

RECORDER REPORT

APTPMA urges govt to support textile processing industries

FAISALABAD: Central Chairman All Pakistan Textiles Processing Mills Association (APTPMA) Muhammad Pervaiz Lala demanded to support textile processing industries and employment, government should pick two regulatory costs to employers, namely SESSI and EOBI as Pakistani competitor - India also provides such type of support. Therefore, Government should waive payments of EOBI, SESSI/PESSI and taxes & levies for export sectors for March to June 2020.

Commenting over the proposals for forthcoming budget 2020-21, he said that From July 2020 onward, Self Registration and Assessment Scheme should be introduced without any surveillance and post audits. EOBI & SESSI cards should be given to workers. With this scheme voluntarily registration will be increased benefiting both employees and employers. Due to COVID-19 and lockdown across Pakistan, the Textile Processing industries have halted production. Resultantly facing multiple losses, he added.

Central Chairman, Muhammad Pervaiz Lala mentioned that the Textile Exporters and Manufacturers come under final tax regime for which the profit of 4% is considered and presently pending refund amount of WHT is adjusted against payment of Workers Welfare Fund (WWF) at Federal Board of Revenue. Even after adjustment some amount of refund against WHT is still held up at FBR.

Now provincial government is also demanding SWWF from exporters. Some federal government officials verbally advised not to make payment of SWWF to provincial government whereas on the other hand provincial government inspector visits factories to follow up and it is cause of great harassment. We wonder how we could adjust pending refund amount of WHT if we pay WWF to Provincial Government. It is to be noted that all our exporters' data is available with FBR, he added.

Central Chairman, APTPMA Muhammad Pervaiz Lala, said that exporters are exempted from payment of WORKERS WELFARE FUND (WWF) and they are allowed to use the amount for labor related compliance matters which will directly benefit for the welfare of workers engaged in the manufacturing process and will help in enhancing exporters as the compliance level/standard of local companies will increase. He demanded that Industries will be provided relief in cost of manufacturing and Exemption should be given to export oriented industries, he added.

Chairman, APTPMA demanded immediate suspension of Export development surcharge and mentioned that 0.25% Export Development Surcharge is deducted from export proceeds of the exporters. This increases the cost of doing business of the exporters. Huge amount of EDF collected by Government is available in its kitty.

APTPMA Chairman Proposed that Govt should suspend collection of Export Development Fund (EDF) surcharge till the huge unutilized amount of EDF is exhausted. This will make our industry competitive and capture more markets, he argued.

Central Chairman, Muhammad Pervaiz Lala pointed out that there are 14 Gazette Holidays and 52 Sundays which total up 66 holidays in a year. Apart from casual and privilege leaves, the frequent holidays declared by the Provincial Government greatly hurts the production schedules of the export manufacturing units. As a consequence of this, he mentioned that Exporters have to bear overtime expenses of workers to make shipments on time. He proposed that the Govt fix for the Export Oriented Industries number of Federal Gazetted holidays in the year and the workers should not be entitled to Provincial Government's Holidays and Fix Gazetted Holidays can be adjusted by Employer and Employee with mutual consent.

This will provide strength to exporters to achieve challenging export target for enhancement of

Exports and earn valuable foreign exchange and shall also provide level playing field.