

1MCA Micro Credit Loan Scheme for Youth

The details of the framework are as follows:

1. Who can Apply?

Malaysian citizen over age 21 to 45 years.

2. Purpose of micro credit ?

- i) For expansion of business.
- ii) As start up cost of new business venture.

3. Tenure of the micro credit?

From 3 to max 5 years.

4. Available loan amount

Maximum of RM 20,000.

5. What is the amount of processing fee upon approval?

- i) RM200 for KOJADI member.
- ii) RM300 for non-KOJADI member where RM100 shall be taken as KOJADI Membership fee.

6. What is the rate of interest chargeable in respect of the loan?

7.0% flat interest per annum with fixed monthly repayment.

*(i.e. according to that of hire purchase as in **Annex 1**)*

7. How does a borrower make monthly repayment?

Payment can be made monthly at KOJADI office or to pay into a KOJADI designated account with a specific bank.

8. Must applicant borrower furnish a guarantor and what is the qualification of the guarantor?

- i) Guarantor is preferred if conditions not met.
- ii) Guarantor preferably be immediate or blood related family members of applicant.

9. Can joint business owners apply?

Application may come from joint business owners or individuals.
(However no corporation be it a limited company or firm may apply as only members of KOJADI be qualified)

10. Can MCA members or single parents involve in business apply?

Yes! Credit Evaluation - 10 marks extra given to MCA Members/NGO leaders/Single Parents.

11. What are the application procedures?

A copy of the followings document:

- i) Identification card of the applicant and guarantor.
- ii) Photograph of the applicant and guarantor.
- iii) A recent copy of the applicant's home telephone, electricity & water bills.
- iv) A copy of the applicant's business registration certificate.
(application for business expansion only)
- v) Application forms duly filled with endorsement by any MCA centre or branch.

(All successful applicants are required to produce the original document for verification purposes and guarantors are also required to be present to execute the letter of guarantee)

12. Can applicants already in the “blacklist” of CTOS or CCRIS still apply for the micro credit loan?

Yes. However their credit risk rating shall be further assessed by the approving committee. Undischarged bankrupts are definitely not to be considered.

13. Where can applicants get the application form?

Downloaded from the MCA www.mca.org.my or KOJADI www.kojadi.my official website.

14. Where should the application be submitted?

Koperasi Jayadiri Malaysia Berhad (KOJADI)
11th Floor, Wisma MCA,
163 Jalan Ampang,
50450 Kuala Lumpur. [Road Map](#)
Tel : 03 - 2161 6499
Fax : 03 - 2162 1413
Email: microcredit@kojadi.com.my

15. Once a borrower has paid off the loan, can he or she loan, can he or she still apply for another loan or higher amount?

Of course and such application shall be treated as preferred application.

*** Note:**

Applications will be open after the Chinese New Year holiday.

MONTHLY LOAN REPAYMENT MODEL BASED ON 7.0% INTEREST FLAT PER ANNUM

Loan Amount (RM)	Interest Value (RM)	Repayment Period				
		1 Year	2 Years	3 Years	4 Years	5 Years
5,000	350.00	445.83	237.50	168.05	133.33	112.50
10,000	700.00	891.67	475.00	336.11	266.67	225.00
15,000	1,050.00	1,337.50	712.50	504.17	400.00	337.50
20,000	1,400.00	1,783.33	950.00	672.22	533.33	450.00