

GOVERNMENT OF PAKISTAN
MINISTRY OF TEXTILE INDUSTRY

No. 10 (1) TID/07/P-III

Islamabad Tuesday August 21, 2007

From:

Qamar Zaman,
Section Officer (P-III),
Islamabad

To:

Chairman,
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TMA House, 77-A, S.M.C.H.S.,
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021-111-360-360

Subject: PROPOSALS TO ENCOURAGE MERGERS

The Prime Minister of Pakistan, on the recommendation of the Planning Commission has approved, inter alia, merger tax credit @ 15% on merger asset value for units opting merger. The purpose of this scheme is to create economies of scale.

2. In Pakistan all sub-sectors of textile value chain have large number of small stand alone units. It has been assumed that most of such units are smaller than the economic size and it would be better if some of them could merge together to create economies of scale and increase proficiency.

3. With this in view, Ministry of Textile Industry would propose an incentive package to encourage such mergers. The incentive package may include fiscal and monetary incentives also.

4. If your organization has a considered opinion and would like MINTEX to move a proposal, please send your comments to the undersigned at the earliest.

*Circulate and
ask comment
from members
21/8*



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