

Corpbank opens SME loan center, plans 20 in strategic areas



India's Corporation Bank (Corpbank) has opened its exclusive SME Loan Centre in Chennai, India which will focus on speedy delivery of credit apart from maintaining close

rapport with SME customers in the area through dedicated Relationship Managers. During the event, 25 beneficiaries received loan approvals amounting to Rs. 22 crores and four SME entrepreneurs were honored for achieving excellence in their respective fields. The Bank also plans to open SME Loan Centres in 20 strategic locations in the country.

DBT to allocate Euro 80M to support SMEs



The Development Bank of Turkey (DBT) and the Council of Europe Development Bank (CEB) signed a new loan agreement regarding the financial support of SME investments located in Turkey

through wholesale banking. The loan amount, Euro 80 million, provided under re-payment guarantee of the Republic of Turkey Undersecretary of Treasury, will be used by leasing firms for productive investment projects in SMEs located in Turkey to promote job creation and preservation. The planned investments are productive investments focused on SME fixed asset investments in a wide range of sectors such as manufacturing/machinery, construction, agro-industry, tourism, trade and logistics. The project is expected to benefit more than 150 SMEs and contribute to the creation and/or preservation of more than 8,000 jobs.

SB Corp runs specialized training programs for SMEs



The MSME Development Group of the Small Business Corporation (SB Corp) recently conducted a two-day seminar on "Financial Management for SMEs" (FMT for SMEs). The seminar was attended by 42 entrepreneurs from 28 firms most of whom are its clients. The seminar was designed to equip participants with the understanding on the different cycles in running a business enterprise and funding requirements and fund flows of the business. Topics discussed during the event include business enterprise financial cycle, funding the

production cycle, sales cycle, operations cycle cash requirement, working capital requirement and cash flow management. Aside from this seminar, SB Corp also offers other training programs like enterprise enhancement, techniques in business performance analysis and computerized accounting system.

LDB Sri Lanka wins an award, boosts SMEs in the countryside

Sri Lanka's Lankaputhra Development Bank (LDB) won the "Most Elegant Team" title at the 21st Inter Bank Quiz competition organized by the Clearing Association of Bankers held at the Hotel Taj Samudra. As in the previous years, the event was successful with 37 teams representing 21 banks competing. LDB is a full-fledged government bank opened to strengthen the



local economy by supporting the entrepreneurs of the country. The Bank has initiated many loan schemes to support the small and medium entrepreneurs (SMEs) in the country. At present, the Bank has branches in Colombo and in seven strategic locations which will soon include Jaffna to cater to the needs of the region.

SME Bank Malaysia nurtures young entrepreneurs via its signature CSR program



As a development financial institution, S M E Bank's mandate besides providing financing assistance, is to nurture and groom existing and potential entrepreneurs especially among the youth. In line with this aspiration, SME Bank Malaysia has introduced a signature corporate responsibility program focusing on nurturing and inculcating

entrepreneurship among secondary school students in Malaysia. Aply named "SME Bank Y-Biz Challenge", this program is a competition to create and innovate new products and services that have the potential to be commercialized. The program has been organized with the full support by the Ministry of Education, Malaysia and other government agencies that are responsible in promoting creativity and innovations. To date, a total of 163 schools have participated with the involvement of 729 students and 163 teachers throughout Malaysia. In May 2013,

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DBP allots P1.1B for MSMEs



To support the inclusive growth strategy of the government, the Manila-based Development Bank of the Philippines (DBP) has set aside P1.1 billion for relending to micro, small and medium enterprises (MSMEs). DBP President and Chief Executive Officer Gil A. Buenaventura said the loan facility will go to three participating financial institutions under the bank's wholesale lending program as part of efforts to boost economic growth by supporting MSMEs. Buenaventura said they have extended a P500-million clean revolving

credit line to Radiowealth Finance Co. Inc. (RFC) to support the livelihood programs of its members including production, agricultural and microagricultural activities. RFC has 91 branches and 58 business centers nationwide. A P300-million clean revolving credit line, on the other hand, was granted to Philippine Resources Savings Banking Corp. (PR Savings Bank) for relending to and investment in eligible MSME projects, including public school teacher loans with livelihood projects. PR Savings Bank has 47 branches and 46 extension and field offices nationwide. DBP likewise approved a P300-million credit line for the Bank of Makati (BMI) for relending to MSMEs. The largest rural bank in the country, BMI has 19 branches and 27 loan centers located in key cities nationwide. DBP has been mandated to support small and medium enterprises.

Seven tips for reducing expenses in your business

Maintaining tight control over both fixed and variable expenses is an essential part of maximizing cash flow and profits in your business. There are a variety of tactics entrepreneurs can employ to rein in expenses and prepare for unforeseen costs that crop up over the course of the year. BDC Consulting Partner John Brison offers several suggestions to better control expenses.

1. Make a plan. You need to evaluate where your business is now and where you want to take it in the future. A well thought-out road map is essential to properly forecast expenses and provide for contingencies. "For instance, if you intend to pursue a new market next year, you have to build the related expenses into your forecast," Brison says.

2. Track expenses diligently. You have to understand your historic costs before planning for the future. This requires gathering data in an effective and efficient way.

"Tracking your costs shouldn't be an afterthought, it needs to be an integral part of your ongoing operations," Brison says.

3. Benchmark against your industry. Establish metrics that are meaningful to your business and comparable to those used by other companies in your industry. "If you see you're spending more in certain categories, then drill down, investigate why and take appropriate action to reduce those costs to industry norms."

4. Manage variable costs. Look at your company's past variable expenses and calculate what percentage of sales they represent. Historic percentages provide both a good indicator of potential future costs and a

benchmark to use in keeping those costs in line with selling activity.

5. Get tough on fixed costs. People tend to become complacent about fixed costs because they are generally recurrent and often reflect long-standing relationships with suppliers. But you should periodically test the market to see if you can get a better deal from competing suppliers.

"It's good practice to get two or three quotes regularly," Brison says. "Whether it's by putting out a request for proposal (RFP) or a less formal method, it's important to send out the message that you are always watching your costs."

6. Invest in technology. Explore new technologies that may help your business improve efficiency, increase productivity and reduce costs. For example, many companies are now using cloud computing systems as opposed to in-house hardware that can be relatively expensive to buy and maintain.

7. Offer incentives to staff. Make people accountable for costs and establish appropriate rewards for employees who find ways to reduce expenses. This helps to create a zero waste culture within your organization. It also helps motivate staff members charged with implementing expense-reduction initiatives to stay on task and be creative.

"I like to explain overall expense management in three Rs: research, review and respond," Brison says. "It basically boils down to careful planning (research), making tweaks and adjustments as they're needed (review) and rolling up your sleeves to do the necessary and ongoing hard work to achieve the plan (respond)."

Source: *IN BUSINESS*, a Business Development Bank of Canada Newsletter

Wherever you see a successful business, someone once made a courageous decision

--Peter Drucker

JFC-Micro, SME Bank to enhance cooperation on SME finance



Japan Finance Corporation-Micro Business and Individual Unit (JFC-Micro) and SME Bank Malaysia, both A D F I A P members, started business cooperation when

SME Bank requested JFC-Micro to join a technical cooperation project launched in 2008 and supported SME Bank to improve its practical credit analysis methods. Although the project wrapped up in 2011, JFC-Micro and SME Bank sought further cooperation for the purpose of developing SME finance and promoting the growth of their respective clients. As a consequence, both institutions reached an agreement on developing bilateral relationship into a business partnership and inked an MoU which aims to provide opportunities for both institutions to share information and expertise related to SME finance. Both institutions also have plans to offer SMEs in both countries the opportunity to expand their networks and meet potential business partners.

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the 2012 Champion of SME Bank Y-Biz Challenge, the *Sekolah Menengah Sains Hulu Selangor*, won a Gold Medal under the *Young Inventor Category in the European Exhibition of Creativity and Innovation* in Romania, with their *Smart Rollator* product. The product was newly developed during the SME Bank Y-Biz Challenge 2012 and was later given some improvements for the competition. The success of *Sekolah Menengah Sains Hulu Selangor* is a testimony of the success for SME Bank Y-Biz Challenge.

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