

DECREASE



” Bilwani: The textile exports will decline further due to the govt's decision to delay the zero-rating regime for five export-oriented sectors until June 2016

Pakistan Apparel Forum Chairman
Muhammad Jawed Bilwani



Textile exporters seek zero-rating status

By our correspondent

KARACHI: Value-added garments sector on Wednesday urged the government to grant zero-rating status to five export-oriented sectors to boost the country's exports.

Chairman Jawed Bilwani of Pakistan Apparel Forum (PAF), in a statement, said the government is not fulfilling its promise of granting the sales tax zero rating to five export sectors.

Bilwani said the exports declined 12.92 percent to \$15.606 billion in the first nine months of the current fiscal year while the exports of regional competitors increased.

"The decision not to grant zero rating to the five export sectors shall be tantamount to crippling and ruining the export sectors amid stiff competition from regional competing countries," he said. The industry was always facing troubles due to huge liquidity outstanding in sales tax refund, customs rebate and drawback on local taxes and levies claims.

"Despite tall claims of releasing held-up sales tax refund claims of exporters, only few payments below Rs5 million

against those refund payment orders (RPOs) issued till August, 2015, were paid to favored businessmen," he said. "For exporters with claims of over Rs5 million, initially they were promised payments in the form bonds and later payments in cheque but it is surprising no payments had been made to them as yet despite the fact that RPOs against the same were issued 19-month back."

Bilwani appealed the Prime Minister that the zero rating - 'No Payment No Refund' system for exports should be implemented forthwith as per his commitment made with the exporters because collecting sales tax and then refunding was not only an exercise in futility but involves precious time of staff of Federal Board of Revenue (FBR) and also burdens the foreign exchange earning exporters in unnecessary hurdles. PAF chief said despite several exhibitions and tall claims of massive visits by foreign buyers, unfortunately no increase in exports has been witnessed.

He requested the prime minister to review such futile exercises and ensure result-oriented measures.



Exports of textile sector decline by 8.16pc in 9 months

ZAHHEER ABBASI

ISLAMABAD: Exports of textile sector have declined by 8.16 per cent during the first nine months of the current fiscal year, according to Pakistan Bureau of statistics (PBS).

PBS released data of selected commodities exports for the period of July-March 2015-16 shows the textile exports stood at \$9.63 billion during July-March 2015-16 against \$10.194 billion for the same period of last fiscal year.

Raw cotton exports have recorded a decline of 47 per cent as it dipped to \$75.325 million during the current fiscal year from \$142.032 million from last fiscal year while cotton yarn fell by 32 per cent. Export of cotton yarn declined by to \$989.033 million from \$1.416 billion from last fiscal year.

Exports of raw cotton cloth declined to \$1.685 billion during the first nine months of the current fiscal year from \$1.875 billion, reflecting a decline of

10.14 per cent, export of cotton carded or combed decline by 97 per cent to \$131 from \$6.190 million during the first nine month with raw cotton exports.

The knitwear exports stood at \$1.749 billion during the current fiscal year against \$1.787 billion for July-March 2014-15 with a decline of 2.10 percent and bed wear export stood at \$1.505 billion against \$1.570 billion for July-March 2014-15 with a decline of 4.13 per cent.

Tents, canvas and tarpaulin export have decreased by 27 per cent and stood at \$75.427 million in July-March 2015-16 as compared to \$104.600 million for July-March 2014-15, art, silk & synthetic textile export were \$222.163 million during July-March 2015-16 against \$255.674 million for July-March 2014-15, showing a decline of 13.11 per cent.

Made-up articles (excl. towels) export registered a decline of 3.46 per cent during the current fiscal year and decreased to

\$471.266 million in July-March 2015-16 from \$488,180 for the same period of last fiscal year.

Month over month data show that textile group exports declined by 2.45 percentage in the current fiscal year as compared to the exports for the same month of last fiscal year. Export of raw cotton decline to \$898 thousands in March 2016 from US\$ 2.695 million for the same month of last fiscal year, reflecting a decline of 66.68 percentages.

Cotton yarn export have declined to \$92.750 million in March 2016 from \$ 130,934 in March 2015, showing a decline of 29.16 percent, cotton cloth export fell by 5.52 per cent cotton carded or combed export by 61.54 per cent, yarn other than cotton yarn export by 8.66 per cent. Exports of towel fell by 6.51 per cent, art, silk & synthetic textile export by 17.74 per cent, made-up articles, (excl. towels) declined by 1.11 per cent.



Export sectors

Govt urged to fulfill promise of zero rating

KARACHI: The government has gone back on its promise of zero rating for five export sectors, which will indeed prove most disastrous for the country's exports and economy, said Muhammad Jawed Bilwani, Chairman, Pakistan Apparel Forum on Wednesday.

He strongly articulated that it was very serious that the exports have declined further by 12.92% to \$15.606 billion in the first nine months of the current fiscal year (July-March 2015-16) from \$17.921 billion during the same period last year. While the exports of our regional competitors have increased. Isn't it a great irony and dilemma that exports have decreased by Rs.239 billion which clearly proves the amount of foreign exchange earnings lost by our nation. Further Rs.239 would have been in circulation and would have resulted in earnings in tax revenue. The export target is \$35 billion for the current fiscal year and with negative growth in exports, we are still 26% behind the target.

The decision not to grant zero rating to the five export sectors would be tantamount to crippling and ruining our exports and would indeed be suicidal because it has taken a lot of pains and troubles for the five zero rated export sectors to struggle to export against tough competition from regional competing countries with heavy odds against them such as huge amount of their piled up liquidi-

ty outstanding with the government in Sales Tax Refund Claims, Customs Rebate Claims and DLT Claims and to crown this all, rising cost of inputs.

Bilwani stressed that it is imperative that the government of Mian Muhammad Nawaz Sharif—a business friendly government—keeps the promise and commitment made by none other than the Prime Minister of Pakistan, Mian Muhammad Nawaz Sharif himself to grant the most practical zero rating facility in Sales Tax to the five vital export sectors only because Zero Rating Facility extended in 2005 greatly helped in boosting exports.

Bilwani was dismayed by the fact that despite tall claims of release of held up Sales Tax Refund Claims of exporters only some payments of claims below Rs.5 million against those RPOs issued till August, 2015 were paid and that too, payments were made to a favoured few. For exporters with claims over Rs.5 million, initially they were promised payments in the form bonds and later payments in cheque but it is surprising, he said, that as yet no payments have been made to them despite the fact that RPOs against the same have been issued for 19 months.

He most earnestly appealed to the Prime Minister of Pakistan that the zero rating - "No Payment No Refund" system for exports should be implemented forthwith as per his

commitment made with the exporters because collecting Sales Tax and then refunding is not only an exercise in futility but involves precious time of FBR Staff and also burdens the foreign exchange earning exporters in unnecessary hurdles and indefinite blockade of their sorely needed liquidity causing extreme heartburn to them who have been instrumental in not only earning the largest amount of sorely needed foreign exchange for the country but also generating largest employment.

Bilwani rued the fact that despite several Expo Exhibitions being encouraged by the Government of Pakistan and tall claims of visits by large number of foreign buyers, unfortunately no increase in exports is witnessed.

He appealed to the Business Friendly Government of Mian Muhammad Nawaz Sharif to be really pragmatic and seriously review such futile exercises of the Government aimed to boost exports and ensure result oriented measures such as providing forthwith zero rating facility to the five export sectors; immediate and speedy release of held up funds of the exporters with the Government; reduce of cost of inputs—gas, electricity, water tariff etc. and bring at par with our regional competitors, all of which are most essential requirements of the exporters.—PR

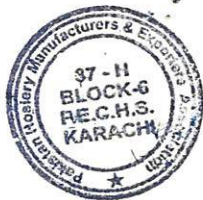


حکومت 5 برآمدی سیکٹرز کو سیزنگس میں زبردستی بند کرنے کا وعدہ پورا کرے، جاوید بلوانی

ملکی برآمدات میں تسلسل سے کمی ہو رہی ہے جو انتہائی تشویشناک ہے جبکہ ہمارے علاقائی حریفوں کی برآمدات میں اضافہ ہوا ہے

ایبیرل فورم کے چیئرمین محمد جاوید بلوانی نے کہی۔ انہوں نے کہا کہ ملکی برآمدات میں تسلسل سے کمی ہو رہی ہے جو انتہائی تشویشناک ہے۔ رواں مالی سال کے ابتدائی 9 ماہ (جولائی تا مارچ 2015-16) کے دوران گزشتہ سال کے اس عرصے کی 17 ارب 92 کروڑ 10 لاکھ ڈالر برآمدات کی نسبت برآمدات 12.92 فیصد کمی سے 15 ارب 60 کروڑ 6 لاکھ ڈالر رہی ہیں جبکہ اس مدت میں ہمارے علاقائی حریفوں کی برآمدات میں اضافہ ریکارڈ کیا گیا ہے۔ انہوں نے کہا کہ یہ امر افسوسناک ہے کہ ہماری برآمدات 239 ارب روپے کم ہو گئی ہیں جس سے واضح طور پر ثابت ہوتا ہے کہ قہرم خلیفہ بیش قیمت زرمبادلہ سے محروم ہو گئی ہے، مزید برآں اگر یہ 239 ارب روپے ملکی معیشت میں گردش میں ہوتے تو حکومت کو خلیفہ ٹیکس آمدنی حاصل ہوتی۔ رواں مالی سال میں ہماری برآمدات کا ہدف 35 ارب ڈالر ہے جس کا مطلب ہے کہ ہماری برآمدات کی افزائش منفی ہے

کراچی (اسٹاف رپورٹر) حکومت پانچ برآمدی سیکٹرز کو سیزنگس میں زبردستی بند کرنے سے متعلق اپنے وعدے سے پھر رہی ہے جس کا نتیجہ ملکی برآمدات اور معیشت کے لئے تباہ کن ہوگا۔ یہ بات پاکستان



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حکومت زبردستی ٹڈا کرنے کے وعدے سے پھر رہی ہے: جاوید بلوانی

کراچی (کامرس رپورٹرز) حکومت پانچ برآمدی سیکٹرز کو سبزی ٹیکس میں زبردستی ٹڈا کرنے سے متعلق اپنے وعدے سے پھر رہی ہے جس کا نتیجہ ملکی برآمدات اور معیشت کے لئے تباہ کن ہوگا۔ یہ بات پاکستان ایمرل فورم کے چیئرمین محمد جاوید بلوانی نے کہی۔ انہوں نے کہا کہ ملکی برآمدات میں مسلسل سے کمی ہو رہی ہے جو انتہائی تشویشناک ہے۔

رواں مالی سال کے ابتدائی 9 ماہ (جولائی تا مارچ 2015-16) کے دوران گزشتہ سال کے اس عرصے کی 17 ارب 92 کروڑ 10 لاکھ ڈالر برآمدات کی نسبت برآمدات 12.92 فیصد کمی سے 15 ارب 60 کروڑ 6 لاکھ ڈالر رہی ہیں جبکہ اس مدت میں ہمارے علاقائی حریفوں کی برآمدات میں اضافہ ریکارڈ کیا گیا ہے۔

