

**THE KARACHI COTTON ASSOCIATION**

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

**EXECUTIVE COMMITTEE MEETING NO. 04 OF 2016-17**

**MINUTES**

A **REGULAR MEETING** of the 85<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, December 27, 2016** at **12:30 hours** to consider the following Agenda:-

**P R E S E N T**

- |     |                             |                    |
|-----|-----------------------------|--------------------|
| 01. | Mr. Mohammad Atif Dada      | -Chairman          |
| 02. | Mr. Rizwan Iqbal Umer       | -Vice-Chairman     |
| 03. | Mr. Asif Inam               |                    |
| 04. | Mr. Nadeem Maqbool          |                    |
| 05. | Mr. Nasir Anwer Barkurdaria |                    |
| 06. | Mr. Parvez Hassan           |                    |
| 07. | Khawaja Tahir Mahmood       |                    |
| 08. | Mrs. Naheed Ishaq           |                    |
|     | &                           |                    |
| 09. | Mr. Aftab Alam              | -Secretary General |

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

**MINUTES (51)**

01. **To confirm minutes of the meeting No. 03 of the Executive Committee held on 22-11-2016.**

As no objection to the minutes of the meeting No. 03 of the Executive Committee held on 22-11-2016 was received, the same were confirmed by the Executive Committee and signed by Chairman in token of confirmation.

**CAR PARKING SPACE IN THE CAR PARKING AREA IN  
THE COTTON EXCHANGE BUILDING**

02. **To consider Working Paper dated 20-12-2016 on the Licence Fee for the Car Parking Spaces in the Parking Area of the Cotton Exchange Building.**

The Executive Committee considered the Working Paper dated 20-12-2016 placed by the Secretariat on the above subject.

The Executive Committee was informed that the existing Agreement for the 5 Car Parking Spaces in the Parking Area of the Cotton Exchange will expire on 31-01-2017. As per existing Agreement, a Licence Fee for allocation of space in the Car Parking Area referred to above was being charged at Rs. 5,500/- per space per month w.e.f. 01-02-2016 vide E.C. Resolution No. 46 dated 22-12-2015.

The Executive Committee was also informed that as the Car Parking Spaces referred to above are allocated at the prime location, the Executive Committee might consider to increase in the License Fee for the Car Parking Spaces referred to above keeping in view of the position indicated in the statement, placed before the Executive Committee, showing projected profit and loss of the KCA's Car Parking Area for the period February 2017 to January 2018.

**RESOLUTION No. 41:** After consideration, the Executive Committee did not approve to make increase in the existing License Fee for the KCA's Car Parking Spaces referred to above and directed the Secretariat to publish Notice in the DMR for inviting applications from the members/tenants for the allocation of 5 Car Parking Spaces in the Car Parking Area of this Exchange on Leave and Licence basis for the year commencing from 01-02-2017 on monthly Licence Fee of Rs, 5,500/- per space.

**REQUIREMENT FOR SUBMISSION OF PLAN OF ACTIVITIES OF  
THE ASSOCIATION FOR NEXT THREE YEARS TO THE DGTO,  
MINISTRY OF COMMERCE, GOVERNMENT OF PAKISTAN,  
ISLAMABAD. UNDER RULES 22 & 23 OF TOR, 2013**

03. **To approve draft of Three Years Plan of Activities of the KCA for submission to the Directorate General of Trade Organizations, Ministry of Commerce, Islamabad in pursuance of Rules 22 & 23 of the TOR 2013.**

The Executive Committee considered, in detail, the draft of Three Years Plan of Activities of the KCA placed by the Secretariat for approval.

**RESOLUTION No. 42:** After consideration, the Executive Committee approved the draft of Three Years Plan of Activities of the KCA prepared by the Secretariat, subject to make minor changes, for onward transmission to the Directorate General, Trade Organization, Ministry of Commerce, Government of Pakistan in pursuance of Rules 22 & 23 of the TOR, 2013.

**BUILDING AND FINANCE COMMITTEE**

04. **Recommendations of the Building and Finance Committee of the KCA as contained in the minutes of its meeting held on 26-12-2016.**

Chairman apprised the Executive Committee about the recommendations of the Building and Finance Committee made in its meeting held on 26-12-2016.

As regard recommendation of the Building and Finance Committee regarding beautification of courtyard/open area on ground floor (Western Side) of the Cotton Exchange (Phase-II), Chairman informed that the Building and Finance Committee recommended to the Executive Committee to approve a total sum of Rs. 604,111.00 to carryout the following jobs:-

- |      |  |                      |
|------|--|----------------------|
| i)   | <b>Providing &amp; applying Weather Shield I.C.I Dulux &amp; Enamel Paint to surrounding walls of open courtyard<br/>M/s Zareen's quoted for colouring surrounding four walls of open area with Weather Shield, I.C.I Dulux for Rs.16,500.00 sq.ft. including Enamel paint for steel grills &amp; windows inclusive of all taxes as:</b> | <b>Rs.495,000.00</b> |
| ii)  | <b>Providing &amp; fixing white net<br/>M/s M.A. Fishing Store quoted for white net to cover the open courtyard inclusive of all taxes as:</b>   | <b>Rs. 78,536.00</b> |
| iii) | <b>Repairing of steel windows &amp; grills on Ground floor<br/>M/s Bilal Iron Works quoted for repairing of steel windows and grills on Ground floor, including all taxes as:</b>  | <b>Rs. 16,000.00</b> |
| iv)  | <b>Providing &amp; fixing glass panes 4''m.m. (18''x12'') Pak made for steel windows of all floors to replace damaged glass panes<br/>M/s Murtaza Ali, Glass, Aluminums &amp; Blind fitting quoted 97.50 sq.ft. of different sizes including relevant accessories, inclusive of all taxes as:</b>  | <b>Rs. 14,575.00</b> |
|      | <b>Total cost of the job Ph-II as per revised lowest rates:</b>  | <b>Rs.604,111.00</b> |

Mr. Parvez Hassan inquired about the quality of White Net to be provided to cover the open courtyard/open area under discussion. Building Administrator Maintenance Officer, the KCA showed the sample of White Net to the Executive Committee and informed that the same had already been approved by the Mr. Amin Hashwani, Former Chairman, the KCA who was closely associated with the job of beautification of courtyard/open area on ground floor (Western Side) of the Cotton Exchange. Mr. Parvez Hassan expressed some reservations regarding the quality of the sample of White Net and desired to make effort to provide superior quality of White Net to cover the open courtyard/open area.

**RESOLUTION No. 43:** After consideration, the Executive Committee approved the recommendations of the Building and Finance Committee as contained in its minutes of the meeting held on 26-12-2016.

**RATES COMMITTEE**

05. **To appoint the Rates Committee for the month of January, 2017.**

**RESOLUTION No. 44:** It was decided by the Executive Committee that the existing Rates Committee may continue for the month of January, 2017.

**GRADE AND STAPLE MARGINS**

06. **Recommendations of the Grade and Staple Margins Committee of the KCA as contained in the minutes of its meetings held on 29-11-2016 and 14-12-2016 for information.**

**RESOLUTION No. 45:** The Executive Committee noted the recommendations of the Grade and Staple Margins Committee as contained in the minutes of its meetings held on 29-11-2016 and 14-12-2016.

**COTTON SITUATION**

07. **To discuss the cotton situation.**

Mr. Asif Inam stated that the production of cotton in the country was less than the consumption of local textile mills and hence, Pakistan become a cotton deficit country and the local textile mills were compelled to import raw cotton to meet their requirement of raw material.

Commenting on the situation of local textile industry, Mr. Asif Inam stated that the textile industry in Pakistan was facing a crisis – like situation because of high cost of doing business, competitiveness in the world market, shortage of raw material and liquidity constraints. He also stated that in order to save the local textile industry from total collapse, the Government should abolish 4% duty imposed on import of cotton and announce the much awaited textile package immediately.

Chairman was of the view that in such a situation, the Government should allow the Commercial Importers to import Raw Cotton by providing level playing field to them so that they may feed the weak textile mills who were not in a position to directly import raw material to meet their requirement.

Expressing his concern over the closure of local textile industry, Mr. Parvez Hassan stated that the KCA, being a premier body of the cotton trade in Pakistan, should advise the Government to take all possible measures on war-footing basis to increase cotton production in Pakistan to meet the rising requirement of the local textile industry and leave surplus for export to earn the valuable foreign exchange for the country.

Mr. Nasir Anwer Barkurdaria stated that the local consumption of cotton in 2016-17 would be around 14.0 million bales. However, Mr. Asif Inam was of the view that it would be around 14.5 – 15.0 million bales.

**RESOLUTION No. 46:** Noted.

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

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

**RESOLUTION No. 47:** The Executive Committee granted leave of absence to Mr. Humayun Zafar from attending to-day's meeting of the Executive Committee on written request from him.

The Executive Committee also granted leave of absence to Mr. Aftab Umer, Mr. Imran Maqbool, Mr. Jahangir Moghul, Mr. Rehan Shoukat, Mr. Shahid Shafiq, Mr. Sajid Haroon, Mr. Sohail Wali, Mr. Wahid S. Balagamwala, Mr. Zahid Mazhar and Mr. Abdul Karim Memon from attending to-day's meeting of the Executive Committee on the intimation received on telephone regarding their pre-occupations on other assignments.

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

**PROPOSED VISIT OF ICA OFFICIALS TO KARACHI**

Chairman informed the Executive Committee that the Managing Director, International Cotton Association, Liverpool, UK vide his email dated 20-12-2016 had informed that the Officials of the ICA was planning to visit Pakistan in early February 2017 and inquired whether the KCA can host them in the period of 8-12<sup>th</sup> February, 2017 so they could begin their planning towards their visit to Karachi.

Chairman apprised the Executive Committee that last year the then President and Managing Director, ICA visited the KCA on 26-01-2016 and held a meeting with the Executive Committee and Senior Members of the Cotton Trade.

He also apprised the Executive Committee that during their visit to Karachi last year, Mr. Derek Tanner of D.A.T Arbitration & Consultancy and Former President ICA conducted two days workshop / training session, with the collaboration of the KCA, on **“avoidance and settlement of cotton disputes”** on January 26-27, 2016 at Marriot Hotel, Karachi for the benefit of the cotton trade in Pakistan. A dinner was also hosted by the KCA in honor of the Officials of the ICA at Pearl Continental Hotel, Karachi.

Chairman stated that during their proposed visit to Karachi in early February 2017, the officials of the ICA might offer to conduct Workshop / Training Session for the benefit of the Cotton Trade and visit the KCA to meet the Executive Committee and Senior Members of the Cotton Trade to discuss matters of mutual interest .

Mr. Parvez Hassan stated that the KCA should ask the ICA to give details of their itinerary regarding their proposed visit to Karachi.

The Executive Committee was of the view that the KCA should welcome the officials of the ICA to Karachi with a view to take advantage for the benefit of Cotton Trade in Pakistan.

**RESOLUTION No. 48:** After consideration, the Executive Committee decided that the KCA should welcome the officials of the ICA to Karachi / KCA in the period of 8-12<sup>th</sup> February, 2017, arrange Workshop / Training Session of the interest of the Cotton Trade and host Dinner in honor of official of the ICA in a reputable hotel at Karachi.

The Executive Committee authorized the Chairman to approve necessary expenditure to be involved in this regard at his discretion and fix Registration Fee payable by the participants of the Workshop / Training Session.

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

**(AFTAB ALAM)**  
Secretary General  
KARACHI: 27-12-2016

**CHAIRMAN**

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