



26 April 2017

**CIRCULAR BM 1150**

**To: All Licensed Banks  
Operating in the Sultanate of Oman**

After Compliments,

**Subject: Small and Medium Enterprises (SMEs)**

1. Reference is invited to Circular BM 1141 dated 12<sup>th</sup> January 2016.
2. In order to encourage banks to provide non-fund based credit too to SME segment and, at the same time, to avoid possible lack of focus, on funded credit, it has been decided to allow banks to reckon non-funded credit, up to maximum of 1% of total credit, for the purpose of monthly/quarterly reporting in respect of 5% target set.
3. Attached is revised format of Monthly Return (Annexure I) to be submitted – effective for the period starting with June 2017.

Quarterly Return, as per Annexure II of Circular BM 1108 dated 6<sup>th</sup> May 2013, remains unchanged (copy attached for ease of reference).

4. As stated in para 5 of circular letter BDD/CBS/CB/2017/435 dated 2<sup>nd</sup> February 2017, it is to be noted that non-fund based credit can be no substitute for banks' direct involvement and contributions required/desired. Banks should also be diligent in classification and record keeping of SME credit appropriately with no scope for dilution or mix up with personal, other non-SME business loans and the like.
5. All licensed banks shall, accordingly, be fully committed to efforts on much needed SME development – noting that inclusion, as above, of non-fund based credit may be reviewed from time to time and withdrawn if deemed warranted.

Best regards,

**Hamood Sangour Al Zadjali  
The Executive President**

Annexure I to  
Circular No. BM 1150  
dated 26/4/17

Bank's Name: \_\_\_\_\_

(Amounts in RO '000s)

Return on SME lending for the Month of \_\_\_\_\_

| Type of SME        | Credit to SME segment* |                                      |              |                      |   |   |   |                               |                                      | Gross NPLs in particular SME segment | Net NPLs in particular SME segment |
|--------------------|------------------------|--------------------------------------|--------------|----------------------|---|---|---|-------------------------------|--------------------------------------|--------------------------------------|------------------------------------|
|                    | No. of Borrowers       | Total limit sanctioned (funded only) | Outstandings |                      |   | Total (Resident) Credit of the bank (Amount mentioned in item 6 of RD 1 Return) | % of outstandings to Total Credit of the bank |                               |                                      |                                      |                                    |
|                    |                        |                                      | Funded       | Non-funded (actuals) | Non-funded (actuals or 1% of Total Credit, whichever is less) |   | Funded (Col.(4)/ Col (7))                     | Non-funded (Col.(6)/ Col.(7)) | Total SME credit (Col (8) + Col (9)) |                                      |                                    |
| (1)                | (2)                    | (3)                                  | (4)          | (5)                  | (6)   | (7)   | (8)   | (9)                           | (10)                                 | (11)                                 | (12)                               |
| Micro Enterprises  |                        |                                      |              |                      |   |   |   |                               |                                      |                                      |                                    |
| Small Enterprises  |                        |                                      |              |                      |   |   |   |                               |                                      |                                      |                                    |
| Medium Enterprises |                        |                                      |              |                      |   |   |   |                               |                                      |                                      |                                    |
| <b>Total</b>       |                        |                                      |              |                      |   |   |   |                               |                                      |                                      |                                    |

\* Data includes Islamic Banking Window's Portfolio

Prepared by: Mr./Ms. \_\_\_\_\_ (Contact No.: \_\_\_\_\_ Email:- \_\_\_\_\_)

Date: \_\_\_\_\_

Signature of Authorised Signatory & Stamp:

## Central Bank of Oman

Bank's Name:

Return on loan applications received from SMEs and processed for the Quarter ending \_\_\_\_\_

| Type of SME                        | Total no. of applications pending at the beginning of the quarter | Total no. of loan applications received during the quarter | No. of loan applications where loan has been sanctioned during the quarter | No. of loan applications disapproved during the quarter | No. of loan applications pending at the end of the quarter | No. of loan applications pending for more than one quarter |
|------------------------------------|---|--|--|---|--|--|
| (1)                                | (2)   | (3)  | (4)  | (5)   | (5)  | (6)  |
| Micro Enterprises                  |   |  |  |   |  |  |
| Small Enterprises                  |   |  |  |   |  |  |
| Medium Enterprises                 |   |  |  |   |  |  |
| <b>Total (overall SME segment)</b> |   |  |  |   |  |  |

Data includes Islamic Banking Window's Portfolio

Prepared by: Mr./Ms. \_\_\_\_\_ (Contact No.: \_\_\_\_\_ Email:- \_\_\_\_\_)

Date:

Signature of Authorised Signatory &amp; Stamp: