

Client Charter on granting of loans for Small and Medium Enterprise (SME)

1) Eligibility

- Malaysian-owned companies/institutions (with at least 51% ownership by Malaysians) registered under the Companies Act 1965, citizens residing in Malaysia and entrepreneurs registered under the Registrar of Business.
- Registered Business with sales turnover OR full time employees as per BNM guidelines from time to time. (Please refer to Annexure A for the thresholds for SME - effective from 1st January 2014).
- Satisfactory financial track record with a minimum record of last 3 years
- Satisfactory banking/financial relationship (if any) with financial institutions.

2) Purpose of Loan

- Loan to be utilized for productive purposes of the business viz.
 - a) Working capital
 - b) Acquisition of machinery / properties
 - c) Expansion of existing capacity

3) Types of Loans

- Term Loan
- Overdraft
- Trade Facilities – Such as Letter of Credit, Trust Receipts, Bank Guarantee, Bills Purchased/Discounted, Stand By Letter of Credit, Shipping Guarantee.

4) Documents Required

a) From the Borrower/Customer

- Certificate of Business registration – inclusive of all statutory documents filed with the Registrar of Companies (e.g Form 9, 24, 49 and M&A)
- Audited Accounts for the last three (3) years
- Latest Management Accounts and provisional balance sheet for the current year
- Company profile (including directors profile/resume)
- Projected Accounts/cash flow for the next year
- List of existing bankers/financial institution (inclusive credit facilities obtained from each bank/financial institution together with letters of offer) and existing security arrangements
- Bank Statements for the past 6 months
- Statements of loans repayment/trade facilities utilization from other financial institutions
- Creditors and debtors ageing list
- List of customers and suppliers
- Details of securities. For landed properties, to include a copy of valuation report, copy of land title and sale and purchase agreement (where applicable)
- Franchise Agreement / letter of award from contract principle (if applicable)
- Feasibility report (for project financing and new ventures)

b) From the Borrower/Customer Directors and/or guarantors (if individuals)

- A copy of the National Identity Card
- Last three (3) years income tax return form
- Evidence of total Income
- List of personal assets and liabilities

c) If the guarantor is a company

- Certificate of Business registration – inclusive of all statutory documents filed with the Registrar of Companies (e.g Form 9, 24, 49 and M&A)
- Audited Accounts for the last three (3) years
- Management accounts and provisional balance sheet for the current year
- Company profile (including directors profile/resume)
- Projected Accounts/cash flow for the next year
- List of existing bankers/financial institution (inclusive credit facilities obtained from each bank/financial institution) and existing security arrangements

5) Statement of Account

- Current Account/Overdraft – statements of accounts will be provided monthly
- Term Loan – statements of accounts will be provided every half yearly
- Trade Facility – As and when requested by customer

6) Duration of Loan Application

- Applicant will be informed of the Bank's decision either way in writing within one (1) month of the submission of all documents required by the Bank complete in all respects for loans approved in Malaysia

7) Approval of Loans

- The approval of loans are subject to the Bank's loan policy guidelines, terms and conditions and will be entirely at the discretion of the Bank. Please note that fees/costs may apply and that interest rates are subject to change from time to time.

8) Appeal process

- Any appeal on unsuccessful loan application can be submitted in writing to :-

**The Deputy Chief Executive Officer,
India International Bank (Malaysia) Berhad,
Mezzanine Floor Bangunan Yee Seng
15 Jalan Raja Chulan
50200 Kuala Lumpur.**

- The appeal decision will be notified within two weeks from the date the appeal is received

The threshold for SMEs is as follows:

Category	Micro-Enterprise	Small Enterprise	Medium Enterprise
Manufacturing	Sales turnover not exceeding RM300k OR full-time employees not exceeding 5	Sales turnover from RM300k to less than RM15mil OR full-time employees from 5 to less than 75	Sales turnover from RM15mil to not exceeding RM50 mil OR full-time employees from 75 to not exceeding 200
Services & Other Sectors		Sales turnover from RM300k (Previously: RM200k) to less than RM3mil OR full-time employees from 5 to less than 30	Sales turnover from RM3 mil to not exceeding RM20 mil OR full-time employees from 30 to not exceeding 75