of financing

- Expansion in productive capacity; or
- Working capital or both.

Eligible sector : All economic sectors

Application procedure

Applications should be made through any participating financial institutions. Approvals will be subjected to the normal credit approval procedures and security requirements of the individual participating financial institution.

For more information:

Log on to SMEinfo portal

 <http://www.smeinfo.com.my>

Call BNMTELELINK

 **1-300-88-5465**

Facsimile: **03-2174 1515** or

 E-mail: bnmtelelink@bnm.gov.my



NEW ENTREPRENEURS FUNDS 2 (NEF2)

(Bumiputera Only)

Objective

To promote the growth of small and medium-sized Bumiputera enterprises by ensuring that they have access to financing at reasonable cost.

Financing rate : 4% to 6% per annum

Maximum tenure : 5 years

Financing Margin : RM5 million

Participating financial institutions

- All commercial banks and Islamic banks;
- Small Medium Enterprise Development Bank Malaysia Berhad (*SME Bank*); and
- Malaysian Industrial Development Finance Berhad

Eligibility criteria

- Bumiputera enterprises based on the definition of SMEs in Malaysia;
- Maximum shareholders' funds not exceeding RM2 million;
- Shareholding by Public Listed Companies or Government-Linked Companies should not exceed 20%;
- Wholly-owned Bumiputera institutions residing in Malaysia incorporated under the Companies Act 1965, the Co-operative Societies Act 1993, the Societies Act 1966 and registered with the Companies Commission of Malaysia or any other authoritative bodies; and
- Not more than seven (7) years in operation.

(However participating financial institutions may consider cases of SMEs who have been in operation for more than seven (7) years).

Purpose of financing

- Expansion in productive capacity; or
- Working capital or both.

Eligible sector : All economic sectors

Application procedure

Applications should be made through any participating financial institutions. Approvals will be subjected to the normal credit approval procedures and security requirements of the individual participating financial institution.

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Small Debt Resolution Scheme

SDRS PROVIDES

Assistance to viable small and medium enterprises (SMEs) facing business financing problem with financial institutions through restructuring or rescheduling of the existing financing.

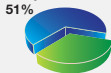
To support viable SMEs facing financial difficulties



To stabilise business cashflow by providing some financial relieve whilst viable SMEs implement business turnaround plans.

Who is Eligible?

Malaysian companies
51%



Sales turnover
≤ RM50 mil



1. Malaysian-owned companies (at least 51%) in all economic sectors.
2. Meet the SME definition criteria:
 - Number of full time employees not exceeding 200; or
 - Annual sales turnover not more than RM50 million.
3. Viable SMEs facing financial difficulties with financing from financial institutions.
4. Applicable for business related financing only.
5. Business is still on-going.

How Do I Apply?

Applicant can obtain the SDRS application form from:

- Participating financial institutions (PFIs)
- BNMLINK / BNM Regional Offices
- SMEinfo portal : www.smeinfo.com.my



Scenario 1



- Borrower faces problem in business cash flow.
- Difficulty in fulfilling financial obligations with the bank.
- Negotiation with bank on rehabilitation of existing financing unable to reach to an amicable solution.

Scenario 2



- My company was awarded a contract or project by the Government/agencies or reputable private/public companies.
- In need of additional working capital.
- Due to an existing impaired financing, the Company's application for financing was rejected by financial institutions.
- Need to revive the business and repay the existing financing.

Application Process

1. Submit complete SDRS application to PFIs or BNMLINK / BNM Regional Offices
2. SDRS Secretariat of BNM shall contact applicant
3. Evaluation of Application by PFIs

If application is approved by PFIs

PFIs and borrower implement new financing terms

If application is rejected by PFIs

SDRS Secretariat of BNM will undertake an independent assessment on the application

Participating Financial Institutions (PFIs)

- All commercial banks
- All Islamic banks
- Bank Kerjasama Rakyat Malaysia Berhad (Bank Rakyat)
- Bank Pembangunan Malaysia Berhad (BPMB)
- Bank Pertanian Malaysia Berhad (Agrobank)
- Small Medium Enterprise Development Bank Malaysia Berhad (SME Bank)
- Export-Import Bank of Malaysia Berhad (EXIM Bank)
- Bank Simpanan Nasional (BSN)



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

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