

PTA-174/2020/374

Dated: 23rd December'2020

SUB : **MINUTES OF THE 2ND MEETING OF THE CENTRAL EXECUTIVE COMMITTEE OF PTA HELD ON SATURDAY, THE 19TH DECEMBER'2020 THROUGH VIDEO CONFERENCE SIMULTANEOUSLY IN PTA (CENTRAL OFFICE), KARACHI AND PTA (NORTHERN ZONE) OFFICE, LAHORE :**

The 2nd Meeting of the Central Executive Committee of Pakistan Tanners Association was held on Saturday, the 19th December'2020 at 2:30 pm (Sharp) under the Chairmanship of **Mr. Anjum Zafar**, simultaneously in PTA Central Office, Karachi and PTA (Northern Zone Office) Lahore through video conference

Following Central Executive Committee members as well as special invitees attended the Meeting:-

<u>Sl. #</u>	<u>Name of Member</u>	-	<u>Designation</u>
01.	Mr. Anjum Zafar	-	Chairman
02.	Mr. Abdul Salam	-	Sr. Vice Chairman
03.	Mr. Muhammad Tayyab	-	Vice Chairman
04.	Mr. Amanullah Aftab	-	Member
05.	Mr. Amjad Hafiz	-	- do -
06.	Mr. Muhammad Musaddiq	-	- do -
07.	Mr. Mansoor Iqbal	-	- do -
08.	Mr. Naveed Ahmed	-	- do -
09.	Mr. Shafiq Ahmed	-	- do -
10.	Sh. Afzal Hussain	-	- do -
11.	Sh. Muhammad Shafi	-	- do -
12.	Mr. Gulzar Firoz	-	Special Invitee
13.	Mr. Waqas Shakil	-	- do -
14.	Kh. Muhammad Mehr Ali	-	- do -

The meeting commenced with recitation from the Holy Quran by Mr. Muhammad Tayyab.

Before taking-up the Agenda, the House was apprised of the sad demises of i) Late Khawaja Muhammad Abdullah Saheb of M/s.Mehr Dastgir Group, Multan ii) Late Mr. Pervaiz Anwar Sheikh father of Mr. Saad Pervaiz and Mr. Habib Anwar Sheikh iii) Late Shaikh Sarfaraz Amin of M/s. International Chrome Tannery – Skin Export Corporation, Karachi iv) Late Mian Mohammed Hanif father-in-law of Mr. Arshad Zahur and grand-father of Mr. Hamid Arshad Zahur of M/s. Noor Leather Garments (Pvt) Ltd., Karachi. The members present in the meeting offered Fateha praying to rest the departed souls in eternal peace and grant strength to the respective bereaved family members to bear the great loss.

The Committee accordingly adopted the following Condolence Resolution in this regard :-

The Committee accordingly adopted the following Condolence Resolution in this regard :-

RESOLUTION

“BE IT RESOLVED AND IT IS RESOLVED THAT THE CENTRAL EXECUTIVE COMMITTEE OF PTA CONDOLED THE SAD DEMISES OF i) LATE KHAWAJA MUHAMMAD ABDULLAH SAHEB OF M/S.MEHR DASTGIR GROUP, MULTAN II) LATE MR. PERVAIZ ANWAR SHEIKH FATHER OF MR. SAAD PERVAIZ AND MR. HABIB ANWAR SHEIKH III) LATE SHAIKH SARFARAZ AMIN OF M/S. INTERNATIONAL CHROME TANNERY – SKIN EXPORT CORPORATION, KARACHI IV) LATE MIAN MOHAMMED HANIF FATHER-IN-LAW OF MR. ARSHAD ZAHUR AND GRAND-FATHER OF MR. HAMID ARSHAD ZAHUR OF M/S. NOOR LEATHER GARMENTS (PVT) LTD., KARACHI. THE MEMBERS OFFERED FATEHA PRAYING TO REST THE DEPARTED SOUL IN THE ETERNAL PEACE AND GRANT STRENGTH TO THE RESPECTIVE BEREAVED FAMILY MEMBERS TO BEAR THE GREAT LOSS.”

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

01. TO CONFIRM THE MINUTES OF THE 8TH & LAST MEETING OF THE CENTRAL EXECUTIVE COMMITTEE OF PTA FY 2019-20 AND 1ST MEETING OF THE NEWLY ELECTED CENTRAL EXECUTIVE COMMITTEE FY 2020-21 BOTH HELD ON 29TH SEPTEMBER’2020 AT KARACHI & LAHORE VIA VIDEO CONFERENCE :

Having gone through the Minutes of both the above meetings of CEC, the Minutes of the 8th & last meeting of CEC for the year 2019-20 held on 29th September’2020 reviewed thoroughly by the House and approved unanimously as proposed by Mr. Anjum Zafar and seconded by Sh. Afzal Hussain.

The Minutes of 1st meeting of new CEC for the year 2020-21 reviewed and approved unanimously by the House with satisfaction as proposed by Mr. Mansoor Iqbal and seconded by Mr. Abdul Salam.

02. TO REVIEW STATUS OF DECISIONS TAKEN DURING 8TH & LAST CENTRAL EXECUTIVE COMMITTEE MEETING FY 2019-20 & 1ST CEC MEETING OF PTA FY 2020-21 BOTH HELD ON 29TH SEPTEMBER’2020 :

The implementation to the decisions of both the meetings were reviewed by the house and approved the same with satisfaction.

03. TO APPROVE VARIOUS CENTRAL STANDING COMMITTEES OF PTA TO BE CONSTITUTED FOR THE YEAR 2020-2021 :

Standing Committee list for the year 2020-21 was approved by the House with one addition of Sh. M. Shafi of Pan Asia International in the following committees :

- a) PMLS Standing Committee
- b) Import Standing Committee

It was also decided by the House that each Chairmen of Standing Committee(s) as approved in today’s CEC Meeting should submit report quarterly henceforth with the outcome/progress of his Standing Committee to the Chairman, PTA & CEC.

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04. TO DISCUSS & CONSIDER THE PROPOSED REDUCTION IN THE SIZE OF CENTRAL EXECUTIVE COMMITTEE OF PTA FROM 16 NOS. TO 12 NOS. IN COMPLIANCE WITH CLAUSE # 29(A), 2(B) (I) & (V) OF PTA'S MEMORANDUM AND ARTICLES OF THE ASSOCIATION. A COMPLETE PROPOSAL IS ATTACHED WITH PROPOSED CHANGES IN THE CONSTITUTION FOR PROCEEDING TO BE ADOPTED FOR NEXT TERM (2021-22) :

The proposal for the reduction of size of CEC **from 16 Nos. to 12 Nos.** was discussed in details with the motive in general to keep/induct the real stakeholders of the Leather Industry who are **manufacturers & exporters of LEATHER** & to meet the DGTO's directive and rules & regulations in particular, so that the participation at all platforms in Government/Ministries/FPCCI & other plate forms would be made by the real stakeholders of Leather Industry for the desired resolution of core issues being confronted by PTA member exporters of leather, who are in severe crisis under the prevailing business circumstances specially after pandemic of COVID-19, which was realized & endorsed by the house with consensus that the spirit for the reduction of size of CEC **from 16 Nos. to 12 Nos.** After detailed threadbare discussion with the collections of comments/opinion separately during the meeting, it was unanimously decided with mutual resolution/consensus for the reduction **the size of CEC from 16 Nos. to 12 Nos. in principle.** Thereafter, on desire of the House, the **Secretary General, PTA** informed to the House how to proceed for the reduction of the number of CEC **from 16 to 12 Nos.** to comply with detailed procedure as envisaged in the PTA's memorandum and articles of the Association, PTA specially to **make certain changes at various pages** of PTA's memorandum and articles of the Association **for mandatory ratification from DGTO/MOC, which is certainly a cumbersome procedure** and takes certain time period for the implementation for the reduction of size of **CEC from 16 to 12 nos with other legal formalities.** In view of the narrations made by SG/PTA to the house, the **Chairman, PTA, Mr. Anjum Zafar** has been authorized with absolute majority & consensus to look into this significant matter and to proceed if deemed necessary.

However, necessary **"Terms of Reference – TOR "** for the Election in PTA Central and Both Zonal Offices & PTA's nominations **has been approved by the House unanimously** with the below approved contents for the strict compliance at **Central and both zonal Offices** henceforth @ the time of next year election for the year 2020-21 with its letter & spirit

TERMS OF REFERENCE/ELECTION LAWS EFFECTIVE FROM NEXT (2021-22)

IN COMPLIANCE WITH CERTAIN PRESCRIBED LAW/CLAUSE 4 (5) (a) & (b) OF PTA'S MEMORANDUM AND ARTICLES OF THE ASSOCIATION (PTA) THAT ONLY "MANUFACTURERS & EXPORTERS OF LEATHER" WHO ARE "SALES TAX REGISTERED MANUFACTURING CONCERN/UNIT" AND NOT LESS THAN PAK RS.25 MILLION EXPORTS OF "LEATHER" WOULD ONLY BE "ELIGIBLE" TO CONTEST IN THE ELECTION OF PTA CENTRAL AND BOTH ZONAL OFFICES WITH ADVANCE SUBMISSION OF INCOME TAX & SALES TAX (SALES TAX REGISTERED MANUFACTURING CONCERN/UNIT ONLY) YEAR RETURN TO PTA, WHILE ANY NOMINATION(S) OF PTA HENCEFORTH LIKE FPCCI'S ELECTION & ANY KIND OF NOMINATION(S) WOULD ALSO BE MADE FOR "MANUFACTURERS & EXPORTERS OF LEATHER" ONLY IN FUTURE FOR MEETING CERTAIN CLAUSE OF THE ASSOCIATION AND REAL & EFFECTIVE REPRESENTATION OF "LEATHER" FOR THE DESIRED RESOLUTIONS OF CORE ISSUES OF LEATHER.

In order to monitor for strict compliance with surveillances of scrutiny of the existing members of the Association (PTA) of Corporate & Associate Class with the above resolution/terms of reference with the exclusive motive to keep the members in the appropriate category of the Association i.e. Corporate Class & Associate Class with proper submission of required documents for meeting **DGTO/MOC condition/criteria & decision**, the Chairman formed the Committee with the below members to make scrutiny/check the existing members of **Corporate & Associate Class** at both zones with the submission of annual return of Income Tax & sales Tax and accordingly submit the committee findings/outcome report to the Chairman, PTA (Central) for finalization within the framed rules & regulations with the supreme motive to adhere to DGTO's law with its letter & spirit :-

1. Mr.Mansoor Iqbal
2. Mr. Muhammad Musaddiq
3. Mr. Muhammad Tayyab
4. Mr. Abdul Salam
5. Mr. Amjad Hafeez
6. Sh. Afzal Hussain

05. TO INFORM THE UPDATE FOR THE NOMINATION MADE BY PTA FOR MR. GULZAR FIROZ FOR THEELECTION IN FPCCI CEC FOR THE YEAR 2020-21 :

It was informed to the House about the nomination made by PTA for Mr.Gulzar Firoz for FPCCI's election **at the seat of CEC for the year 2020-21** that certain objections were made during Election Committee of FPCCI on the said nomination with the exclusive plea created during the meeting that Mr. Gulzar Firoz who is actually "**Indentor**" is not eligible to contest in FPCCI's Election as his nomination was submitted by PTA being "Intdentor" as actually enrolled with PTA. Necessary hearing in **DGTO was held on 02.12.2020** at Islamabad and the DGTO upheld the decision of FPCCI and issued the finding such as "**All the documents submitted by the Appellant (Mr. Gulzar Firoz) have NOT shown that Mr. Gulzar Firoz is involved in the Tanning Industry rather it appears from the documents submitted that he is an "Indentor" which does not merit his eligibility**" as conveyed this verdict to PTA under its letter # **F.No.6(201)/2020-TO dated 04.12.2020**, while in result of which an Appeal was filed by Mr. Gulzar Firoz to **Islamabad High Court**, Islamabad and during the hearing **held on 14.12.2020** at Islamabad, which was attended by PTA's nominated Representative, Mr. Fahim Secretary, PTA N/Z on persistent instance of Mr. Gulzar Firoz with due permission of the Chairman, PTA in place of Secretary General, PTA, Mr. Muhammad Ali who was pre-occupied with his sister Marriage here in Karachi, the Islamabad High Court has also endorsed the decision of FPCCI Election tribunal & DGTO/MOC's tribunal. Resultantly it was clearly evident from the decision of DGTO's & Islamabad High Court that **ONLY Manufacturers & Exporters of Leather would be real stakeholders of the Industry and are eligible for representation** at all platforms @ Government & other departments within the country as well as to contest in **PTA's Election of Central and Both Zonal offices**. As such all decisions & approval taken/granted by the House in today's CEC Meeting in the light with the decision of **DGTO's & Islamabad High Court** to purify with proper categorization within the prescribed para-meter & guidelines of DGTO/Islamabad High court decisions with the supreme motive to make proper representation of real stakeholders of the Leather Industry i.e. **Leather manufacturers & exporters of Leather** at each & every platforms specially in the Election of PTA at Central and both zonal offices strictly with proper scrutiny of eligible members to contest & nominations of PTA in future.

In follow up of the approval already taken thru whatsapp from CEC Members for the nominations of Mr. Gulzar Firoz of M/s.Firoz International, Karachi for the Election of FPCCI for the Seat of CEC and Mr. Abid Hussain of M/s.Prime Tanning Industries, Sheikhpura for the election for GB seat, the House officially endorsed/ratified both the nominations during the meeting for PTA's office record, besides after rejection of nomination of Mr. Gulzar Firoz, the Chairman, PTA, Mr. Anjum Zafar has been authorized by the House to nominate substitute/alternate candidate for FPCCI's Election for the Seat of CEC.

06. TO DISCUSS & CONSIDER FOR THE PROPOSED MODE FOR THE NOMINATION OF PTA'S IN FPCCI'S ELECTION HENCEFORTH EFFECTIVE FROM 2021 WITH THE ROTATIONAL BASIS SUCH AS ONE TIME NOMINATION FROM SOUTHERN ZONE & ONE TIME NOMINATION FROM NORTHERN ZONE _____ :

The House again reviewed the nomination procedure for PTA's Representation in the Election of FPCCI which is already approved on rational basis i.e. one time from South & one time from North for which it has also been modified henceforth for the nomination of PTA's representative(s) with the below new procedure/modified mode as has been approved by the House unanimously **in future** :-

- **Chairman, PTA Central to be nominated for FPCCI/EC**
- **Sr. Vice Chairman, PTA to be nominated for FPCCI/GB**

07. TO INFORM THE UPDATE THE INCLUSION OF "DYED/FINISHED LEATHER" IN THE NEW DLTTL SCHEME FOR THE YEAR 2018-21 SPECIALLY THE LAST CHUNK OF REQUISITION FOR SUBMISSION OF CONFIRMATION LETTERS FROM ALL CONCERNED ASSOCIATIONS I.E. PFMA, PLGMEA & PGMEA TO MOC, ISLAMABAD, AS DESIRED BY THEM _____ :

The **Chairman, PTA, Mr. Anjum Zafar** informed the house the update/progress in detail made as yet for the inclusion of "dyed/Finished leather" in the new DLTTL Scheme for the year 2018-21 under SRO # 711 and he also informed to the House the last requisition to get the consent letter from all related Associations i.e. PLGMEA, PFMA & PGMEA have also been submitted to MOC on their desire for their proceeding for finalization and he also informed to the House that he is in constant contact with all quarters concerned specially **Advisor to PM on commerce & textile, Mr. Abdul Razzak Dawood** and he got message from Advisor that he intends to discuss or meet with the Chairman, PTA in this regard. Accordingly the House has shown its full confidence with authority given to Chairman, PTA to proceed in this regard for finalization to get the dyed/finished leather included in the scheme **WITH RETROSPECTIVE effect as the top priority preference otherwise** to get it included "with immediate effect" as the final/last resort to ensure inclusion of dyed/finished leather atleast in the DLTTL scheme, which CEC do hope that it may continue in next year after its official **expiry on June'2021** with inclusion of dyed/finished leather from the beginning (July'21) .. The House has shown its most priority is to get the DLTTL inclusion of dyed/finished leather with "**retrospective effect from July'2018**" otherwise Chairman PTA to take decision based on the circumstances/scenario.

08. TO INFORM THE OUTCOME OF THE MEETING HELD WITH THE PRIME MINISTER OF PAKISTAN HELD ON 22.10.2020 ORALLY BY CHAIRMAN, PTA TO THE HOUSE AND DECIDE FURTHER COURSE OF ACTION :

The **Chairman, PTA Mr. Anjum Zafar** informed the in brief about the outcome of the meeting held with the Prime Minister of Pakistan, Mr. Imran on 22.10.2020 at Islamabad wherein **Mr. Abdul Razzak Dawood, Advisor** to PM on commerce & **Dr. Abdul Hafeez Sheikh, Advisor to PM** in finance were also present in the meeting and highlighted our core issues 1) inclusion of dyed/finished leather in the new DLTL scheme for the year 2018-21 2) urgent release of Sales Tax refund claims specially “deferred claims” for which Dr. Hafeez Sheikh had assured to expedite the process to release all pending claims to PTA’s members and issued directives for the resolution of “deferred claims” for PTA’s members for which a prescribed Notification/clarification with detailed procedure for deferred claims was already also issued by FBR which has also been circulated by PTA amongst its country wide members for compliance to release/clear their deferred claims. Besides, the Chairman, PTA had already circulated the detailed outcome of the meeting at Central whatsapp group & via e.mail as well for compliance.

09. TO INFORM THE UPDATE/PROGRESS FOR THE COORDINATION MADE BY PTA WITH SALES TAX COLLECTORATE @ KARACHI & LAHORE FOR THE RELEASE OF PENDING CLAIMS SPECIALLY “DEFERRED CLAIMS” TO PTA’S MEMBERS :

In follow up of the meeting held with the Prime Minister of Pakistan, necessary meetings were already held at **Karachi & Lahore** with the **Chief collector of Sales Tax Collectorates** and submitted the list of pending claims for early release and accordingly most of the claims as revealed from the Collectorate informed by the Chairman, PTA have already been released by the Collectorate to our member exporters for their facilitation financially for which repeated reminders were already sent to the members to let this Association know with confirmation for the receipt of pending claims of sales tax so that PTA would be able to take up the matter for the remaining pending claims of our members with appreciation with the concerned Sales Tax Collectorates concerned in Karachi & Lahore specially deferred claims. It was also requested during the meeting by the Chairman PTA to those member who have already received old deferred sales tax refund claims which were considered lost , to **donate some appropriate amount voluntarily/generously** to PTA being contribution to meet their recurring expenses of the Association, which is in financial crisis in these days for smooth proceeding financially for betterment of the members & Industry with convenience.

10. TO DISCUSS ANY OTHER MATTER WITH THE PERMISSION OF THE CHAIR

l) To discuss proposal raised by Mr. Mansoor Iqbal to consider for the suitable increase of membership fee of PTA :

On a proposal made by Mr. Mansoor Iqbal to consider for the suitable increase of membership fee @ both zonal offices to support the PTA financially for which it was decided to discuss @ both zonal offices first for proceeding with harmony to discuss finally in next CEC Meeting in compliance with prescribed procedure.

II) **To discuss Notice received from FBR for “withholding tax” submission :**

The house was also informed that a Notice from FBR for “withholding tax” submission was received @ PTA Central office on the **consolidated accounts of PTA** which has been referred to Mr. Amanullah Aftab with due approval/permission of the Chairman, PTA to deal this matter for the resolution and accordingly Mr. Amanullah Aftab informed the House that the matter is almost finalized with desired conclusion with certain charges/challan which would shortly been issued for payment to close this account finally for which the House appreciated with thanks to Mr. Amanullah Aftab for the help.

III) **To discuss notice received from FBR for “Income Tax” at PTA Central Office with the proposed penalty for Rs.363,56,804/- :**

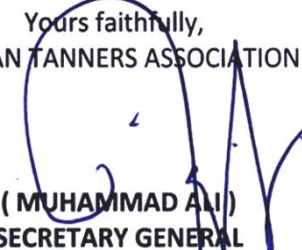
Another Notice has been received from FBR for “**Income Tax**” at PTA Central Office with the proposed penalty for Rs.363,56,804/-, which is being dealt by Chairman, PTA, Mr. Anjum Zafar with his company lawyer and Chairman, PTA informed to the House that he is personally looking into this significant nature of matter for the resolution of this Issue to the desired extent of PTA for which the House also thanked to the **Chairman, PTA** & hoped to get the needful to close this issue.

It was also informed to the House that both issues for withholding Tax & Income Tax have been arised that **NTN of PTA was registered in 2005 at FBR with wrong category i.e. “Registered Firm” instead of Association**, which is the basic reason for issuance of FBR’s notices to PTA, for which it was also informed to the House that PTA under the patronage of Chairman, PTA is also proceeding with the lawyer assistance to change the category of NTN from Registered Firm to Association which is real domain as has already been registered with **SECP in 2004**.

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

APPROVED :


ANJUM ZAFAR
CHAIRMAN

Yours faithfully,
For: PAKISTAN TANNERS ASSOCIATION

(MUHAMMAD ALI)
SECRETARY GENERAL



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