BUSINESS
RECORDER
Sunday, 24th September, 2017

Dealing with export slide challenge:

Revised package to be announced soon: minister

TAHIR AMIN

ISLAMABAD: Minister for Commerce and Textile, Pervaiz Malik Saturday said that a revised package for exporters would be announced soon to enhance the country's exports, clarifying that there will be no relief in tariffs of electricity and gas as well as taxation.

Talking to mediapersons after the inauguration of 'All Pakistan Textile Mills Association (APTMA) Principal Office,' Malik admitted that the Rs 180 billion Prime Minister Package for exporters has failed to achieve the desired results and, therefore, it has been decided to revise the package.

The minister said that the government is going towards tariff rationalization on imports. Intensive meetings have been held with the Federal Board of Revenue (FBR) and the government would curtail non-essential imports and enhance exports to move forward. He said that there were rumours of increase in power tariff, adding that the government wanted to give relief in power tariff but it seems difficult.

"We are not going to increase tax incentives but will simplify procedure and improve liquidity to give advantage to exporters in stabilizing cost of production," said the minister.

The government had given concessions to five sectors and still it is trying to make it further streamlined and it would be seen with some new initiative in a few days. The government is also reviewing FTAs like one with China, where imports were very high and exports were low. The government is vigorously pleading with China in this regard. Efforts are underway how to reduce cost of production through some incentives to keep the process moving forward, he added.

Responding to a question, the minister said that according to the condition of 10 percent increase in exports for getting incentives under the previous package, exporters were have to wait for one year to assess the baseline exports. The exporters were thinking that the government is not serious in the implementation of package; therefore, it was decided to rectify such things.

He further said that many other sectors have demanded for their inclusion in the package like pharmaceutical, but the government would go in the initial phase with those sectors covered in the previous package.

He said that another step the government is mulling is tariff rationalization on imports. Intensive meetings have been held with the FBR and the government would curtail non-essential imports and enhance exports to move forward.

The Prime Minister is out of the country and he would hold a final meeting after which the package would be unveiled in a few days, he added.

Malik said that there is no instability in the country due to current political situation, adding the law is making its way and the government would act if any instability occurs.

The minister said that efforts are afoot to enhance the cotton production by focusing on cotton research in collaboration with the All Pakistan Textile Mills Association.

The commerce and textile minister said that exports during the first two months of the current fiscal year (2017-18) increased by 11 percent compared to the same period of the last year. The government wants to increase cotton production and research work as well as technology transfer in collaboration with the industry.

Chairman APTMA Amir Fayyaz said that 62 percent of the exports of the country are textile-related. He said that the government has been proposed to come up with exports-led growth policy. Unfortunately Pakistan's exports declined by 20 percent from $25 billion to $20 billion and there is a need to enhance them to $50 billion.

Currently the biggest challenge to country is trade deficit which the government is filling through borrowings. If the government wants sustainable economic development, it needs to focus on exports growth. He said the main reason behind the office shifting from Karachi to Islamabad is to increase the coordination between industry and the government.

BUSINESS

RECORDER

Sunday, 24th September, 2017

Arbitration in favour of IPPs:

NTDC laxity behind Rs10.9bn decree

KHUDAYAR MOHLA

ISLAMABAD: Lackluster performance of the people at the helm at the National Transmission and Despatch Company provided grounds to the London Court of International Arbitration (LCIA) for issuance of an interim award against the NTDC to pay immediately outstanding amount of Rs10.977 billion to nine independent power producers (IPPs).

A copy of 'Partial Final Award' of the LCIA available with this correspondent revealed that on June 08, 2017 Professor Douglas Jones AO, sole arbitrator of the LCIA, issued the award on preliminary issues against the NTDC in response to nine IPPs, claimants, from Pakistan.

Currently nine IPPs are in the business of generating and supplying electricity to the NTDC (100 percent owned and controlled by the government) and the power purchaser has binding Power Purchase Agreements (PPAs) with companies including: (i) Atlas Power Limited; (ii) Liberty Power Tech Limited; (iii) Nishat Chunian Power Limited; (iv) Nishat Power Limited; (v) The Hub Power Company Limited; (vi) Saif Power Limited; (vii) Orient Power Company (Pvt) Limited; (viii) Sapphire Electric Company Limited; and (ix) Halmore Power Generation Company Limited.

Under the PPAs, the NTDC is required to make payment to the IPPs within 30 days and being an exclusive purchaser of electricity from the IPPs, the NTDC is required to make payments to IPPs for the operation of their complexes, which include payment for fuel to the fuel supplier. It is worth mentioning that the payments are required to be paid in advance to the fuel supplier.

In January 2011, differences arose between the IPPs and NTDC with respect to non-payment and delayed payment of the amounts due against the NTDC. Consequently, the delay or non-payment led to severe liquidity crunch as the IPPs were unable to procure fuel in order to operate their plants at full capacity.

The IPPs after unsuccessful discussions on the payment issue with the government of Pakistan and NTDC, invoked the apex court's jurisdiction in 2012 under Article 184(3) of the Constitution. After hearing the pleas of the IPPs from July 2012 till May 2013, the Supreme Court issued directives to the NTDC to restrain from making deductions and pay various outstanding amounts to the IPPs from time to time.

Though the NTDC cleared part of the amounts to the IPPs, substantial part of the amounts was not paid and the same remains outstanding as of today.

In another development to reach amicable resolution of the dispute, the IPPs and the NTDC agreed to enter into a memorandum of understanding (MoU) under which it was agreed that the issues raised by the parties therein shall be resolved through the dispute resolution mechanism set out in the PPAs.

Later, the IPPs initiated the expert proceedings before Justice Sair Ali (Retd), a retired judge of the Supreme Court in the matter from 2013 till 2015.

On August 15, 2015, Justice Sair Ali (Retd) delivered the determination and held: (i) the power purchaser's promise to make complete and timely payment precedes the IPPs' obligation to maintain a thirty (30) day fuel inventory; and (ii) the deductions made by the power purchaser were unauthorized, thereby, the power purchaser is in breach of the PPAs and accordingly, the power purchaser is obligated to make good the losses resulting from its breach of the PPA in terms of the capacity payments and will pay the said amounts forthwith.

In furtherance of the determination, the IPPs wrote to the NTDC requesting it to make payments in accordance with the determination.

As per the PPAs, the NTDC had the option to refer the matter to arbitration within seventy-five days of expert determination and upon failure to do the same, the expert determination would become final and binding. However, the NTDC neither referred the matter to arbitration nor made any payments to the IPPs so far.

BUSINESS

RECORDER

Sunday, 24th September, 2017

In order to resolve the dispute as per the PPAs under the MoU, the IPPs initiated arbitration in LCIA, in which they sought that the expert determination be declared final and binding as per the provisions of the PPAs.

Filing reply before the LCIA, the NTDC sought stay of the arbitration proceedings in light of pending suit at the civil court, Lahore, however, both the parties of the arbitration exchanged pleadings after which on July 08, 2016 the arbitrator gave his ruling and held, inter alia, that: (i) the arbitration shall proceed and the respondent's request for a stay is denied; and (ii) the respondent will withdraw its application of 11 November 2015 filed before the Lahore court and refrain from taking any further steps therein to disrupt the arbitration. Thereafter, the arbitrator issued various procedural orders pursuant to which the arbitration proceedings were conducted. While issuing final partial award in the matter on June 08, 2017, the arbitrator declared that the expert (Former Justice Sair) determination is final and binding on the parties and deferred the quantification of quantum for a later stage.

Additionally, Professor Douglas Jones AO also ordered the NTDC to pay to the IPPs the amounts claimed by way of security (amounting to Rs10,977,769,162), which the NTDC has not paid to date.

Currently the arbitration proceedings are at the stage of quantification of the quantum, for which hearing is fixed in the matter before the LCIA on October 1 and 2, 2017.

BUSINESS
RECORDER
Sunday, 24th September, 2017

Ministry removes director general DGTO

ISLAMABAD: The Commerce Ministry has taken notice of repeated complaints in Directorate General of Trade Organizations (DGTO) and removed its Director General, Azhar Iqbal and ordered an inquiry against him.

The Ministry was reportedly irked by purported corruption in DGTO as parliamentarians, top officials and top businessmen have shared evidences with the Minister and Secretary.

Most of the positions in DGTO comprised the officers of Commerce and Trade (C&T) Group.

The action is finally taken on the serious complaint of Senator Ghulam Ali, former chairman, Senate Sanding Committee on Commerce and former president of FPCCI.

The then DGTO has a close association with the ruling group of the FPCCI which is against the role of the office of the regulator, sources said.

Similarly, the former CEO TDAP SM Muneer has started threatening the officials of its rival group Businessmen Panel by sending them legal notices in order to stop to highlight his performance as Chief Executive of the TDAP in the sections of media.

Though Muneer claimed that he has taken number of steps to improve the country's economy but exports fell down massively in his outstanding tenure and in result government didn't give him an extension for the office of TDAP.

The BMP officials said instead of given notices to us, it's better S M Muneer should absorb his performance indicators while served as CE of the authority and accept with open heart that he indulge in trade politics during his tenure in TDAP which was the against the rules and regulation of the authority and a novel example that public servant started Trade politics for personal whims in order to grab the affairs of the FPCCI.—INP

BUSINESS

RECORDER

Sunday, 24th September, 2017

FPCCI, PBBC sign MoU to strengthen trade ties

LONDON: The Pakistan Commission London organized a business networking reception on its premises on 22 September 2017, where an MoU was signed between the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) and Pakistan Britain Business Council (PBBC) for enhancing business and trade ties.

The event was attended by CEOs and Directors of leading Pakistani and British companies, with representation from FPCCI, PBBC, London Chamber, Mayor of London office, London Stock Exchange, Standard Chartered, Marks & Spencer, Debenhams, UK Department of International Trade (DIT), UBL and HBL.

Newly appointed UK's Trade Envoy for Pakistan Mr. Rehman Chishti, MP also attended the event.

A high powered delegation of the FPCCI, led by its Vice President Mirza Ishtiaq Baig, is currently visiting various cities of the UK and meeting with local businesses. The Commercial Wing of the High Commission is liaising the business meetings for the visiting delegation.

The delegates were of the view that Pakistan offers huge business opportunities and was open for business. It was also noted that such networking events aimed at forging business to business ties are significant in correcting the perception of the country.

In his welcome remarks, H.E. Syed Ibne Abbas Pakistan High Commissioner to the UK said that Pakistan is a natural destination for the UK business companies, and add that this interest is also reflected in a stream of high level visits of the UK leadership to Pakistan. He also emphasized that there were tremendous economic opportunities for UK businesses in Pakistan after Brexit and in the wake of China Pakistan Economic Corridor (CPEC). The High Commissioner said that Pakistan is moving forward and projections about Pakistan economy by the independent financial institutions is a testimony of country's upward economic trajectory. He also welcomed the sighing of MoU between FPCCI & PBBC and hoped that it would open new vistas of cooperation and relationship between two organizations.

Mirza Ishtiaq Baig, Vice President FPCCI, expressed his desire to work closely with Pakistan High Commission London. He offered the services of FPCCI in forging ties between businesses of the two countries.

Rehman Chishti MP, in his address, mentioned that UK has a unique relationship with Pakistan. The business and trade ties add very important dimension to our relationships, added the MP. He termed Pakistan a key trading partner and said that implementation on CPEC projects would bring the business communities of the two countries even closer.

Julian Hamilton Barns, Chairman Pakistan British Council, said that Pakistan is open for business and such collaboration as manifested in signing of MoU would further augment cooperation between the businesses of two countries. He said that Pakistan is facing issues of perception which could be corrected through business to business and people to people contacts.

Imran Khalili, Chairman Pak UK Business Council of FPCCI also shared his perspective on profitable business opportunities in Pakistan.

A number of important sectors of economy were represented at the networking event, including textile, energy, chemicals, financial services, real estate, entertainment, tourism and surgical equipment.—NNI

BUSINESS

RECORDER

Sunday, 24th September, 2017

THE RUPEE: Rates firm

RECORDER REPORT

KARACHI: The rupee held the overnight levels in relation to the dollar on the money market on Saturday, dealers said.

OPEN MARKET RATES: The rupee showed no change in terms of the dollar for buying and selling at Rs 105.80 and Rs 106.00, they said.

The rupee, however, gained 30 paisas against the euro for buying and selling at Rs 125.75 and Rs 127.00, they said.

Open Bid	Rs. 105.80

RUPEE IN LAHORE: The rupee witnessed mixed patters in terms of the US dollar in the local currency market on Saturday.

According to currency dealers, the dollar commenced trading on its overnight closing trend of Rs 105.90 and Rs 106.25 as its buying and selling rates, respectively.

At the end, the rupee shed five-paisa for buying at Rs 105.95, the national currency,

At the week-end, the dollar weakened against the yen, with tensions simmering on the Korean peninsula and as the boost from heightened expectations of a US interest rate hike in December faded.

The dollar was down 0.42 percent at 111.99 yen, on pace to snap a five-day winning streak against the Japanese currency.

North Korea said on Friday it might test a hydrogen bomb over the

Open Offer	Rs. 106.00

however, gained same amount for selling at Rs 106.20, respectively, they added.

In addition, the local currency showed strength as it regained its day earlier losses against the pound sterling. Consequently, the pound's buying and selling rates slid from Friday's closing of Rs 142.40 and Rs 143.10 to Rs 141.70 and Rs 142.60 respectively, they said.

RUPEE IN ISLAMABAD

The dollar scaled a two-month peak of 112.71 yen on Thursday after the Bank of Japan maintained its bond-buying pledge. The move also was spurred by the Federal Reserve's policy statement on Wednesday in which it signalled it still intended to raise rates in December.

The dollar index, which tracks the greenback against six major currencies, was down 0.13 percent to 92.136.

AND RAWALPINDI: The value of the rupee against the dollar remained unchanged at the open currency markets of Islamabad and Rawalpindi here on Saturday.

The dollar opened at Rs 107.10 (buying) and Rs 107.20 (selling) against same last rate.

It closed at Rs 107.10 (buying) and Rs 107.20 (selling) in evening session.

BUSINESS
RECORDER
Sunday, 24th September, 2017

Law, Justice Division's observation:
PSQCA competent to fulfil commitments made under global deals

SOHAIL SARFRAZ

ISLAMABAD: Law and Justice Division has observed that the Pakistan Standards and Quality Control Authority (PSQCA) on behalf of the government is bound to fulfill the commitments made under international agreements, including the World Trade Organisation (WTO).

Sources said the said observations have been made by the Law and Justice Division through a reply filed by it in the court on behalf of the Ministry of Science and Technology and the PSQCA in response to a writ petition (WP # 2190/2017).

Law and Justice Division added that the Pakistan Standards and Quality Control Authority (PSQCA) Act 1996 should be implemented throughout Pakistan with the help of other provincial authorities for ensuring a uniform standard and quality control mechanism of processed and packed foods throughout Pakistan.

On the same issue, the Ministry of Science and Technology has said that the issue pertains to the wrongful and patently illegal exercise of jurisdiction by the Punjab Food Authority (PFA). The mechanism and pattern of conformity assessment being followed by the PFA is not in consonance with the constitutional requirement of having a single market in the country as well as the international commitments made by Pakistan, under the WTO agreements. The DG PFA was therefore, advised to coordinate with the national standard / conformity assessment body, i.e., PSQCA to harmonize standards as well as conformity assessment procedure being followed, duly notify the same and refrain from any action, which is not in consonance with the commitments under the TBT Agreement or which may impede the executive authority of the federation. However, following issuance of the aforementioned advice, the PFA has published another public notice directing the manufacturers of processed and packed foods to get their products registered with the PFA failing which the unregistered products will not be allowed to be sold in territory of province of Punjab.

The ministry has been consistently highlighting to the government of Punjab the need to harmonize the standards formulated by the PFA being at variance with the national standards formulated by the PSQCA and to clarify regarding the respective domains of the federal and provincial governments in respect of conformity assessment mechanisms. The situation is creating confusion amongst the business community members, adversely affecting the ease of doing business in the country and is likely to hamper inter-provincial trade, contrary to the spirit of Article 151 of the Constitution, the Ministry of Science and Technology added.

According to the Law and Justice Division's comments submitted with the Islamabad High Court, the PSQCA on behalf of government of Pakistan is bound to fulfill the commitments in regard to international agreements such as World Trade Organization (WTO).

It is important that the PSQCA Act 1996 should be implemented throughout Pakistan with the help of other provincial authorities for ensuring a uniform standard and quality control mechanism throughout Pakistan, and the provincial authorities such as PFA should amend their acts to the extent that they are overlapping or contradictory with the PSQCA Act 1996, in the interest of justice, uniformity and case of doing business throughout the country. Explaining the mandate and scope of the PSQCA vide its Act of 1996, Law and Justice Division said that PSQCA is a statutory authority created under the PSQCA Act VI of 1996 and responsible for the formulation of Pakistan standards, quality testing and conformity assessment of the products falling in the list of mandatory items (technical regulations).

The mandate of PSQCA as a regulatory authority is covered under the Entries 3, 25, 27, 32, 39, 54 and 59 of Part-I and entries 6, 12, 15,

BUSINESS
RECORDER
Sunday, 24th September, 2017

and 18 of Part-II of the Federal Legislative List in the Fourth Schedule of the Constitution of Islamic Republic of Pakistan.

Entry # 6 of Part II of the Federal Legislative List of the Constitution inserted vide the Constitution (Eighteenth Amendment) Act 2010, empowers the Parliament to exclusively legislate with respect to "all regulatory authorities, established under Federal Law". The PSQCA Act is, therefore, a validly existing federal law, it said.

Under Article 143 of the Constitution, laws enacted by the Parliament have been given n overriding effect over the laws enacted by a provincial assembly of any province, by stipulating that in case of any inconsistency between the two, it is the Act of Parliament that would prevail.

BUSINESS
RECORDER
Sunday, 24th September, 2017

Global tax experts help SRB officials clarify tax concepts

RECORDER REPORT

KARACHI: Sindh Revenue Board (SRB) organized a three-day training workshop on Global VAT/GST in cooperation with International Bureau of Fiscal Documentation (IBFD) at IBA's city campus, here on Saturday.

The tax experts of IBFD, who have already conducted several fiscal studies on European Union (EU) countries in particular and African and Asian countries in general, are imparting training to SRB officials.

Talking to Business Recorder, Khalid Mahmood, Chairman SRB, said that this workshop would help the SRB officials clarify their concepts regarding tax on services besides it would also facilitate them to find best possible ways to resolve tax-related issues in a highly professional manner.

He said that this training workshop would give an idea how tax on services was dealt with in the EU countries.

Furthermore, he said, tax compliance in Sindh had improved and the board, which collected Rs 78 billion in tax year 2016-17, had set a Rs 100 billion target in the current fiscal year. This three-day training workshop will conclude today. Syed Mushtaq Kazimi, Advisor tax policy also attended the workshop.

BUSINESS

RECORDER

Sunday, 24th September, 2017

Textile sector's issues to be raised at ECC meeting: Ansari

ANWAR KHAN

KARACHI: The Minister of State for Commerce and Textiles, Haji Muhammad Akram Ansari, hinted at the possibility of a separate tariff slab of electricity, gas and water for the apparel-making sector, and an increase in textile exports to $50 billion.

"I will raise textile-sector issues in the ECC meeting," he told textile makers and exporters at a dinner on Friday night, which was hosted by the Pakistan Garment Manufacturers and Exporters Association (PRGMEA). He said that the government should make more efforts to boost seed development. He also asked and growers to try harder to augment exports.

He invited textile producers to offer practical proposals in a meeting likely to be arranged soon with Prime Minister Shahid Khaqan Abbasi. "I will definitely raise my voice for the textile sector in the ECC meeting, will discuss the matter with the PM," the minister said.

The country can certainly reach the $50 billion target for its textile export, he said. He urged his audience to deepen their skills in value-added textile making. At the same time, he said, the government should revisit its textile package and weed out the burdensome conditions like a 10-percent incentive bar.

He said that there should be an implementation committee to monitor the process, whatever the government's expected decisions on textile issues.

He assured textile stakeholders that their issues will be resolved within 15 days. He agreed with textile producers' demand that their financial incentives should be paid together with their remittances releases from the State Bank. He said he hoped the apparel manufacturers will take advantage of LNG supplies to boost up their output. "Gas supplies through LNG have begun, though it is expensive," he added.

Haji Ansari said that the country has attained peace and stability because of the almost complete defeat of terrorism, saying that the menace has been reduced by "85 percent" compared to what it was in the past.. He said that the country needs foreign reserves amid its dwindling economic growth, and expressed the hope that textile exporters will help in the effort.

In a cabinet meeting scheduled for Tuesday, he said, "I will discuss textile issues like stuck refunds, a 10 percent condition of incentives on exports and extension of textile package to three years." He said that he will discuss with the prime minister a plan scaling down the cost of production.

The chairman Capta, Zubair Motiwala, said that the country's cotton production is 13 billion bales, but it fetches just $1.7 billion, whereas Bangladesh sells the same amount of raw material for $6 billion. He said that the government should support cotton growers to boost the quality yield of cotton for Pakistan to earn greater revenue on the world market.

He asked the government to stop the four-percent rebate on the export of yarn, which directly helps the country's competitors. The rebate could be provided on local sales of yarn, he added. He demanded the immediate release the textile sector's refunds.

He said that the government never allows the DTRE facility on export of value-added textiles.

He suggested that the government allow the rupee to depreciate by 10 percent to help exports growth. He said that the government should set up seeds development bank to incentivize the growers, who should be provided with the latest cultivation technology for a better crop yield.

The chairman of the Pakistan Apparel Forum, Javed Bilwani, said that the government should provide guarantees that the seven percent incentive for textile makers will continue. He said that the textile makers are unwilling to seal deals with the foreign buyers since utility tariffs are fluctuating.

He said that the high labor wages are also the stumbling block for low textile output. He demanded of the

BUSINESS
RECORDER
Sunday, 24th September, 2017

government to consider a proposal to announce a separate slab of utilities rates for textile sector. President, Pakistan Businessmen and Intellectual Forum, Mian Zahid Hussain asked the government to start a drive to boost up the exports since the country has just $20.75 billion at present. He expressed concern that the trade deficit has soared to $35 billion.

The PRGMEA's chief coordinator, Shaikh Muhammad Shafiq, enumerated the textile sector's problems, including high cost of production and soaring utilities rates. He blamed them on the decrease in production and exports. Greater employment was another result of these problems.

He asked for the textile package to be extended until 2018.

The government should permit import of yarn, he proposed, and end the smuggling of fabrics into the country. The competing countries have lower utility rates, and the higher rates in Pakistan badly hurt output capacity, he added.

BUSINESS
RECORDER
Sunday, 24th September, 2017

PHMA urges govt to provide level playing field to textile sector

RECORDER REPORT

FAISALABAD: "The government must provide level playing field to the value added textile sector enabling it to successfully compete with their regional business rivals in international markets," said Mian Naeem Ahmad, newly elected zonal chairman of the Pakistan Hosiery Manufacturers and Exporters Association (PHMA).

He was addressing the members of PHMA immediately after this election during a joint video link meeting of PHMA held simultaneously at Faisalabad, Lahore and Sialkot.

He said that the national economy is directly linked with survival of value added textile sector and its active participation in policy making is must to harvest the economic benefits of CPEC and newly emerging opportunities. He said that value added textile sector is earning maximum foreign exchange for the country in addition to providing job to 8.5 million youth.

Continuing, he said that our regional rival countries are heavily subsidizing their value added textile sector whereas in Pakistan this sector is badly ignored.

Mian Naeem Ahmad urged the government to take immediate measures for the clearance of pending refund claims on top priority basis.

"Similarly government must take onboard the value added textile sector during the formulation of textile related polices", he said and added that it is a must to revive this sector on solid and sustainable grounds.

Outgoing zonal chairman Amjad Khawaja explained in detail the steps taken during his tenure for the revival of textile sector.

Earlier during the AGM Mian Naeeem Ahmad of Paragon Fashions Faisalabad was elected as zonal chairman of PHMA. Similarly Shahid Rafi of Rafi Soni Garments Industry Lahore and Muhammad Rafi Soni of Soni Trading Corporation Sialkot were elected senior vice chairman and vice chairman respectively. Meanwhile Farukh Iqbal and Amir Hafeez Bhatti were also elected members of the Central Executive of the PHMA. The meeting was also attended by senior members of the association including Haji Muhammad Shafi, Usman Rauf, Shaheen Tabasum, Javed Aslam, Qammar Aftab, Shahid Ahmed Sheikh, Mian Muhammad Saleem, Rana Mushtaq Ahmed and others.

BUSINESS

RECORDER

Sunday, 24th September, 2017

FBR introduces new features to IRIS

HAMID WALEED

LAHORE: The Federal Board of Revenue (FBR) has introduced new features to the e-filing of income tax returns, commonly known as IRIS.

The new features include an entry relating to the increase or decrease in assets of tax filers. Sources said the Board has addressed the most controversial problem on the part of taxpayers with reference to online filing of returns. This problem relates to issues pertaining to password, which majority of the taxpayers forget every year. Some 80 percent of the queries from taxpayers belong to this problem, they added.

The sources said three categories have been incorporated to the IRIS to address the issues of password. They said the taxpayers would be given a code in order to get register with a new password in case they forget or their lawyer does not share it with them.

Now the taxpayer can handle the problem himself and there is no need to go to his lawyer or the tax office for resetting of the password. An upgraded IRIS has also introduced a method of uniform calculation for the taxpayers.

It may be noted that every person crossing the minimum tax limit or carrying NTN certificate would have to file a return. A taxpayer is bound to give details of his vehicles. Similarly, every salaried person is bound to file returns.

Similarly, an option of pin has been introduced to avoid wrong submission of returns. This trend was also very common in the past, they said.

Third page of the IRIS provides facility for filing of wealth statement, which is very user-friendly with facility to add new fields to make additional entries. The cost of movable or immovable properties can be filed in the shape of cost on this page.

On the reconciliation page, the system tallies data automatically against the entries made in previous year. The system also included the facility of breaking the data, highlighting of unrecognised amounts and verification tab has been added to make sure that the data submitted is as per the satisfaction of taxpayer.

The system also provides facility of printing and attaching of documents.

A presentation made by Zain, an IT expert of FBR, was made at the FBR. He also received queries from the participants on IRIS. The last date of filing returns is 30th September and the facility of downloading return forms is available since 19th of August. So far, 1000 returns have been received by the department against only six during the last year for the same period. The upgraded IRIS system has minimised the number of complaints and no complaint has been received till date as all the machines are in working condition. There are 57 virtual machines and not a single link is down so far. There are 1.4 million taxpayers in the country.

BUSINESS
RECORDER
Sunday, 24th September, 2017

Cotton market:

Prices stable on sizeable trade activity

RECORDER REPORT

KARACHI: Prices maintained firm posture on the cotton market on Saturday in the process of trading, dealers said.

The official spot rate was inert at Rs 6100, they said. In the ready session, over 20,000 bales of cotton changed hands between Rs 5900-6300, they said.

In Sindh seed cotton prices were unchanged at Rs 2800-3000 and in the Punjab rates were stable at Rs 2800-3050, as per 40 kg, they said.

Market sources said that prices moved cautiously due to moderate buying of cotton by mills and spinners.

Cotton analyst, Naseem Usman said by and large prices were firm in the local market but rates were mixed in the global markets.

In the meantime, cotton arrivals slowed down slightly following the heat waves in both Sindh and Punjab, other experts said.

Adds Reuters: ICE cotton inched up on Friday as investors covered their shorts on colder weather forecasts in top US producing region, Texas.

Cotton contracts for December settled up 0.21 cent, or 0.31 percent, at 68.46 cents per lb. It traded within a range of 67.86 and 68.77 cents a lb.

During the session, prices dipped below the key 68 cents to touch 67.86 cents a lb, its lowest since Aug. 25.

The following deals reported: 900 bales from Sanghar at Rs 5900-6000, 2000 bales from Shahdadpur at Rs 6000, 1600 bales from Nawabshah at Rs 6125-6150, 1000 bales from Salehput at Rs 6175-2000, 4000 bales from Khaipur at the same rate, 400 bales from Hyderabad at Rs 5900, 1000 bales from Rohri at Rs 6175-6200, 200 bales from Kazi Ahmed at Rs 6150, 800 bales from Kabirwala at Rs 6300, 1200 bales from Haroonabad at Rs 6150-6220, 400 bales from Layyah at Rs 6200, 400 bales from Bahawalpur at Rs 6250, same figure from Chistian at Rs 6275, 600 bales from Burewala at Rs 6250, 200 bales from Yazman Mandi at Rs 6200, 400 bales from Vehari at Rs 6250, 200 bales from Fort Abbas at Rs 6200, same figure from Shadan Lund at Rs 6250, 400 bales from Chichawatni at Rs 6225, 2000 bales from Fazilpur at Rs 6300, 600 bales from Khanewal and 1000 bales from Kajanpur all done at the same rate, dealers said.

THE FOLLOWING ARE THE KCA OFFICIAL SPOT RATES FOR 2016-17 FOR LOCAL DEALINGS IN PAK RUPEES FOR BASE GRADE 3 STAPLE LENGTH 1-1/16" MICRONAIRE VALUE BETWEEN 3.8 TO 4.9 NCL

Rate For	Ex-Gin Price	Upcountry Expenses	Spot Rate Ex-Karachi	Spot Rate Ex-Karachi As on 22.09.2017	Difference Ex-Karachi in Rupees
37.324 Kgs Equivalent	6,100	145	**6,245**	**6,245**	NIL
40 Kgs	6,537	155	**6,692**	**6,692**	NIL

BUSINESS

RECORDER

Sunday, 24th September, 2017

Faisalabad yarn and fibre prices

RECORDER REPORT

FAISALABAD: Cotton yarn rates in rupees per 10 Lbs on Saturday (September 23, 2017).

6-8/S Cone (Cotton)

ARY 520.00

Sher 410.00

Nelibar 600.00

Al-Falah 520.00

Chagi 410.00

Shaheen 410.00

Nelum 410.00

10/S Cone (Cotton)

Sufi 520.00

Model Soft 690.00

Adil 540.00

Neilum 540.00

Nelibar 670.00

Owais Karni 530.00

Gold Star 590.00

Qadri 580.00

Shaheen 500.00

Al-Falah 530.00

Zam Zam 490.00

A.T.M 520.00

Sun flower 540.00

Apple Soft 690.00

Apple Hard 670.00

Ton-Ton 670.00

10/S Cone (Soft)

Es Guard 1020.00

S.B. 1010.00

Kinoo 1000.00

Malta 1040.00

Ayesha 1000.00

12-14/S Cone (Cotton)

Super Motia 790.00

Model 790.00

Qadri 660.00

Adil 660.00

16-18/S Cone (Cotton)

BUSINESS RECORDER

Sunday, 24th September, 2017

Nova 720.00

Chagi 710.00

Adil 730.00

Model 840.00

Neeli Bar 1180.00

Super Motia 840.00

Prince 750.00

Prince W 1110.00

Acro 1000.00

Apple 870.00

20/S Cone (Cotton)

Zahidjee 1270.00

Anmool 1260.00

J.K. 1260.00

Pamra 1250.00

Bajwah 1220.00

Darulsalam 1230.00

Hadabia 1250.00

Rashim 1250.00

Tayyab 1230.00

Ejaz 1230.00

Khokar 1260.00

22/S Cone (Cotton Warp)

Crescent 1300.00

Yahya 1290.00

HAR 1300.00

Tayyab 1300.00

Polo 1290.00

Ulfat 1280.00

24/S Cone (Cotton Warp)

Crescent 1340.00

Prince 1350.00

Concord 1340.00

H.A.R. 1310.00

Silver Lines 1330.00

ATM 1320.00

Anmool 1320.00

Glamour 1360.00

30/S Cone (Cotton Warp)

BUSINESS
RECORDER
Sunday, 24th September, 2017

Al Noor 1420.00

Crescent 1410.00

Acro 1400.00

Glamour 1410.00

Pamera 1420.00

J.K. 1380.00

Gulistan 1575.00

Ujalla 1440.00

Khalid Shafique 1440.00

Shafi 1340.00

Chakwal 1575.00

Anmool 1430.00

Ittehad 1420.00

Hadabiya 1430.00

32/S Cone (Cotton)

Ahmad 1410.00

Malikwal 1430.00

Chand 1410.00

J.K. 1500.00

Target 1450.00

Hadabiya 1430.00

A Three 1430.00

Araian 1430.00

Al-Qadir 1430.00

Tophy 1550.00

H.H. 1450.00

40/S Cone (Combed Cotton)

JK 1850.00

JK Carded 1560.00

Acro 1800.00

Nishat 1875.00

Betray 1750.00

Ittihad 1725.00

Al-Nasar 1875.00

Ejaz 1875.00

Superior 1825.00

Nisar 1850.00

Three-G 1525.00

Suraj 1925.00

Alcott 1900.00

Ahmad 1560.00

Super Shaheen 1540.00

BUSINESS
RECORDER
Sunday, 24th September, 2017

Darul Islam
1540.00

Four-G
1600.00

A. Three
1600.00

Azam
1540.00

Wasal Kamal
1550.00

Super Gold
1580.00

Jubilee
1520.00

Babri
1580.00

Sally 1575.00

52/S Cone (Combed Cotton)

Crescent
2125.00

Alcott
2100.00

Ittihad 2150.00

Suraj
2300.00

Al-Nasar
2125.00

Tanveer
2250.00

Sultan
1925.00

Diamond
1950.00

Koiyal
2225.00

Malikwal
1850.00

Parado
1850.00

Four Star
2125.00

Nisar
2225.00

Prime Plus
1850.00

Saif 1850.00

Super Shaheen
1900.00

Ejaz
2100.00

Habib
2125.00

Colony
1925.00

Umer auto
1875.00

Two-G
1850.00

60/S Cone (Combed Cotton)

Nishat
2400.00

J.K. 2350.00

Mapal Leaf
2375.00

Koiyal
2400.00

Gujjar Khan
2425.00

Pagri
2375.00

Deen
2375.00

Alam
2350.00

Saphair
2350.00

72-74/S Cone (Cotton)

BUSINESS
RECORDER
Sunday, 24th September, 2017

Prime
2525.00

Commander
2450.00

N.P.
2450.00

Tower
2550.00

80/S Cone (Cotton)

Gold King
2800.00

Super King
2775.00

Mapel Leef
2975.00

Amjad
2950.00

Khan Buhadur
2725.00

Admiral
2950.00

Commander
2875.00

Four Star
2975.00

Rolex
2950.00

Diamond Gate
3025.00

Al Falah
2950.00

Chairman
2975.00

Battery
2975.00

Shanshah
2875.00

30-31/S Cone (Polyester Cotton)

Gold Star
141.40

Sun 131.30

JK 111.00

Bilal 110.00

Tahir Rafique
114.00

Zahidjee
109.00

Bashir
117.00

Shadman
109.00

Sarfraz
108.00

Cherry
109.00

Khalid Nazir
109.00

Wasal Kamal
106.00

North Star
107.00

Super Khuwaja
112.00

Anaar
113.00

Action
103.00

Marjan
112.00

Pak Panther-II
109.00

Nayab
114.00

Kiran 113.00

NP 113.00

BUSINESS
RECORDER
Sunday, 24th September, 2017

Mehtabi 112.00

H.T.M 109.00

K.K. 112.00

Ruby 116.00

Metro 104.00

Shaheen-2 118.00

38/S Cone (Polyester Cotton)

Gold Star 152.51

A.D. 113.00

Multan 113.00

Golden 116.00

Kirshma 112.00

Al-Azhar 115.00

Sarhad 112.00

Aslam 112.00

Corolla 117.00

Royal 101.00

Chairman (N) 116.00

40/S Cone (Polyester Cotton)

A.A. 162.61

Mehtabi 123.00

Shadab 131.00

Mazan 124.00

40/S Cone (AV)

Koiyal 173.00

Super LG 167.00

A.J. 174.00

Ahmad Fine 172.00

Asheana 203.00

40/2 Cone (AV)

Koiyal 187.00

Super LG 182.00

A.J. 189.00

Ahmad Fine 188.00

30/S Cone (CVC)

Ayesha 126.00

SUN 135.65

Mazan 132.00

26/S Cone (PV)

BUSINESS RECORDER

Sunday, 24th September, 2017

AA 122.21

Ashiana 121.20

MM 98.00

Blue Star 101.00

Super Jett 102.00

Shuttle 98.00

M-4 103.00

Bemisal 96.00

Ghouri 98.00

U-2 100.00

Cheeta 92.00

U-7 93.00

Triple two 95.00

AJ Gold 98.00

Candle 97.00

Jaguar 100.00

34-36/S Cone (PV)

A.A. 144.43

Ashiana 143.42

Sapna 136.00

Blue Star 106.00

Super Jett 107.00

Shahzad-H 106.00

Shuttle 103.00

Bemisal 103.00

Shuttle less 105.00

Cheeta 100.00

Candle 104.00

Target 103.00

U-7 101.00

Royal 95.00

Spin Cott 104.00

H.R. 103.00

S.S. 115.00

Tanveer 117.00

44-46/S Cone (PV)

A.A. 172.71

Ashiana 171.70

Sapna 155.00

Dollar 116.00

Ghori 116.00

Bemisal 119.00

Marghala 116.00

U-2 120.00

Cheeta 118.00

BUSINESS
RECORDER

Sunday, 24th September, 2017

Tanveer 130.00

S.S. 132.00

65/S Cone (PV)

Ashiana 225.24

U-2 158.00

Bemisal 161.00

Ghori 158.00

Cheeta 159.00

A.J Gold 158.00

Tanveer 159.00

Maqbool 158.00

L.G. 158.00

34/S Cone PP

Zamin 112.00

Shadman 126.00

Ellahi 128.00

Dewan 113.00

U-2 116.00

60/S Cone PP

Zamin 136.00

Anwar 128.00

Taj Mahal 126.00

36-38/S Cone (Staple)

Diamond Gate 1660.00

Marghala 1620.00

Saif 1610.00

Four Star 1650.00

A.J. 1640.00

Fazal Cloth 1640.00

L.G. 1620.00

Super Gold 1620.00

Azam 1630.00

Best 1630.00

K.P.K. 1610.00

Colony 1610.00

Martial 1600.00

30/S Cone (Ecrylic)

Koial 178.00

Saif 186.00

40/S Cone (Ecrylic)

BUSINESS
RECORDER
Sunday, 24th September, 2017

---------------------------------------	Koial	194.00	Saif	201.00

BUSINESS
RECORDER
Sunday, 24th September, 2017

Karachi Yarn Market Rate

RECORDER **REPORT**

KARACHI: Karachi Yarn Market Rates on Saturday (September 23, 2017).

CONES CARDED

10/1

Popular Fibre 920.00

Diwan 950.00

Tritex 930.00

12/1

Nadeem Textile 1130.00

Indus 1170.00

Popular Fibre 1080.00

Bajwa 1150.00

16/1

Nadeem Textile 1185.00

United 1170.00

Popular Fibre 1120.00

Abdullah Textile 1150.00

Indus 1190.00

A. A. Cotton 1200.00

Tritex 1170.00

Bajwa 1210.00

21/1

Al-Karam(A.K) 1250.00

Suriya Tex 1230.00

United 1210.00

GulAhmed(G.Lite) 1250.00

Popular Fibre 1220.00

Shadman 1240.00

Indus Dyeing 1250.00

Abdullah Textile 1220.00

Lucky Cotton 1230.00

A. A. Cotton 1300.00

Diwan 1240.00

CONES CARDED

22/1

Bajwa 1270.00

United 1260.00

24/1

A. A. Cotton 1370.00

Tritex 1320.00

26/1

AL-Karam 1370.00

Dewan 1320.00

BUSINESS RECORDER

Sunday, 24th September, 2017

Amin Text 1350.00

Shadman Cotton 1350.00

Diamond Int'l 1320.00

Popular Spinning 1300.00

Ishtiaq Textile 1320.00

Lucky Cotton 1320.00

A. A. Cotton Hosiery 1450.00

28/1

Abdullah Textile 1350.00

30/1

Amin Tex. 1450.00

Al-Karam 1430.00

Jubilee Spinning 1350.00

GulAhmed(G.Lite) 1430.00

Lucky Cotton 1350.00

Diamond Intl 1400.00

A. A. Cotton Hosiery 1480.00

32/1

Abdullah Textile 1380.00

40/1

Lucky Cotton 1650.00

52/1

Lucky Cotton 1700.00

COMBED CONE

40/1

Indus CF 1740.00

20/2

GulAhmed 1340.00

Amin 1350.00

Indus Dyeing 1320.00

Bajwa 1350.00

Nadeem Textile 1320.00

42/1

Abdullah Textile 1650.00

52/1

Abdullah Textile 1750.00

20/1. SLUB

Abdullah Textile 1300.00

30/1 SLUB

Abdullah Textile 1520.00

60/1

Abdullah Textile 1750

70/1

Abdullah Textile 1850

CHEES CONES

BUSINESS
RECORDER
Sunday, 24th September, 2017

10/1

Kasim Tex 700.00

Latif Tex.(Latif) 700.00

Super 690.00

Abdullah Textile (OE) 690.00

16/1. (O.E.)

Kasim Textile 880.00

Masal 870.00

RATES OF PAKISTANI/IMPORTED POLYESTER

YARN (PER LBS) + GST

Imported 50/36 FDY 90.00

Local Mill 130.00

Rupali 75/78 FDY NA

Import 75/72 FDY 72.00

Local Mill 82.00

Rupali 75/36/0 & 75/24 DTY 90.00

Imported 75/36/0 DTY 84.00

Local Mill 83.00

Rupali 75/128 INT DTY 100.00

Local Mill 115.00

Imported 75/72 INT DTY 83.00

Local Mill 105.00

Imported 75/144 INT DTY 83.00

Local Mill 110.00

Rupali 300/96/INT DTY 80.00

Imported 300/96/ INT DTY 70.00

Local Mill 66.00

Rupali 300/96/0 DTY 74.00

Imported 300/96 DTY 69.00

Local Mill 63.00

Rupali 75/24 INT DTY 100.00

Imported75/36 INT DTY 96.00

Local Mill 85.00

Rupali 150/48/0 DTY 76.00

Imported 150/48/0 DTY 71.00

Local Mill 70.00

Rupali 150/48 INT DTY 81.00

Imported 150/48 INT DTY 74.00

Local Mill 73.00

Imported 150/144 SIM 76.00

Local Mill NIL

BUSINESS

RECORDER

Sunday, 24th September, 2017

RATE OF BLANDED YARN IN RUPEES

(PER LBS)

P.V. CONES

18/1 PV

A.A. Textiles 109.00

20/1 PVB

A.A. Textile 112.00

A. A. Cotton 111.00

24/1 P.V. BRIGHT

A.A. Tex. 117.00

Sana 109.00

A. A. Cotton(80:20) 116.00

26/1.PV Bright

A.A. Tex. 122.00

Sana 111.00

30/1 PV

A.A. Tex."Z" Twist 128.00

Sana 120.00

A. A. Cotton 127.00

26/1 P.V. (S.D.)

A.A. Textile 122.00

A. A. COTTON 128.00

36/1 PV (SD)

A.A. Textile 144.00

40/1. (PVB)

Sana 138.00

A. A. Cotton 140.00

A. A. Textile 148.00

46/1 PVSD

Ibrahim Fibre 171.00

28/1 PV SLUB

A.A. Clock Tower 151.00

30/1 PV SLUB

A. A. Cotton (PVB) 151.00

A. A. Cotton (PC) 155.00

A. A. Cotton SLUB(PP) 151.00

Sana SLUB (PP) 145.00

Sana (PV) 150.00

Sana SLUB (V) 165.00

40/1 SLUB

Sana (V) 180.00

SEWING THREAD YARN

Sana

BUSINESS
RECORDER
Sunday, 24th September, 2017

21/1 PP
84.00

30/1 PP
96.00

40/1 PP
105.00

50/1 PP
122.00

20/1 PVT

Sana
118.00

30/1 PVT

Sana
128.00

10/1 PP

A. A. Cotton
96.00

12/1 PP

A. A. Cotton
101.00

16/1 PP

A. A. Cotton
106.00

20/1 PP

Sana
110.00

Diwan
98.00

A. A. Cotton
113.00

Agar 96.00

26/1 PP

A. A. Cotton
118.00

30/1 PP

Agar 101.00

Anwar
109.00

Sana
120.00

Diwan
103.00

A. A. Cotton
123.00

34/1. (PP)

A. A. Cotton
99.00

40/1 PP

A. A. Cotton
135.00

60/1. (P.P)

Agar 124.00

Diwan
125.00

Anwar
130.00

A. A. Cotton
148.00

8/.1

A. A. Cotton (52 48)
95.00

10/.1

Zainab
118.00

A. A. Cotton
95.00

Lucky Cotton
135.00

12/1

A. A. Cotton
100.00

14/1

Zainab Tex
121.00

A. A. Cotton
105.00

16/1

AA SML Carded (52 48)
117.00

BUSINESS RECORDER

Sunday, 24th September, 2017

IFL (52 48) 123.00

A. A. Cotton 105.00

P.C. COMBED

20/1. PC

A.A.SMLCARDED 126.00

Zainab (Combed) 126.00

A. A. Cotton (Carded) 112.00

A. A. Cotton CVC (65 : 35) 110.00

24/1. PC

A. A. SML Carded 126.00

Zainab (Combed) 131.00

A. A. Cotton 109.00

25/1

A.A. Cotton 117.00

30/1. PC (52 : 48)

Zainab Textile (combed) 141.00

Stallion 100.00

K. Nazir 112.00

Al-Karam 112.00

AA SML (Carded) 134.00

A. A. Cotton (Carded) 123.00

A. A. Cotton CVC (65 : 35) 114.00

36/1. PC

IFL Tex(Combed) 152.00

A. A. Cotton 140.00

40/1 PC

A.A. Textile (Combed) 162.00

45/1 PC

Zainab 175.00

10/1 CVC

A. A. Cotton (60:40) 100.00

12/1 CVC

A. A. Cotton (60:40) 105.00

16/1 CVC

A. A. Cotton (60:40) 100.00

20/1 CVC

A. A. Cotton (60:40) 117.00

AASML 114.00

24/1 CVC

A. A. Cotton (60:40) 123.00

Sana 146.00

AASML 111.00

30/1 CVC

A. A. Cotton 127.00

AASML 122.00

40/1 CVC

A. A. Cotton 140.00

40/.1. VISCOSE

BUSINESS
RECORDER
Sunday, 24th September, 2017

Sana 160.00

Sana Acrylic 160.00

READY RATES OF STAPLE FIBER IN RUPEES

POLYESTER K.G

I.C.I. 1.D 131.00

I.C.I. 1.2 (SD) 131.00

I.C.I. Bright 133.00

Rupali 1.D 131.00

Rupali 1.2 (SD) 131.00

POLYESTER K.G

Ibrahim Fiber(SD) 131.00

Ibrahim 1.D 131.00

Ibrahim Fiber Bright 133.00

Ibrahim Trilobal Bright 133.00

VISCOSE K.G

FCFC 44 MM Taiwan 240.00

FCFC 51 MM Taiwan 240.00

Grysum India 235.00

Thai Reyon 51 MM 235.00

S.P.V. Ind. 51 MM Indonesia 235.00

ACRYLIC FIBER K.G

Monty 1.2x51 Italy 215.00

Acelon Korea 1.2x51 215.00

DAWN
Sunday, 24th September, 2017

Textile sector issues to be resolved: minister

Parvaiz Ishfaq Rana

KARACHI: Minister of State for Commerce and Textile Haji Mohammad Akram Ansari has said that issues confronting the textile sector will be sorted out on priority after the return of Prime Minister Shahid Khaqan Abbasi from abroad.

Addressing industrialists and exporters of value-added textile sector at a dinner, organised by the Pakistan Readymade Garment Manufacturers and Exporters Association on Friday, Mr Ansari said a three-member committee has already been set up by the prime minister to look into the issues faced by the sector.

The committee comprising the Federal Board of Revenue (FBR) chairman, secretary commerce and secretary finance has been tasked to sort out delay in refund-related payments, waiver of 10 per cent performance condition to qualify for getting duty drawback on taxes (DDT) under the PM's package and extending the period of package to three years.

The minister said that the short-term issues confronting the textile sector would be resolved within 15 days. He added that the PM's relief package of Rs180 billion will be implemented in totality because fall in exports from $25bn to $20bn is alarming and there is an urgent need to revive exports in order to stop the trade gap from widening.

The minister, in full agreement with exporters, said that the cost of production is much higher than the regional countries and without giving level playing field to exporters they could not compete with their rivals on the world markets. He added that a meeting would be arranged with the prime minister so that stakeholders of the textile sector could have an opportunity to appraise him about the high production cost and also try to find a solution.

He agreed that special gas and power tariffs should be allowed to the textile sector.

Prominent among those present were Zubair Motiwala, Jawed Chanoi, Sheikh Mohammed Shafiq, Jawed Bilwani, Mian Zahid Hussain and diplomats from Iran, Muscat and Russia.

DAWN
Sunday, 24th September, 2017

Regional trade mostly in favour of Pakistan

Shahid Iqbal

KARACHI: Pakistan maintained a trade surplus with all neighbouring countries, except India, in the first two months of 2017-18.

The share of Indian exports to Pakistan increased during the two months despite border tensions and poor diplomatic ties between the two South Asian countries.

But regional trade remained in favour of Pakistan by and large, which is a result of higher exports during the two months. The annual increase in Pakistan's overall exports in July-August was 11.8 per cent.

Indian exports to Pakistan in the period under review rose 12pc to $216 million. In contrast, Pakistan's exports to India declined 35.3pc to $58m, resulting in a bilateral trade deficit of $158m.

Exports to Afghanistan rose 66pc to $213.5m in July-August. Imports from the country over the same period amounted to just $15m, resulting in a bilateral trade surplus of more than $198m.

Imports from India growing despite poor diplomatic relations

"Pakistan could get rid of the entire trade deficit if policymakers focused on regional trade. Exports to Afghanistan alone could be worth $5 billion," said Jawed Bilwani, chairman of the Pakistan Apparel Forum.

He said Pakistan should explore regional markets that offer vast export potential instead of focusing on trade with western countries. He said Iran presents another huge opportunity for Pakistani exporters to grow their share in regional trade.

Pakistan exported goods worth $5m to Iran in July-August, down 17.4pc year-on-year. Imports from the country in 2016-17 amounted to just $236,000.

Exports to Bangladesh during the two months were $105m, up 4pc from a year ago. Imports from Bangladesh grew almost 60pc to $6.5m over the same period.

Pakistan exported goods worth $49.3m to Sri Lanka in July-August, up more than 31pc year-on-year. Imports from the country during the same period increased 21pc to $11.1m.

Therefore, Pakistan witnessed a trade surplus of over $193m with regional economies during the first two months of 2017-18. Its regional exports amounted to $449.6m while imports remained $256m during the period under review.

Imports from India in 2016-17 were $1.6bn against exports of just $408m, reflecting a trade deficit of $1.2bn.

DAWN
Sunday, 24th September, 2017

Cotton prices steady

The Newspaper's Staff Reporter

KARACHI: Steady conditions prevailed on the cotton market on Saturday as buying orders kept flowing intermittently at a lower level, indicating that only needy spinners were active in the trading ring.

While the flow of phutti (seed cotton) arrival remains slow, improvement in weather led to the heat wave subsiding both in Sindh and Punjab.

However, it was encouraging to note that there was sustained buying from spinners who eagerly replenished their stocks to meet near future needs.

Brokers opined that trading activity would gain momentum after Ashura holidays.

Moreover, phutti arrival is also expected to rise in Punjab within the next 15 days as picking in many districts of the province would start simultaneously. This may also bring cotton prices under pressure.

Cotton trade stakeholders demanded of the government to activate the Pakistan Cotton Standard Institute (PCSI) so that contamination-free quality could be ensured.

This will not only help improve yarn quality but will also be instrumental in fetching better price for cotton, stakeholders added.

Meanwhile, world leading cotton markets gave mixed trend as Indian and Chinese markets closed easy but New York cotton closed steady.

The Karachi Cotton Association (KCA) spot rates were unchanged and remained pegged at overnight level.

The following major deals were reported on Saturday: 800 bales, Sanghar, at Rs5,900 to Rs6,000; 2,000 bales, Shahdadpur, at Rs6,000; 1,600 bales, Nawabshah, at Rs6,125 to Rs6,150; 1,000 bales, Saleh Pat, at Rs6,175 to Rs6,200; 4,000 bales, Khairpur, at Rs6,175 to Rs6,200; 1,000 bales, Rohri, at Rs6,175 to Rs6,200; 1,200 bales, Haroonabad, at Rs6,150 to Rs6,220; 1,000 bales, Rajanpur, at Rs6,300; 600 bales, Khanewal, at Rs6,300; 2,000 bales, Fazilpur, at Rs6,300; 600 bales, Burewala, at Rs6,250; 400 bales, Vehari, at Rs6,250; 400 bales, Chishtian, at Rs6,275; and 400 bales, Bahawalpur, at Rs6,250.

THE FOLLOWING ARE THE KCA OFFICIAL SPOT RATES FOR 2015-16 FOR LOCAL DEALINGS IN PAK RUPEES FOR BASE GRADE 3 STAPLE LENGTH 1-1/32" MICRONAIRE VALUE BETWEEN 3.8 TO 4.9 NCL			
Rate For	**Ex-Gin Price**	**Upcountry Expenses**	**Spot Rate Ex-Karachi**
37.324 Kgs Equivalent	**6,100**	**135**	**6,245**
40 Kgs	**6,537**	**145**	**6,692**

THE NEWS
Sunday, 24th September, 2017

New textile package on cards as government seeks more proposals

ISLAMABAD: Pervaiz Malik, the federal minister for commerce and textile, on Saturday said that a new textile package will soon be announced to give the country's exports a much needed upward thrust.

“Textile is an important sector and it will be fully supported,” the minister told Radio Pakistan in an interview.

Malik also said that efforts were afoot to enhance the production of by focusing on crop research in collaboration with textile mills associations.

Meanwhile, Haji Muhammad Akram Ansari, state minister of commerce and textile, on Friday night said that the ministry seeks concrete and comprehensive proposals from the representatives of all the textile associations, especially from the value-added sub-sector, for strengthening textile industry and boost its exports.

“I will soon arrange a meeting between the representatives of the industry and Prime Minister Shahid Khaqan Abbasi focusing on resolving problems and improving policies with regard to textile exports,” Ansari said while addressing an interactive session hosted by Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA).

“During the meeting, along with other issues of the textile industry, the condition of ten percent incremental increase in exports for the exporters to qualify for the PM’s exporter incentive package would be taken up and revoked.”

Ansari continued that persistence of seven percent duty drawback on the exports would be sought and the funds granted.

“The third core issue of utilities' tariffs for the textile industry will also be addressed there,” he said.

Giving his input, Muhammad Zubair Motiwala, chairman council of textile associations, maintained the exports have increased by 13 percent in the last couple of months owing to the duty drawback incentive, which should continue to be given beyond June this year.

“Under the PM’s package, the seven percent incentive to exporters was linked to a 10 percent increase in their exports - individual case to case basis- against that of 2016-17 exports, after six months of grace period up to June 2017, “Motiwala said.

To this, the state minister advised the industry officials that for long-term policies for promotion of textiles and the exports of the country, all the associations especially the value-adding ones should submit their well-conceived and target-oriented proposals with the ministry.

“The government is committed to and is also doing its best to boost trade and industry with a focus on textiles by reducing tariffs and price of inputs,” the state minister said.

Ansari added that he had already discussed with the Prime Minister the ways and means on how to cut the cost of doing business to make Pakistan's private sector competitive in the region.

He agreed with the exporters that the exports package, announced last year by then prime minister Muhammad Nawaz Sharif, should be fully implemented at the earliest to support the exports, which had declined to $ 19 billion from $25 billion in the fiscal year 2016-17.

"I along with federal minister for commerce held a meeting with Prime Minister and convinced him that a boost in the exports was tied to the implementation of PM’s package," he informed the participants.

Moving ahead, Ansari underlined the need for formation of an implementation committee for the PM’s package, which should include representatives of all the stakeholders from the private sector and the concerned federal government secretaries.

THE NEWS
Sunday, 24th September, 2017

Finance ministry says complying with debt-to-GDP limit in FRDL Act 2005

ISLAMABAD: Finance ministry on Saturday said the government is complying with the benchmark of debt-to-GDP ratio set in the Fiscal Responsibility and Debt Limitation (FRDL) Act 2005 with total debt and liabilities standing at Rs19.6 trillion as of June end.

"The limit of 60 percent of debt to GDP (ratio) will be applicable by end June 2018 as per the Fiscal Responsibility and Debt Limitation Act," a ministry's spokesperson said in a statement. "Therefore, the government is not presently in violation of this threshold of FRDLA."

The spokesperson said the country witnessed a marginal increase of 1.4 percent in debt-to-GDP ratio to 61.6 percent in 2017 from 60.2 percent in 2013, while global debt-to-GDP ratio increased around 8 percent during the last four years.

External public debt increased $14.4 billion to $62.5 billion, while non-public debt rose $7.3 billion.

The ministry's official said most of the clauses of the FRDL Act 2005 were outdated and so "the present government not only updated the clauses in accordance with the present economic realities but also defined path with an objective to improve the fiscal and debt situation of the country along with formalising the definition of public debt."

"These amendments were made regardless of the tenure of any political government to clearly define a debt reduction path," he added. "Accordingly, the gross public debt numbers are consistent and unchanged as reported in the government publications in the past."

Finance ministry's spokesperson further said the government has introduced a 15-year debt reduction path to improve debt sustainability "whereby starting from 2018/19 the public debt-to-GDP ratio shall be brought down from 60 percent to 50 percent by end 2032/33."

"Fiscal sector of the economy has witnessed a notable improvement on account of contained expenditures and increased revenues," he added. "Consolidation efforts are on track since government has successfully curtailed the fiscal deficit at 5.8 percent of GDP in FY2017 from 8.2 percent of GDP in FY2013."

The ministry's official said tax-GDP ratio reached to 12.5 percent in FY2017 as compared to 9.8 percent in FY2013. Tax collection of Federal Board of Revenue increased around 73 percent to Rs3,361 billion during the four-year period.

He said there has been a tremendous growth of 35 percent during the period under review. The economy size surged to $304 billion in 2017 from $225 billion in 2013.

"This was only made possible by the prudent policies of the government that included historically low domestic interest rates, a prolonged and sustained period of low inflation, significant surge in private sector credit, huge increase in PSDP (public sector development programme) spending and above all an effective monetary policy," he added.

The finance ministry's official said credit to private sector has seen an expansion of Rs747.9 billion in FY2017 as compared to a decline of Rs7.6 billion in FY2013.

THE NEWS
Sunday, 24th September, 2017

FBR sets up specialised zones to broaden tax base

Islamabad

Chairman Federal Board of Revenue (FBR) Tariq Pasha said that the tax machinery established specialised zones for broadening of tax base with an objective to bring over 100,000 new filers into tax net during the current fiscal year.

“We will send out tax notices through centralised system on the basis of existing databank to potential non filers. We intend to replicate Turkish model under which we will not penalise anyone on the basis of any mistake in the process of return filing in a bid to restore confidence in our tax system. We will introduce conditional incentives for public sector employees in order to bring them into tax net and policy in this regard will be unveiled soon,” Chairman FBR Tariq Pasha told a select group of reporters here at his office on Friday.

Prime Minister Shahid Khaqan Abbasi soon after taking over reins of power had taken notice of low tax base and assigned the FBR team to broaden its narrowed tax base. The chairman FBR assigned this task to one of the best officer of Inland Revenue Service Tanvir Malik who is known for honesty and workaholic attitude within the ranks of the tax machinery to achieve the set objectives. In an electioneering fiscal year, it is yet to see how much the FBR will be succeeded in achieving broadening of tax base by ignoring political pressures.

After assuming charge as chairman FBR, in his first interaction with media person, Tariq Pasha said that the FBR devised three pronged strategy to broaden dismally low tax net in Pakistan as it was first time in the FBR’s history that senior officers were assigned to reach out corporate companies in order to convince them for playing their role for helping FBR to broaden tax base. “We want corporate sector employer to convince its employees for filing of tax returns and we are reaching to each and every company employing around 500 strengths,” he said and added that this ongoing campaign would continue for whole fiscal year.

Citing an example, he said that one CEO of company would be visiting his office today and he had obtained details about the number of return filers in the company. Out of total strength of 7816, only 1754 are filers and 5714 are non filers so he will request him to convince his employees as part of national duty to ask them for filing of their income tax returns, he added. With reach out programme, the chairman FBR said that they could bring at least 50,000 new filers into tax net. He said that it was proven fact that when tax return was filed it also jacked up tax collection.

Under three pronged strategy, he said that on one side the number of return filers would be increased through reach out programme while tax collection would go up by sending tax notices to potential non filers.

“We have established special zones in Karachi, Lahore and Islamabad with officers who have been assigned to broaden the tax base,” he said and added that these special zones would take care of Income Tax, Sales Tax at domestic stage and Federal Excise Duty. He said that unregistered businesses would be lured to come into tax net.

He said the FBR would focus towards GST on domestic stage. In the aftermath of integration of Income Tax and GST through Inland Revenue (IR), he said that the effective enforcement of GST was ignored which would now be focused.

The chairman FBR said that tax machinery was assigned to meet a challenging target of Rs4013 billion for the current fiscal year. The FBR, he said, would send out tax notices to potential non filers under section 114 of Income Tax Ordinance 2001.

THE NEWS
Sunday, 24th September, 2017

Cotton unchanged

Karachi

Normal trading continued at the Karachi Cotton Exchange on Saturday, while spot rates remained firm.

The spot rates remained unchanged at Rs6,100/maund (37.324kg) and Rs6,537/40kg. Ex-Karachi rates also stood firm at Rs6,245/maund and Rs6,692/40kg after an addition of Rs145 and Rs155 as upcountry expenses, respectively.

An analyst said prices are likely to remain firm by the start of the next month when cotton arrivals report till September 30 will be released.

“Arrivals are expected to increase that will affect the prices negatively,” he added.

A total of 22 transactions were recorded of around 20,000 bales at a price of Rs5,900 to Rs6,300/maund. Among them, notable deals were recorded from Sanghar, Shahdadpur, Nawabshah, Saleh Pat, Khairpur, Rohri, Kabirwala, Haroonabad, Burewala, Fazilpur, Khanewal and Rajanpur.

The Nation on Web

The Nation

Sunday, 24th September, 2017

Package for textile sector soon: Minister

Textile exports record growth of 9pc in Aug

Our Staff Reporter

ISLAMABAD/Lahore - The federal government on Saturday said that it would announce an incentives package for the textile sector to boost tumbling exports.

“A new package will soon be announced to enhance the country's exports,” said Minister for Commerce and Textile Pervaiz Malik while talking to media after inaugurating an office of All Pakistan Textile Mills Association (APTMA) in Islamabad. He further said that was an important sector and it will be fully supported. “The government is reviewing the Prime Minister’s incentives package, which had not yielded positive results for enhancing exports of the country,” the minister said. The government would give incentives and reduce the cost of production to boost the tumbling exports of the country. The minister said efforts are also afoot to enhance the cotton production by focusing on cotton research in collaboration with All Pakistan Textile Mills Association.

Meanwhile, as per the latest data released by Pakistan Bureau of Statistics, textile exports for the month of August 2017 recorded a growth of 9 percent to $1.17b. On a cumulative basis, textile exports expanded 6 percent to reach $2.18b in two months of ongoing financial year (2MFY18).

During Aug, growth in exports was primarily led by the value-added segment, which grew by 16 percent to $870m. On the other hand, basic textiles exports registered a drop of 9 percent YoY to $302m.

Improved performance of the value added segment is attributable to strength of Euro currency (up 7 percent since July).

During the month of Aug, textile exports were recorded at $1.17b as compared to $1.08b in same period of last year, reflecting a decent increase of 9 percent YoY. This expansion was primarily led by the value-added segment, exports of which were recorded at $870m as compared to $748m in Aug’16 (+16 percent YoY). On the other hand, basic textiles exports registered a drop of 9 percent YoY to $302m from $332m in Aug’16. In volumetric terms, knitwear, bedwear, towels and readymade garments exports registered an increase of 29 percent/7 percent/10 percent/11 percent YoY, respectively. Whereas, volumetric exports of cotton yarn and cotton cloth contracted by 6 percent and 18 percent YoY, respectively.

Experts attribute improved performance of the value-added segment to the strength of Euro currency, which has strengthened 7 percent since the beginning of FY18. On the flip side, the poor performance of basic textiles exports can be explained by stiff competition from regional competitors such as India and low demand from key market of China.

The Nation on Web

The Nation

Sunday, 24th September, 2017

Power tariff hike to hit KP industries hard

Our Staff Reporter

PESHAWAR - Sarhad Chamber of Commerce and Industry (SCCI) has termed the proposed increase in electricity tariff by the National Electric Power Regulatory Authority (NEPRA) as unjust decision, which would hit inflation-hit people and business community hard, and demanded to withdraw this decision forthwith.

In a statement issued here on Saturday, SCCI president Haji Afzal said that there was no justification of increase in electricity tariff due to prolonged power suspension, outages, and voltage issue. He said the electricity is being supplied on high rate in province, while electricity was produced at low cost.

The chamber president said the hike in power tariff would not only affect terrorism-hit industries of KP, but it also further decrease already low export volume with Afghanistan and other Central Asian Republic countries.

He urged the federal and provincial governments to bring down rates of electricity along with provision of other incentives to give boost to the exports. He also demanded the steps for stabilization of the terrorism-affected economy of the Khyber Pakhtunkhwa.

Instead of increasing power tariff, the SCCI chief said the measures should be taken to eradicate power theft and load-shedding in the country. He said industrial development and growth has become stagnant due to terrorism, extremism, coupled with unannounced electricity loadshedding. He said the industrial sector would further affect with increase in power tariff by Nepra.

The SCCI president demanded of the federal government to take back the decision of making an increase in electricity rates, because it was completely unjustified under the prevailing circumstances. He said despite the price-hike, Nepra also increased electricity tariff by Rs.3.90 per unit, which was unacceptable to business community and people as well. He warned that they would be compelled to take extreme step, if the decision was not withdrawn forthwith.

The Nation on Web
The Nation
Sunday, 24th September, 2017

DGTO loses job over corruption charges

Online

ISLAMABAD - Commerce Ministry has removed the Directorate General of Trade Organisations (DGTO) Azhar Iqbal over alleged charges of corruption.

MoC has given the additional charge of DGTO to Waqar Ahmad Shah, Joint Secretary after the written complaints of corruption against Azhar Iqbal received by Secretary Commerce Younis Dhaga.

Senator Ghulam Ali, former chairman Sanding Committee on Commerce, and other people had complained against Azhar Iqbal that he is involved in corruption and kickbacks and received house rent allowance while he sleeps in the office. In addition to this, sources said that he takes 0.15 million for granting the new chamber in any city.

Sources further added that Azhar Iqbal has a close association with the former CEO TDAP S M Munir and its business group which is against the role of the office of the regulator.

When the Online contacted Senator Ghulam Ali, he accepted that he has given a written complaint to secretary Commerce of corruption of Azhar Iqbal.

He is constructing one house and market in posh area of Lahore, adding that he made corruption in DGTO budget. “I am also giving the application against him in National Accountability Bureau (NAB) in coming week as he earned money beyond his income,” Senator Ghulam Ali alleged.

When Online contacted Azhar Iqbal, he did not attend the call.

On the other hand, a senior official admitted that the Commerce Ministry has received the complaints against Azhar Iqbal and he has been removed from his seat.