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**None of incentives suggested by PCMA incorporated in budget:
chairman**

KARACHI: Pakistan Cloth Merchants Association (PCMA) chairman Ahmed Chinoy said the federal government has ignored the value-added textile exporters and manufacturers as none of our suggested major incentives announced in the budget.

The industry has serious concerns over the budget 2020-21, protesting over the absence of any support for the ailing textile sector and its dwindling exports.

The PCMA chairman said the International Monetary Fund (IMF) which had recently projected that Pakistan's exports and imports both would reduce due to the economic shocks from the rapid propagation of the Covid-19 outbreak. Exports are estimated to reduce by \$1.86 billion to \$23.732 billion during FY21. Similarly, imports are projected to decline by \$4.64 billion to \$48.291 billion during the outgoing financial year. Pakistan's export has declined massively due to the outbreak of Covid-19 throughout the world.

The country's exports have reduced to \$957 million in April 2020 from \$2.089 billion in the same month of the previous year showing massive decline of 54.19 per cent. In May 2020 exports fell by a massive 33 percent.

According to the data released by the government, exports for May 2020 stood at \$1.391 billion. On the other hand, the country's imports stood at \$2.851 in May 2020, showing a decline of 43 percent. The country's trade deficit narrowed 50 percent to \$1.460 billion in May 2020. During the first 11 months of the ongoing fiscal year, the country's trade deficit plunged by around 28 percent, to \$21 billion. In view of declining exports, the government must announce some relief to support the export sector.

Ahmed Chinoy said we have suggest to restore zero rating on GST - 'No Payment No Refund Regime' through revival of SRO 1125. The duty drawback of Taxes (DDT) should be increased from half and it must be fully paid. Withholding Tax (WHT) should be reduced from 1 percent to 0 percent for exporters custom rebate should be refunded electronically through SBP along with export proceeds.