

Loan Schemes provided by Ministry of Industries

1. SMILE III (Revolving Fund) Loan Scheme

Scheme Description

Under this, loan facilities are provided at a concessionary interest rate through credit institutions involved for Small and Medium scale Entrepreneurs in the manufacturing industry. This loan can be used for purchasing machinery, working capital requirements, and technical assistance (consultancy services).

Required documents (compulsory)

Clearly and accurately completed loan application
Copy of business registration certificate (if any)
Estimated expenditure prepared in respect of the loan amount

Allocation for the year 2023: Rs. 02 billion

Loan Type	Maximum Loan Amount (Rs.)	Interest Rate	Repayment Period (Years)
General	25Mn	8%	10 (including 02-year Grace Period)
Technical Assistance	2.5Mn	5%	07 (including 02-year Grace Period)

General loan scheme

It provides loans to small and medium scale manufacturing industries for machinery and working capital requirements as per the project operating Instructions.

Applicants can request this loan to import required machinery and purchase them locally.

Technical transfer assistance loan scheme

Loans are provided to technical transfer activities in the manufacturing industries as per the project operating instructions.

Credit institutions involved

1. Bank of Ceylon
2. People's Bank
3. Regional Development Bank (RDB)
4. National Development Bank (NDB)
5. DFCC Bank
6. Sampath Bank

7. Seylan Bank
8. Hatton National Bank (HNB)
9. Commercial Bank
10. Sanasa Development Bank (SDB)

Contact details

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All the applications will be evaluated. If the application fulfills the evaluation criteria, the loan can be accessed. Priority will be given to entrepreneurs operating in the manufacturing industry. The final decision regarding collaterals will be taken by the respective banks. This loan is neither for purchase of lands nor for construction of buildings. Further, a business can apply for both the loans (as a series).

2. E Friends II (Revolving Fund) Loan Scheme

Scheme Description

Under this loan scheme, entrepreneurs will be given loans at concessionary interest rates for projects that cause environmental problems such as environmental pollution due to industrial production processes, prevent waste of resources, reduce energy use and produce environmentally friendly alternative products instead of harmful products.

Required documents (compulsory)

Clearly and accurately completed loan application
 Technical information format project proposal
 Environmental protection license/clearance and other relevant approvals Waste water/noise level assessment/emissions reports (if any)
 Copy of balance sheet/s

Allocation for the year 2023: Rs. 01 billion

Loan Type	Maximum Loan Amount (Rs.)	Interest Rate	Repayment Period (Years)
General	30Mn	6.5%	10 (including 02-year Grace Period)
Technical Assistance	1.0Mn	2%	05 (including 02-year Grace Period)

General loan scheme

Credit facilities are provided for machinery and treatment plant construction as per the project operating instructions.

Technical transfer assistance scheme

Loans are provided for consultancy services to implement the E-Friends project which is entitled to apply for general loans scheme as per operating Instruction.

Any equity contribution made to the project during the preceding three months can be reimbursed through this loan.

Credit institutions involved

1. Bank of Ceylon
2. People's Bank
3. Regional Development Bank (RDB)
4. National Development Bank (NDB)
5. DFCC Bank
6. Sampath Bank
7. Seylan Bank
8. Hatton National Bank (HNB)
9. Commercial Bank
10. LOLC Finance
11. People's Leasing & Finance PLC

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All the applications will be evaluated. If the application fulfills the evaluation criteria, the loan can be accessed. Priority will be given to entrepreneurs operating in the manufacturing industry. There is no deadline for the submission of applications. Further, a business can apply for both the loans (as a series).

An individual is required to keep Rs. 300,000 as collateral in SDB and RDB banks. All the banks require Rs. 200,000 to keep as collateral. The final decision regarding collaterals will be taken by the respective banks. These loans cannot be utilized to settle any existing loans.