

THE KARACHI COTTON ASSOCIATION

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

EXECUTIVE COMMITTEE MEETING NO. 07 OF 2017-18

MINUTES

A **REGULAR MEETING** of the 86th 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, February 27, 2018** 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
03. Mr. Ahmed Ebrahim
04. Mr. Imran Mabqool
05. Mr. Muhammad Adil Osawala
06. Mr. Nasir Anwer Barkhurdaria
07. Mr. Parvez Hassan
08. Mr. Sohail Wali
- &
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. 06 of the Executive Committee held on 30-01-2018.**

As no objection to the minutes of the meeting No. 06 of the Executive Committee held on 30-01-2018 was received, the same were confirmed by the Executive Committee and signed by Chairman in token of confirmation.

**CHANGE IN COMPOSITION OF DIRECTORS OF COMPANY
AND TRANSFER OF COMPANY SHARE**

02. **To consider letter dated 12-02-2018 received from M/s. Meezan Enterprises (Pvt.) Limited on the above subject .**

The Executive Committee considered letter dated 12-02-2018 received from M/s. Meezan Enterprises (Pvt.) Limited on the above subject. The Committee was informed that as per record available in the Association, the following were registered as Directors of M/s. Meezan Enterprises (Pvt.) Limited:-

- i) Syed Muhammad Sibtain
- ii) Mr. Javed Akhtar
- iii) Syed Muhammad Sameer

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The Committee was also informed that due to resignation tendered by Syed Muhammad Sameer from Directorship of M/s. Meezan Enterprises (Pvt.) Limited, there were now only following 02 Directors of the Company referred to above:

- i) Syed Muhammad Sibtain
- ii) Mr. Javed Akhtar

RESOLUTION No. 66: After consideration, the Executive Committee noted the position as explained above and directed the Secretariat to record the names of (i) Syed Muhammad Sibtain and (ii) Mr. Javed Akhtar as Directors of M/s. Meezan Enterprises (Pvt.) Limited in membership Register of the Association .

ORGANIC COTTON SUPPLY CHAIN MEETING

03. **Briefing by Chairman on Organic Cotton Supply China Meeting organized by WWF-Pakistan in collaboration with Karachi Cotton Association on 20-02-2018 at the KCA.**

Briefing the Executive Committee, Chairman stated that Organic Cotton Supply Chain Meeting, organized by WWF-Pakistan, Lahore, in collaboration with the Karachi Cotton Association, was held in the office of the Association on 20-02-2018 from 09:30 a.m. to 02:30 p.m. to explore likelihoods of business developments for traders, businessmen, ginners, spinners and textile sectors in regard to Organic Cotton and provide an opportunity to discuss and embrace challenges and move ahead with a meaningful strategy leading to a flourish future of Organic Cotton in Pakistan.

The meeting was presided over by Chairman, the KCA and attended by (i) Vice-Chairman, the KCA, (ii) Members of the Executive Committee, the KCA, (iii) Director General, Agriculture Extension, Government of Balochistan, (iv) Deputy Director, Coordination, Agriculture Department, Government of Balochistan, (v) Deputy Director, Planning and Development, Government of Balochistan, (vi) Senior Director, WWF-Pakistan, (vii) Director (Sindh Region), WWF-Pakistan, (viii) Director, Sustainable Agriculture & Food Program, WWF-Pakistan, (ix) Senior Manager, WWF-Pakistan, (x) Manager, WWF-Pakistan, (xi) Cotton Ginners from Sindh and Balochistan, (xii) Representatives of big Textile Groups / Brands, (xiii) Representatives of Seed Companies, (xiv) Representative of C&A Foundation, (xv) Representatives of Cotton Trade, he added.

Chairman stated that the Director, Sustainable Agriculture and Food Program, WWF-Pakistan apprised the meeting about the efforts being made to produce certified Organic Cotton, which is currently being cultivated in Balochistan. The Director, Sustainable Agriculture and Food Program, WWF-Pakistan also apprised that WWF-Pakistan and M/s. Control Union, Sri Lanka audited and selected 500 cotton growers in Lasbela District in 2015 and three years Organic Cotton Project was launched in 2016 in Lasbela, Sibi and Barkhan Districts. The aim of the project was to improve the income and yield of Organic Cotton Farmers through capacity building, he added.

He also informed the Executive Committee that issues relating to Cotton Seed, Production, Demand, Developing Supply Chain and linkages between growers and the textile industry were discussed during the meeting.

Chairman stated that in the meeting referred to above, the Director General, Agriculture Extension, Government of Balochistan apprised about the initiatives taken by the Government of Balochistan to produce Organic Cotton and the facilities being provided to the farmers of Balochistan in this regard. The Growers from Sindh and Balochistan apprised the meeting about the problems and difficulties being faced by them to produce and market Organic Cotton and desired the Government to provide them maximum facilities so that they might be able to produce more Organic Cotton in the coming years.

Chairman also stated that in the meeting referred to above, it was observed that Organic Cotton was grown without chemical fertilizers or pesticides. The piece of land was also detoxified from residues of chemical fertilizers and pesticides over a period of at-least 03 years. Moreover, the seeds used to grow Organic Cotton were not genetically modified.

The meeting also observed that if the crop adheres to Organic Cotton farming standards for 03 years, the yield was certified as Organic Cotton. It was also observed that the Organic Cotton was gaining popularity among health conscious consumers and world's leading brands. Besides valued added products made by Organic Cotton fetch higher prices, Chairman added.

Chairman further stated that Pakistan initially expects to produce around 50,000 bales of Organic Cotton mostly from Balochistan and in due course, it would be spread to other areas of the country as informed in the above referred meeting .

Concluding his briefing, Chairman stated that in the Organic Cotton Supply Chain meeting, the participants of the meeting arrived on consensus that there was a dire need to produce Organic Cotton at home, as most of the world's leading brands were planning to stop buying products made from conventional cotton by 2025, and provide all necessary help and assistance to the cotton farmers so that the production of Organic Cotton could be increased.

Chairman informed the Executive Committee that the Organic Cotton Supply Chain meeting held at the KCA on 20-02-2018 was well organized.

The Executive Committee appreciated the efforts of the Chairman and the Secretary General, the KCA to organize the meeting under discussion in good manner at the KCA.

RESOLUTION No. 67: Noted.

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 01-02-2018, for approval.**

RESOLUTION No. 68: After consideration, the Executive Committee approved the recommendations of the Building and Finance Committee as contained in its minutes of the meeting held on 01-02-2018.

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RATES COMMITTEE

05. **To appoint the Rates Committee for the month of March, 2018.**

RESOLUTION No. 69: ; It was decided by the Executive Committee that the existing Rates Committee may continue for the month of March, 2018.

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 30-01-2018 and 13-02-2018 for information.**

RESOLUTION No. 70: The Executive Committee noted the recommendations of the Grade and Staple Margins Committee as contained in the minutes of its meetings held on 30-01-2018 and 13-02-2018 respectively.

COTTON SITUATION

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

The Executive Committee observed that according to PCGA's Report dated 18-02-2018, the arrivals of cotton in ginneries, as on 15-02-2018, were 11,485,741 bales as compared to 10,685,254 bales in the corresponding period last year.

RESOLUTION No. 71: 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. 72: The Executive Committee granted leave of absence to Mr. Asif Bashir, Mr. Aftab Umar, Mr. Asif Inam, Mr. Amin Hashwani, Dr. Jessu Mal, Mr. Shahid Shafiq, Mr. Sajid Haroon, Mr. Zahid Mazhar, Mr. Muhammad Atif Dada, Dr. Khalid Abdullah and Mr. Muhammad Shamim Khan 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

09. **NOMINATIONS ON "THE COTTON COUNCIL" FORMED BY APTMA IN A CONSULTATIVE SESSION OF COTTON CHAIN STAKEHOLDERS HELD ON 24-02-2018 AT APTMA HOUSE, LAHORE**

Chairman informed the Executive Committee that Chairman, Punjab Region, APTMA, Lahore vide their letter dated 19-02-2018 invited the KCA to attend an important Consultative Session of Cotton Chain Stakeholders which was scheduled to be held on 24-02-2018 at APTMA House, Lahore to brainstorm core cotton sector issues and evolve viable roadmap to achieve 20.00 million bales of cotton by the year 2020.

He also informed that in response to the invitation referred to above, Mr. Sohail Naseem, Former Chairman, the KCA was requested to attend the consultative session referred to above at APTMA House, Lahore on behalf of the KCA.

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He further informed that after attending the consultative session referred to above, Mr. Sohail Naseem, former Chairman, the KCA informed the Secretary General, the KCA on phone about the discussions held / decision taken in the consultative session held at APTMA House, Lahore.

Mr. Sohail Naseem, former Chairman, the KCA further informed the Secretary General, the KCA in the consultative session referred to above, it was decided to form a permanent body in the name and style of "The Cotton Council" for the promotion and protection cotton production while ensuring (Judicious) profitability of all sectors of the cotton value chain. He further informed that each Association like APTMA, PCGA and the KCA was required to nominate its 02 representatives on "The Cotton Council".

Chairman, therefore, desired the Executive Committee to nominate 02 representatives of the KCA on "The Cotton Council" as required.

RESOLUTION No. 73: After consideration, the Executive Committee nominated Khawaja Tahir Mahmood, Chairman, the KCA and Mr. Sohail Nasseem, Former Chairman, the KCA on "The Cotton Council" formed in a Consultative Session of Cotton Chain Stakeholders held on 24-02-2018 at APTMA House, Lahore.

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

-Sd/-
(AFTAB ALAM)
Secretary General
KARACHI: 27-02-2018

-Sd/-
CHAIRMAN
