

PAKISTAN TANNERS ASSOCIATION

PRESS RELEASE

PTA HAILS THE LUCRATIVE FEDERAL BUDGET FOR THE YEAR 2017-18

Karachi: Mr. Anjum Zafar Chairman, Pakistan Tanners Association in a press statement issued to all country wide print & electronic media hailed the **Federal Budget for the year 2017-18** wherein all major demands of **Leather Sector of Pakistan** have been accepted & incorporated in the budget, which are as follows :-

01. Removal of Custom Duty on import basic raw materials for the Industry (Raw hides & skins/pickled and wet blue) as we proposed to ministry of commerce, which was the fundamental need for the Industry to meet the scarcity of raw materials for necessary value addition with innovation to meet the foreign buyers/customers demands as country is now facing acute shortage of animals due to excessive slaughtering and no breeding or farming to raise live stock and thereby hides and skins are not enough for our industry. This step by the Government will help a lot in reviving the dying Leather Industry back and compensate for the lost production capacities for export but it is also requested that farming and breeding of animals should be encouraged on URGENT basis for future of our industry and basic protein and milk requirements of public in general .

02. Removal of Duty on Stamping Foils, which is the new technology in Leather tanning Industry to produce high quality fashion leather/articles. This will help to gain additional share in international export market and to compete with other countries manufacturers.

03. Announcement for the release of all Pending Claims specially RPO's for the Sales Tax to Leather Sector of Pakistan **on or before 14th Aug, 2017** would obviously facilitate our member exporters to avert their financial stringencies to have working capital for the smooth execution of exports orders with convenience, which was the dire need of the Industry.

04. Retained Leather Sector of Pakistan being one of the core sectors of the industry as "**continous zero rating**" Industry of the country, among others.

05. Mr Anjum Zafar Chairman PTA also requested that **Minimum turnover Tax of 1.25% announced in budget should not be levied on export sector under final tax regime 115(4) which is 1% presently and is already much higher than normal taxation and export sector is already under lot of pressure of high cost of doing business.**

06. The Chairman, PTA, Mr. Anjum Zafar also requested to allow exemption of Duties on import of Tanning Machineries, as has already been allowed/exempted for Textile & Poultry, as this specific Leather Sector desparately needs upgradation with new machines/new technology to produce innovative fashion & attractive leather. This may please be considered favourably for early announcement for Leather Sector of Pakistan.

The **Chairman, PTA, Mr. Anjum Zafar** already appreciated earlier incentives for DLT against local taxes & levies, which was announced by the Honourable Prime Minister of Pakistan on 10.01.2017, which is really very supportive to Leather Sector of Pakistan and enabling our member exporters to compete in International market in comparison with regional competitors, while the announcement for the above incentives would certainly motivate the leather sector exporters of Pakistan to play their pivotal role in fetching precious foreign exchange for the national exchequer as per aspiration of the Honourable Prime Minister of Pakistan.

Mr. Anjum Zafar Chairman, PTA also highly appreciated the efforts & cooperation of all Ministries concerned, FBR in general and Ministry of Commerce and their officials concerned in particular for their close coordination made with PTA in hearing the realistic/genuine grievance patiently for prompt actions, redressal and inclusion in the Federal Budget with their recommendation.

While concluding the **Chairman, PTA Mr. Anjum Zafar** thanked to all concerned specially the Federal Finance Minister Mr. M. Ishaque Dar, Federal Commerce Minister, Engr., Khurram Dastagir Khan, Secretary Commerce, Mr. M. Younas Dhagha, Director General, Ministry of commerce, Mr Mohammed Ashraf and is highly optimistic that in lieu of acceptance of Leather Sector demands this 2nd biggest export oriented industry of the country would be empowered with new spirit & enthusiasm to be on right track for real development & promotion of the country's exports. **Mr. Anjum Zafar, Chairman, PTA** assured to extend all cooperation to the Government of Pakistan to promote the exports for the betterment of the country and for general masses.

Mr. Anjum Zafar Chairman, PTA hoped that future Government policies specially STPF to be announced thereafter would be compiled & announced will be also more business friendly with the inclusion of remaining demands of the Leather Sector of Pakistan in STPF so that PTA's member exporters would also be motivated/facilitated with much more viable level playing field to the Industry to compete in international markets and revive leather sector exports, which have been falling so far.