

### **Rs6.2bn released to textile sector**

ISLAMABAD: The federal government has released an amount of Rs6.2 billion to the textile sector as cash subsidies under the PM's Export Enhancement Package.

This takes the total disbursements to the textile and non-textile sector to Rs53.2 billion during the last three quarters.

Commerce Adviser Abdul Razak Dawood said the amount released will help textile exporters deal with their cash problems. "I hope this will resolve the liquidity issues of our exporters and enable them to further their exports through investments," he remarked.

For the non-textile sector, the adviser said the payment under drawback of local taxes and levies (DLTL) is under preparation.

The figures reviewed by Dawn showed that Rs51.2bn was released to the textile and clothing sectors between July-May under the DLTL with the last tranche of Rs6bn despatched on April 6.

Under the package, the government had extended cash subsidy at the rate of four per cent for garments exports, 3pc on home-textile, and 2pc on processed fabric. Half of the cash subsidy is linked with 10pc growth proceeds from the previous year.

This amount paid as DLTL is in addition to the Federal Board of Revenue (FBR) disbursements of sales tax refunds and customs rebates. Under the PM Covid-19 Package, another Rs45bn have already been released to export-oriented sectors.

The last amount released for the non-textile sector was Rs828 million. Currently, the leather, footwear, carpets, sports, surgical instruments, and some machinery manufacturers are benefiting from the cash subsidies.