

# Pakistan Tanners Association

Annexure - 'A'

(Central Office)

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PTA-174/2017/396

13<sup>th</sup> November'2017

SUB : MINUTES OF THE 2<sup>ND</sup> MEETING OF THE CENTRAL EXECUTIVE COMMITTEE OF PTA HELD ON SATURDAY, THE 11<sup>TH</sup> NOVEMBER'2017 THROUGH VIDEO CONFERENCE SIMULTANEOUSLY IN PTA (CENTRAL OFFICE), KARACHI AND PTA (NORTHERN ZONE) OFFICE, LAHORE :

The 2<sup>nd</sup> Meeting of the Central Executive Committee of Pakistan Tanners Association was held on Saturday, the 11<sup>th</sup> November'2017 at 3:00 pm under the Chairmanship of Mr. Amanullah Aftab, simultaneously in PTA Central Office, Karachi and PTA (Northern Zone Office) Lahore thru 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. Amanullah Aftab	Chairman
02.	Mr. Mansoor Iqbal	Sr. Vice Chairman
03.	Mr. Ejaz Ahmed Shaikh	Vice Chairman
04.	Mr. Agha Saiddain	Member
05.	Mr. Anjum Zafar	- do -
06.	Mr. Badre Alam	- do -
07.	Mr. Muhammad Afzal Hussain	- do -
08.	Mr. Shafique Ahmed	- do -
09.	Mr. Shahid Usman	- do -
10.	Sh. Saqib Saeed Masood	- do -
11.	Mr. Abdul Salam	Special Invitee
12.	Mr. Mr. Azam Malik	- do -
13.	Mr. Danish Naseem	- do -
14.	Mr. Fazalur Rehman Sheikh	- do -
15.	Mr. Muhammad Tayyab	- do -
16.	Mr. Tahir Mushtaq	- do -
17.	Mr. Tanweer Aslam Chawla	- do -

The meeting commenced with recitation from the Holy Quran by Sh. Saqib Saeed Masood.

Before taking-up the Agenda, the House was apprised of the sad demises of i) Late Sheikh Muhammad Muneer father of Mr. Hasnat Muneer of M/s.Prime Tanners (Pvt) Ltd., Karachi ii) Late Sister of Mr. S. Muhammad Naeem Vohra of M/s. Vohra Asian Leather Crafts (Pvt) Ltd., Lahore iii) Late Shaikh Saeed Iqbal father of Shaikh Azher Saeed of M/s. A.S. Leather, Karachi and iv) Late Mr. Mushtaq Cheema of M/s. Leather Field (Pvt) Ltd., Sialkot. 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.

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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 SHEIKH MUHAMMAD MUNEEB FATHER OF MR.HASNAT MUNEEB OF M/S.PRIME TANNERS (PVT) LTD., KARACHI II) LATE SISTER OF MR. S. MUHAMMAD NAEEM VOHRA OF M/S. VOHRA ASIAN LEATHER CRAFTS (PVT) LTD., LAHORE III) LATE SHAIKH SAEED IQBAL FATHER OF SHAIKH AZHER SAEED OF M/S. A.S. LEATHER, KARACHI AND IV) LATE MR. MUSHTAQ CHEEMA OF M/S. LEATHER FIELD (PVT) LTD., SIALKOT. 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 7<sup>TH</sup> & LAST MEETING OF THE CENTRAL EXECUTIVE COMMITTEE OF PTA FY 2016-17 AND 1<sup>ST</sup> MEETING OF THE NEWLY ELECTED CENTRAL EXECUTIVE COMMITTEE FY 2017-18 BOTH HELD ON 29<sup>TH</sup> SEPTEMBER'2017 AT KARACHI & LAHORE VIA VIDEO CONFERENCE** :

Having gone through the Minutes of both the above meetings, the Minutes of the both the meetings were unanimously confirmed/approved by the House, as proposed by Sh. Saqib Saeed Masood and seconded by Mr. Mansoor Iqbal.

02. **TO REVIEW STATUS OF DECISIONS TAKEN DURING 6<sup>TH</sup> CENTRAL EXECUTIVE COMMITTEE MEETING FY 2016-17 & 1<sup>ST</sup> CEC MEETING OF PTA FY 2017-18 BOTH HELD ON 29<sup>TH</sup> SEPTEMBER'2017** :

The implementation of both the Minutes were also reviewed and approved by the House with satisfaction in all respect.

03. **TO NOTE ACCOUNTS FOR THE MONTHS OF JULY, AUGUST AND SEPTEMBER'2017 :**

Before scrutiny of the accounts, the house was informed on a query raised by Mr.Mansoor Iqbal for the ongoing issue of Income Tax Notice issued to PTA that so far 3 stay orders have been got issued for 15 days each against the appeal already filled thru the lawyer under the patronage of Ex-Chairman, PTA, Mr. Anjum Zafar which is being followed by Mr.Amanullah Aftab, Chairman, PTA for the year 2017-18 with the help of Mr. Anjum Zafar and the house has also been shared that on 3 hearing made as yet, but the Department concerned of Income Tax has not appeared to the Commissioner of Income Tax with its argument/reply documents against PTA's appeal resultantly 3 stay orders have so far been issued of 15 days each and today (11.11.2017) the new incumbent at the Income dept.,Karachi has issued recovery notice to PTA while the last Stay order issued on 07.11.2017 is already effective till further 15 days. The House advised to ask the Income tax lawyer concerned to submit immediate reply with effective 15 days to the Income Tax department against the recovery notice issued by the income tax department to refrain them for any departmental action particularly bank account attachment of PTA and also to make pay order ... of available amount in PTA's account on next coming working day in secure side being precautionary measure for any sort of invasion of income tax.

The house also decided to approach the chief commissioner of Income Tax department or commissioner concerned for having a meeting with them to sort out the problem and also ensure to avoid departmental action at their end. It was also decided to approach TDAP by submitting the Income Tax notice & other related documents as already sought for by them from PTA to get their help in resolving the issue of income tax after making consultation with lawyer concerned in this regard.

On another query, the house was also informed that the payable amount(s) as shown in " **Payable head**" i.e. payable to PFMA and payable to both zonal offices on account of share of subsidy amount of PMLS'17 would be made by PTA Central on its receipt from TDAP as also shown in " **Receivable Head**".

Mr. Anjum Zafar, Ex-Chairman, PTA for the year 2016-17 informed the house that he proposed to make some head changes in the audited accounts for the year 2016-17 to introduce one head " **Members Contribution**" instead of Income of the association with the motive to avoid any invasion of income tax in future, which could be made after having consent/confirmation from the concerned Chartered Accountant of PTA, for which the House advised to make it feasible under the patronage of present chairman, Mr. Amanullah Aftab.

Thereafter the House approved the Accounts for the months of July, Aug and Sept'2017 unanimously with satisfaction in all respect.

**04. TO APPROVE VARIOUS CENTRAL STANDING COMMITTEES OF PTA TO BE CONSTITUTED FOR THE YEAR 2017-18 :**

The house was informed by Mr. Amanullah Aftab, Chairman, PTA that this year with mutual consensus the list of Standing Committees has been short listed upto 08 Nos with merger of some Standing Committees to make it concise to be more effective in consolidation for the year 2017-18 and accordingly the house approved the proposed Standing Committees for the year 2017-18 with the following inductions in additional to the enclosed list for finalization:-

**Export / DLT/Drawback & Taxes Strategic Standing Committee :**

Mr. Shafique Ahmed  
Mr. Abdul Salam  
Mr. Danish Naseem

**Int'l Fairs & delegations standing Committee :**

Mr. Tahir Mushtaq

**05. TO INFORM THE OUTCOME OF THE MEETING OF PTA DELEGATION HELD WITH THE FEDERAL MINISTER FOR COMMERCE ON 11<sup>TH</sup> OCTOBER'2017 IN MOC AT ISLAMABAD :**

A meeting of PTA's delegation led by Mr. Amanullah Aftab, Chairman, PTA accompanied by Mr. Anjum Zafar Ex-Chairman, PTA and Mr. Mansoor Iqbal, Sr Vice Chairman was held with the **Federal Commerce Minister, Mr. Pervaiz Malik held on 11.10.2017** in Islamabad and discussed all core issues of Leather Sector of Pakistan and submitted a detailed presentation with all previous letters already sent to MOC for the concerned issues particularly emphasized on the following vital subjects :-

01. Issuance of concerned SRO for the new DLT effective from 1st July, 2017 for non textile sector and submitted the observations on the draft SRO prepared/compiled by PTA to them during the meeting for the precise issuance of new SRO and later on the SRO was issued bearing # 1062 dated 20.10.2017 with the inclusion of all related 6 H.S. Codes for finished leather while further issuance of "submission procedure" as advised by MOC envisaged in SRO # 1062 would be issued by SBP, Karachi.
02. Ensure incorporation of 75% govt., subsidy on Int'l Lab Testing for finished leather as was already announced by Ex-Commerce Minister during the Pakistan Mega Leather Show at Lahore in January'2017 in upcoming STPF 2015-18.
03. 75% govt., subsidy on establishment of Individual Treatment Plants in Tanneries in upcoming STPF 2015-18.
04. Early finalisation of FTA with Turkey, Thailand, South Korea, Japan & China for zero rated import at these destinations from Pakistan.
05. Early issuance of revised SRO # 578 for the upgradation & development for the Industry with 24 updated/latest machineries as already proposed by PTA with certain changes in the procedure to be relaxed to facilitate PTA's member exporters to avail this due incentives smoothly with convenience.
06. To allow duty free import of wet blue leather without the compulsion of FTA, as the present import has been allowed under FTA's countries only, which is not worthwhile/ineffective for the Industry, as this basic raw material is highly precious for the industry for necessary value addition or re-export to yield the sizeable foreign exchange for the country.

The house in majority praised the vigorous efforts made in this regard as yet and decided to make close follow up with the MOC and all concerned departments to achieve the desired goals/objectives.

**06. TO DISCUSS OUTCOME OF THE MEETING OF PTA DELEGATION HELD WITH THE HEAD OF THE DEPARTMENT, SBP, KARACHI ON 30<sup>TH</sup> OCTOBER'2017 REGARDING "SUBMISSION PROCEDURE" OF DLT CASES FOR FINISHED LEATHER EXPORTERS (NON-TEXTILE) AGAINST SRO 1062(I)/2017 DATED 18<sup>TH</sup> OCTOBER'2017**

In a follow-up of a meeting held in Islamabad, a meeting has been arranged with SBP in Karachi for PTA's delegation led by Mr. Amanullah Aftab on 30.10.2017 alongwith Mr. Afzal Hussain with Mr. Shahid Ashraf, Head of Department, SBP and discussed all related matters and submitted PTA's comprehensive observations to be incorporated in the "**Submission Procedure**" against the SRO # 1062 dated 20.10.2017, which are follows:-

- The date of shipment should be ascertained "Bill of Lading/shipment date" instead of GD date.
- All previous time barred cases compiled by 15th Sept., 2017 including regular DLT claims would be cleared by 15th Nov., 2017 as assured by SBP's official.

**PROPOSED AMENDMENTS IN PROCEDURE ALREADY SUBMITTED TO SBP :**

01. To correct under **Serial # 5(ii)** Procedure for claims: the last date for submission of claims for the period from July-June 2017-18, the Last Date WOULD BE 30<sup>th</sup> MARCH'2019 INSTEAD OF 30<sup>th</sup> March'2018.
02. To remove the last Line at Point # 5 (iv) i.e. "The Unit shall nominate One authorized Bank to submit the claims to the SBP-BSC", which is not acceptable with the plea that the Claimant will have more than one Bank and not possible to nominate One Bank.
03. To Add the following appropriately, as the SRO has not yet been issued :  
"Claims for the period from 1<sup>st</sup> July'17 to 30<sup>th</sup> Sept'2017 (already elapsed) where the payment has already been realized against the shipment during this period, the relaxation for 180 Days (i.e. 90 Days has already been expired + 90 days further extension after realization of export proceeds) may please be allowed to enable the claimants to submit their claims to avoid become "Time Barred Cases"."
04. Presently appeared in your DRAFT in Appendix-II : " Undertaking by the Nominated Bank on export of Non Textile Products "  
  
Proposed Caption to be changed in APPENDIX-II :- " Certificate of Verification for Duty Drawback on export of Non Textile Products".

Necessary clarification has already been sought for by SBP from MOC for issuance of "submission procedure" against SRO # 1062 the new DLTL claims :

- If any exporters would achieve 10% incremental exports **within 6 months of the financial year then the Bank guarantee** is also required for them or not. PTA has also proposed to release the claims against PDC cheques.
- Ratification can either be made against EE form OR with PRAL data, for which PTA has proposed to proceed with PRAL data as the small member exporters of PTA does not maintain/apply EE form facility.

PTA has also proposed during the meeting to allow the benefit for the time barred cases as **NO indication** for the time period of time barred cases from 1st July, 2017 has been mentioned in SRO # 1062 by MOC, which was agreed in principle by them and assured to PTA's delegation to look into it positively.

The house appreciated the entire efforts for early issuance of **submission procedure** and emphasised to make more close liaison with SBP, Karachi until the final resolution of the matter.

07. **TO INFORM THE HOUSE THE ACTION ALREADY TAKEN BY PTA AGAINST SRO 1035(I)/2017 DATED 16<sup>TH</sup> OCTOBER'2017 REGARDING IMPOSITION OF REGULATORY DUTY AND SRO # 1067 DATED 20.10.2017 REGARDING QUARANTINE OF RAW MATERIALS IN PAKISTAN :**

The House was informed that both the serious matters for SRO # 1035 for the additional regulatory duty and SRO # 1067 for the quarantine of raw materials have strongly been taken up by PTA with its detailed presentation and highlighted all aspects to be brought out in negative repercussions in lieu of both the SRO's.

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Mr. Anjum Zafar shared the update that the regulatory duty as has also been imposed on Generator is now accepted by the Ministry to be removed shortly on above 100 KW generators for the Industry, which could be positive to invigorate our plea/request for the acceptance for the removal of additional regulatory duty on our items specially decreasing agent.

The house emphasised the need to make strong follow up with the MOC and to arrange a meeting with the Secretary Commerce for the above issue in particular and rest of our general issues as well to proceed to Islamabad in shape of another PTA's Delegation to discuss in detail for the desired resolution. The house also decided to make strong follow on all of our pending issues with the government Departments/Ministries to keep all issues alive in the Ministries by sending frequent reminders to them. It was also decided to issue a press release for the new DTL claims & delay in issuance of submission procedure.

**08. TO INFORM THE UPDATED PROGRESS MADE AS YET FOR ORGANIZING OF 4<sup>TH</sup> PMLS'2018, LAHORE :**

The house was informed the updated progress for holding 4<sup>th</sup> Pakistan Mega Leather Show scheduled to be held from 27-29<sup>th</sup> January'2018 at Lahore and so far out of 203 stands, **155 stands have already been booked**, while the invitation for the inaugural ceremony have already been extended to the Prime Minister & Federal Commence Minister for getting their consent. All the arrangements for holding of Mega Leather Show are being looked after by the **Convener, Mr. Muhammad Musaddiq** in liaison with committee members for smooth & in time execution.

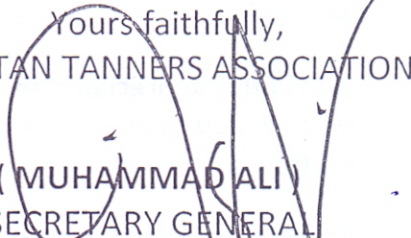
**09. TO GRANT POST FACTO APPROVAL TO THE NOMINATION OF MR. MANSOOR IQBAL, SR. VICE CHAIRMAN, PTA AS MEMBER FOR THE EXECUTIVE COMMITTEE AND GENERAL BODY OF FPCCI AND MR. EIJAZ AHMED SHEIKH AS MEMBER, GENERAL BODY OF FPCCI FY 2018 :**

The nominations for Mr.Mansoor Iqbal for FPCCI EC and Mr. Ejaz Ahmed Sheikh for FPCCI, GB FY 2018 have been approved unanimously by the House.

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

APPROVED :

  
( AMANULLAH AFTAB )  
CHAIRMAN

Yours faithfully,  
For: PAKISTAN TANNERS ASSOCIATION  
  
( MUHAMMAD ALI )  
SECRETARY GENERAL

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