


Withdrawal of SRO opposed

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KARACHI: Carpet manufacturers and artificial leather merchants emphasised on the government to continue the zero-rated facility for the export-oriented textile sector products to improve the country's exports, a statement said on Friday.

Pakistan Carpet Manufacturers and Exporters Association (PCMEA) said the business community would strongly protest if the government discontinue the zero-rated facility for such export sector, it added.

Pakistan Artificial Leather Importers and Merchants Association (PALIMA) said the government should refrain from discouraging measures and facilitate the industry to expand.

PALIMA said withdrawing SRO 1125 would add burden on the government exchequer, as under this SRO, five export-oriented sectors are exempted from sales tax, and if the SRO is withdrawn, the government would have to pay refunds to the exporters.

Over Rs400 billion of exporters refund claims were already stuck up, causing liquidity crunch for the industry, the statement said.

Office-bearers of the exporters' association said contrary to their claims, the government was creating more difficulties for the industrial sector, which would hurt exports and imports substitution.