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INTERNATIONAL
THE NEWS

PHMA demands ban on export of yarn

By our correspondent

LAHORE: Pakistan Hosiery Manufacturers Association (PHMA) has demanded immediate ban on export of yarn as its rates have further increased after capping of yarn exports at 50 million kg per month.

Warning that the PHMA would be forced to go on hunger strike if the ban on yarn exports was not imposed in two days, the PHMA Chairman Rana Muhammad Mushtaq Khan appealed to the government to rescue the value-added sector.

He said the knitwear industry, employing 2.5 million workers, was on the verge of collapse due to non-availability of yarn. He accused the Trade Development Authority of Pakistan (TDAP) of fudging figures to fix a higher ceiling of exports of yarn.

He said prior to imposition of quota on yarn export it was agreed between the Minister of Textiles, Minister of Finance and the PHMA that maximum permissible export of yarn should not be higher than 39 million kg per month but the authorities announced yarn export ceiling of 50 million kg per month, using fudged figures provided by the TDAP.

Former chairman PHMA Shahzad Azam Khan said that the yarn rates have further increased after imposition of quota on yarn export. He said before the start of yarn crisis quality yarn was available in the local market at Rs6700 per 100 pounds.

He said the rates increased to Rs8700 per 100 pound bag when quota restriction was imposed.



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RECORDER REPORT

LAHORE (February 11 2010): Pakistan Hosiery Manufacturers Association (PHMA) has urged the government to impose immediate ban on export of yarn as its rates have further increased after capping of yarn exports at 50 million ton per month and quality

yarn is not available even at increased rates.

The PHMA warned that it would go on hunger strike if ban on yarn exports was not imposed within two days. Chairman PHMA Rana Muhammad Mushtaq Khan appealed the government to rescue the value-added sector. He said the knitwear industry, which employs around 2.5 million workers was on the verge of collapse due to non-availability of yarn.

He said that Trade Development Authority of Pakistan (TDAP) fudged figures to fix a higher ceiling of exports of yarn. He said prior to imposition of quota on yarn export it was agreed between the minister of textiles, minister of finance and PHMA that the maximum permissible export of yarn should not be higher than 39,000 million kg per month. But the authorities announced yarn export ceiling of 50,000 million ton per month on fudged figures provided by the TDAP, he added.

Former Chairman PHMA Shahzad Azam Khan said that yarn rates had further increased after imposition of quota on yarn export. Before the beginning of yarn crisis quality yarn was available in the local market at Rs 6700 per 100 pounds. The rates increased to Rs 8700 per 100 pound when quota restriction was imposed. Now yarn rates have jumped to Rs 11,500 while quality yarn was not available even at this rate. "Yarn mafia is operating in the country like sugar mafia," he said.