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**GOVERNMENT OF PAKISTAN
MINISTRY OF TEXTILE INDUSTRY

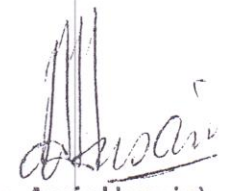
Islamabad, the 1st September, 2009

NOTIFICATION

No.3(3)TID/09-P-I In pursuance of entry 7 of item 29A of Schedule II to the Rules of the Business, 1973, the Federal Government is pleased to make the following Order, namely:-

1. This may be called "Mark-up Rate Support for Textile Sector", Order 2009.
2. It shall come into force from September 01, 2009.
3. The procedure and conditions for providing relief on long term loans will be as follows:
 - a) Effective 1st September 2009 the Federal Government shall provide Mark-up Rate support on all outstanding running balances of principal amount of floating rate long terms loans availed by the textiles industry from commercial banks/Development Finance Institutions (DFIs), disbursed up to August 31, 2009, for financing import/purchase of textile machinery for which funds under State Bank's Long Term Financing Facility (LTFF) have not been availed.
 - b) The support will be admissible to the extent of 5% or the difference in mark- up rate between floating rate loan and LTFF rate, whichever is lower.
 - c) The facility shall be administered by the commercial banks or DFIs. They will make the payment to the extent of mark-up rate support on the outstanding balance of loans availed by the borrower of textiles sector and claim reimbursement from SBP.
 - d) It shall be paid by the commercial banks/DFIs on six month basis in March and September each year subject to release of necessary budgetary allocation by the Federal Government for relevant fiscal year.
 - e) The State Bank of Pakistan (SBP) shall reimburse the amount due to commercial banks/DFIs by debit to the appropriate Federal Government account to be intimated by Finance Division.
 - f) The units eligible for the facility shall furnish on line information to the Ministry of Textile Industry in the manner specified in Annexure I to this Order. Hard copy of the same will be submitted to the Ministry of Textile Industry after verification from the associations concerned.

- g) The units so registered will be provided with Special Identification Numbers to be used in all future communications will be eligible for the facility.
 - h) The registered units shall furnish data and any information related to the unit's operations, domestic sales, accounts and exports as and where required by the Ministry of Textile Industry.
4. The details and procedure for the conversion of existing loans to LTFF Scheme shall be prepared and announced by the State Bank of Pakistan.


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