

PM meets businesspeople, orders steps

ISLAMABAD: Prime Minister Imran Khan Monday assured the representatives of business community that the government would unveil a comprehensive policy soon for revival of sick industrial units as well as sales tax adjustment procedure to move the wheels of economy and generate employment opportunities.

A delegation of the Federation of Pakistan Chamber of Commerce and Industry (FPCCI) led by its President Mian Anjum Nisar met with the Prime Minister to communicate difficulties in getting loans, clearance of pending refunds, expensive electricity and gas as well as other issues for exporters.

Prime Minister Imran Khan directed the Federal Board of Revenue (FBR) to work out some mechanism for future adjustment of sales tax refunds of business community in cases where FBR is unable to clear past refund liabilities.

The Prime Minister assured the delegation that the government is striving to make Pakistani goods competitive in the international markets against the goods of other countries, particularly those produced by regional countries. He added that despite a challenging economic situation, the government has ensured supply of gas and electricity to the industry so that the production is not affected.

The Prime Minister stated that the government would continue to hold consultative meetings with traders as it wants to see the trade bodies as effective think tanks. The Prime Minister added that the government has taken difficult decisions for stabilization of economy. Minister of Energy Omer Ayub stated that owing to faulty policies of the previous government, theft of gas and electricity was rampant and consequently the prices were increased. He added that the present government has reduced theft by Rs 112 billion, which enabled it to provide “cheap” electricity and gas to industries. The Prime Minister on the recommendations of the delegation gave approval for inclusion of FPCCI members in the Business Council.

On the conclusion of the meeting, Vice Chairman FPCCI Zahid Iqbal told Business Recorder that the FPCCI raised several key issues and challenges before the PM, particularly issues relating to the FBR.

The FPCCI told the PM about the major issues such as blockage of sales tax refunds and CNIC condition of the unregistered buyers from February 1, 2020. The concerns of the business community on non-provision of the CNICs of the unregistered buyers were also discussed during the meeting.

The representatives of the business community underscored the need for chalking out a 'viable' mechanism for clearance of pending refunds. One of the proposals floated by the business community was to make these refunds adjustable against their future tax liabilities or any other viable system of adjustment. The PM directed the FBR to work out the modalities for future adjustment of sales tax refunds pending with the FBR. In principle, the FBR has agreed to the idea of refund adjustment in future.

The FPCCI representatives also said that the business community is ready to pay taxes, but the payment system and procedures should be simple under the FBR laws.

The representatives of the FPCCI also raised the issue of linkage of Special Economic Zone (SEZ) with the CPEC. The issue of Vehari Industrial Estate was also discussed during the meeting of the PM with the FPCCI within the context of land acquisition, provision of utility services, security and other infrastructure issues.

The meeting discussed timelines for completion/operationalisation of the proposed SEZs under China-Pakistan Economic Corridor (CPEC). The issue of industrialization was also discussed during the meeting.

The representatives of the FPCCI also wanted a decrease in mark-up rates on the loans given by the banks.