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Exporters likely to get DLTl worth Rs37.306bn

ISLAMABAD: The Commerce Ministry is planning to release Drawback on Local Taxes and Levies (DLTL) worth Rs37.306 billion to exporters to deal with their liquidity issues of leading export sectors.

In this regard, the Commerce Ministry is all set to move a summary to the Economic Coordination Committee (ECC) of the Cabinet seeking the release of DLTl worth Rs37.306 billion to exporters.

Official sources revealed to Business Recorder that Caretaker Federal Minister for Commerce and Industries Dr Gohar Ejaz chaired a review meeting here on Wednesday.

The meeting was informed that DLTl was suspended on June 30, 2021. On account of non-release of Rs37.5 billion under the head of DLTl created severe liquidity crunch for the industrial sector and were unable to invest and diversify their products and hurt the overall exports of the country.

According to the summary, a copy of which is available with Business Recorder, a supplementary grant of Rs37.306 billion is required during the current fiscal year 2023-24 to clear the ready for payment claims; (i) Rs32.782 billion to clear the ready for payment claims verified by State Bank of Pakistan (SBP) till December 27, 2023 under DLTl/LTLD schemes of textiles and non-textile sectors (these DLTl/LTLD schemes cover the exports till 30th June 2021); (ii) Rs4.354 billion to clear the ready for payment claims verified by SBP till 23rd September 2021 under Technology Upgradation Fund (TUF) of textiles sector (scheme was launched by the government of Pakistan in 2009, however, claims are still pending); and (iii) Rs170 million to clear the ready for payment claims till 11th November 2021 under Punjab and Sindh Social Security Contribution Order 2010 of the textile sector.

Dr Ejaz confirmed to Business Recorder that a serious note of the matter was taken and the Commerce Ministry would move a summary to the ECC for the early release of outstanding amounts. The minister is also scheduled to visit Karachi on Thursday (Dec 28) and will hold meetings with the business community. Dr Ejaz said that the government is taking measures to facilitate industries to boost exports. Only increase in exports is the solution to get the country out of the current economic challenges, he added.