

### **Facilities to MSMEs:**

The Reserve Bank of India has, from time to time, issued number of instructions / guidelines to Banks relating to lending to Micro, Small and Medium Enterprises (MSMEs) sector. In accordance with RBI Guidelines, the Bank is committed to facilitate timely financial support to MSMEs.

SMBC understands the unique financial needs and requirements of MSME borrowers, thus, endeavours to make it easier to provide access to credit. In this regard, it may be noted that timeline for credit decisions for loans up to ₹25 lakh to units in the MSE borrowers shall not be more than 14 working days. For loans above the aforementioned limit, timelines shall be as per the Board approved sanction time norms. The time frame is subject to availability of all the requisite information, documents, reports etc. as deemed fit by the bank, for decision making.

The indicative checklist (and not limited to) of documents required for processing the loan application is given below:

1. Loan application request letter
2. Brief profile of Management & Promoters
3. Shareholding structure of the firm
4. Details about business – Manufacturing, service, trading. current product profile, business operations
5. Consolidated and Standalone audited balance sheet for last 5 years
6. Latest provisional balance sheet for current financial year.
7. Financial Statement Projections
8. Top 5 customers and suppliers with detail of material sold/purchased along with price, quantity, and trade terms.
9. Bank wise facilities sanctioned and outstanding for fund based and non-fund based along with security details.
10. Term Loan sanctioned and outstanding details along with security and repayment schedule, security documents (If applicable)
11. Project report along with capex details (as applicable)
12. KYC documents (as per applicability and constitution)
13. Updated URC (Udyam Registration Certificate) for MSME
14. Any other relevant document /information

### **One Time Settlement Policy for MSEs:**

RBI via it's circular, "RBI/FIDD/2017-2018/56 Master Direction FIDD.MSME & NFS.12/06.02.31/2017-18, Circular Name: "Master Direction - Lending to Micro, Small & Medium Enterprises (MSME) Sector", updated as on June 11, 2024, mandated for all banks to have a One Time Settlement scheme for recovery of non- performing loans for the MSE sector, with the approval of the Board of Directors and to give wide publicity to the One-Time settlement scheme implemented by them, by placing it on the bank's website and through other possible modes of dissemination.

Accordingly, it is hereby informed that SMBC has a policy on settlement (write offs) and the reference of the same is included in SMBC India's internal guidelines/ policies. Any one-time settlement of non-performing loans from MSE sector shall be considered on a case-to-case basis and shall be guided by these afore mentioned guidelines/ policies.