

SJPP approves RM3.5bil loans

Nod for 2,738 applications under two guarantee schemes

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KUALA LUMPUR: Syarikat Jaminan Pembiayaan Perniagaan Bhd (SJPP) has to date approved about RM3.5bil worth of financing for its guarantee schemes to assist eligible companies to continue their operations amid the economic downturn.

The two schemes - Working Capital Guarantee Scheme and Industry Restructuring Loan Guarantee Scheme - were launched on April 16 under the Government's second stimulus package.

SJPP is managed by Prokhas Sdn Bhd and both are wholly-owned units of the Minister of Finance Inc.

Prokhas deputy general manager Suhaimi Mohamad said as at early this week the company had approved 2,738 applications worth close to RM3.5bil for the guarantee schemes.



Suhaimi Mohamad ... 'the actual disbursement by banks stands at slightly more than RM1bil'

"Judging from the good response, especially for the Working Capital Guarantee Scheme at this juncture,

we are hopeful it will be fully utilised by end of September, much earlier than the target period set for end of next year.

"From the RM3.5bil, the actual disbursement by banks for the schemes stands at slightly more than RM1bil," he said during an interview.

Suhaimi added that out of the total approved, RM3.3bil was for the Working Capital Guarantee Scheme and the balance of RM230mil was for the other scheme.

Asked whether there were plans to increase the fund size of the schemes or launch more schemes, he said SJPP would monitor the situation and report to the Government which would in turn assess all the relevant factors before making a decision.

On the comparatively lower approval amount for the Industry Restructuring Loan Guarantee Scheme, Suhaimi said from the banks'

feedback it was due to companies scaling back on their investments because of the uncertain economic climate.

The schemes have a fund size of RM5bil each. The Working Capital Guarantee Scheme is to enable companies with shareholders' equity of less than RM20mil to access financing.

The guarantee cover for this scheme is 80% by the Government and the balance by financial institutions.

Applicants must be legally registered Malaysian-owned companies from all sectors of the economy with a minimum financing limit of RM50,000 and a maximum of RM10mil for each company.

The Industry Restructuring Loan Guarantee Scheme is open to all companies regardless of the amount of

> TURN TO B3

Maximum of RM50m financing

> FROM B1

shareholder equity. But for those with shareholder equity of more than RM20mil, the Government would provide guarantee of only 50%, and the balance would be by financial institutions.

This scheme is aimed at promoting investments that increase productivity, high value-added activities and use of green technology.

It provides a minimum financing limit of RM50,000 and a maximum of RM50mil for each company.