

THE KARACHI COTTON ASSOCIATION

(The Cotton Exchange, I.I. Chundrigar Road, Karachi)

EXECUTIVE COMMITTEES' REPORT COVERING ACTIVITIES OF THE ASSOCIATION FOR THE YEAR 2021-22 AND AUDITED ACCOUNTS OF THE ASSOCIATION FOR THE YEAR ENDED JUNE 30, 2022

The Executive Committee is pleased to present their Annual Report covering activities of The Karachi Cotton Association for the year 2021-22 and Audited Accounts for the financial year ended on June 30, 2022.

EXECUTIVE COMMITTEE'S REPORT:

Before discussing the local cotton situation, a brief review of the world cotton situation is presented for the year 2021-22 along with its prospects for the year 2022-23.

WORLD COTTON SITUATION (2021-22):

According to the USDA, the world cotton production in 2021-22 had been increased to 116.00 million bales (480 lbs. each) from 111.37 million bales in 2020-21 due to increase in production in Brazil, USA, Pakistan, Australia and Turkey. Production declined in China to 27.00 million bales from 29.50 million bales and India to 24.50 million bales from 27.60 million bales.

The world cotton consumption declined to 119.21 million bales from 121.68 million bales in 2021-22. The ending global stocks for 2021-22 declined to 84.72 million bales from 88.11 million bales in 2020-21 i.e. 3.39 million bales lower than the previous year.

The New York Cotton Futures latest delivery month recorded at US¢ 90.07 per lb at the beginning of the season on 02.08.2021 and US¢ 103.13 per lb at the end of the season on 29.07.2022.

WORLD COTTON SITUATION (2022-23):

According to the USDA, world cotton production for 2022-23 is estimated to increase to 117.01 million bales (bale of 480 lbs.) from 116.00 million bales in 2021-22. Major increase in cotton production is projected in India, Brazil, Pakistan and Turkey where production is estimated to increase to 27.50, 13.00, 6.20 and 4.30 million bales from 24.50, 12.00, 6.00 and 3.80 million bales respectively.

World cotton consumption is estimated to decline to 119.08 million bales in 2022-23 against 119.22 million bales of actual consumption in 2021-22. In China, the cotton consumption is estimated to increase to 37.50 million bales in 2022-23 from 37.00 million bales in 2021-22. World exports for 2022-23 are estimated at 44.58 million bales as against 43.29 million bales in 2021-22.

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TARGET OF COTTON PRODUCTION IN PAKISTAN (2021-22):

The target of cotton production in Pakistan for 2021-22 (in terms of bales of 375 lbs. each) was initially fixed at 10.50417 million bales (Punjab 6.07 million bales, Sindh 4.00 million bales, Baluchistan 0.42 million bales and KPK 0.00417million bales) from an area of 2.3222 million hectares.

According to the Arrival Report of the PCGA for the year 2021-22 issued on 3rd Mach 2022, the total arrivals of cotton in ginneries as on 01.03.2021 were 7.44 million bales.

COTTON PRODUCTION TARGET IN PAKISTAN (2022-23):

The target of cotton production for 2022-23 was fixed by the Government at 11.034 million bales (Punjab 6.60 million bales, Sindh 4.00 million bales, Baluchistan 0.43 million bales and KPK 0.004 million bales).

The provinces-wise targets of area and production fixed for 2022-23 are as follows :-

COTTON AREA AND PRODUCTION TARGETS (2022-23)

S.No.	Province	Area (Million hectares)	Production (Million bales)
1.	Punjab	1.821	6.07
2.	Sindh	0.640	4.00
3.	KPK	0.0022	0.00417
4.	Baluchistan	0.0700	0.43
Total:		2.5333	11.034

Source: PCCC

PCGA GINNING FIGURES (2021-22):

As per report of the Pakistan Cotton Ginners' Association (PCGA), arrivals of seed cotton, (Phutti) in ginneries crop 2021-22 as on March 01, 2022 were 7.442 million bales as shown below:-

ARRIVALS OF SEED COTTON IN GINNERIES

<u>Province</u>	<u>In bales</u> (170 kg)	
	<u>2021-22</u> (as on 01.03.2022) (Final)	<u>2020-21</u> (as on 01.05.2021) (Final)
Punjab	3,928,690	3,509,798
Sindh	3,513,143	2,136,169
Total:-	<u>7,441,8333</u>	<u>5,645,967</u>

SEED COTTON PRICES:

The monthly average prices of seed cotton as well as lint during 2021-22 are as follows:-

AVERAGE MARKET PRICE IN RS. PER 40 KGS.
OF SEED COTTON DURING 2021-22

<u>S.No.</u>	<u>Month / Market</u>	<u>Hyderabad</u>	<u>RahimYar Kham</u>
1.	July, 2021	5715.00	5995.00
2.	August, 2021	5973.00	6043.00
3.	September, 2021	5487.00	5760.00
4.	October, 2021	5276.00	6194.00
5.	November, 2021	5536.00	7217.00
6.	December, 2021	---	7176.00
7.	January, 2022	---	7170.00
8.	February, 2022	---	6882.00
9.	March, 2022	---	6867.00
		5597.00	6575.00

Source: PCCC

The following table shows month-wise average spot rates in rupees per maund of 37.324 kgs. at the Karachi Cotton Market for the season 2021-22 (Aug.-July):-

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**MONTHLY AVERAGE OF THE KCA OFFICIAL SPOT RATES (EX-GIN PRICE) FOR BASE
GRADE 3 (THREE), STAPLE LENGTH 1-1/16”
MIC VALUE BETWEEN 3.8 TO 4.9 NCL.**

<u>S.No.</u>	<u>Month</u>	<u>(In Rs. per Maund)</u> <u>Monthly Average Ex-gin</u>
1.	August, 2021	13,593.00
2.	September, 2021	13,410.00
3.	October, 2021	14,624.00
4.	November, 2021	16,669.00
5.	December, 2021	17,023.00
6.	January, 2022	18,854.00
7.	February, 2022	20,022.00
8.	March, 2022	20,019.00
9.	April, 2022	20,577.00
10.	May, 2022	21,227.00
11.	June, 2022	20,454.00
12.	July, 2022	16,936.00
	Yearly Average based on monthly averages	<u>17,784.00</u>

LOCAL MILL CONSUMPTION FOR 2021-22:

The mill consumption of raw cotton during the year 2021-22 (Aug.-July) as reported by the Textile Commissioners' Organization would be around 16.14 million bales.

The following table shows month-wise mill consumption of cotton from Aug., 2021 to July, 2022:-

MILL CONSUMPTION OF COTTON FOR 2021-22 (AUG.,-JULY.)

<u>S.No.</u>	<u>Month</u>	<u>(Bales of 375 lbs.)</u>
1.	August, 2021	1,346,118
2.	September, 2021	1,343,206
3.	October, 2021	1,345,853
4.	November, 2021	1,343,529
5.	December, 2021	1,346,176
6.	January, 2022	1,346,765
7.	February, 2022	1,336,177
8.	March, 2022	1,346,412
9.	April, 2022	1,345,294
10.	May, 2022	1,346,412
11.	June, 2022	<u>1,346,000</u>
	Total (Aug., 21 - June, 22)	<u>14,791,941</u>
12.	July, 2022 (T)	1,344,722
	Total based on annualized average:	<u>16,136,663</u>

Source: Textile Commissioner's Organization

DISPOSAL OF COTTON IN 2021-22:

According to the PCGA's report, the arrivals of cotton in the ginneries (Crop 2021-22) as on March 01, 2022, were recorded as 7.44 million bales as compared to 5.646 million bales against arrival for 2020 -21. The total sales of 2021-22 crop to the mills, exporters and the TCP, as on March 01, 2022 were 7.35 million bales compared to 5.605 million bales as recorded on March 01, 2022 which will be seen from the following table:-

**FINAL POSITION OF GINNED/PRESSED BALES AND SALES
AS ON 01.03.2022 / 01.05.2021**

(In Bales)

	<u>2021-22 crop</u> (as on 01.03.2022)	<u>2020-21 crop</u> (as on 01.05.2021)
No. of bales ginned and pressed	7,440,568	5,645,967
Total Sales	7,348,000	5,605,223
- Sales to Mills	7,332,000	5,535,023
- Sales to TCP	----	----
- Sales to exporters	16,000	70,200
- Stock of unsold and unginned bales.	93,833	40,744

REVIEW OF COTTON CROP (2021-22):

**TARGETS FOR AREA AND PRODUCTION
FOR THE COTTON CROP YEAR 2021-22**

PROPOSED TARGETS OF COTTON CROP DURING 2021-22:

Province	Targets 2021-22	
	Area (Million Hectares)	Production (Million Bales)
Punjab	1.61	6.07
Sindh	0.64	4.0
KPK	0.0022	0.00417
Balochistan	0.07	0.43
Total	<u>2.3222</u>	<u>10.50417</u>

Source: Federal Committee on Agriculture.

TARGETS AND ACHIEVEMENTS OF COTTON AREA AND PRODUCTION: 2021-22

(Bale=170kg)

Province	Area (million hac.)		Production (million bales)		% age Against Target	
	Target	Achievement	Target	Achievement	Area	Production
Punjab	1.61	1.279	6.07	5.168	79.4	85.14
Sindh	0.64	0.594	4.0	2.998	89.8	74.95
KPK	0.0022	0.00017	0.00417	0.000506	5.45	12.13
Balochistan	0.07	0.0637	0.43	0.162	91.4	37.67
Total	2.3222	1.936	10.50417	8.328	82.7	79.28

Source: Provincial Agriculture Crop Reporting Department.

Increase in Production during 2021-22 seasons against 2020-21:

- Production increased in 2021-22 as compared to 2020-21 owing to increase in area.
- Climate/weather remained better as compared to previous year.
- Pest/insect attack like CLCV, Pink boll worm and white fly remained lower as compared to last year.

TARGETS FOR AREA AND PRODUCTION AND REVIEW FOR THE COTTON CROP YEAR 2022-23.

The Federal Committee on Agriculture had fixed the targets of Area and Production for the year 2022-23 in its meeting held in Islamabad. Province-wise Area and Production targets are given in tables as follows:-

PROPOSED TARGETS OF COTTON CROP DURING 2022-23 SEASON

Province	Targets 2022-23		
	Area (Million Hectares)	Production (Million Bales)	Yield (kg/hectares)
Punjab	1.821	6.600	616
Sindh	0.6400	4.000	1062
KPK	0.0022	0.004	309
Balochistan	0.0700	0.430	1044
Total	2.5333	11.034	740

Source: Federal Committee on Agriculture.

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SOWING POSITION OF COTTON CROP (2022-23 SEASON)

(Million Hectares)

Province	Proposed Target 2021-22	Area Sown		% age Against Target	% Change Over Last Year
		2022-23	2021-22 On the Same date last year		
Punjab (First Estimate)	1.821	1.485	1.279	81.5%	+ 16.1
Sindh	0.640	0.517	0.594	80.8%	- 13.0
Total	2.461	2.002	1.873	81.4%	+ 6.9

Source: Provincial Agriculture Extension & Crop Reporting Service, Departments.

Main reasons of increase in Area during 2022-23 seasons against 2021-22:

- Area increased due to better prices achieved by farmers last year which, compelled farmers to cultivate more area under cotton.
- Announcement of support/ intervention price.
- Availability of certified cotton seed to growers.
- Seminars/workshops arranged by Research Institutions played vital role for creating awareness amongst the growers resulted in increase in area.

EXPORT SALES OF 2021-22 CROP:

In the marketing year 2021-22 (August-July), the Export Sales of Cotton registered with the Trade Development Authority of Pakistan (TDAP) were approximately 18,000 bales as compared to 4,000 bales registered in the corresponding period last year.

IMPORTS:

The imports of cotton during the year 2021-22 (July – June) were recorded about 777,000 M.T. as compared to 858,000 M.T. recorded during corresponding period last year as per data released by Pakistan Bureau of Statistics, Government of Pakistan. This helped in meeting the requirements of domestic mills.

**COTTON CROP ASSESSMENT COMMITTEE
MEETINGS 2021 – 22:****2nd MEETING OF COTTON CROP ASSESSMENT COMMITTEE
FOR 2021 - 22 SEASON HELD ON 07.10.2021 AT ISLAMABAD.**

The Federal Government constituted a Committee on Cotton Crop Assessment for the year 2021-22 to assess the size of the Cotton Crop on a realistic footing so as to make available factual estimates of the Cotton Crop and to avoid confusion. Chairman, the KCA was also included as one of the members of the Committee.

The second meeting of Cotton Crop Assessment Committee (CCAC) was held on 07.10.2021 under the chairmanship of Secretary Ministry of National Food Security and Research Mr. Tahir Khurshid in the Committee Room of Ministry of NFSR., which was also attended by representatives of provincial government of Punjab, Plant Protection Department (PPD), Trading Cooperation of Pakistan (TCP), Federal Seed Certification and Registration Department.

Khawaja M. Zubair, Chairman, KCA joined meeting via Zoom link along with other Stakeholders.

The Pakistan Central Cotton Committee (PCCC), All Pakistan Textile Mills Association (APTMA) and other senior officials of allied departments also attended the meeting.

The Committee met to assess the volume of current cotton crop in the country and Secretary, Ministry of National Food Security and Research welcomed the participants and appreciated the stakeholders' interest and participation in the process of cotton crop assessment.

Dr Khalid Abdullah, Cotton Commissioner, presented the overview of cotton production scenario in the country. He stated that the weather and prices factor favored the cotton production, adding that government announcement of intervention price, which enhanced the grower's confidence in investment on crop management resulted in higher arrivals of cotton in ginneries.

Representatives of the Provincial Government presented the crop estimates as Punjab Province said that about 5.44 million cotton bales comprising on 170 kg production was expected during current season.

Meanwhile, cotton output in Sindh province was estimated to reach 3.50 million bales, where as output of Baluchistan was forecast at 0.43 million bales during the season 2021-22. The representatives of Khyber Pakhtunkhwa Province apprised the forum that cotton crop production in the province was estimated at 0.004 million bales.

Federal Secretary Ministry of National Food Security and Research appreciated the meeting and stressed the need for keeping the momentum in order to achieve true crop potential for economic growth and social prosperity of the country.

**Ist MEETING OF COTTON CROP ASSESSMENT COMMITTEE
FOR 2022-23 SEASON HELD ON 22.08.2022 AT ISLAMABAD.**

The 1st meeting of Cotton Crop Assessment Committee (CCAC) was held on 22.08.2022 in the Committee Room of NFSR. The meeting was chaired by Secretary, Ministry of National Food and Security & Research.

Khawaja M. Zubair, Chairman, KCA joined meeting via Zoom link along with other Stakeholders.

Press Release / Minutes of the meeting referred to above could not release so far.

VISIT OF DIGNITARIES TO THE KCA:

**VISIT OF ADDITIONAL SECRETARY, MINISTRY OF COMMERCE,
GOVERNMENT OF PAKISTAN TO KCA ON 05-10-2021**

The Additional Secretary, Ministry of Commerce, Government of Pakistan visited the KCA on 05-10-2021 and met with Khawaja M. Zubair, Chairman, the KCA and discussed matters of mutual interest especially matters relating to the cotton trade.

**VISIT OF DELEGATION OF UNITED BUSINESS GROUP (UBG) OF THE
FPCCI TO THE KCA ON 02-11-2021**

A delegation of United Business Group (UBG) of FPCCI visited the KCA on 02-11-2021 and met with Khawaja M. Zubair, Chairman, Mr. Jahangir Moghul, Vice-Chairman and Mr. Rizwan Iqbal Umer, Former Vice-Chairman, the KCA and discussed the matters of mutual interest.

**VISIT OF DR. MICHAEL SPIES, HEAD OF RESEARCH GROUP,
TRANSECT EBERSWALDE UNIVERSITY FOR SUSTAINABLE
DEVELOPMENT, GERMANY TO KCA ON 18-11-2021**

Dr. Michael Spies, Head of Research Group, Transect Eberswalde University for sustainable Development Germany visited the KCA on 18-11-2021 to meet the members of the Executive Committee and Senior Members of the Cotton Trade.

Khawaja M. Zubair, Chairman, the KCA welcomed Dr. Michael Spies, Head of Research Group, Transect Eberswalde University, Germany to visit the Karachi Cotton Association and apprised him about the role of the Karachi Cotton Association in the marketing of Raw Cotton. He also informed him that the Karachi Cotton Association is one of the oldest trade Associations in Pakistan. It was setup in 1933 to establish just and equitable principles for cotton trade, set up standards of cotton, provide necessary facilities for domestic and export trade in cotton. It is the premier body of the cotton trade in Pakistan and is composed of Cotton Growers, Ginners, Exporters, Spinners and Commission Houses etc. Unlike other trade bodies, it is a unique Association in the sense that it represents all segments of the cotton trade. The KCA is a well reputed Organization both nationally and internationally. Ever-since its establishment in 1933, it has played an important & vital role in regulating trade of raw cotton.

Introducing to the members of the Executive Committee and Senior Members of the Cotton Trade, Khawaja M. Zubair stated that Dr. Michael Spies was a human geographer with broad experience in transdisciplinary human-environmental research. As an initiator and group leader of TRANSECT, his main research interests are reflected in the project design and include social-ecological dynamics of farming systems, participatory approaches to natural resource management and transboundary perspectives of agrarian change in Central Asia and Pakistan.

He also stated that the Research interests of the Dr. Michael Spies were (i) Agricultural transformation processes (ii) Agroforestry (iii) Transboundary dimensions of farming systems (iv) Central Asia and Pakistan (v) Participatory approaches to natural resource management and (vi) Theories of human-environmental relations Dr. Michael Spies thanked Chairman, the KCA for giving him an opportunity to visit the KCA and meet the members of the Executive Committee and Senior Members of the Cotton Trade.

He apprised the audience that the Research group TRANSECT investigates the social-ecological effects and interdependencies of agrarian transformations in Central and South Asia. Based on an in-depth understanding of past developments, they evaluate potential pathways towards a bioeconomy in the agrarian sector. Bioeconomy – or bio-based economy – is understood as comprehensive utilisation of agrarian and other renewable biological resources to secure food, industrial production, and bioenergy. This approach follows the long-term goal to reduce dependency on fossil fuels. He also apprised that the concept of bioeconomy has increasingly been adopted in policy strategies for sustainable development. Its strong emphasis on technological innovation and production growth, however, raises a number of questions. Based on the evaluation of previous experiences, we ask what kinds of social and ecological consequences can be projected from further intensifying agricultural production schemes? What types of technologies are beneficial for whom? How to make efficient use of agricultural residues in a locally adapted and sustainable manner, he added.

The participants of the meeting raised various questions to which Dr. Michael Spies replied confidently.

At the end, Chairman, the KCA thanked Dr. Michael Spies to visit the Karachi Cotton Association and share his research work with the participants of the meeting.

VISIT OF DELEGATION OF BUSINESSMEN PANEL (BMP) OF THE FPCCI TO THE KCA ON 18-11-2021

A delegation of Businessmen Panel (BMP) of FPCCI visited the KCA on 18-11-2021 and met with Khawaja M. Zubair, Chairman, Mr. Jahangir Moghul, Vice-Chairman and Mr. Rizwan Iqbal Umer, Former Vice-Chairman, the KCA and discussed the matters of mutual interest.

VISIT OF HIGH LEVEL DELEGATION COMPRISING OF GOVERNMENT OFFICIALS / COTTON EXPORTERS FROM MALI TO THE KCA ON 24-11-2021

A high level delegation comprising of Mr. Yakuba Kone, Head of Delegation and Technical Advisor to the Minister Of Rural Development, Government of Mali, Mr. Ousmane N. Traore, Director of Agricultural Production of the CMDT, Mr. Issaka Dembele, Chief Marketing Division, CMDT and Mr. Cheick Oumar Tidiane, Doucoure, Deputy Director General ,CMDT visited the KCA on 18-11-2021 to meet the Senior Members of the Cotton Trade.

Mr. Jahangir Moghul, Vice-Chairman, the KCA on behalf of the Chairman, the KCA, who attending the meeting via Zoom Link and also on his own behalf, welcomed Mr. Yakuba Kone, Head of Delegation and Technical Advisor to the Minister Of Rural Development, Government of Mali and other members of the delegation to visit the Karachi Cotton Association and apprised them about the role of the Karachi Cotton Association in the marketing of Raw Cotton. He also informed him that the Karachi Cotton Association is one of the oldest trade Associations in Pakistan to establish just and equitable principles for cotton trade, set up standards of cotton, provide necessary facilities for domestic and export trade in cotton. He further informed that the KCA is composed of Cotton Growers, Ginners, Exporters, Spinners and Commission Houses etc. Unlike other trade bodies, it is a unique Association in the sense that it represents all segments of the cotton trade. The KCA is a well reputed Organization both nationally and internationally, he added.

On behalf of the members of the delegation and on his own behalf, Mr. Yakuba Kone, Head of Delegation and Technical Advisor to the Minister Of Rural Development, Government of Mali thanked Mr. Jahangir Moghul, Vice-Chairman, the KCA for giving them an opportunity to visit the KCA and meet the Senior Members of the Cotton Trade.

He stated that Mali had a considerable potential to export cotton to Pakistan but due to various reasons including non issuance of necessary permit to the Pakistani importers for import of cotton from Mali. He, therefore, requested the KCA to take-up this matter with the Pakistan Government / concerned department so that the Pakistani importers / textile mills may import Mali cotton, having good quality and cheap rate, to Pakistan.

Mr. Jahangir Moghul, Vice-Chairman, the KCA assured Mr. Yakuba Kone, Head of Delegation and Technical Advisor to the Minister Of Rural Development, Government of Mali that the KCA would take-up the matter, as requested by him, with the Government of Pakistan / concerned department.

The participants of the meeting raised various questions to which Mr. Yakuba Kone and other delegates replied confidently.

At the end, Vice-Chairman, the KCA thanked Mr. Yakuba Kone and delegates from Mali to visit the Karachi Cotton Association.

VISIT OF MR. BABAR LATIF BALOCH, PROJECT OFFICER POLICY, CENTRE FOR AGRICULTURE AND BIOSCIENCE INTERNATIONAL (CABI) AND SYED SAQIB ASGHAR, COMMODITY VALUE CHAIN EXPERT, CABI TO THE KCA ON 30-11-2021

Mr. Babar Latif Baloch, Project Officer Policy, Centre for Agriculture and Bioscience International (CABI) and Syed Saqib Asghar, Commodity Value China Expert, CABI visited the KCA on 30-11-2021 and met with Chairman, the KCA.

Khawaja M. Zubair, Chairman, the KCA welcomed Mr. Babar Latif Baloch, Project Officer Policy, Centre for Agriculture and Bioscience International (CABI) and Syed Saqib Asghar, Commodity Value China Expert, CABI to visit the Karachi Cotton Association and apprised them about the role of the Karachi Cotton Association in the marketing of Raw Cotton. He also informed him that the Karachi Cotton Association is one of the oldest trade Associations in Pakistan to establish just and equitable principles for cotton trade, set up standards of cotton, provide necessary facilities for domestic and export trade in cotton. He further informed that the KCA is composed of Cotton Growers, Ginners, Exporters, Spinners and Commission Houses etc. Unlike other trade bodies, it is a unique Association in the sense that it represents all segments of the cotton trade. The KCA is a well reputed Organization both nationally and internationally, he added.

Dr. Babar Latif thanked Chairman, the KCA for giving him an opportunity to visit the KCA. He stated that CABI is an international, inter-governmental, not-for-profit organization, established by a United Nations treaty-level agreement between 49 Member Countries and is governed by the membership, an independent board, that improves people's lives worldwide by providing information and applying scientific expertise to solve problems in agriculture and the environment.

He also stated that CABI approach involves putting information, skills and tools into people's hands. CABI's 49 Member Countries guide and influence their work which was delivered by scientific staff based in our global network of centres. Membership of CABI gives national governments a leadership role in directing and influencing the global development agenda through the work of the organization and its international network of partners, he added

In the meeting, Khawaja M. Zubair, Chairman, the KCA and Mr. Babar Latif Baloch, Project Officer Policy, Centre for Agriculture and Bioscience International (CABI) and Syed Saqib Asghar, Commodity Value China Expert, CABI discussed, in detail, the matters of mutual interest especially the issues being faced by the Cotton Trade in Pakistan.

At the end, Khawaja M. Zubair, Chairman, the KCA thanked Mr. Babar Latif Baloch, Project Officer Policy, Centre for Agriculture and Bioscience International (CABI) and Syed Saqib Asghar, Commodity Value China Expert, CABI to visit the Karachi Cotton Association.

**VISIT OF MR. SOHAIL MEHMOOD HARRAL,
CHAIRMAN, PCGA, TO THE KCA ON 04-12-2021**

Mr. Sohail Mehmood Harral, Chairman, PCGA with his team visited the Karachi Cotton Association and attended a joint meeting of WWF / KCA Cotton Sale / Purchase Contract Committee on 04-12-2021. The meeting was presided over by Khawaja M. Zubair, Chairman, the KCA. Members of the KCA Sale / Purchase Cotton Contract Committee, Mr. Muhammad Atif Dada, Former Chairman, the KCA, Mr. Rizwan Iqbal Umer, Former Vice-Chairman, the KCA and Mr. Muhammad Ali, Deputy Secretary(Statistics), the KCA joined the said meeting.

In the meeting referred to above, the matter relating to Implementation of the KCA Sale / Purchase Cotton Contract among the Cotton Trade was discussed.

Khawaja M Zubair stated that the WWF / KCA had evolved KCA Sale / Purchase Contract of Raw Cotton some time ago and sent to PCGA and APTMA for their consents. However, the consents of PCGA and APTMA had not being received by the KCA. He also stated that recently, the KCA updated / amended the KCA Sale / Purchase Cotton Contract according to the present need and requirement. A copy of Standard Sale / Purchase Contract of Raw Cotton was circulated amongst the participants of the meeting.

Point-wise discussion were held on updated KCA Sale / Purchase Cotton Contract and after detailed discussion, the provisions of the Contract were mutually agreed and Chairman, PCGA assured that the KCA Sale / Purchase Cotton Contract, it was mutually agreed between the KCA and PCGA would be placed before the Executive Committee of the PCGA for its consideration and approval.

Khawaja M. Zubair, Chairman, the KCA thanked the Mr. Sohail Mehmood Harral, Chairman, PCGA and his team for visiting the Karachi Cotton Association.

**VISIT OF DELEGATION OF UNITED BUSINESS GROUP (UBG) OF THE
FPCCI TO THE KCA ON 09-12-2021**

A delegation of United Business Group (UBG) of FPCCI visited the KCA on 09-12-2021 and met with Khawaja M. Zubair, Chairman, Mr. Jahangir Moghul, Vice-Chairman and Mr. Rizwan Iqbal Umer, Former Vice-Chairman, the KCA and discussed the matters of mutual interest.

**VISIT OF MR. TIM G NORTH, VICE-PRESIDENT, ICA
TO THE KCA ON 29-03-2022**

Mr. Tim G North, Vice-President, ICA visited the KCA on 29-03-2022, met Khawaja M. Zubair, Chairman, the KCA and discussed matters of mutual interest.

**VISIT OF MR. SIBTAIN MALIK, CEO OF M/S. BALTIC TESTING LTD,
BANGLADESH TO THE KCA ON 09-05-2022**

Mr. Sibtain Malik, CEO of M/s. Baltic Testing Ltd, Bangladesh visited the KCA on 09-05-2022 met the Khawaja M. Zubair, Chairman, the KCA to discuss matters of mutual interest.

**VISIT OF MR. ALEX HSU, PRESIDENT, MR. BILL KINGDON, MANAGING DIRECTOR
AND MR. BASHIR ALI MUHAMMAD, DIRECTOR, INTERNATIONAL
COTTON ASSOCIATION (ICA) TO KCA ON 03-09-2022.**

Mr. Alex Hsu, President, Mr. Bill Kingdon, Managing Director and Mr. Bashir Ali Muhammad, Director, International Cotton Association visited the KCA on 03-09-2022 and held a meeting with the Executive Committee and Senior Members of the Cotton Trade to discuss matters of mutual interest.

In his address of welcome presented to Mr. Alex Hsu, President, ICA, Khawaja M. Zubair, Chairman, the KCA thanked Mr. Alex Hsu, President, Mr. Bill Kingdon, Managing Director and Mr. Bashir Ali Muhammad, Director, International Cotton Association to visit the KCA by sparing their precious time to discuss matters relating to cotton trade and industry.

He apprised the Executive Committee and Senior Members of the Cotton Trade, attending the meeting, that Mr. Alex Hsu, President, ICA associated with ICA's Board of Director in 2015 and presently he is Chairman of the Agent Working Group. He also apprised that Mr. Alex Hsu is a mature businessman and joined his family business firm namely : Formosa Trading Taipei, Taiwan, as Managing Director, Cotton Selling Agent for over 50 years with operation in China and Indonesia.

Highlighting the role of the KCA in marketing of Cotton, Chairman informed the Honorable Guests that the KCA, established in 1933, is one of the oldest trade Association in Pakistan to regulate the marketing of cotton. It is a unique Association in sense that it represents all segment of the Cotton Trade in Pakistan through its By-Laws which cover comprehensively the entire fields of cotton marketing and provide for the maintenance, discipline and fair trading practices and fixing of Daily Spot Rates, arbitration of disputes etc., he added.

Chairman informed the President, ICA that Pakistan had become a net cotton importing in the world due to drastic decline in cotton production since last 4-5 years. In order to meet its rising requirement of Raw Cotton, the local textile industry were importing considerable quantity of raw cotton from abroad and hence, the Pakistani importers of raw cotton were facing issues relating to disputes resolution, delay payments, delayed shipments & logistics challenges etc., he added.

The Members of the Association, attending the meeting, expressed their concerns regarding slow settlement process, short weighing and unviable solution of invoicing back, deterrent penalties for willful default and non coverage of short weight under the compensation clause ICA's Rules / By-Laws and costlier charges discourage the Pakistani buyers to apply for the ICA membership.

Mr. Alex Hsu, President, ICA thanked the Chairman, members of the Executive Committee and Senior members of the Cotton Trade for giving him and his colleagues a warm welcome at the KCA.

He apprised the audiences about the best global practices in the cotton and textile trade being adopted by various countries to meet the new challenges and stated that ICA is looking forward to strengthening its ties regionally and building relationship with an important textile countries in South Asia, having significant ICA membership and playing major international role in yarn and textile manufacturing.

Mr. Bill Kingdon, Managing Director, the iCA also apprised that the purpose of visit of ICA delegation was learn at first-hand current market conditions, logistic challenges and retail demands which were affecting cotton trade with reference to Pakistan.

He assured that he would brought to the notice of the ICA Board the concerns of Pakistani traders/importers of raw cotton for consideration / resolution.

Mr. Bashir Ali Muhammad, Director ICA and Mr. Atif Dada also spoke about the importance of Cooperation between the two Associations and suggested to play significance role as an important textile country in the South Asia, having significant ICA membership.

Mr. Jahangir Mughal, Vice Chairman, the KCA thanked the worthy President Mr. Alex Hsu, Managing Director Mr. Bill Kingdon and Director ICA Mr. Bashir Ali Muhammad and all members of the Executive Committee and senior members of the Cotton Trade for sparing their valuable time & participated in the fruitful discussion on International Trade.

The KCA also hosted a sumptuous dinner in the honour of the ICA President, Managing Director and senior members of the Cotton Trade on 04.09.2022.

Khawaja M. Zubair, chairman, the KCA presented KCA's Shields & gifts to Mr. Alex Hsu, President, Mr. Bill Kingdon, Managing Director and Mr. Bashir Ali Muhammad, Director, ICA to commemorate the occasion.

**ONE WEEK TRAINING COURSE ON COTTON GINNING
FROM NOVEMBER 08-12, 2021 AT THE PREMISES OF THE KCA**

The Karachi Cotton Association (KCA) had organized One Week Training Course on "Cotton Ginning" with the collaboration of Pakistan Cotton Standards Institute (PCSI) from November 08-12, 2021 at the premises of the KCA with a view to impart basic knowledge regarding the process of cotton ginning.

Nineteen peoples connected with various sections of Cotton Trade participated in the said Training Course. Qualified Trainers of the Pakistan Cotton Standards Institute (PCSI) provided training to the participants of the course by delivering lectures on the topics relating to cotton ginning process. A visit to a ginning factory had also been arranged by the KCA for the participants of the course so that they may observed practically the process of cotton ginning.

In the Certificates Distribution ceremony held at the KCA on 12-11-2021, Certificates were awarded by Khawaja M. Zubair, Chairman, Mr. Jahangir Moghul, Vice-Chairman and Mr. Muhammad Adil Osawala, Member, Executive Committee of the KCA to the participants of the course those have completed the training course successfully.

**THREE DAYS TRAINING COURSE ON "FIBRE PROPERTIES AND HVI TESTING)
FROM DECEMBER 27-29, 2021 AT THE PREMISES OF THE KCA**

The Karachi Cotton Association (KCA) had organized Three Days Training Course on "Fibre Properties and HVI Testing" from December 27-29, 2021 at the premises of the KCA to

provide knowledge regarding Fibre Properties and HVI Testing through State of Art Uster High Volume Instrument (HVI), the Fibre Classification and Analysis System.

Twenty Six peoples connected with various sections of Cotton Trade participated in the said Training Course. Qualified Trainer provided training to the participants of the course by delivering lectures on the topics relating to Fibre Properties and HVI Testing. An opportunity to observe the function of High Volume Instrument (HVI) was also provided to the participants of the training course in the KCA's Fibre Testing Laboratory.

In the Certificates Distribution ceremony held at the KCA on 29-12-2021, Certificates were awarded by Khawaja M. Zubair, Chairman, Mr. Jahangir Moghul, Vice-Chairman and Mr. Rizwan Iqbal Umer, Former Vice-Chairman, the KCA to the participants of the course those have completed the training course successfully.

**2-WEEK COTTON GRADING AND CLASSIFICATION COURSE
FROM FEBRUARY 28, 2022 TO MARCH 11, 2022 AT THE PREMISES OF THE KCA**

The Karachi Cotton Association (KCA) had organized 2-Week Cotton Grading and Classification Course with the collaboration of Pakistan Cotton Standards Institute (PCSI) from **February 28, 2022 to March 11, 2022** at the premises of the KCA with a view to impart training in the field of Grading and Classification of Raw Cotton / Lint Cotton.

Twenty Two peoples connected with various sections of Cotton Trade participated in the said Training Course. Qualified Trainers of the Pakistan Cotton Standards Institute (PCSI) provided training to the participants of the course by delivering lectures on the topics relating to cotton Grading and Classification of Raw Cotton / Lint Cotton.

Visits to Textile Mills and Cotton Lab of the Pakistan Cotton Standards Institute (PCSI) were arranged by the KCA for the participants of the course so that they may observed practically the process of Textile Mills and working of PCSI Cotton Lab.

In the Certificates Distribution ceremony held at the KCA on 11-03-2022, Certificates were awarded by **Khawaja M. Zubair**, Chairman, the KCA to the participants of the course those have completed the training course successfully.

**THREE DAYS TRAINING COURSE ON "FIBRE PROPERTIES AND HVI TESTING)
FROM JUNE 27-29, 2022 AT THE PREMISES OF THE KCA**

The Karachi Cotton Association (KCA) had organized Three Days Training Course on **"Fibre Properties and HVI Testing"** from June 27-29, 2022 at the premises of the KCA to provide knowledge regarding Fibre Properties and HVI Testing through State of Art Uster High Volume Instrument (HVI), the Fibre Classification and Analysis System.

Twenty Seven peoples connected with various sections of Cotton Trade including 12 Officers of the Trading Corporation of Pakistan (Pvt) Ltd. (TCP) participated in the said Training Course. Qualified Trainer provided training to the participants of the course by delivering lectures on the topics relating to Fibre Properties and HVI Testing. An opportunity to observe the function of High Volume Instrument (HVI) was also provided to the participants of the training course in the KCA's Fibre Testing Laboratory.

In the Certificates Distribution ceremony held at the KCA on 29-06-2022, Certificates were awarded by Mr. Rizwan Iqbal Umer, Former Vice-Chairman, the KCA to the participants of the course those have completed the training course successfully.

PROPOSAL TO ESTABLISH KCA'S INSTITUTE OF COTTON TECHNOLOGY

In the meeting of the Executive Committee of the KCA held on 05-07-2022, Chairman emphasized that there was a dire need to establish KCA's Institute of Cotton Technology to impart necessary training in the various fields of cotton trade so that the participants of the course (s) may serve to their organizations and the Cotton Trade with their best knowledge and ability after completion of the training courses.

Appreciating the proposal of Chairman to establish KCA's Institute of Cotton Technology, the Executive Committee agreed, in principle, to establish KCA's Institute of Cotton Technology as such institute was need of time.

In this context, efforts are being made to hire a Consultant to make the Feasibility Report regarding establishment of KCA's Institute of Cotton Technology. As soon as the Feasibility Report is made in this regard, the same would be placed before the Executive Committee for its consideration and final approval.

WORLD COTTON DAY 2021

The Karachi Cotton Association had organized WORLD COTTON DAY in the office of the Association, the Cotton Exchange, I.I. Chundrigar Road, Karachi on October 07, 2021 to celebrate the global importance of cotton and highlight the challenges faced by the world's cotton economies, as cotton is significant for the least developed, developing and developed economies, worldwide.

Prominent Speakers belonging to various sectors of the Cotton Trade namely (i) Mr. Asif Inam, Chairman, APTMA (Sindh-Balochistan Zone), Former Member Executive Committee, The KCA (ii) Mr. Muhammad Atif Dada, Ex-Officio Member of the Executive Committee & Former Chairman, The KCA (iii) Mr. Muhammad Naseem Usman, Member of The KCA's Brokers Advisory Committee and Senior Licensed Cotton Broker of The Karachi Cotton Association (iv) Khawaja M. Zubair, Chairman, The KCA (v) Mr. Jahangir Moghul, Vice-Chairman, The KCA shared their views regarding the challenges being faced by the Cotton Trade and offered solutions to overcome the situation.

MEETING OF KCA'S DELEGATION WITH PRESIDENT, FPCCI AND HIS TEAM ON 20-04-2022 AT THE FEDERATION HOUSE, KARACHI

On the invitation extended by Mr. Irfan Iqbal Shaikh, President, FPCCI to Chairman, the KCA, a delegation of the KCA comprising of Khawaja M. Zubair, Chairman, Mr. Jahangir Moghul, Vice-Chairman, Mr. Junaid Habib Vaid, Mr. Muhammad Nasir Sohail, Mr. Rehan Nasir, Mr. Rizwan Iqbal Umer and Khawaja Tahir Mahmud visited the Federation House, Main Clifton, Karachi, held a meeting with President, FPCCI and his team members on 20-04-2022 and discussed issues related to the Cotton Trade / Industry especially to increase production of cotton and improve quality of cotton etc.

After the meeting referred to above, the following comprehensive Proposals / Suggestions to increase Cotton Production and ensure sizeable quantity of Raw Cotton for Local Consumption and Exports etc were forwarded to the President, FPCCI, as desired by him, to take up the matter with the Government for necessary action.

QUOTE:

“PROPOSALS/SUGGESTIONS TO INCREASE COTTON PRODUCTION AND ENSURE SIZEABLE QUANTITY OF RAW COTTON FOR LOCAL CONSUMPTION AND EXPORTS.

URGENT NEED TO INCREASE COTTON PRODUCTION.

Cotton is a backbone of the Pakistan’s economy. Cotton and allied cotton products accounts for about 65% of the country’s export earning and add over 10% of country’s GDP. Cotton Farming is also the Principal source of raw material for the textile sector. Hundreds of ginneries, factories and textile mills in the country heavily depend upon cotton and employing millions of people along the entire cotton value added chain i.e. from weaving to textile and garment export.

Pakistan had harvested **13.96 million** bales of cotton in **2014-15**. However, in the subsequent years, the production of cotton had drastically declined as under:-

i)	2015-16	9.91 million bales
ii)	2016-17	10.6 million bales
iii)	2017-18	11.9 million bales
iv)	2018-19	9.86 million bales
v)	2019-20	5.64 million bales
vi)	2020-21	7.44 million bales

The devastated decline in the cotton production was mainly due to (i) reduction in yield per acre (ii) cultivation of sugarcane in the areas earmarked for cotton cultivation (iii) supply of uncertified Cotton Seed & Pesticides etc. Hence, there is a gap of about 7.0 million bales in cotton production and local mills consumption.

The local textile industry is, therefore, compelled to import raw cotton from abroad to meet its requirement of basic / primary raw material and to ensure its contribution towards achieving the target of exports fixed by the Government through exports of valued added products as well as earning much needed foreign exchange for the country.

In order to increase cotton production in the coming years to meet the rising requirements of the local textile industry and leave adequate surplus for export in order to ensure the presence of Pakistan Cotton in the international market to earn valuable foreign exchange for the country through export of cotton and its value added products, The KCA is of the view that the Government should declare emergency and evolve necessary plan of action on war footing basis to increase cotton production in the country.

1. TO INCREASE YIELD OF COTTON PER HECTOR WITH A VIEW TO INCREASE COTTON PRODUCTION OF THE COUNTRY

REASONS:

Pakistan had achieved Cotton Yield of 774 Kgs per hector in 2013-14. Thereafter, the Yield of cotton per hector recorded declining trend and in the year 2021-22, it was expected about 700 Kgs per hector

SUGGESTIONS:

The KCA is of the view that the Government should take all necessary measures to increase Yield of Cotton with a view to increase cotton production .

2. TO ENSURE TO PRODUCE AND SUPPLY OF CERTIFIED COTTON SEED TO THE GROWERS FOR CULTIVATION

REASONS:

The production of cotton is declining year after year due to supply of uncertified Cotton Seed to the Growers for cultivation resulting in reducing the cotton crop of the country.

SUGGESTIONS:

The KCA is of the view that the Government should ensure to produce and supply of Certified Cotton Seed to the Growers for cultivation. This would help to increase cotton production in the country.

3. TO MOBILIZE ALL RESOURCES AT FEDERAL AND PROVINCIAL LEVEL TO BRING MORE AREA UNDER COTTON CULTIVATION,

REASONS:

Keeping in view of the present cotton situation, there is a dire need to mobilize all resources at Federal and Provincial level to bring more area under cotton cultivation with a view to increase cotton production in the country/

SUGGESTIONS:

The KCA is of the view that the Government should mobilize its all resources at Federal and Provincial level to bring more area under cotton cultivation, **most particularly, in Balochistan and Khyber Pakhtunkhwa.** This would help to increase the size of the Cotton Crop in the country.

4. TO PROVIDE EDUCATION TO GROWERS TO SWITCHOVER TO MODERN INTEGRATED PEST MANAGEMENT SYSTEM,

REASONS:

Unless grate emphasis on the Agronomy, Pest Management System and Proper use of Pesticides is given production of cotton is not likely to increase. The crop is exposed to varied pest scourges throughout its growth which warns of appropriate care. Unless proper care is not ensured, quite a large quantity of cotton shall continue to be destroyed every year.

SUGGESTIONS:

The KCA, is therefore, of the view that the Government should have to play a vital and important role and emphasize upon the Cotton Growers to switchover to Modern Integrated Pest Management year after year to achieve the desired results.

5. TO PLACE BAN ON CULTIVATION OF PADDY/SUGARCANE AND SETTING-UP OF SUGAR MILLS IN THE AREAS ALREADY EARMARKED FOR CULTIVATION OF COTTON.

REASONS:

The Government had introduced Zoning Scheme sometime ago so that the crops could be cultivated in the specific areas. However, the passage of time, the implementation of zoning scheme had been ignored and the vested interest had started to cultivate Paddy/sugarcane and setting-up of sugar mills in the areas earmarked for cultivation of cotton. Therefore, the production of cotton had decreased year after year.

SUGGESTIONS:

The KCA was of the view that the Government should impose ban on cultivation of Paddy/Sugarcane and Setting-up of sugar mills in the areas already earmarked for cultivation of cotton. This would help to increase cotton production in the country.

6. TO REVAMP / GEAR-UP PAKISTAN CENTRAL COTTON COMMITTEE (PCCC) / ALL THE COTTON RESEARCH INSTITUTES TO EVOLVE HIGH YIELD / VIRUS RESISTANCE COTTON SEED VARIETIES FOR CULTIVATION.

REASONS:

The Pakistan Central Cotton Committee and its related Research Institutes are not playing their due role in evolving High Yield / Virus Resistance Cotton Seed Varieties for Cultivation due to which the production of cotton had been decreased year after year.

SUGGESTIONS:

The KCA is of the view that the Government should revamp / Gear-up Pakistan Central Cotton Committee / all the Cotton Research Institutes to evolve High Yield / Virus Resistance Cotton Seed Varieties for Cultivation. This would also help to increase cotton production and achieve desired results.

7. TO TAKE MEASURES TO IMPORT PURE AND CERTIFIED PESTICIDES IN SMALL PACKING INSTEAD OF BULK IN ORDER TO AVOID ADULTERATION.

REASONS:

All the pesticides are being imported from abroad in Bulk Packing and subsequently the pesticides companies pack the imported pesticides in small packing resulting in adulteration in the pesticides due to which the pesticides were not effective on the cotton crop.

SUGGESTIONS:

The KCA is of the view that the Government should make necessary arrangement to import pure and certified pesticides in small packing instead of Bulk. This would help to save large quantity of cotton to destroy.

TO IMPLEMENT COTTON CONTROL ACT IN LETTER AND SPRIT TO ACHIEVE THE DESIRED RESULTS.

REASONS:

It has been observed that Cotton Control Act is not been implemented in letter and spirit resulting in the cotton trade are facing a lot of problems and difficulties in production and quality of cotton.

SUGGESTIONS:

The KCA is of the view that the Government should ensure to implement Cotton Control Act in letter and Spirit to achieve the desired results.

8. TO ALLOW IMPORT OF CERTIFIED COTTON SEED FROM ABROAD.

REASONS:

It has been observed that the Certified Cotton Seed is not available in the country as per requirement of the growers. Due to cultivation of uncertified cotton seed not only the cotton growers but also the country is facing heavy losses in term of payment to the growers / size of the cotton crop.

SUGGESTIONS:

The KCA is of the view that the Government should allow import of certified cotton seed from abroad with a view to increase cotton production in the country and ensure availability of raw material to the local textile mills as per their rising requirement.

9. TO ABOLISH THE CONDITION OF ISSUANCE OF IMPORT PERMIT BY THE DEPARTMENT OF PLANT PROTECTION TO IMPORT RAW COTTON FROM ABROAD

REASONS:

It has been observed that the importers of raw cotton / textile mills are facing lot of problems and difficulties in obtaining import permit from the Department of Plant Protection due to refusal / delay in issuance of Import Permit by the Department of Plant Protection, the importers of raw cotton / textile mills are facing a lot of problems and difficulties in importing raw cotton from abroad timely due to refusal / delay in issuance of Import Permit by the Department of Plant Protection, the textile mills could not be able to fulfill their contractual obligations with their foreign buyers regarding export of value-added products resulting in involve heavy financial losses to them.

SUGGESTIONS:

The KCA is of the view that the Government should abolish the condition of issuance of Import Permit by the Department of Plant Protection to import of raw cotton from abroad. As the said condition was introduced when Pakistan was exporting considerable quantity of raw cotton in the international market. However, now due to shortage of cotton crop in the country, Pakistan has become a net cotton importing country.

10. TO ALLOW IMPORT OF COTTON FROM AFRICAN CONTINENT INCLUDING MALI, CHAD, MOZAMBIQUE AND SENEGAL

REASONS:

Pakistan's Cotton Crop for the Cotton Season 2022-23 also not looking promising and due to this, there would be need to import a sizeable quantity of raw cotton from abroad to meet the rising requirement of local textile industry. At presently, import of raw cotton into Pakistan from African Continent are not allowed. However, raw cotton from African Continent including Mali, Chad, Mozambique and Senegal is available in good quality and low prices.

SUGGESTIONS:

The KCA is of the view that the Government should also allow import of cotton from African Continent including Mali, Chad, Mozambique and Senegal. This is would help the local textile mills to meet its requirement of raw cotton at affordable price.

UNQUOTE:

MEETING OF KHAWAJA M. ZUBAIR, CHAIRMAN AND MR. JAHANGIR MOGHUL, VICE-CHAIRMAN, THE KCA WITH PRESIDENT, FPCCI AND HIS TEAM ON 20-07-2022 AT THE FEDERATION HOUSE, , KARACHI

On the invitation extended by Mr. Irfan Iqbal Shaikh, President, FPCCI to Khawaja M. Zubair, Chairman, Mr. Asif Bashir, Senior Vice-Chairman and Mr. Jahangir Moghul, Vice-Chairman, the KCA a delegation of the KCA comprising of Khawaja M. Zubair, Chairman, Mr. Jahangir Moghul, Vice-Chairman visited the Federation House, Main Clifton, Karachi, held a meeting with President, FPCCI and his team members on 20-07-2022 and discussed issues to further strengthening the relation and coordination with FPCCI and share complete proposals to pursue at appropriate forum with the objectives to protect and promote the legitimate interest of business community of the country.

**SETTING-UP 160KWp ON-GRID SOLAR PV SYSTEM
WITH NET METERING ON THE ROOF OF THE COTTON EXCHANGE**

The Executive Committee of the KCA in its meeting held on 24-09-2020, authorized the Chairman to form a Special Committee to consider the proposal for setting-up of 160KWp on Grid Solar PV System with Net Metering at the Roof of the Cotton Exchange Building and to formulate comprehensive recommendations for consideration and approval of the Executive Committee.

Various meetings of the Special Committee were held from time to time to consider the above referred proposal / bids received from various bidders for the same.

Subsequently, the Special Committee in its meeting held on 25-04-2022, considered thoroughly the proposals technically evaluated by the Consultant, hired by the KCA.

After negotiation, the Committee decided to offer the job for setting-up of 160KWp On-Grid Solar PV System with Net Metering on the Roof of the Cotton Exchange to M/s. Zonergy (Tianjin) Company Ltd being the lowest bidder and seek their consent / confirmation as early as possible so that the Work Order to start the above job should be issued to them after holding final negotiation with them by the Chairman.

The Executive Committee, approved the recommendations of the Special Committee on 25-08-2022 for setting-up of Mega Project of 160KWp On-Grid Solar PV System with Net metering on the Roof of the Cotton Exchange to cater the need of the time of Solar Energy for the KCA and its tenants members & decided that the MOU / Agreement for the said Project be signed by the Competent Authority of the KCA with M/s. Zonergy (Tianjin) Company Ltd.,.

MOU / Agreement for setting-up 160KWp On-Grid Solar PV System with Net metering on the Roof of the Cotton Exchange was signed by the Secretary General / Chief Executive, The KCA on behalf of the Karachi Cotton Association and Mr. Yasir Mehdi, Deputy General Manager on behalf of M/s. Zonergy (Tianjin) Company Ltd in a formal ceremony held on 31-08-2022 in the presence of Khawaja M. Zubair, Chairman, The KCA, members of the Executive Committee and Special Committee on setting up of Mega Project of Solar Panel. It is hoped that the work would be started shortly.

The Executive Committee appreciated the untiring and extensive efforts made by the Chairman of the Special Committee / Members of Special Committee for setting-up of Mega Project of 160KWp On-Grid Solar PV System with Net metering on the Roof of the Cotton Exchange to cater the need of the time of Solar Energy for the KCA and its tenants members.

**GOVERNMENT NOMINEES ON THE
EXECUTIVE COMMITTEE FOR THE YEAR 2021 -22**

As per the requirement of the KCA's Executive Committee, the following officials from the respective Ministries were nominated on the Executive Committee of the KCA for the year 2021-22:-

i) Ministry of Commerce, Government of Pakistan, Islamabad vide their letter dated 11-01-2022 nominated Ms. Shaheen Syed, Director, (Textile and Leather), Trade Development of Pakistan, Karachi to Ministry on the Executive Committee of the KCA for the year 2021-22.

ii) The Finance Division, (External Finance Wing) Government of Pakistan, Islamabad vide their letter dated 26-10-2021 nominated Mr. Shahid Raza, Deputy Secretary, EF (Budget) to represent the Finance Division on the Executive Committee of the KCA for the year 2021-22.

COTTON EXCHANGE DISPENSARY:

The Cotton Exchange Dispensary provided medical facilities to the members/ Licensed Cotton Brokers of the KCA including their staff / family members. During the year 2021-22 (July-June), a total No. of 1,694 patients attended the Cotton Exchange Dispensary as compared to 2,301 patients attended last year and 5,175 units were dispensed to patients as against 7,529 units dispensed during the last year.

Blood Sugar testing facility has also been provided to the patients visiting the Cotton Exchange Dispensary. During the year 2021 - 22, 103 patients availed Blood Sugar testing facility from the Cotton Exchange Dispensary.

PROGRESS OF KCA's FIBER TESTING LABORATORY:

The KCA provided much needed facility of testing of Cotton Samples through the State of Art Uster HVI 1000 M1000, mostly to exporters / textile mills at a concessional rate During the year 2021-22 (Aug., to July), 2244 samples were tested, whereas 701 samples were tested during the corresponding period last year i.e. August, 2020 to July, 2021.

304 Cotton Samples were also tested through Trash Analyzer during the year 2021-22 i.e. August, 2021 to July, 2022.

STATUS OF KCA LABORATORY IN CSITC ROUND TRAILS 2021-22:

The KCA laboratory participated in CSITC Round Trails. Results of CSITC Round Trails on Combined Properties Basis during 2021-2022 are as follows:

Years	CSITC Round Trails No.	Evaluation of KCA's HVI-1000 on Combined properties basis.	Out of Instrument of the World.
2021	3	32	133
2021	4	99	120
2022	1	35	82
2022	2	44	92

NUMBER OF MEMBERS OF ASSOCIATION AND BROKERS IN 2021 - 22

The position regarding members of the Association and Licensed Cotton Brokers for the year 2021-22 was as under:-

Strength of Members as on 30-06-2021 156

Less:

Ceased to be members 03
153

Resigned 01
155

Add:

Admission (upto 30-06-2022) 05
Total strength as on 30-06-2022 **158**

- Strength of Brokers	
- Total strength of licensed Cotton Brokers	320
- Number of Brokers renewed	288
- Number of Brokers renewal Pending	05
- Number of Brokers expired	12
- Vacant	NIL
- Ceased / Cancelled	15
- Number of Brokers Licences transferred/fresh issued during the year 2021 -22 (upto 15-09-2022)	04

THANKS AND GRATITUDE:

The Executive Committee of the Karachi Cotton Association placed on record our deep thanks and gratitude to all members of the Association, members of the various Committees set up by the Executive Committee for the year 2021-22, specially members of the Building and Finance Committee, Human Resource Committee, HVI Committee, Broker's Advisory Committee, Rates Committee and Grade & Staple Margin Committee for their active participation and valuable contribution in the respective meetings of the Committees that helped the Association to carry out its affairs efficiently and effectively.

The Executive Committee, the KCA extends its deep thanks and gratitude to the Federal Ministers for Commerce, National Food Security & Research, Finance, Chief Executive / Secretary, Trade Development Authority of Pakistan, Chairman, FBR, Cotton Commissioner and Vice President, PCCC for extending their co-operation and assistance to this Association from time to time in matters relating to cotton trade.

The Executive Committee, the KCA appreciates the untiring and extensive efforts made by Khawaja M. Zubair, Chairman of Special Committee, constituted by the Executive Committee for setting-up of Mega Project of 160KWp On-Grid Solar PV System with Net metering on the Roof of the Cotton Exchange, Khawaja Tahir Mahmood, Mr. Muhammad Atif Dada, Mr. Rizwan Iqbal Umer, Members of Special Committee as well as Mr. Jahangir Moghul, Vice-Chairman, the KCA and Mr. Faisal Nasim, those had attended the meetings of the Special Committee on Solar System on special invitation,

The Executive Committee also appreciates the dedicated & devoted services rendered by Mr. Aftab Alam, Secretary General, Mr. Muhammad Ali, Deputy Secretary (Statistics), Mr. Hassan Haider, Accounts Officer, Ar. Shaikh Abdul Qadir Ahmed, Building Administrator/MO, Medical Officer and other officers and staff of the Association during the year under review.

The Executive Committee expresses its confidence that the new Executive Committee elected for the year 2022-23 would successfully meet the challenges, which lay ahead in all matters relating to marketing of cotton, effectively resolve the problems of the members of the Association and strive to enhance the image of the Association further in the coming year. We wish them all the success.

The Cotton Exchange
Karachi: 29.09.2022

Sd.,/-
(KHAWAJA M. ZUBAIR)
Chairman
The Karachi Cotton Association