

On the Letter head of the Bank/DFI

Form of Application for claiming subsidy for Spinning Sector
(To be submitted in duplicate)

The Chief Manager,
State Bank of Pakistan
Banking Services Corporation (Bank),
_____.

Dear Sir,

APPLICATION FOR SUBSIDY ON SPINNING SECTOR
A/C- M/S.-----

In terms of MFD Circular No. 06 dated October 30, 2007, we hereby apply to avail mark up rate subsidy @ 3%, under SRO No. 973(I)/2007 dated 6th September, 2007 issued by Government of Pakistan, Finance Division, (Internal Finance Wing), on the long terms loan disbursed for import of spinning machinery (other than six process as mentioned in **Para 4 (vi)** below and outstanding in the name of M/s.-----.

2. The necessary particulars of the loan are as under:

a.	Date and Amount of loan sanctioned	Date	Amount	
b.	Date & Amount disbursed	Date(s)	Amount	
c.	Terms of Loan. (Please specify the benchmark rate and the float thereon e.g. 6 months KIBOR+4% or SBP's Discount rate + 2%)	-----		
d.	Internal reset date for (c) if any (please also mention in case you have agreed with your borrower to reset the terms of loan during the currency of the loan. Also specify if this has already been done).	-----		
e.	Terms of Repayment (as mentioned in sanction letter for (a) above.)	No. of installments	Amount of installment	Due date of first installment
f.	State whether installments are on quarterly or half yearly basis			
g.	Amount outstanding as on 30th June 2007 as per above repayment schedule	-----		
h.	The due date and amount of remaining installments	Date	Amount	

i.	Amount of subsidy paid for which request for reimbursement is being made.	Date	Amount

3. It is certified that the bank/DFIs did not provide any rescheduling after 1-7-2007 to the above borrower for the loans mentioned above.

4. We further certify that:

- (i) the terms & conditions contained in MF Department's Circular and SRO of the Finance Division (Internal Finance Wing) referred to above have been complied with;
- (ii) all the requirements of the mark up rate subsidy Scheme have been fully met;
- (iii) the amount of principal outstanding as reported at (g) above does not include any amount of import incidentals.
- (iv) the borrower for whom the request for subsidy payment has been submitted did not default on the loan and all installments falling due but remaining unpaid have been rescheduled prior to **01-07-2007**;
- (v) the information / data given under the application form is complete and correct;
- (vi) the above subsidy claim does not include any amount of refinance already swapped under LTF-EOP Scheme in respect of six value added processes i.e. Doubling, Twisting, Combing, Slubbing, Lycra, & Yarn Dyeing including other value added textile sector;
- (vii) we understand and agree to pay back any amount of subsidy paid to us on account of our said borrower, on the basis of this application and our certification mentioned hereinabove first, alongwith a fine of 25% of amount of the subsidy if the SBP subsequently finds that such subsidy was wrongfully claimed under above arrangements.

5. We undertake to provide you, forthwith information, in case the borrowers fails to meet his obligations toward repayment of our aforesaid loan at any time from now onwards upto the last date of payment of installment as mentioned in **Para 2 (h)** falling due for repayment during the period of subsidy i.e. from **01-07-2007 to 30-06-2008**, to facilitate SBP for release of payment of subsidy during the remaining period covered under the SRO No. 973(I)/2007 dated 6th September, 2007. We also undertake to formally apprise you this details in the month preceding the month in which subsidy payment shall fall due.

6. The certified copies of (a) sanction letter (b) import LC and evidence of retirement thereof, (c) shipping documents, (d) vouchers evidencing disbursement of above loan, & (e) vouchers evidencing payment of subsidy as mentioned in **Para 2(i) above** are enclosed herewith. *(Note: Documents at (a) to (d) shall be furnished only at the time of submission of subsidy claim for the first time)*

Signature of the concerned branch manager

Counter signed by Area Chief Manager of the respective area.

Countersigned by Compliance Officer of the Bank or his authorized representative not less than the rank of VP or equivalent