

PHMA seeks doubling of duty on yarn

By Nasir Jamal

LAHORE, May 24: Manufacturers of value-added textiles on Monday renewed their call for doubling regulatory duty on yarn exports to 30 per cent to bring down its domestic prices to "affordable" levels.

"The duty on yarn exports has helped reduce the commodity's domestic prices, though only to a small extent. We, therefore, demand that the government enhanced the export tax to 30 per cent to ensure availability of raw material for the value-added sector," Pakistan Hosiery Manufacturers Association (PHMA) leader Shahzad Azam Khan told a press conference. He was accompanied by another PHMA leader Adil Butt.

He demanded that the amount collected from regulatory duty should be passed on to the value-added sector because only then "our exports would remain competitive in the world market."

They also expressed their "lack of confidence" in the three-member ministerial committee formed by the prime minister to find a solution to crisis. They said the committee had ministers having business interests in the spinning industry. "As such this committee is unilateral, non representative and cannot watch the interest of the value-added textile chain," Shahzad said.

He regretted that the committee had been tasked to find the solution to the crisis after consulting the spinners alone.

"We must also be heard as any solution that does not take our business interests into account will not be acceptable to us," Shahzad said, add-

ing the prime minister had been misguided into setting up a partisan committee.

Adil said, "Our raw material (yarn) is being sold to our competitors in China, Bangladesh, etc, which are giving us a hard time in the world markets,"

He said the domestic yarn prices of yarn had almost doubled during the last 10 months, but without any benefit to growers. "We demand that the government should ensure minimum support price for cotton so that income of agriculture sector also increases," he added.

Shahzad said the intensity of the yarn crises had not properly been realised and no long-term measure discussed at the government level. It is the need of the hour that exports of all kinds of raw materials like cotton, yarn, grey woven or knitted fabrics should be completely banned so that the value-added sectors could flourish," he contended.

Pakistan Hosiery Manufacturers Association (PHMA) has refused to accept the cabinet committee on yarn, saying it consists of those members who belong to spinning sector alone, our correspondent adds from Sialkot.

Talking to newsmen, Chairman, Pakistan Hosiery Manufacturers Association (PHMA) North Zone Sialkot, Dr. Khurram Anwar Khawaja, said yarn crisis has crippled the value-added textile industry over the last 10 months.

It is ironic that Pakistan being cotton producing country cannot get benefit of it; rather our raw material of cotton

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yarn is being supplied to our competing countries, like China, Bangladesh, etc which are giving us hard time in world market.

Dr Khurram said that imposition of 15pc regularity duty on export of yarn is a welcome step since it has reduced yarn prices in local market to some extent. However, desired results have not been achieved.

"We, therefore, demand that regulatory duty on export of yarn be enhanced to 30pc as only then raw materi-

al would be available to local industry," he added.

Moreover, the amount received from regulatory duty be passed on to the value-added textile sub-sectors because only then our exports would remain competitive in the world market.

The government should not make this regulatory duty a source of revenue, he demanded.

The PHMA chairman revealed that over the last 10 months, prices of yarn have almost doubled but without any benefit to growers.



Tuesday, 25 May 2010

Value added textile sector demands neutral committee



KARACHI: Chairman Pakistan Apparel Forum (PAF) & coordinator, Value Added Textile Forum Mohammed Jawed Bilawani has appealed to appoint neutral members and not associated with either Textile or Spinning Sector in the cabinet committee proposed by the Prime Minister Syed Yousuf Raza Gilani for an unbiased review and decision of the ongoing burning issue of acute yarn shortage with most practical steps to resolve it.

Flanked by the Chairman of all the Chairmen of Value Added Textile Sector at PHMA House on Monday. "We greatly appreciate the intervention of the Prime Minister who realizing the gravity of the situation prevailing in the value added textile sector which is the back bone of the economy has finally stepped in by forming the committee", he said. Out of the 14.5 million spindles imported so far 30% of them have been already scrapped while 10 per cent of them have been converted into doubling machines besides from the remaining 9.1m spindles, approx. 95 per cent have been registered i.e. 86m spindles have registered in the last 7 month at RDA Cell MINTEX, he added.

"Why the Spinning Sector showing the production 16 to 17 per cent more than their capacity is not really understood", he commented.

He alleged that the Spinning Sector by exporting cotton yarn to our neighboring competing countries at a price less than the previous year's price and 38% more quantity was strengthening their value added Textile Sector at the cost and ruin of Pakistan Value Added Textile Sector.

He warned that if an amicable resolution from the cabinet committee for justifiable issue in the best national interest of the nation and to save huge foreign exchange earning sector is not undertaken the workforce of 18.1 million male & female workforce would be heading for imminent ruin and disaster.

Value-added sector threatens to close units

By Our Staff Correspondent

FAISALABAD, May 24: Entrepreneurs attached with the value-added textile sector have announced to hand over keys of their factories to the government if they were extended step-motherly treatment over yarn issue by the textile committee constituted by the prime minister, comprising spinners.

At a press conference on Monday, incumbents of the Value Added Textile Forum (VATF) said 15 per cent regulatory duty was levied on yarn export on May 13 and a committee with representation from all stake-holders was constituted to oversee the whole issue. However, now another committee had been constituted that amounts to a conspiracy to completely destroy the value-added sector.

Rana Mushtaq Khan who is also central chairman of PHMA, said only spinners and their related stake holders had been given representation in the committee, hence it could not make cogent and impartial decisions.

PTEA chairman Khurram Mukhtar said the VATF had been making hue and cry for last many months and we lost more than \$2 billion export orders because of delaying tactics on the part of spinners.

Quoting conspiracies hatched by the spinners, he said the textile ministry convened a meeting in which spinners were allowed to export 35 million kg yarn per month. "We accepted this decision in the best national interest which spelled devastating effect on value-added textile sector," he said.

However, spinners reneged from their commitment and filed a writ petition in the high court, which was rejected, he added.

The issue was again raised and the forum demanded total ban on export of cotton and yarn, he said, adding "the ministry of textile industry made hectic efforts and decided to impose 15 per cent regulatory duty on yarn export. However, the decision is not acceptable to us as it would not help ease supply of yarn in the domestic market."

He claimed spinners accepted 15 per cent regulatory duty but backed out very next day announcing counterproductive protestation.

PHMA vice chairman Naeem Ahmad said VATF would not accept this committee constituted unilaterally.

"We will not even attend the meeting as value added textile sector has been denied due representation," he added.

The entrepreneurs unanimously announced that if discriminatory policy against the value-added textile sector is not changed, more than 25,000 textile factory owners would surrender their keys to the government, leaving 18.1 million workers jobless.

Other participants of the joint press conference were Aftab Ahmad, chairman, All-Pakistan Textile Processing Mills Association, Mirza Shafiq Ahmad, Chairman Tajr Mazdoor Industry Ittehad, Shakeel Ansari, chairman, All-Pakistan Sizing Industry Association and Waheed Khaliq Ramay, chairman, Council of Loom Owners.



'Yarn crisis has crippled value added textile industry'

RECORDER REPORT

SIALKOT: Chairman Pakistan Hosiery Manufacturers Association PHMA North Zone (NZ), Dr Khurram Anwar Khawaja has said that yarn crisis has crippled the value added textile industry over the last 10 months.

Addressing a news conference here on Monday, he said it is ironic that Pakistan, being a cotton producing country, cannot benefit of it; rather, our raw material of cotton yarn is being supplied to our competing countries like China, Bangladesh etc which are giving us hard time in world market.

The Prime Minister has constituted a 'so-called' Cabinet Committee to resolve the issue of cotton crises, but it is very unfortunate the committee consists of only the spinning sector alone.

As such this Committee is unilateral, non-representative and cannot watch the interest of value added textile chain. Such committee will reach only a biased decision, we believe, said Dr Khurram.

He further said that local industry has first right over raw material produced in this country and we cannot afford to let our industry remain idle and provide employment opportunity to value chain in other countries at the cost of Pakistan's interest.

Imposition of 15 percent regularity duty on export of yarn is a welcome step since it has reduced yarn prices in local market to some extent, however the desired results have not been achieved, he said.

He demanded that regulatory duty on export of yarn should be enhanced to 30 percent, only then the raw material will be available to local industry.

Moreover, the amount received from regulatory duty should be passed on to value added textile sub sectors because only then our exports would remain competitive in the world market, he said. The government should not make this regulatory duty a source of revenue, he added.

PHMA NZ Chairman pointed that the intensity of the yarn crises has not been properly realised and no long-term measure has been discussed at the government level. We therefore demanded that besides short term ad hoc steps, a strong long term strategy should be devised to manage the disturbed textile based economy.

It is therefore need of the hour that export of all kinds of raw materials like cotton, yarn, grey woven or knitted fabrics etc should be completely banned so that our value added sectors should flourish he stressed.

Over the last 10 months, the prices of yarn have almost dou-

bled but without any benefit to growers. We demand from the government that minimum support price for cotton should be ensured so that income of agriculture sector should increase and it may further develop.

We have keenly observed, Dr Khurram said, that no authentic data is available with government or Aptma about the production of yarn in the country.

It is essential that a reliable data is made available not only to the government, but also to all stakeholders so that proper planning could be made, and quantity available for local consumption and exportable surplus could be determined. In the absence of proper data, desired results of any policy cannot be obtained.

It is a demand of all the value added textile sectors that any committee entrusted with the task of framing policy for yarn, should be a representative body of all the stakeholders, he said.

Any corner meeting without consulting all stakeholders across the board will remain unacceptable for the value added textile sectors and their protest will continue which we do not want and even afford to go for strikes or protests.

Rather, we want rational policy measures to resolve the core issue of the availability of raw material for our industry, he concluded.



Value-added textile sector offers higher price for yarn

ANWAR KHAN

KARACHI: The value-added textile sector on Monday offered 10 percent high rates for purchasing cotton yarn, if spinning millers failed to find foreign buyers for their raw items.

"We [value-added textile sector] are ready to buy cotton yarn at 10 percent higher advance

payments than those of Chinese buyers' offer, if they [spinning millers] do not have any buyers," said the Chairman of Pakistan Apparel Forum [PAF], M Jawed Bilwani, at a press conference held at PHMA House.

He claimed that major spinning mills were enjoying phe-

nomenal profits for exporting mammoth volume of cotton yarn at the expense of local value-added textile sector.

He said that the country had exported 116 percent more cotton during the current fiscal year as compared to export of the raw commodity in the last fiscal

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year, leading to its scarcity on the local market.

"The global cotton production is already five percent lower and unrestricted export of the raw commodity is not in favour of the country," Bilwani said.

He said that the country had exported 561 million kg of yarn in 10 months of the current fiscal year as compared to 534 million kg during entire last fiscal year.

"It shows 561 million kg of the commodity were excessively exported while two months of the current fiscal year are still remaining," he expressed fears.

He complained that the country had exported cotton for 55 cents per pound and imported the commodity at increased price of 89 cents.

About the Prime Minister's committee to solve the crisis of yarn shortage on the local market, he suggested that it should represent 'neutral members'.

"The committee should be based on those members who have no share either in spinning sector or in value-added textile sector. Its recommendations and decisions should also reflect the policy of national interest," he added.

He welcomed the Prime Minister's initiative, even at the end of the current fiscal year, and expressed hope that the government would soon reach a solution to the issue.

Bilwani said that the government's policy should be harmonious for all sectors, as it imposed 30 percent regulatory duty on export of copper, whereas in case of cotton yarn, it put only 15 percent duty.

"There should be 30 percent regulatory duty on cotton yarn export," he demanded.



Presence of Aptma lobby in cabinet body flayed

By Parvaiz Ishfaq Rana

KARACHI, May 24: Leaders of the value-added textile sector have welcomed Prime Minister Yousuf Raza Gilani's intervention in resolving yarn crisis but expressed their strong reservation over the nomenclature of a cabinet committee on textile.

They categorically rejected some of the members of the committee, which they said represent the spinners' lobby directly or indirectly and feel that in view of their presence in the committee justice would not be done with the value-added sector.

Addressing a press conference at PHMA House on Monday they appealed to the prime minister to include neutral members in the cabinet committee on textile, who are neither associated with the spinners nor with the value-added sector.

As the matter is very serious and crucial for the survival of the textile industry the neutrality and unbiased thinking of the committee members is must for reaching an honest and correct decision in the larger in-

terest of the country, they added.

The leaders strongly demanded of the government to first look for correct and authentic statistics with regard to spindles installed and operative and only then the correct data on yarn production and consumption as well as exports figures could be obtained.

The value-added textile leaders maintained that according to their findings, of the 14.5 million spindles imported so far, 30 per cent have been scraped, and 10 per cent have been converted into doubling machines.

Out of the remaining 9.1 million spindles about 95 per cent have been registered with the textile ministry, which stands at 8.6 million.

The production of yarn from 8.6 million spindles comes to around 172,000 ton per month and not 240,000 as being claimed by the Aptma. The spinners should be asked as to why they are showing production higher by 17 per cent over their original capacity, they added.



Value-added textile sector rejects PM's yarn crisis body

By our correspondent

LAHORE: The value added sector expressed no confidence in the committee formed by the Prime Minister to resolve the yarn crisis, claiming that the two federal ministers nominated in the committee have interest in spinning industry.

Speaking at a press conference the former chairman Pakistan Hosiery Manufacturers Association Shahzad Azam Khan said that the Defense Minister Ahmad Mukhtar and Minister of State for Finance Hina Rabbani Khar, in order to ensure impartiality, should resign from the committee formed to resolve the yarn crisis.

Azam Khan said that the value added sector has been seeking appointment from the Prime Minister for the last eight month but he was not available due to pressing official engagements.

However, the All Pakistan Textile Mill Association was granted audience by the PM and committee was formed to resolve their problems.

"This is unfair," he said adding that value added sector would not accept any decision if it

was not consulted in this regard.

He said value added sector comprising 15 different sub sectors accounts for 95 per cent employment in the country's textile industry. "It is the only sector in textiles that employs women in large number," he claimed.

He said value added sector has arranged press conferences in Lahore, Karachi, Faisalabad, and Sialkot to record its protest against the formation of a biased committee by the Prime Minister.

He said yarn crises have crippled the value added textile industry over the last 10 months.

"Pakistan being a cotton producing country cannot get its benefit; rather our cotton yarn is being supplied to our competitors like China and Bangladesh.

"We strongly hold that our local industry has the first right over raw material produced in this country," he asserted.

"We should not let our industry remain idle and provide employment opportunity to value chain in other countries," he said.



کابینہ نے برائے ٹیکسٹائل سیکٹرز کے درمیان تنازعات کو منصفانہ طور پر حل کیا جانا چاہیے، پریس کانفرنس سے خطاب

اسپننگ اور ویلیو ایڈڈ ٹیکسٹائل سیکٹرز کے درمیان تنازعات کو منصفانہ طور پر حل کیا جانا چاہیے، پریس کانفرنس سے خطاب

561 ملین کلوگرام کاشن یارن برآمد کیا جا چکا ہے جبکہ اسپننگ سیکٹر کا دعویٰ ہے کہ متعدد اسپننگ پونٹ نے پیداواری عمل بند کر دیا ہے لیکن اس کے باوجود کاشن یارن کی برآمدات میں بے لگام اضافہ سمجھ میں نہ آنے والی بات ہے۔ انہوں نے کہا کہ وزیراعظم یوسف رضا گیلانی اور کینٹ کمیٹی کے ممبران سے اپیل کرتے ہیں کہ ویلیو ایڈڈ ٹیکسٹائل اور اسپننگ سیکٹرز کے درمیان تنازعات کو اس طرح حل کریں کہ دونوں سیکٹرز کے ساتھ زیادتی نہ ہوں۔ ویلیو ایڈڈ سیکٹر جو کثیر زر مبادلہ کا کردیتا ہے اور ملک کے 18.1 ملین افراد کا روزگار اس شعبہ سے وابستہ ہے۔ اس کیلئے ایسے اقدامات کریں کہ یہ شعبہ تباہ ہونے سے بچ سکے۔

کو حل کرنے کا وعدہ کیا ہے اور اس مقصد کے حصول کیلئے جلد ہی ٹیکسٹائل سیکٹر کے تمام اسٹیک ہولڈرز کو اسلام آباد آنے کی دعوت دی ہے۔ انہوں نے بتایا کہ اپریل 2010ء تک کاشن کی برآمدات کی شرح 116 فیصد رہی ہے جو گزشتہ سال کے مقابلہ میں زیادہ ہے جبکہ دنیا بھر میں زیر تبصرہ مدت کے دوران کاشن کی پیداوار میں 5 فیصد کمی واقع ہوئی ہے اور ہم نے اپنی کاشن یارن صرف 55 سینٹ کی قیمت پر برآمد کر دیا ہے جبکہ مقامی ضروریات کو پورا کرنے کیلئے 89 سینٹ پر کاشن یارن کی درآمد کی جا رہی ہے جو ہمارے لئے ایک لمحہ فکریہ ہے جبکہ رواں سال گزشتہ سال کے مقابلے میں 29 فیصد زائد کاشن یارن برآمد کیا گیا ہے۔ گزشتہ مالی سال 09-2008 کے دوران مجموعی طور پر 534 ملین کلوگرام کاشن یارن برآمد کیا گیا جبکہ رواں سال 2010ء کے دوران 10 ماہ میں

کراچی (کامرس رپورٹر) ویلیو ایڈڈ ٹیکسٹائل سیکٹر نے حکومت سے مطالبہ کیا ہے کہ کابینہ کی کمیٹی برائے ٹیکسٹائل میں غیر جانبدار افراد کو شامل کیا جائے، ویلیو ایڈڈ سیکٹر اور اسپننگ سیکٹر کے تنازعات کو انصاف کے ساتھ حل کیا جانا چاہئے۔ ان خیالات کا اظہار پاکستان ایمرل فورم کے چیئرمین جاوید بلوانی نے پیر کو بی ایچ ایم اے میں پریس کانفرنس سے خطاب کرتے ہوئے کیا۔ اس موقع پر بلال ملا اور دیگر بھی ان کے ہمراہ تھے۔ جاوید بلوانی نے کہا کہ وزیراعظم یوسف رضا گیلانی کے اس اقدام کو سراہتے ہیں جو انہوں نے ٹیکسٹائل سیکٹر اندرونی تنازعات کو حل کرنے کیلئے کیا ہے۔ انہوں نے کہا کہ موجودہ حکومت نے ٹیکسٹائل انڈسٹری سے جو پاکستانی معیشت کی ریڑھ کی ہڈی کی حیثیت رکھتی ہے سے تعلق رکھنے والے تمام شعبوں میں بلا امتیاز سہولیات فراہم کرنے اور ان کی مشکلات



دھاگہ بحران کی تاشی کمیٹی میں غیر جانبدار افراد شامل کر نیکا مطالبہ

مقامی مارکیٹ میں یارن کی وافر دستیابی کا تاثر غلط ہے، چیئر مین ٹیکسٹائل اپیرل فورم

اچھا کو برآمدات میں مشکل ہے تو بندرگاہ پر پڑا دھاگہ 10 فیصد زائد رقم پر خریدنے کو تیار ہیں

قیمت 89 سینٹ فی پاؤنڈ رہی ہے جبکہ گزشتہ سال کے مقابلے میں کاتن یارن کی برآمدات میں 29 فیصد کا اضافہ ریکارڈ کیا گیا ہے، سال 2008-09 کے دوران کاتن یارن کی مجموعی برآمدات کا حجم 53 کروڑ 40 لاکھ کلوگرام رہا تھا جبکہ رواں سال کے ابتدائی 10 ماہ کے دوران یارن کی برآمدات 56 کروڑ 10 لاکھ کلوگرام ریکارڈ کی گئی ہے حالانکہ اسپنرز کا دعویٰ ہے کہ بہت سے اسپننگ یونٹس بند ہو چکے ہیں، اس دعوے کے باوجود برآمدات میں اضافہ ناقابل فہم ہے، انہوں نے کہا کہ موجودہ سنگین صورتحال میں بیش قیمت خام مال کاتن یارن کو برآمد کر کے حریف ممالک کے ویلیو ایڈڈ ٹیکسٹائل سیکٹر کو مضبوط اور پاکستان کے ویلیو ایڈڈ ٹیکسٹائل سیکٹر کو تباہ کرنا دانشمندی نہیں ہے، حکومت نے مقامی صنعتوں کو تحفظ دینے کی غرض سے تانبے کی برآمدات پر 25 فیصد ریگولیٹری ڈیوٹی عائد کی ہے لہذا کاتن یارن کی برآمدات پر بھی 30 فیصد ریگولیٹری ڈیوٹی عائد ہونی چاہیے، انہوں نے وزیراعظم سے اپیل کی کہ وہ اسپنرز کے غلط دعووں اور اعداد و شمار کے بجائے ویلیو ایڈڈ ٹیکسٹائل سیکٹر کے بحران کے اصل حقائق کی بنیاد پر فیصلہ کروائیں تاکہ ویلیو ایڈڈ ٹیکسٹائل سیکٹر کے وابستہ ایک کروڑ 81 لاکھ افراد کے روزگار کا تحفظ کیا جاسکے۔

کراچی (بزنس رپورٹر) ویلیو ایڈڈ ٹیکسٹائل سیکٹر نے وزیراعظم یوسف رضا گیلانی کی ہدایت پر سوتی دھاگے کے بحران کے حل کے لیے قائم کی جانے والی مجوزہ کمیٹی میں غیر جانبدار افراد کو شامل کرنے کا مطالبہ کر دیا ہے، پیر کو پاکستان ٹیکسٹائل اپیرل فورم کے چیئر مین محمد جاوید بلوانی نے ویلیو ایڈڈ سیکٹر کی دیگر ایسوسی ایشنز کے سربراہان کے ہمراہ پی ایچ ایم اے ہاؤس میں مشترکہ پریس کانفرنس سے خطاب کے دوران کہا کہ سوتی دھاگے کے بحران پر قابو پانے کے لیے وزیراعظم کی ذاتی مداخلت خوش آئند ہے اور ویلیو ایڈڈ ٹیکسٹائل سیکٹر کو توقع ہے کہ سوتی دھاگے کا بحران باہمی افہام و تفہیم سے حل کر لیا جائے گا، انہوں نے کہا کہ یہ تاثر درست نہیں کہ مقامی مارکیٹوں میں سوتی دھاگہ باسانی دستیاب ہے بلکہ حقیقت یہ ہے کہ ویلیو ایڈڈ سیکٹر کے مینوفیکچررز کو دو ماہ کی پیشگی ادائیگیوں کے باوجود یارن کی ڈیلیوری نہیں ہو رہی ہے، انہوں نے کہا کہ اگر اچھا کو بندرگاہ پر پڑے ہوئے سوتی دھاگے کے کنٹینرز کی برآمدات پر مسائل درپیش ہیں تو ویلیو ایڈڈ ٹیکسٹائل سیکٹر ظاہر کردہ قیمت سے 10 فیصد زائد رقم پر تمام سوتی دھاگہ نقد ادائیگی پر خریدنے کے لیے تیار ہے، اسپنرز کی جانب سے یہ دعویٰ ناقابل فہم ہے کہ وہ اپنی مجموعی پیداواری استعداد سے 16 تا 17 فیصد زائد یارن کی پیداوار کر رہے ہیں، انکے دعوے میں کوئی صداقت نہیں ہے کہ سوتی دھاگے کی مجموعی پیداوار 24 لاکھ میٹرک ٹن سالانہ ہے جبکہ حقیقت یہ ہے کہ ایک کروڑ 45 لاکھ درآمدہ اسپنڈلز میں سے 30 فیصد اسکرپ میں تبدیل ہو گئے ہیں جبکہ 10 فیصد کی ڈبلنگ مشینوں میں تبدیلی ہو چکی ہے اور باقی ماندہ 91 لاکھ اسپنڈلز میں سے گزشتہ سات ماہ میں وزارت ٹیکسٹائل کے آرڈی اے سیل میں 86 لاکھ اسپنڈلز کی رجسٹریشن کی گئی ہیں، ان 86 لاکھ اسپنڈلز کی ماہانہ پیداوار 1 لاکھ 72 ہزار میٹرک ٹن یعنی 20 لاکھ 64 ہزار میٹرک ٹن سالانہ بنتی ہے، انہوں نے کہا کہ عالمی سطح پر کپاس کی پیداوار میں 5 فیصد کمی اور کھپت میں 10 فیصد اضافے کے باوجود اپریل 2010 تک پاکستان سے کپاس کی برآمد گزشتہ سال کے اسی عرصے کی نسبت 116 فیصد زائد ہوئی ہے، یہ امر حیرت انگیز ہے کہ کپاس کی برآمدی قیمت 55 سینٹ فی پاؤنڈ جبکہ درآمدی

