

**Withdrawal of zero rated regime: Govt urged to convene stakeholders' meeting**

LAHORE: Pakistan Carpet Manufacturers and Exporters Association (PCMEA) expressing serious concerns over the proposal of removing of zero rating regime said that materializing this proposal would create negative impact on exports, production and investment in the country.

PCMEA Chairman Naeem Sajid while speaking at a joint meeting of north and south circle, here on Saturday demanded of the government to convene meeting of all stakeholders on this issue to seek suggestions so that unrest among the business community could be ended. The participants of meeting also reviewed the preparation of the upcoming carpet exhibition besides discussing in details the challenges being faced by the industry.

He said after removal of a zero rating regime, it is feared that five different industries would experience negative impact which would ultimately reduce the export volume of the country.

There is a dire need of enhancing exports of the country and taking such steps would not be appreciated at any level, they said, adding that after materializing this proposal, about 30 percent export would be reduced and the country cannot afford this. He also said that foreign and local investment would also be affected negatively which would be resulted in closing down industry in the country.

PCMEA chairman said about Rs 200 billion of exports' refunds are yet to be cleared and after implementing of this proposal, this would increase the difficulties of the industrialists. He hoped that the government would avoid taking such kind of step which would increase problems for exports and said the zero rated sectors contributed 7 percent share in the export of the country and the government's decision would affect negatively the big industries in the country.

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