

Towel Manufacturers' Association of Pakistan

FBR likely to amend EFS Scheme SRO 957(1)/2021 which was commented by us. Please go through and provide feed back urgently otherwise it may be implement

Rule	Draft Amendments	TMA Comments						
871(k)(a)	By an indirect exporter to a direct exporter; commercial exporter	Amendments fully endorse, as this will provide commercial exporters rooms to enhance their exports.						
872(1)(a)	Person registered under the Sales Tax Act, 1990, as manufacturer-cum-exporter, who make value-addition in the manufacture and export of goods, which shall not be less than 10 per cent; in USD terms.	It is very harsh amendments especially in our countries where fluctuation of currency is like rocket. Another dilemma is that our cotton production not full filled required capacity hence imported from various countries may make effect case to case. We request from dropping of these amendments otherwise severe consequences appear in the way of exports.						
872(1)(e)	Manufacturers including manufacturers of engineering goods, who intend to supply "against industrial units, projects, institutions, agencies and organization, entitled to the same at concessionary rates or to exempt projects or sectors in Pakistan"	We support this amendment						
874(3A)	"Manufacturer-cum-exporters falling under Category A or B can exercise hybrid facility of operating as indirect exporter or toll manufacturers as well"	Propose amendments are fully supported						
876(e)	Category C2: Revolving Insurance Guarantee for manufacturers with a self-owned manufacturing facility and Revolving Bank Guarantee for manufacturers with rented production facility and commercial exporters, covering their annual requirement till three year benchmark is crossed and graduating to C1 category "Provided that the PDC to be submitted shall be of the bank account for which bank statement has already been submitted to the Regulatory Collectorate in germs of rule 875(2)vi"	It is proposed that PDC from any bank account declared with Sales tax Registration be allowed.						
883	<table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Category</th> <th>Utilization period</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Sr. No.	Category	Utilization period				Reduction in month for utilization may harm manufacturers or exporters. Hence, it is requested
Sr. No.	Category	Utilization period						

	<table border="1"> <thead> <tr> <th>(1)</th> <th>(2)</th> <th>(3)</th> </tr> </thead> <tbody> <tr> <td>I</td> <td>Category A</td> <td>60 Months</td> </tr> <tr> <td>II</td> <td>Category B</td> <td>48 Months</td> </tr> <tr> <td>III</td> <td>Category C</td> <td>24 Months</td> </tr> <tr> <td>IV</td> <td>Category C1</td> <td>24 Months</td> </tr> <tr> <td>V</td> <td>Category C2</td> <td>12 Months</td> </tr> </tbody> </table>	(1)	(2)	(3)	I	Category A	60 Months	II	Category B	48 Months	III	Category C	24 Months	IV	Category C1	24 Months	V	Category C2	12 Months	that propose amendments may be withdrawn.
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884	<p>Export of output goods or supply against international tenders – A Goods Declaration field for export of a consignment under this chapter shall contain the authorization number and shall be subject to all formalities for other declarations or endorsements if any, and the procedure in respect of processing and examination of export goods, for the time being in force, shall be observed:</p> <p>Provided that no Goods Declaration of export or Goods Declaration shall be filed for supply of goods against industrial units, projects, institutions, agencies and organizations, are to exempt projects or sectors in Pakistan:</p> <p>Provided further that supplies against of the industrial units, projects, institutions, agencies and organizations, exempt projects or sectors in Pakistan shall be reported by the user to the Regulatory Collector who shall enter the relevant particulars in WeBOC or PSW.</p>	Amendments supported by TMA																		
886(4)	No wastage of input goods in terms of quantity, volume weight or number, as the case may be, shall be allowed except as determined in the	Proposal is endorsed																		

	<p>Analysis Certificate and no duty and taxes shall be charged on such wastages of the input goods, provided that such wastages is either destroyed in the presence of an officer of Customs, not below the rank of an Assistant Collector. Or on payment of livable Federal excise duty and sales tax is paid on such wastage before removal and the information is uploaded in the WeBOC or PSW System by the Regulatory Collector.</p> <p>“Provided that a user may transfer the permissible wastage to another user.”</p>	
893	<p>Audit.- (1) The Directorate of Post Clearance audit shall conduct an audit of the user as under</p> <ul style="list-style-type: none"> (a) Category A; once in five years; (b) Category B; once in Four years; (c) Category C; once in three years ; and (d) Contract based: once in three years: <p>“Provided that the Directorate of Post Clearance Audit may conduct audit of any users based on risk assessment or random selection, on specific information, or on request of the Regulatory Collector at any time.”</p> <p>“Provided further that the audit of new entrants in export facilitation scheme, not availing any previous export scheme, may be conducted on annual basis for first three years.”</p>	<p>These amendments directly heart new entrants, as they have to make audit each year upto 3 years.</p> <p>We request once an audit conducted and found according to rule, no further audit sought.</p>

897	<p>(3) The user arrange or install at his premises such online automated system to record and display details of input goods, manufactured goods, and output goods exported or supplied to another user or vendor besides inventory position on daily basis as may enable the Regulatory Collectorate to monitor all the activities being done by him.</p> <p>(4) The Regulatory Collector shall be responsible for overall monitoring of scheme.</p>	<p>We request to drop these amendments until education of manufacturers and exporters and if necessary step wise action sought which may be completed in one or two years.</p>
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Thanks & Regards

M. Muzzammil Hussain
Secretary General