## F.No.1 (01)/2019-D(Inv-II)/ NTC/MRH Government of Pakistan Ministry of Commerce National Tariff Commission \*\*\*\*\*

Islamabad, March 25, 2019

## **Public Notice**

## Subject: - <u>Application for assistance to the domestic industry manufacturing Automotive Hoses and</u> Moulded Rubbers.

M/s Darson Industries (Pvt.) Limited, Gujranwala (the "Applicant"), a manufacturer of Automotive Rubber Hoses (PCT No.4009.4110) and Rubber Moulded Parts (PCT: 4009.1190) has approached the National Tariff Commission ("NTC") for assistance to improve domestic industry's import competitiveness. The Applicant is license holder of export-oriented unit under SRO 327 (1)/ 2008. The Applicant is of the view that the charges of input utilities i.e. Gas and Electricity is already higher as compared to the competitor counties. On top of this cost the sales tax @17% and income tax @5% are adding to the cost which makes the domestic industry less competitive. Besides, reduced rate of Balancing, Modernization & Replacement (BMR) incentives, interrupted energy supply and higher customs duty on inputs are also adding to the cost of doing business. The Applicant has claimed that it has exported Automotive Rubber Hoses and Moulded Rubbers worth of Rs. 417 million during the year ended June 30, 2018 and has potential to improve if the competitiveness is achieved by reducing the above-mentioned cost of doing business.

- 2. The Applicant has requested various interventions by the Government of Pakistan. NTC has initiated an inquiry under Section 8, subsection (1)(a)(ii) of National Tariff Commission Act. 2015 on the Applicant's requests for:
- i. Waiver of taxes on input materials and utilities by inclusion of this industry in SRO 1125(1)/ 2011; and
- ii. Drawback of Local Taxes and Levies (DLTL) levied on locally procured inputs/raw-materials;
- 3. The NTC would welcome views, suggestions and proposals from all parties having an interest in the business relating to or associated with the importers, exports, manufacturing, marketing and use of Automotive Rubber Hoses (PCT No. 4009.4110) and Rubber Moulded Parts (PCT: 4009.1190). Views/suggestions may be sent within fifteen days of publication of this public notice, to the Secretary, NTC, 4th Floor, State Life Building No.5, Blue Area, Islamabad.
- 4. A public hearing on the issue is scheduled to be held on April 12, 2019 at 11:00 a.m. in the Committee Room on NTC, 11th Floor, State Life Building No.5, Blue Area, Islamabad.
- 5. Further, all parties having an interest in the business relating to or associated with the imports, manufacturing, marketing use or export of Automotive Rubber Hoses and Rubber Moulded Parts are hereby advised to get themselves registered with NTC latest by April01, 2019 for participation in the public hearing by providing names of the participants with their telephone numbers (Cell/LL) and fax numbers to the Secretary NTC on fax No.051-9221205.

For any further inquiry please contact Director General (Inv-II) at 051-9218961. All interested parties may submit their comments and suggestions in writing. The comments and suggestions may be supported with requisite, information and documentary evidence(s), which must be brought to the public hearing. The views not supported with reliable documentary evidence(s) shall not be considered.