



Via Email/ Courier
No. 08(01)/2020/TPC/Study/Textiles
Government of Pakistan
National Tariff Commission
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Islamabad, November 23, 2020

Secretary General,
Pakistan Hosiery Manufacturers Association (PHMA)
PHMA House, 37-H, Block-6, P.E.C.H.S.
Karachi.
Tel: 02134544789, 34522685, 34522769
Tel: secretary.general@phmaonline.com

Subject: **Tariff Rationalization of Textiles Related Value Chains**

Dear Sir/Madam,

Tariff Policy Board in its meeting dated November 12, 2020 approved the initiation of study of tariff rationalization of textiles related value chains by Tariff Policy Centre, National Tariff Commission and directed to suggest a three-year tariff rationalization roadmap for the value chains. The main purpose of this exercise is to improve competitiveness of domestic industry and to increase exports of Textiles Industry.

2. The study will involve the process of collection of data, hearing/meetings, examination and analysis of the relevant data and submission of the report containing recommendations for tariff rationalization for next 3 years to Tariff Policy Board.

3. As you are a stakeholder of Textile Related Value Chain, you are, therefore, requested to submit your proposal along with justification and data/information on enclosed Questionnaire (copy attached) within 15 days of issuance of this letter and send it to your members for necessary action please.

Kind Regards,

Yours truly,

(Waqas Rafique Khan)
Assistant Director

**GOVERNMENT OF PAKISTAN
MINISTRY OF COMMERCE
NATIONAL TARIFF COMMISSION**

**QUESTIONNAIRE
FOR
TARIFF RATIONALIZATION OF
TEXTILES RELATED
VALUE CHAINS**

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1. **IDENTIFICATION**

| Name of Producer | Address | Contact Person | Tel. & Fax No | E-mail address |
|------------------|---------|----------------|---------------|----------------|
| | | | | |

2. **PRODUCT IDENTIFICATION**

| Complete description of the product | PCT classification | Specific grade/ type/ | Use |
|-------------------------------------|--------------------|-----------------------|-----|
| | | | |

3. **INDUSTRY ASSOCIATION**

| Name of Association | Address | Contact person |
|---------------------|---------|----------------|
| | | |

4. **DOMESTIC INDUSTRY**

| Name of Other Producers in the Industry | Address | Contact person & E-mail address | Production | Share in domestic Production |
|---|---------|---------------------------------|------------|------------------------------|
| | | | | |

5. **PRODUCTION, DOMESTIC SALES AND EXPORT SALES OF DOMESTIC PRODUCT**

Please provide information of the domestic product, produced by you in the following prescribed format for the period 2017-2020.

| Year | Capacity | Production | Domestic Sales | Domestic Sales Value | Export Sales | Export Sales Value | Total Domestic Market |
|------|----------|------------|----------------|----------------------|--------------|--------------------|-----------------------|
| | | | | | | | |

Please provide information of the domestic product produced by other producers in the following prescribed format for the period 2017-2020 (If available)

| Name of Producer | Year | Capacity | Production | Domestic Sales | Domestic Sales Value | Export Sales | Export Sales Value | Total Domestic Market |
|------------------|------|----------|------------|----------------|----------------------|--------------|--------------------|-----------------------|
| | | | | | | | | |

6. **TARIFF STRUCTURE**

Please provide the current tariff structure and proposed tariff structure (with justification) of the domestic product and its raw material in the prescribe format attached at Appendix – I.

7. **COST OF RAW MATERIALS**

Please provide information on Cost of raw materials in the prescribe format attached at Appendix – II.

8. **COST TO MAKE & SELL**

Please provide information on Cost to make & sell in the prescribe format attached at Appendix – III.

APPENDIX - I

TARIFF SRTUCTURE

| PCT Code | Description | Manufactured/ not Manufactured locally | CD | ACD | RD | Concessions | PTA/FTA | Sales Tax | %age share in total cost |
|---------------------------------|-------------|--|----|-----|----|-------------|---------|-----------|--------------------------|
| Finished Good | | | | | | | | | |
| Raw material (CURRENT TARIFF) | | | | | | | | | |
| Raw material (PROPOSED TARIFF) | | | | | | | | | |
| Justification for Change | | | | | | | | | |

APPENDIX - II

(Rs.)

RAW MATERIAL COST

| Name of Raw material (Imported & Local) | PCT Heading | C&F Price in | | Duties Paid | Sales Tax | Incidentals | Landed Cost in Rs. | Quantity required per unit of output | Cost per unit of output | %age share in total cost | Whether produced locally Yes/No | Name & Address of Producers Producing Locally |
|---|-------------|--------------|---------|-------------|-----------|-------------|--------------------|--------------------------------------|-------------------------|--------------------------|---------------------------------|---|
| | | US \$ | Pak Rs. | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |

COST TO MAKE AND SELL OF THE FINISHED PRODUCT

Product Name with Grade/ Type/ Model: _____

Please provide information for the last three years separately for each year. Mention period to which the information pertains (e.g 2019-20)

| S.N | | Total Sales | |
|-----|--|------------------|------------|
| | | Quantity (Units) | Value (Rs) |
| 1 | Total Sales | | |
| 2 | COST OF GOODS SOLD | | |
| 2.1 | Quantity produced (specify unit of measurement) | | |
| | | Variable Cost | Fixed Cost |
| | | | Total Cost |
| 2.2 | i. Raw and packing material – local ii. Raw and packing material – imported iii. Salaries and wages iv. Overheads details a. Stores, spares/supplies b. Electricity c. Gas/fuel d. Repair and maintenance e. Depreciation f. Miscellaneous/other expenses | | |
| 2.3 | Total Cost of Production | | |
| 2.4 | Plus opening stock | | |
| 2.5 | Available for sale (2.3+2.4) | | |
| 2.6 | Less closing stock | | |
| 2.7 | Cost of goods sold (2.5-2.6) | | |
| 3. | Gross profit on sales (1-2.7) | | |
| 4. | Selling, administrative and financial expenses | | |
| 4.1 | Selling expenses | | |
| 4.2 | Administrative expenses | | |
| 4.3 | Financial expenses | | |
| 5. | Cost to make and sell (2.7+4) | | |
| 6. | Net Profit on sales (1-5) | | |

Note: All items of income & expenditure should be reconcilable with Annual Audited Accounts. In case more than one products are produced and sold, a statement showing the results for the product and all other products be prepared to reconcile the results with audited accounts. Annual Audited Accounts may also be provided.