

Saturday, April 08, 2017 | 10 Rajab ul Murajab 1438 Hijri

## Market Today (April 07, 2017)

Opening	PSX	Gold Per 10 gm	KCA Spot Rate	Crude Oil USD/bbl.
	49,963.77	42,600.00	6,600.00	52.60

(Source: Business Recorder)

## Exchange rates issued by the Treasury Management Division of National Bank of Pakistan. April 07, 2017

Country	Currency	Selling TT & OD	Buying TT Clear
USA	USD	104.65	104.45
UK	GBP	130.48	130.23
Euro	EUR	111.39	111.18
Canada	CAD	78.06	77.91
Switzerland	CHF	104.16	103.96
Australia	AUD	78.79	78.64
Sweden	SEK	11.6	11.57
Japan	JPY	0.9474	0.9456
Norway	NOK	12.15	12.13
Singapore	SGD	74.62	74.48
Denmark	DKK	14.98	14.95
Saudi Arabia	SAR	27.9	27.85
Hong Kong	HKD	13.63	13.6
China	CNY	15.54	15.51
Kuwait	KWD	343.17	342.52
Malaysia	MYR	23.59	23.54
New Zealand	NZD	72.92	72.78
Qatar	QAR	28.74	28.69
UAE	AED	28.49	28.44

(Source: Business Recorder)

## Sectoral Share in GDP %

Sectors/Sub-Sectors	2014-15	2015-16 (p)
<b>Commodity Producing Sector (Agriculture + Industrial Sector)</b>	<b>41.4</b>	<b>40.8</b>
<b>Agriculture</b>	<b>20.80</b>	<b>19.82</b>
Crops	8.2	7.4
Livestock	11.7	11.6
Fishing	0.4	0.4
Forestry	0.4	0.4
<b>Industrial Sector</b>	<b>20.6</b>	<b>21.0</b>
Mining & Quarrying	2.9	2.9
Manufacturing	13.6	13.6
Construction	2.4	2.6
Electricity & Gas Distribution	1.7	1.9
<b>Services Sector</b>	<b>58.6</b>	<b>59.2</b>
Transport, Storage & communication	13.4	13.3
Wholesale & Retail Trade	18.3	18.3
Finance & Insurance	3.2	3.3
Ownership of Dwellings	6.7	6.7
General Government Services	7.1	7.6
Other Services	9.9	10.1

(Source: Economic Survey of Pakistan 2015-16)

**Govt has frozen gas prices for domestic consumers, says Ogra chief**  
Oil & Gas Regulatory Authority (Ogra) Chairperson Uzma Adil Khan has said that the government has frozen the gas prices for the domestic consumers under its socio economic agenda. While speaking at the Lahore Chamber of Commerce & Industry, she said that it is jurisdiction of the government to determine the sale prices of oil and gas, adding that the Ogra is just a regulatory body which ensures implementation of the policies evolved by the government and is also playing role of bridge between licensees and the government. She said that the Ogra was established to provide effective and efficient regulations, fostering competition, encouraging investment, protect public interest and ensure level playing field within the petroleum and gas industry. She said that petroleum prices are being settled through a calculation methodology. After calculating the notified taxes, the government issues the petroleum products prices while gas prices prescribed after hearing. Uzma said that new mechanism for processing of application for licenses is being evolved. He said that all details in this regard would be available at website while applicant would be able to have information about status of his application. To a question, she said that advanced tax on LPG import is FBR related issue and should be taken with the concerned authorities. She said that reservations of oil marketing companies on 2016 rules would be taken with the government. She said that no penal action would be taken till amendment in rules. LCCI Senior Vice President Amjad Ali Jawa mentioned that at the start of the current financial year, the government had announced not to increase the gas prices but it is learnt that the Ogra has recommended increase. He said any hike in gas prices would hit the industry hard therefore this idea should be dropped. He said that 5.5 percent advance tax has been imposed on the import of LPG that would cause shortage of this fuel in coming winters. This advance tax must be withdrawn in the larger interest of industry and the masses. He said that repeated increases have been made in the POL prices from last couple of months that has increased the input cost of the industrial sector. Likewise, increase in POL prices also increases the electricity prices. He said that benefit of cut in oil prices in the international market should be given to the consumers. He said that there is a dire need to keep balance in the prices of oil and gas to prevent industry from loss.  
(The Nation)

## RPOs of dubious cases to be investigated: FBR

The Federal Board of Revenue (FBR) has decided to conduct the investigation and audit of sales tax Refund Pay Orders (RPOs) of dubious cases (tax period 2016-17), which did not match with the new parameters communicated to the Large Taxpayer Units (LTUs) and Regional Tax Offices (RTOs). The FBR instructions issued to the LTUs/RTOs said that the parameters for scrutiny of sales tax refund claims for tax period of 2016-17 are: the refund claim is commensurate with exports; refund claimed on packing materials is disallowed; declaration of purchases and sales, and description of goods, etc, as in the return match with the details in RCPs/refund claim data and input tax claimed is in accordance with the details in provisions of sections 7 and 8 of the Sales Tax Act, 1990. According to the FBR instructions issued to the field formations, the RPOs generated for the year 2016-17 having high refund to export ratio have been rolled back and referred to respective LTUs/ RTOs for proper scrutiny and processing. An official said that all RPOs are not been subjected to scrutiny except claims involving high amount of refunds. The FBR said that through the budgetary measures for the year 2016-17, SRO No 1125(1)/2011, dated 31.12.2011, was amended by SRO No

## Economic Indicators

### Annual (2015/16)

Foreign Debt	\$62.649bn
Per Capita Income	\$1,512
GDP Growth	4.24%
Average CPI	8.6%

### Monthly (Oct. 2016)

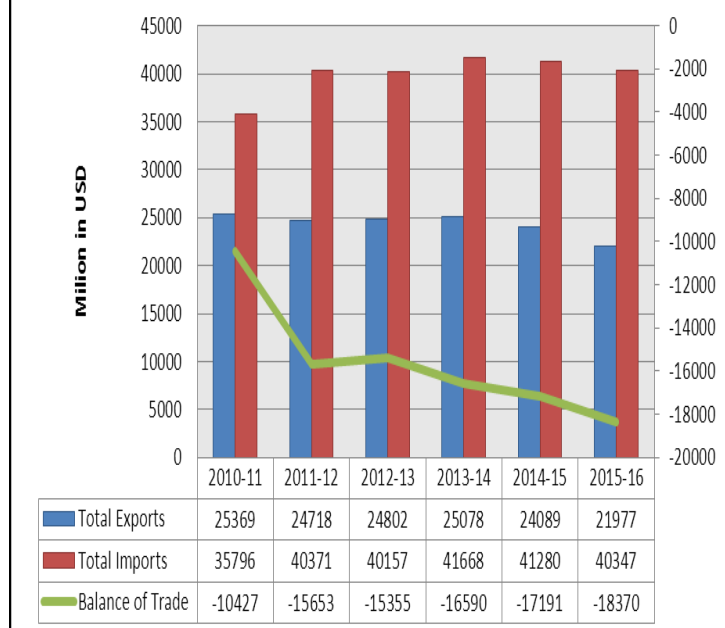
Trade Balance	-\$1.852 mln
Exports	\$1.742 mln
Imports	\$3.594 mln

### Weekly (January 23, 2017)

Reserves	\$23,191.5 mln
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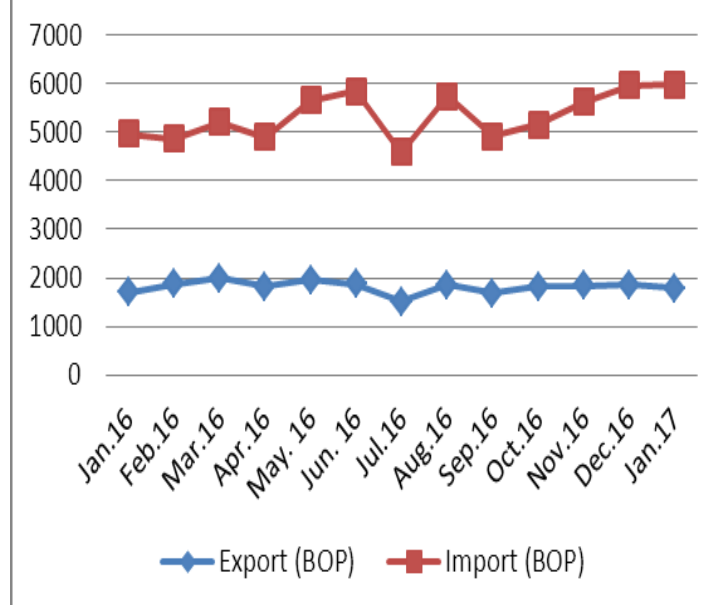
(Source: Business Recorder)

## Yearly Trade Data



(Source: SBP)

## Monthly Trade Data



(Source: SBP)

491(1)/2016, dated 30.06.2016, providing for zero-rating of inputs of five export-oriented sectors and also barring input tax adjustment on packing materials. It was anticipated as well as assured by the industry that as result of this measure, sales tax refund claims would decline substantially. However, an examination of returns filed by these sectors has revealed that the sales tax refund has remained at the same level. Accordingly, in order to safeguard the revenue and forestall the possibility of wrongful refunds, the RPOs generated for the year 2016-17 having high refund to export ratio have been rolled back and referred to respective LTUs/ RTOs for proper scrutiny and processing through the computerised system STARR, the FBR said. All LTUs/ RTOs are advised that refund processing offices should ensure that the refund claim is commensurate with exports; refund claimed on packing materials is disallowed; declaration of purchases and sales and description of goods, etc, as in the return match with the details in RCPs/refund claim data; and input tax claimed is in accordance with the details in provisions of sections 7 and 8 of the Sales Tax Act, 1990. In case of dubious refunds, the provisions of section 10(3) regarding investigation/audit may also be invoked. The RPOs may be generated after such scrutiny for the amount found admissible. (Business Recorder)

### FBR urged to payoff refunds

The business community, exporters and industrialists have urged the Federal Board of Revenue (FBR) to clear those outstanding refunds of exporters against which release payment orders (RPOs) have been issued forthwith as liquidity crisis cause decline in textile exports. The Multan Chamber of Commerce and Industry (MCCI) President Khawaja Jalaluddin Roomi said that FBR should clear the dues before the deadline of April 20 given by the apex chamber of commerce and industry. If the FBR fails to fulfil this demand, the business community will be forced to take action as per decision of FPCCI, he added. He said exporters are facing a lot of hardships because of a liquidity crunch. He said many small and medium enterprises (SMEs) in Multan, Bahawalpur, Dera Ghazi Khan Faisalabad, Kasur and Gujranwala have already closed down their operations as they could not sustain the financial overheads in the presence of huge outstanding rebates and refunds in sales tax, income tax and customs duty. The situation has deteriorated to the extent that industries that took bank loans to meet their export commitments are now being turned away by banks, he added. In the last budget speech, the finance minister promised to clear all outstanding dues of exporters. But only Rs 26 billion were paid in August 2016 while Rs 27bn were paid in the middle of November. Refunds of round Rs 250bn are still stuck with the FBR, he said. He said the Federal board of revenue (FBR) continues to claim that only Rs 150 bn is outstanding, insisting that its figure does not include the deferred amount. "This is wrong. It is only damaging the country's exports that have come down from \$25bn to \$20bn," he noted. All Pakistan Bedsheet and Upholstry Manufacturers Association (APBUMA) Chairman Khawaja Muhammad Younas said the FBR is resorting to delaying tactics to postpone the payment of rebates and refunds by opening cases for audit. "Exporters cannot claim refunds until their audit is over," he said. (Business Recorder)

### Full-day report: Benchmark index regains lost ground

The Pakistan Stock Exchange ended the first week of April on a positive note, with the benchmark KSE-100 index gaining 533 points, or 1.13pc, by market close to reach 47,889.37. 55.94 million shares of indexed companies changed hands in the session, with a total worth of nearly Rs4.9 billion. The recovery came on the back of "value-picking by institutional investors in banks, oil, cement and fertiliser stocks," said an analyst note issued by Topline Securities. (Dawn)