

## Small and Medium Enterprises Development (SMED) Scheme

### Products under SMED Loan Scheme.

1. Investment loans
2. Short Term Loans (STL)
3. Letter of Credit facilities (LC)
4. Permanent Overdraft facilities (POD)
5. Letter of Guarantee facilities (LG)

SMED loans scheme are granted for the purpose of investment and permanent working capital requirement of the business. The focused priority sectors are Agriculture, Agriculture oriented businesses, industrial businesses, trading businesses, milk and dairy related projects, livestock, ornamental fish, fisheries industry, information technology, apparel industry, Tourism and Hotel Projects, Constructions, printing, educational, services, Export and import Businesses, Any other economic activities.

### Competitive Advantage

- Competitive interest rates
- Flexible repayment plans
- Grace period to commence capital repayment could be considered, if necessary.
- Relax conditions

### Eligibility criteria

- SMEs engaged in focused priority sectors with annual turnover more than Rs. 20.0Mn and not exceeding Rs. 1.0Bn. (as per the National Definition on SME)
- Should have a viable business
- Mainly subject to the repayment capacity of the customer
- Should have a Business Registration
- Satisfactorily conducted current account for 6 months with our Bank or any other Bank who will be a potential customer in our Bank or a Potential customer

### Facility Amount

- Depend on customer requirement and contribution, purpose, repayment ability and credit worthiness of each customer

### Applicable Interest Rate

- Refer the website of Peoples Bank-[www.peoplesbank.lk](http://www.peoplesbank.lk)

### Tenure

- Investment loans – maximum 10 years including 2 years' grace period
- Working capital Loans – maximum 3 years (no grace period is applicable)
- Payment can be made in installment basis Monthly

### **Fees/charges, commission, interest, etc.**

- Fixed and variable rates
- Penal interest on overdue Capital & Interest
- Standard loan processing fees
- Standard early settlement fees
- Valuation charges (if applicable)
- Legal charges (if applicable)
- Government Stamp Duty (if applicable)
- Insurance Premium (if applicable)

### **Application criteria**

- Call or visit the nearest Branch or service center island wide

### **Key Terms and conditions**

- Subject to current business performance and Financial evaluation
- Collateral / security acceptable to the Bank is generally expected to be submitted by the clients when requesting for financial assistance
- Internal obligations and CRIB obligations will be checked irrespective of the amount of the facility.
- Product information and terms & conditions are subject to change from time to time. Therefore, it is advisable to contact the branch nearest for the latest information and prevailing terms & conditions.

### **Complain handling procedure**

- Borrower can access us through [info@peoplesbank.lk](mailto:info@peoplesbank.lk)
- Make a written request to the relevant branch, Regional Head office or Head Office.
- Call the relevant branch, Regional head office or Head office.

### **Further information**

- Call centre- 1961
- Head Office 0112481481
- SME Development Unit 0112481356