PAKISTAN TANNERS ASSOCIATION (CENTRAL OFFICE)

PTA-174/2011/79 Dated: 12th February'2011

SUB: MINUTES OF THE 3RD MEETING OF THE CENTRAL EXECUTIVE COMMITTEE OF PTA HELD ON FRIDAY, THE 4TH FEBRUARY'2011 THROUGH VIDEO CONFERENCE IN PTA CENTRAL OFFICE, KARACHI AND PTA NORTHERN ZONE OFFICE, LAHORE:

The 3rd Meeting of the Central Executive Committee of Pakistan Tanners Association was held on Friday, the 4th February'2011 at 3:00 p.m. THROUGH VIDEO CONFERENCING SYSTEM linking between PTA (Central Office), Karachi and PTA (Northern Zone) Office, Lahore under the Chairmanship of Mr.Khurshid Alam.

Following Members of the Central Executive Committee of PTA as well as special invitees attended the Meeting in Karachi & Lahore simultaneously:-

<u>SI. #</u>	Name of Member	-	Designation
01.	Mr. Khurshid Alam	-	Chairman
02.	Mr. Fawwad Shafi	-	Vice Chairman
03.	Mr. Aziz Ahmed	-	Vice Chairman
04.	Mr. Asfandyar Farrukh	-	Member
05.	Mr. M. Khurshid Ahmed	-	- do -
06.	Mr. Naeem Akhtar	-	- do -
07.	Mr. S. Anjum Zafar	-	- do -
08.	Mr. Shahid Usman	-	- do -
09.	Sh. Saqib Saeed Masood	-	- do -
10.	Mr. Usman Umer	-	- do -
11.	Mr. Gulzar Firoz	-	Ex-Officio Member
12.	Mr. Agha Saiddain	-	Special Invitee
13.	Mr. Anwar Iqbal		- do -
14.	Mr. Fazal-ur-Rehman	-	- do -
15.	Mr. Habibur Rahman Shaikh	-	- do -
16.	Mr. Mansoor Iqbal	-	- do -
17.	Mr. Muhammad Musaddiq	-	- do -
18.	Mr. S.M. Naseem	-	- do -
19.	Mr. Shahid Mahmud		- do -
20.	Sh. M. Afzal Hussain		- do -
21.	Sh. Sarfaraz Amin		- do -
22.	Shaikh Muhammad Naeem	-	- do -
23.	Mr. Tanveer Aslam Chawla	-	- do -

The meeting commenced with recitation from the Holy Quran by Shaikh Muhammad Naeem of M/s. Siddig Leather Works (Pvt) Ltd., Lahore.

Before proceeding to take up regular agenda for item-wise discussion, Chairman, PTA, Mr.Khurshid Alam thanked all the member participants for sparing their time to attend the meeting at Karachi and Lahore simultaneously. He apprised the House about the newly installed Video Conferencing System and its beneficial aspects to ensure maximum participation of the members from both the zones without travelling hassle & expenses as well as saving precious times.

Mr. S.M. Naseem, Mr. Agha Saiddain, in particular, and other participants, in general, lauded the efforts of Mr. Khurshid Alam and congratulated him for introducing the video Conference

System in between PTA (Central Office), Karachi and PTA (Northern Zone) Office, Lahore for better communication and close coordination amongst the M/C members as well as Special Invitees for arriving at consensus on key issues and taking appropriate decisions in the best interest of leather industry.

Mr. Khurshid Alam also thanked Mr. Usman Umer for exercising good efforts in contacting various dealers and obtaining quotation for the project as well as appreciated the cooperation extended by Mr. S. Anjum Zafar for visiting APTMA, Lahore to observe functioning of Video Conference system installed there and getting some relevant detail thereof to facilitate finalization of the deal.

Thereafter, the proceeding on the Agenda of the Meeting started seriatim as under :-

01. TO CONFIRM THE MINUTES OF THE 2^{ND} MEETING OF THE CENTRAL EXECUTIVE COMMITTEE OF PTA HELD ON 30^{TH} OCTOBER'2010 AT LAHORE :

Minutes of the 2nd Meeting of the Central Executive Committee of PTA held on 30th October'2010 at Lahore, as proposed by Mr. Usman Umer and seconded by Mr. S. Anjum Zafar, both M/C Members, were confirmed by the House unanimously.

02. TO REVIEW STATUS OF DECISIONS TAKEN DURING THE 2^{ND} CENTRAL EXECUTIVE COMMITTEE MEETING OF PTA :

The Central Executive Committee thoroughly reviewed implementation of all the decisions taken in the 2nd Central Executive Committee Meeting held on 30th October'2010 at Lahore and approved.

03. (I) TO NOTE ACCOUNTS OF PTA (CENTRAL OFFICE) FOR THE MONTHS OF OCTOBER, NOV & DEC'2010 :

The monthly accounts of PTA (Central) for October, November and December'2010 were minutely examined, noted and approved.

(II) TO GRANT EX-POST FACTO APPROVAL TO THE EXPENDITURE FOR A TOTAL SUM OF RS.340,136/- + Rs.6799/- AS WHT ON CLUB'S INVOICE MADE ON THE LUNCHEON MEETINGS WITH THE GOVERNOR OF PUNJAB AND WITH THE CONSUL GENERAL OF USA IN LAHORE ON 25TH & 29TH OCTOBER'2010 RESPECTIVELY. THE ABOVE EXPENSES WERE DULY RECOMMENDED BY THE FINANCE & ADMN. STANDING COMMITTEE OF PTA

The Chairman, PTA appraised the Committee denovo of his policy to refer all matters financial matters/requisitions to be first scrutinized and recommended by the Finance Standing Committee before submitting to the Chairman or the Central Executive Committee, as the case may be, for final approval. Accordingly the expenses incurred on the luncheon meeting with the Governor of Punjab and Consul General of USA separately in Lahore held in October'2010 were okayed by the Finance & Admin. Standing Committee, PTA.

The Committee considering the recommendation of the Finance Committee granted ex-post facto approval to the expenditure totalling to Rs.346,935.00, including cost of a Camera, incurred on the proper arrangements of the above mentioned 2-significant Meetings at Lahore.

The Committee also decided to enlarge the Finance Standing Committee and accordingly a Karachi based M/C member, Mr. Usman Umer was inducted in this Committee.

Mr. Aziz Ahmed, Vice Chairman appreciated the working of the Finance Standing Committee in examining and recommending financial requirements/statements to help final approval to be granted in each transaction.

04. TO CONSIDER LIST OF THE INT'L FAIRS PROPOSED TO BE ORGANIZED BY PTA DURING 2011-12 SENT FOR TDAP'S APPROVAL AS ASKED FOR BY 30.12.2010 :

The List of proposed Int'l Fairs was reviewed by the Committee which was already submitted to TDAP as desired by them within the deadline i.e. 30th December, 2010. The Chairman, PTA, Mr. Khurshid Alam informed the House that on the demand of DG/TDAP, Mr. Shahid Latif Khan who asked telephonically for the Priority List under Two categories as furnished below of Int'l Fairs out of total 12 names of the Fairs were also submitted to them:-

1st Priority

S/ #	Name of Fair	Date
01.	ACLE, Shanghai, Shanghai, China	Sept'2011
02.	Le Cuir, Paris, France	Sept'2011
03.	Lineapelle Fair, Bologna, Italy	Oct'2011
04.	MM&T of APLF, Hongkong	March'12
05.	Lineapelle Fair, Bologna, Italy	April'12
06.	Shoes & Leather, Guangzhou, China	May'2012
07.	43 rd Frandle, Sao Paulo, Brazil	11-14 th July'2011

2nd Priority

S/ #	Name of Fair	Date
08.	Shoes & Leather, Vietnam	Sept'2011
09.	AYSAF, Istanbul, Turkey	Oct'2011
10.	India Int'l Leather Fair, Chennai, India	Jan'2012
11.	ANPIC, Mexico	Feb'2012
12.	Indo Leather & Footwear, Jakarta, Indonesia	May'2012

It was also decided unanimously by the Committee to send a letter to CE/TDAP to ensure incorporation of all 12 proposed Names in its Final Calendar of Int'l Fairs for the period from July'2010 to June'2011.

Thereafter, the Committee unanimously approved all 12 proposed Names of Int'l Fairs to be sent to TDAP for allocation to PTA for the period from July'2011 to June'2012.

05. TO CONFIRM NOMINATION OF MR. S.M. NASEER, DIRECTOR, M/S. DIN LEATHER (PVT) LTD., KARACHI FOR GENERAL BODY AND EXECUTIVE COMMITTEE OF FPCCI AND MIAN NAEEM AKHTAR, DIRECTOR. M/S. ANSA LEATHERS, LAHORE FOR THE GENERAL BODY OF FPCCI TO REPRESENT PTA FOR 1-YEAR TERM W.E.F. 1ST JANUARY'2011 ALREADY SENT TO FPCCI TO MEET THE DEADLINE FIXED FOR 27TH NOVEMBER'2010 :

The Committee confirmed the Nomination of Mr. S.M. Naseer, Director, M/s. Din Leather (Pvt) Ltd., Karachi for General Body and Executive Committee of FPCCI and Mian Naeem Akhtar, M/s. Ansa Leathers, Lahore for General Body of FPCCI for 1-year term beginning from 1st January'2011.

The Committee also decided that PTA's practice on rotation basis should be continued as a policy for nominations of PTA's Members for FPCCI's GB & EC. Accordingly already approved nomination of Mr. Khurshid Alam from PTA (NZ) would be on FPCCI's Executive Committee for the next year 2012.

- 06. (I) TO DISCUSS MATTER REGARDING EXPORT/SMUGGLING OF WET BLUE LEATHER WITH PTA'S PROPOSAL TO INCREASE DUTY FROM 20% TO 50% AS HIGHLIGHTED IN THE JOINT PRESS CONFERENCE OF PTA AND PGMEA HELD ON 29TH DECEMBER'2010 AT LAHORE
 - (II) TO DISCUSS LETTER FROM PAKISTAN FOOTWEAR MANUFACTURERS ASSOCIATION CONTAINING PROPOSAL TO BAN EXPORTS OF RAW & WET BLUE HIDES AND SKINS FROM PAKISTAN :

The Chairman, PTA informed the Committee that the issue of export and smuggling of wet blue leather was raised on various fora through Press Conference, Joint Press Conferences with LCCI & other leather related Associations as well as by issuing press releases in different Newspapers also through letters requesting the Government to control smuggling and withdraw permission for exporting, to some extent, live animals. PTA also proposed to increase regulatory duty from 20% to 50% on export of raw and wet blue leather.

The House hailed the suggestion of Mr. S. Anjum Zafar to refer the matter to the Economic Co-ordination Committee (ECC) also and if possible hold meeting with them to discuss regarding control on the export & smuggling of live animals to avoid crises/shortage to be faced in next a few years by the leather industry.

In this context several members suggested to take prominent and influential political parties on board to seek assistance/cooperation in advocating the cause of getting key issues of leather industry resolved.

The Committee decided to proceed accordingly and to use effective channels/fora in the interest of tanning industry.

Some members stressed the need to focus on the quality of Hides & Skins and not meat only and proposed to consult Slaughter Houses Association for holding meeting with the authorities concerned to ensure skilful flaying for avoiding damages/cuts to Hides & Skins.

Mr. S.M. Naseem proposed to start an effective campaign for the awareness of butchers etc. through print & electronic media for banning slaughtering of small animals which is also unlawful.

After due deliberation the Committee decided to constitute a Committee headed by Mr. Agha Saiddain consisting of the following members to analyze and present a strong representation to the Government through ECC and other authorities concerned to consider PTA's rational proposal to control export & smuggling of live animals as well as to prevent slaughtering of small animals to avoid shortage of precious raw hides & skins in the years to come as also to launch campaign effectively to make the butchers aware of skilful flaying & to maintain quality of above basic raw material:

1. Mr. Agha Saiddain Chairman 2. Mr. S. Anjum Zafar Member 3. Mr. Muhammad Musaddig Member Mr. Tanveer Aslam Chawla Member 5. Mr. Khurshid Ahmed Member Sh. Saqib Saeed Masood Member 6. 7. Sh. M. Afzal Hussain Member

07. TO DISCUSS PROBLEM OF GAS LOAD SHEDDING IN PUNJAB CAUSING DAMAGE TO LEATHER INDUSTRY :

The Chairman, PTA apprised the members of the critical situation cropped up due to Gas load shedding in Punjab which is highly detrimental to leather industry. He apprised the Committee that a delegation of PTA met the Chief Minister of Punjab in this regard who brought this pernicious plight into the knowledge of the Prime Minister.

Mr. Aziz Ahmed, Vice Chairman, PTA and Sh. M. Afzal Hussain informed that tanneries located in Sector 7-A, KIA, Karachi are also facing the same problem in addition to shortage of water for which local authorities concerned are being approached.

Mr. Habibur Rahman Shaikh realizing the gravity of situation as a result of shortage of gas in Punjab assured full support of the Members from Southern Zone in the restoration of proper gas supply to save the tanneries from serious damage.

The Committee decided to take-up the matter with the authorities concerned effectively and to issue press statement in all prominent Newspapers in this regard.

08. PRESS STATEMENTS OF THE CHAIRMAN, PTA (CENTRAL) PUBLISHED IN VARIOUS DAILY NEWSPAPERS FROM OCTOBER TO DATE ON DIFFERENT KEY ISSUES OF LEATHER INDUSTRY :

The member participants appreciated the efforts of Mr. Khurshid Alam, Chairman, PTA for releasing a sheaf of effective press statements published in various daily newspapers on different key issues of leather industry. The Chairman, PTA expressed determination to continue the use of electronic and print media to highlight significant issues of the leather industry in future too.

09. TO UPDATE PROCESS OF INSTALLING VIDEO CONFERENCE SYSTEM BETWEEN PTA (CENTRAL OFFICE), KARACHI AND PTA NORTHERN ZONE OFFICE, LAHORE

The members were already apprised of the introduction and progress of the Video Conference System in the preamble (beginning of the Minutes).

The Chairman, PTA, however, briefed the participants on the total expenditure of Rs.10,00,000/- out of Rs.1.5 Million already approved by the Central Executive Committee and in addition to it a monthly recurring charges of Rs.50,000/- agreed after hectic negotiation on account of internet charges based on Fiber Optic instead of DSL to avoid dependence on PTCL telephone lines in view of better result of communication would also be paid. The same was approved by the Committee.

The Chairman, PTA informed that 5-6 PTA's member firms in Multan have also sought the facility of Video Conference System installed at their end. Khawaja Mehr Ali in Multan informed the Chairman that APTMA, Multan is having the video Conferencing System and members from Multan can be facilitated through this system simultaneously upon installation of Polycom VSX 7000 Video Conferencing System with multi media in Multan if connected to PTA (NZ), Lahore.

The Committee decided to have experience from PTA's existing System for some time and thereafter to consider inclusion of Multan on the network for the facility of Multan based members.

Mr. Khurshid Alam apprised the House that PTA will also benefit from the video conferencing facility round the clock and henceforth meetings of Standing Committees specially Balloting of Stands will also be held through Video Conferencing System.

Most of the members proposed for holding one or two M/C meetings get-together during the year under previous system in order to meet all the member participants at one place.

The Committee appreciated this suggestion and decided to hold such meeting sessions as and when deemed expedient.

Incidentally the Chairman, PTA pointed out by referring to the M/C decision taken in its meeting held on 30th October'2010 whereby it was unanimously decided to hold Annual General Body Meeting on rotation basis at Karachi & Lahore. The next AGM would accordingly be held in PTA (NZ) Office.

The House appreciated and applauded the efforts of Mr. Khurshid Alam for this remarkable achievement to make the Association more purposeful for live communication and discussion between each other on both the stations. The Committee then passed the following resolution as a token of appreciation in this regard:

RESOLUTION

"BE IT RESOLVED AND IT IS RESOLVED THAT THE HOUSE APPRECIATES THE REMARKABLE ACHIEVEMENT OF MR. KHURSHID ALAM FOR INTRODUCING VIDEO CONFERENCING SYSTEM IN PTA CENTRAL OFFICE, KARACHI & PTA NORTHERN ZONE OFFICE, LAHORE TO MAKE THE ASSOCIATION MORE VIABLE AND PURPOSEFUL FOR LIVE COMMUNICATION, DISCUSSION AND ARRIVING AT CONSENSUS ON KEY ISSUES OF LEATHER INDUSTRY AMONGST THE MEMBERS OF EACH ZONE AT BOTH THE STATIONS".

10. TO GRANT APPROVAL FOR RS.25,000/- ON ACCOUNT OF ANNUAL SUBSCRIPTION FOR PTA'S MEMBERSHIP WITH FPCCI PAYABLE FOR THE FINANCIAL YEAR JULY-JUNE 2011-12 :

The Committee granted approval to the payment of Rs.25,000/- to FPCCI on account of Annual Subscription for PTA's membership with the Federation for the financial year July 2011 to June 2012.

11. TO DISCUSS THE MINUTES OF THE 4^{TH} MEETING OF THE STEERING COMMITTEE FOR PAKISTAN MEGA LEATHER SHOW :

Mr. Muhammad Musaddiq, Convener, Steering Committee of Mega Pakistan Leather Show informed the House that several meetings of the Steering Committee comprising representatives from PTA, PLGMEA, PGMEA & PFMA were held in PTA (NZ) Office, Lahore and prepared a comprehensive Budget for Rs.100 Million for holding Mega Leather Show with mutual consultation subject to TDAP's approval.

In this connection, a delegation of the Steering Committee on Leather Show led by Mr.Khurshid Alam met Mr.Tariq I. Puri Chief Executive, TDAP on 7th December'2010 at TDAP Office, Karachi and presented the Budget of Rs.100 Million for approval to hold Mega Pakistan Leather Show in Expo Center, Lahore during 24-26th March'2011.

The Chief Executive, TDAP revealed that due to lack of requisite funds, it was not possible to approve the budget for the Mega Pakistan Leather Show this year and advised to defer the event till next year 2012 with only 50% Government Subsidy. He also advised PTA to ensure its members participation to represent Leather Industry in the forthcoming **Expo Pakistan 2011** to be held in Karachi.

Mr. Muhammad Musaddiq informed the House that he invited proposal for new dates to hold Combined Pakistan Leather Show 2012 from other leather related Associations and on receipt of the same Central Executive Committee will be informed accordingly for further necessary action.

12. TO DISCUSS AND APPROVE DRAFT MOU TO BE EXECUTED BETWEEN PTA & BAHAUDDIN ZAKARIYA UNIVERSITY, MULTAN WITH THE AIM TO IMPROVE THE QUALITY OF RAW HIDES & SKINS FOR LEATHER INDUSTRY AND TO REDUCE THE ECONOMIC LOSSES TO HIDES & SKINS OF ANIMALS IN PAKISTAN :

Mr. Agha Saiddain, Chairman, Hides & Skins Improvement Standing Committee of PTA apprised the House regarding past experience with UVAS and completion of joint project for Prevalence & control of pathological conditions causing skins damage and consequently reducing its market value in domestic ruminants. He also informed that the UVAS published a comprehensive Research Report on this project which was placed in libraries of various Universities in the country as well as abroad. A copy of the document can be obtained from PTA, if any one is interested.

Mr. Agha Saiddain apprised the House that necessary research on how to control damages in Hides & Skins and prevent the animals from diseases identified geographically to be eradicated is being carried out. He presented a draft MOU for approval which is proposed to be executed between Dean Faculty of Veterinary Sciences of Bahauddin Zakariya University, Multan and Pakistan Tanners Association with the aim to improve the quality of raw Hides & Skins and get rid of damages occurred due to various animals' diseases and damages at slaughter houses which is causing economic/business loss.

The Committee appreciated the hectic efforts of Mr. Agha Saiddain for dealing with the Bahauddin Zakariya University for carrying out a research work to prevent animals from diseases and save Hides & Skins from damages for the betterment of the tanning industry. The Committee then unanimously approved the Draft MOU to be jointly signed by BZU & PTA.

13. TO DISCUSS LETTER OF FBR INVITING CUSTOMS RELATED BUDGET PROPOSALS 2011-12 ON THE PRESCRIBED FORMAT :

The Committee discussed the proposals/suggestions for Budget already sent to the Government last year but were not entertained and decided to send these proposals again for consideration in the forthcoming Federal Budget-2012.

Besides above, the Committee decided to circulate all the Customs related issues compiled in 2011 on FBR prescribed format amongst the M/C & Senior Members and Import & Export as well as Taxation Standing Committees for their review and recommendations so that the same would be compiled and sent to FBR as desired.

Mr. Khurshid Alam, Chairman, PTA also informed the Committee that PTA's consolidated proposals/Suggestions have also been sent to FPCCI for consideration in its High Powered Committee constituted at the instance of Dr. Abdul Hafeez Shaikh, Federal Minister for Finance

14. ANY OTHER MATTER WITH THE PERMISSION OF THE CHAIR:

I) TO DISCUSS LETTER FROM MR. GULZAR FIROZ, PRESIDENT, PTA (S.Z) ENVIRONMENTAL SOCIETY REQUESTING TO WITHDRAW THE FACILITY BEING PROVIDED TO PTA'S MEMBERS & PARTICIPANTS OF THE INT'L FAIRS IN DEFAULT OF PAYMENT OF THEIR DUES PENDING WITH CETP ON ACCOUNT OF MONTH OPERATIONAL & MAINTENANCE (O&M)

The request of PTA (SZ) Environmental Society maintaining CETP at Korangi Industrial Area, Karachi under the dynamic president-ship of Mr. Gulzar Firoz for cooperation of PTA by withdrawing some existing facilities from the defaulter tanners urging to clear their dues payable to CETP as the plant is in acute financial distress, was discussed at length.

The Committee took various options in this behalf contemplated as under :-

- (i) To mount moral pressure on the defaulters by writing suitable letters to settle their dues.
- (ii) To ask CETP to provide list of defaulters with the amount of dues to PTA (Central) every month so that the member defaulters may be pressurized appropriately specially at the time of their participation in the Int'l fairs to clear the CETP dues.
- (iii) To advise the CETP to devise a system for discontinuing facility of treating/recycling effluent water of the defaulter manufacturing units concerned.
- (iv) To advise PTA (SZ) to ask the defaulter members of its Zone to clear the dues of CETP at the time of renewal of Membership as well as on providing other facilities.

II) ISSUANCE OF COMBINED/CONSOLIDATED INVOICE OF PTA'S MEMEBR PARTICIPANTS & INDIVIDUAL MEMEBR PARTICIPANTS OF LINEAPELLE FAIR, APRIL, 2011 AT BOLOGNA, ITALY

The members were informed that PTA Central Secretariat was strongly coordinating Fair Management (Lineaplle Fair. Italy) for consolidated/combined Invoice of PTA's member participants of Pakistan Pavilion & Individual member participants of Lineaplle Fair, April'2011, Bologna, under the patronage of Chairman, PTA - Central, Mr. Khurshid Alam & Mr. Shahid Mahmud, Chairman, Standing Committee on Int'l Fairs & Delegations, PTA (Central) as per decision of last Central Executive Committee Meeting held on 30.10.2010 at Lahore. After protracted correspondence exchanged with the Fairs' Management in this regard, they have finally expressed their inability to accede to PTA's request for incorporation of space rent for individual member participants' stands in PTA's Invoice.

The House was also informed that at the beginning, the Fair Management had accepted PTA's proposal for issuance of consolidated Invoice of space rent i.e. PTA's member participants plus individual member participants of PTA. However, at final stage for issuing desired invoice, the Fair Management turned down PTA's request. The House was also informed categorically that it has now become mandatory after removal of restriction/ban for organizing National Pavilion in Lineapelle Fairs at Bologna, Italy to submit **One Consolidated** Invoice of space rent & construction charges of stands to TDAP in compliance with its rules & regulations duly attested by the Embassy of Pakistan, Rome, Italy for releasing due 50% Govt. subsidy failing which the claim of Government subsidy would be in jeopardy at the time of TDAP's approval.

In this context, the house was informed that now the individual member participants of Lineapelle Fair specially April'2011 and all upcoming events of Lineapelle Fair would not be eligible for the Government subsidy and accordingly PTA Secretariat was directed to proceed further for finalization of PTA's invoice for its members concerned participating under the banner of National Pavilion in Lineapelle Fair, April'2011 only and will continue mounting pressure on the Fair Management to fulfil their commitment earlier made with PTA for issuance of combined invoice

Since there being no other matter to discuss, the meeting concluded with a vote of thanks to the Chair.

Yours faithfully,
APPROVED: For: PAKISTAN TANNERS ASSOCIATION

(KHURSHID ALAM) CHAIRMAN (MOINUDDIN QURAISHI) SECRETARY