

## Refinance Facility for Modernization of SMEs

Scheme has been announced by SBP in order to encourage SMEs to modernize their factories for producing quality products.

### Eligibility Criteria:

Financing can be availed by SME borrowers as defined under SME PRs/SBP guidelines

### Purpose of Financing:

- a) Local purchase / import of new plant & machinery for Balancing, Modernization and Replacement (BMR) of existing units.
- b) Setting up of new SME units.
- c) Purchase of new Generators up to 500 KVA.
- d) Import / local purchase of new generators up to a maximum capacity of 500 KVA as eligible under the scheme. The capacity of generator shall however, not be in excess of SME unit's in-house energy requirements or up to 500KVA, whichever is less.

### Tenor:

The facility is available for maximum period of ten years including six months grace period.

### Rate of Mark-up:

Financing is available at subsidized mark-up rate of 6% p.a. (May be revised by SBP from time to time).

### Mode of Repayment:

- Principal amount in Equal quarterly / half yearly installments after prescribed grace period.
- Mark-up is payable on quarterly basis.

### List of SME Clusters / Sectors eligible for financing under the Scheme include:

Rice Husking	Furniture	Gems & Jewellery	Dairy & Livestock	Fisheries
Cotton Ginning	Surgical Instruments	Sports Goods	Engineering Goods / (Electronic)	Packaging / Processing of Fruits / Vegetables
Power Looms	Marble & Granite	Agro-based Industry	Cutlery & Stainless Utensils	

For further details please visit following SBP websites:

[www.sbp.org.pk](http://www.sbp.org.pk)

[www.sbp.org.pk/incentives/ltf-eop/ConsolidatedScheme.pdf](http://www.sbp.org.pk/incentives/ltf-eop/ConsolidatedScheme.pdf)

*\*Terms and conditions apply subject to SBP guidelines and availability of limit.*