



TEXTILE INDUSTRY IS FACING EXTREME CASH FLOW CRUNCH

Despite all the challenges, textile exporters are striving to fulfill the Premier's vision of economic prosperity through enhanced exports; however, following impediments have seized the export growth

Tax Refunds

Custom Duty Drawback	(Pending since June 2018)
Income Tax	(Pending since 2015)
Income Tax Credit u/s 65B&E	(Pending since 2010)
Provincial Sales Tax	(Pending since 2013)

Policy Incentives

Despite budgetary allocation, disbursement of Duty Drawback of Taxes (DDT) has not yet been initiated.

2016-17: DTL pending	2017-18: 50% Incremental pending
2018-19: 100% pending	2019-20: Window still not opened by SBP

New Refund System

- FASTER system has failed to pay refunds within 72 hours as committed.
- High scale rejection of ST refund claims due to complicated Annexure-H.
- Majority of exporters failed to get 100% refund against their paid sales tax on account of unnecessary covenant.

Implementation of Energy Package

- Despite repeated commitments, electricity tariff (**7.5 cent/kwh**) has not been implemented since July 2019 and tariff further increased by 25% adding QTR Tariff Adjustment and other charges.
- SNGPL is still billing Gas @ \$11.0/mmbtu instead of promised **\$6.5/mmbtu** and exporters are compelled to get relief from the court every month.

**We request your immediate intervention for removal
of major irritants in export growth in order to boost industrial
and export potential and generation of additional jobs**

PAKISTAN TEXTILE EXPORTERS ASSOCIATION

COMMITTED TO PROSPERITY

