

**THE KARACHI COTTON ASSOCIATION**

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

**EXECUTIVE COMMITTEE MEETING NO. 02 OF 2017-18**

**MINUTES**

A **REGULAR MEETING** of the 86<sup>th</sup> Executive Committee of The Karachi Cotton Association was held in the Board Room of the Association, The Cotton Exchange, I.I. Chundrigar Road, Karachi on **Tuesday, October 31, 2017** at **12:30 hours** to consider the following Agenda:-

**P R E S E N T**

- |     |                              |                    |
|-----|------------------------------|--------------------|
| 01. | Khawaja Tahir Mahmood        | -Chairman          |
| 02. | Mr. Naser Wahab              | -Vice-Chairman     |
| 03. | Mr. Aftab Umar               |                    |
| 04. | Mr. Ahmed Ebrahim            |                    |
| 05. | Mr. Asif Inam                |                    |
| 06. | Mr. Imran Maqbool            |                    |
| 07. | Mr. Nasir Anwer Barkhurdaria |                    |
| 08. | Mr. Parvez Hassan            |                    |
| 09. | Mr. Sajid Haroon             |                    |
| 10. | Mr. Zahid Mazhar             |                    |
| 11. | Mr. Muhammad Atif Dada       | -Ex-officio Member |
|     | &                            |                    |
| 12. | Mr. Aftab Alam               | Secretary General  |

The meeting started with the recitation from the **HOLY QURAN**.

**MINUTES (51)**

01. a) **To confirm minutes of the meeting No. 01 of the Executive Committee held on 02-10-2017.**

As no objection to the minutes of the meeting No. 01 of the Executive Committee held on 02-10-2017 was received, the same were confirmed by the Executive Committee and signed by Chairman in token of confirmation

- b) **To confirm Resolutions No. 12 and 13 dated 09-10-2017 passed by Circulation by the Executive Committee regarding Nominations of the KCA on the General Body and the Executive Committee of the FPCCI for Elections 2018.**

As no objection to the Resolutions No. 12 and 13 dated 09-10-2017 of the Executive Committee, was received, the same were confirmed by the Executive Committee and signed by Chairman in token of confirmation

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**APPLICATION FOR THE MEMBERSHIP OF THE ASSOCIATION**

02. **To consider application dated 19-09-2017 from M/s. K N Terry Tex for admission as member of the Association.**

**RESOLUTION NO. 14:** After consideration, it was decided to ballot the application of M/s. K N Terry Tex for membership of the Association in the next meeting of the Executive Committee.

**ELECTION OF BROKERS ADVISORY COMMITTEE  
FOR THE YEAR 2017-18**

03. (a) **To approve the draft program for holding election of the six licensed Cotton Brokers of the KCA on the Brokers Advisory Committee for the year 2017-18.**

**RESOLUTION No. 15:** The Executive Committee approved the program for holding election of the six licensed Cotton Brokers of the KCA on the Brokers Advisory Committee for the year 2017-18. According to which, ballot will be held on Thursday, November 23, 2017 from 1200 hours to 1600 hours.

- (b) **To appoint two Scrutineers and Alternate Scrutineer for conducting election of the six licensed Cotton Brokers on the Brokers Advisory Committee for the year 2017-18.**

**RESOLUTION No. 16:** The Executive Committee appointed Mr. Rizwan Iqbal Umer, Mr. Amir Javed as Scrutineers and Mr. Waqas Anwer, Mr. Rehan Shoukat as Alternate Scrutineers for conducting election of the six licensed Cotton Brokers on the Brokers Advisory Committee for the year 2017-18.

- (c) **To close the cotton market from 1200 hours to 1600 hours on 23-11-2017 to enable the Cotton Brokers to take part in the election of the Brokers Advisory Committee, if there are more candidates than the required number of seats under Rule 6 of the Cotton Brokers Licence Rules and the election is held.**

**RESOLUTION No. 17:** The Executive Committee decided that the Cotton Market will remain closed from 1200 hours to 1600 hours on 23-11-2017 to enable the Cotton Brokers to take part in the election of the Brokers Advisory Committee.

**STANDING COMMITTEES**

04. **To approve the recommendations dated 17-10-2017 of the Committee, constituted by the Executive Committee vide its Resolution No. 07 dated 02-10-2017, in respect of formation of Panels of Arbitrators, Appeal Committee, Special Appeal Committee and Standing Committees of the KCA for the year 2017-18.**

Draft List of Panels of Arbitrators, Appeal Committee, Special Appeal Committee and Standing Committees of the KCA for the year 2017-18 recommended by the Committee, constituted by the Executive Committee vide its Resolution No. 07 dated 02-10-2017, was considered by the Executive Committee in detail.

**RESOLUTION NO. 18:** After consideration, the Executive Committee approved the recommendations of the Committee, constituted by the Executive Committee vide its Resolution No. 07 dated 02-10-2017, as contained in the minutes of its meeting held on 17-10-2017.

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**NOMINATION ON THE EXECUTIVE COMMITTEE OF  
THE KARACHI COTTON ASSOCIATION**

05. **Letter dated 06-10-2017 received from the Ministry of Commerce & Textile (Textile Division), Government of Pakistan, Islamabad informing that Dr. Khalid Abdullah, Cotton Commissioner, has been nominated as Member on the Executive Committee of the KCA for the year 2017-18.**

Chairman informed the Executive Committee that the (Textile Division) , Ministry of Commerce & Textile, Government of Pakistan, Islamabad vide their letter dated 16-10-2017 had informed that Dr. Khalid Abdullah, Cotton Commissioner had been nominated as representative of (Textile Division), Ministry of Commerce & Textile, Government of Pakistan on the Executive Committee of the KCA for the year 2017-18.

**RESOLUTION No. 19:** The Executive Committee welcomed the nomination of Dr. Khalid Abdullah, Cotton Commissioner, (Textile Division), Ministry of Commerce & Textile, Government of Pakistan as Member on the Executive Committee of the KCA for the year 2017-18.

**MERGER OF MINISTRY OF TEXTILE INDUSTRY INTO MINISTRY OF COMMERCE**

06. **To consider Office Note dated 20-10-2017 on the above subject.**

Chairman stated that as reported, the Ministry of Textile Industry had been combined with Ministry of Commerce and one Federal Minister had been appointed to look after the affairs of two different important portfolios.

He also stated that it is notable that the post of Federal Minister for Textile Industry had remained vacant for a long time.

Chairman desired the Executive Committee to advise whether the KCA may take-up the matter with the Government to restore (exclusive) Ministry of Textile Industry and appoint its Federal Minister to pay deserving attention and priority to the Textile Industry of Pakistan so that the major issues of the textile sector be speedily resolved in the larger interest of the economy of the country.

Mr. Zahid Mazhar stated that he understands that no objection had yet been raised by the All Pakistan Textile Mills Association in this regard.

Mr. Ahmed Ebrahim and Mr. Parvez Hassan were of the views that at a first stage, the KCA should approach to APTMA to know whether they were taking any action in this regard.

**RESOLUTION No. 20:** After consideration, the Executive Committee decided to include the subject matter in the Agenda of the proposed meetings to be held with the PCGA and APTMA at mutually agreed date and time to discuss issues being faced by the cotton trade.

**PROPOSAL TO HOLD MEETINGS WITH PCGA, APTMA, FAP TO  
DISCUSS ISSUES BEING FACED BY THE COTTON TRADE**

07. **To consider Draft letters to be sent to Chairmen PCGA, APTMA and FAP to hold meetings to discuss issues being faced by the cotton trade.**

Chairman stated that there were some important issues being faced by all stakeholders of cotton trade. In order to discuss and resolve the issues, it was proposed to hold meetings with the PCGA, APTMA and FAP, he added.

He also stated that the Draft Letters addressed to Chairmen, APTMA, PCGA and FAP containing Agenda of the proposed meetings, were circulated alongwith the Agenda of the to-day's meeting of the Executive Committee for consideration.

The Executive Committee considered, in detail, Draft letters referred to above.

**RESOLUTION No. 21:** After consideration, the Executive Committee, desired to delete the following Agenda Items from the Draft letters addressed to Chairmen APTMA and PCGA:-

**Agenda Item: "Find out ways to eradicate Cotton Doctors"**

The Executive Committee also desired to add following Agenda Items in the Draft letter to be addressed to Chairman APTMA:-

- i) **Non issuance of Import Permit for import of cotton from some countries by the authorities concerned.**
- ii) **Import Duty and Sales Tax on import of cotton should be waived.**
- iii) **Restoration of Ministry of Textile Industry (exclusive) and appointment of its Federal Minister.**

The Executive Committee further desired to add following Agenda Items in the Draft letter to be addressed to Chairman PCGA:-

- i) **Restoration of Ministry of Textile Industry (exclusive) and appointment of its Federal Minister.**

Subject to the above mentioned deletion/additions, the Executive Committee approved a Draft letters addressed to Chairmen APTMA and PCGA.

The Executive Committee also approved the Draft letter, without any change, addressed to Chairman / CEO, FAP.

**TO GRANT RELAXATION BY THE GOVERNMENT ON IMPORT OF  
ORGANIC AND LONG STAPLE COTTON**

- 08 **To consider proposal to take-up the matter with the Government to grant relaxation on import of Organic and Long Staple Cotton.**

Chairman stated that there were non tariff barriers on import of raw cotton from India. He, therefore, sought opinion of the Executive Committee whether the KCA should take-up the matter with the Government to grant relaxation on import of Organic and Long Staple Cotton from India.

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Mr. Zahid Mazhar stated that efforts should be made to restore bulk import of cotton from India instead of specific cotton as otherwise normal import of cotton from India would not be allowed.

Mr. Nasir Anwer Barkhurdaria and Mr. Sajid Haroon were of the views that the KCA should take-up the matter in general and try to also get relaxation in import duty / taxes from the Government.

**RESOLUTION No. 22:** After consideration, the Executive Committee deferred the matter for consideration in its next meeting..

**2-WEEK COTTON GRADING AND CLASSIFICATION COURSE**

09. **To consider proposal to organize 2-Week Cotton Grading and Classification Course at the KCA.**

The proposal to organize 2-week Cotton Grading and Classification Course at the KCA was considered by the Executive Committee.

The Executive Committee was informed that the PCSI and one professional were approached by the KCA to assist us / give us estimates in this regard but their reply is still awaited.

**RESOLUTION No. 23:** After consideration, the Executive Committee deferred the matter for consideration at a later stage

**CONSTRUCTION OF STEEL OVERHEAD BRIDGE ON THE I.I. CHUNDRIGAR ROAD ACROSS THE COTTON EXCHANGE AND THE MOSQUE OF CITY RAILWAY STATION, KARACHI**

10. **Letters dated 16-10-2017 sent to (i) Commissioner Karachi Division (ii) Secretary, Local Govt. & HTP Department, Government of Sindh, Karachi and (iii) Municipal Commissioner, KMC, Karachi on the above subject.**

Chairman informed the Executive Committee that the KCA vide their letters dated 16-10-2017 addressed to (i) Commissioner Karachi Division (ii) Secretary, Local Govt. & HTP Department, Government of Sindh, Karachi and (iii) Municipal Commissioner, KMC, Karachi had requested them to issue necessary instructions to the relevant authorities to make required Survey of the Site and construct Overhead Steel Bridge at the I.I. Chundrigar Road across the Cotton Exchange/Habib Bank Plaza and the Mosque of City Railway Station, Karachi for the security and safety of pedestrians / Namazis from the exposure of traffic hazard

Giving justification in this regard, Chairman stated that the persons/employees having offices in the Cotton Exchange Building as well as employees of the Habib Bank Plaza and other nearby Buildings were facing problems and inconvenience in crossing the I.I. Chundrigar Road throughout the day & evening to gather in the Mosque of City Railway Station for their humble submission to the Almighty Allah on the calls of the Zohr, Asar, Magrib and the Friday Prayers. They put their lives exposed to risk of traffic hazard while crossing the I.I. Chundrigar Road to attend Prayers at the Mosque referred to above, he added.

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Appreciating the idea, Mr. Parvez Hassan stated that the Cotton Exchange was declared as Heritage building and the authorities concerned might come-up with their objections in this regard.

**RESOLUTION No. 24:** Noted.

**RATES COMMITTEE**

11. **To appoint the Rates Committee for the month of November, 2017.**

**RESOLUTION No. 25:** It was decided by the Executive Committee that the existing Rates Committee may continue for the month of November, 2017.

**GRADE AND STAPLE MARGINS**

12. **Recommendations of the Grade and Staple Margins Committee of the KCA as contained in the minutes of its meeting held on 29-09-2017.**

**RESOLUTION No. 26:** The Executive Committee noted the recommendations of the Grade and Staple Margins Committee as contained in the minutes of its meeting held on 29-09-2017.

**COTTON SITUATION**

13. **To discuss the cotton situation.**

The Executive Committee was informed that arrivals of Seed Cotton in ginneries was increasing day by day. However, heavy rains had damaged quality of cotton in lower parts of Sindh. Pink boll worm incidence was increasing in Punjab and Sindh. Incidence of white fly has decreased at some extent but incidence of CLCV has increased in Punjab during third week of September, 2017.

Mr. Nasir Anwer Barkhurdaria stated that the above referred problems were due to cultivation of cotton crop early and heavy temperature prevailing in the months of August and September, 2017. He was of the view that the current cotton crop would be around 12.00-12.50 million bales.

Mr. Sajid Haroon was of the view that the current cotton crop would not be less than 13.00 million bales.

**RESOLUTION No. 27:** Noted.

**GRANT OF LEAVE TO THE MEMBERS OF THE EXECUTIVE COMMITTEE**

14. **To grant leave of absence to the Members of the Executive Committee from attending the meeting of the Executive Committee.**

**RESOLUTION No. 28:** The Executive Committee granted leave of absence to Mr. Asif Bashir, Mr. Amin Hashwani, Dr. Jessu Mal, Mr. Muhammad Adil Osawala, Mr. Shahid Shafiq and Mr. Sohail Wali from attending to-day's meeting of the Executive Committee on the intimation received on telephone regarding their pre-occupations on other assignments.

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**ANY OTHER MATTER WITH  
PERMISSION OF THE CHAIR**

**NOMINATION ON THE EXECUTIVE COMMITTEE OF  
THE KARACHI COTTON ASSOCIATION**

05. Letter dated 23-10-2017 received from Finance Division (External Finance Wing), Government of Pakistan, Islamabad informing that Mr. Muhammad Shamim Khan, Deputy Secretary EF (Budget) has been nominated as Member on the Executive Committee of the KCA for the year 2017-18.

Chairman informed the Executive Committee that the Finance Division (External Finance Wing), Government of Pakistan, Islamabad vide their letter dated 23-10-2017 had informed that Mr. Muhammad Shamim Khan, Deputy Secretary EF (Budget) had been nominated as representative of Finance Division (External Finance Wing), Government of Pakistan on the Executive Committee of the KCA for the year 2017-18.

**RESOLUTION No. 29:** The Executive Committee welcomed the nomination of Mr. Muhammad Shamim Khan, Deputy Secretary EF (Budget), Finance Division (External Finance Wing), Government of Pakistan as Member on the Executive Committee of the KCA for the year 2017-18.

Thereafter, the meeting ended with a vote of thanks to the Chair.

**-Sd/-**  
**(AFTAB ALAM)**  
Secretary General  
KARACHI: 31-10-2017

**CHAIRMAN**

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