

Chairman

GOVERNMENT OF PAKISTAN
Ministry of Textile Industry

Dr. Mirza Ikhtiar Baig, T.I
Federal Advisor on Textile

March 16, 2010

Subject: Long Term Financing Facility (LTFF) for Second Hand Machinery

We have received various representations from the textile associations requesting to continue SBP Long Term financing facility for second hand machinery, which has been expired on 31st December 2009. I have spoken to Governor SBP Mr. Saleem Raza and Director LTFF Mr. Mansoor H. Siddiqui that after withdrawal of the custom duty on value added textile machinery, our textile industry wish to import textile machinery under this scheme. They have requested to submit enclosed information in respect of export oriented projects wish to import second hand machinery under this scheme.

You are requested to kindly urgently provide required information as per given format. State Bank of Pakistan has agreed in principle that if there is a large interest of the units desire to import second hand machinery under LTFF concessional financing SBP will continue the scheme.

Please treat above as most urgent.

Thanks and regards

Dr Mirza Ikhtiar Baig

- 1) The Chairman, All Pakistan Textile Mills Association, Karachi.
- 2) The Chairman, Pakistan Hosiery Manufacturers Association, Karachi.
- 3) The Chairman, Towel Manufacturers Association, Karachi.
- 4) The Chairman, Pakistan Bedwear Exporters Association, Karachi.
- 5) The Chairman, Pakistan Readymade Garments Manufacturers & Exporters Association, Karachi.
- 6) The Chairman, Pakistan Denim Manufacturers and Exporters Association, Karachi.
- 7) The Chairman, Pakistan Textile Processing Mill Association, Faisalabad.
- 8) The Chairman, Pakistan Cotton Fashion Apparel Manufacturers & Exporters Association, Karachi.
- 9) The Chairman, All Pakistan Cotton Power Looms Association, Faisalabad.
- 10) The Chairman, Pakistan Silk & Rayon Mills Association, Karachi.
- 11) The Chairman, Pakistan Textile Exporters Association, Faisalabad.
- 12) The Chairman, Pakistan Knitted Garments & Sweaters Exporters Association, Karachi.
- 13) The Chairman, Pakistan Woolen Mills Association, Lahore.
- 14) The Chairman, Pakistan Wool & Hair Exporters Association, Karachi.
- 15) The Chairman, Pakistan Yarn Merchants Association, Karachi.
- 16) The Chairman, Pakistan Cotton Ginners Association, Karachi.
- 17) The Chairman, Karachi Cotton Association.
- 18) The Chairman, Pakistan Small Units Power Looms Association, Faisalabad.
- 19) The Chairman, Pakistan Cloth Merchants Association, Karachi.
- 20) The Chairman, All Pakistan Bedsheets & upholstery Manufacturers Association, Karachi.
- 21) The Chairman, Filament Yarn Manufacturers Association, Karachi.

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STATE BANK OF PAKISTAN

SME FINANCE DEPARTMENT

No. SMEFD/LTFF-Corr/10-451

March 15, 2010

Dr. Mirza Ikhtiar Baig,
Federal Advisor on Textiles,
Government of Pakistan,
Ministry of Textile Policy,
2nd Floor, Federal Cooperative Bank Building, G-5/2,
Islamabad
Fax Nos. 051 9214015 / 021 32566417

Dear Sir,

Long Term Financing Facility (LTFF) for second hand machinery

Please refer to your letter dated 9th March 2010 on the captioned subject.

2. In this connection, we would like to inform that requests of the stakeholders for extension in deadline to refinance second hand machinery under LTFF Scheme shall be examined in the light of estimated financial impact of such imported machinery items. Therefore, you may please request concerned Associations to submit us following information in respect of export oriented projects which are interested to open LCs for import of second hand machinery, to enable us to proceed further in the matter:-

(Rs in million)			
Sr. No.	Name of Export Oriented Project	Sub-sector of Textile Sector	Estimated cost of second hand machinery to be imported
Total			

Yours faithfully,
sd/-
(Muhammad Ishfaq)
Sr. Joint Director

Encl. No. SMEFD/LTFF-Corr/10-452 of date

Copy forwarded for information to the Chairman, the Federation of Pakistan Chambers of Commerce & Industry, Federation House, Main Clifton, Karachi with reference to his letter dated March 13, 2010. (Fax No. 2566417-18)


Deputy Director