



**PAKISTAN HOSIERY MANUFACTURERS & EXPORTERS ASSOCIATION**  
(Government approved sole representative body of Knitted Goods & Apparel Manufacturers)



Dated: 17<sup>th</sup> September, 2022  
Ref.No.2022/PHMA/CIR-4/185

TO: ALL MEMBERS OF PHMA (SOUTHERN ZONE & NORTHERN ZONE)

**NOTICE OF 61<sup>ST</sup> ANNUAL GENERAL MEETING**

In accordance with Article 23(a) of Memorandum and Articles of PHMA and as per Schedule of Election 2022-2023 circulated on 14<sup>th</sup> July 2022, we are pleased to remind all members of the Association that the 61<sup>st</sup> Annual General Meeting has already been scheduled to be held on **Monday, 26<sup>th</sup> September, 2022 at 4:00 p.m. sharp simultaneously at PHMA House, Karachi, Lahore, Faisalabad and Sialkot through Video Link.**

**AGENDA:**

*Recitation from the Holy Quran.*

1. To consider and confirm **Minutes of 60<sup>th</sup> AGM** held on 29<sup>th</sup> September, 2021 (Draft attached).
2. To receive and adopt **Annual Activity Report 2021-2022.**
3. To receive and approve **Consolidated Audited Accounts** (Statement of Accounts & Balance Sheet) of PHMA for the Accounting Year ended on 30<sup>th</sup> June 2022.
4. **To appoint Auditor** for the Accounting Year 2022-2023 and fix remuneration.
5. **To officially announce Election results** of Office Bearers, Members of Executive Committee and Women Entrepreneurs by the Election Commission in terms of Article-16(19) of Articles of Association of PHMA.
6. Keynotes by retiring & newly elected Office Bearers.
7. To consider and discuss any other matter with the permission of the Chair.

**Members are requested to kindly participate in the AGM on the date, time and venue indicated above.**

**Note:** PHMA Annual Activity Report 2021-22 and Draft of Audited Accounts will be circulated shortly.

Best Regards,

Secretary General

**Copies to:**

The Regulator (TO), Directorate General of Trade Organizations, Govt of Pakistan  
The Securities & Exchange Commission of Pakistan  
The Federation of Pakistan Chambers of Commerce & Industry  
The Election Commission of PHMA  
M/s. Reanda Haroon Zakaria & Co. chartered Accounts (Auditors of PHMA)

**CENTRAL OFFICE**

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## DRAFT MINUTES OF 60TH ANNUAL GENERAL MEETING (29-SEP-2021)

The 60<sup>th</sup> Annual General Meeting of Pakistan Hosiery Manufacturers & Exporters Association, was held on 29<sup>th</sup> September 2021 at PHMA House, Karachi, Lahore, Faisalabad and Sialkot simultaneously through Video Link. Members from all four locations attended the meeting.

### Agenda

- 1) To consider and confirm Minutes of 59<sup>th</sup> AGM held on 29<sup>th</sup> September 2020.
- 2) To receive and adopt Annual Activity Report 2020-2021.
- 3) To receive and approve Consolidated Audited Accounts (Statement of Accounts & Balance Sheet) of PHMA for the Accounting Year ended on 30<sup>th</sup> June 2021.
- 4) To appoint Auditor for the Accounting Year 2021-2022 and fix remuneration.
- 5) To announce Election results of Office Bearers, Members of Executive Committee and Women Entrepreneurs by the Election Commission in terms of Article-16(19) of Articles of Association of PHMA.
- 6) Review of PHMA activities by Vice Chairman Central & Zonal Chairman (Southern Zone) Mr. Tariq Munir.
- 7) Review of PHMA activities by Sr. Vice Chairman Central and Zonal Chairman (Northern Zone) Mr Faisal Mehboob Shaikh.
- 8) Review of PHMA activities by Central Chairman Mr Muhammad Riaz Ahmed
- 9) Briefing / Overview on current affairs by Chief Coordinator Mr. Muhammad Jawed Bilwani
- 10) Keynotes of the newly elected Office Bearers.
- 11) To consider and discuss any other matter with the permission of the Chair.

### AGM PROCEEDINGS:

PHMA Central Chairman, Mr. Riaz Ahmed welcomed the Office Bearers, Executive Committee and General Body Members in the 60<sup>th</sup> Annual General Meeting of Pakistan Hosiery Manufacturers & Exporters Association (PHMA) for the term 2020-21 which will be concluded on 30<sup>th</sup> September, 2021 and conveyed best wishes and compliments. Before starting the meeting proceedings, he requested for recitation from Holy Quran.

Mr Khawaja Amjad recited few verses from the Holy Quran. Thereafter, the House prayed and offered Fateha for Esaal-eSawaab of deceased father of Ch. Salamat Ali, Immediate Past Central Chairman, deceased son of Dr. Mushtaq Mangat and PHMA Former Secretary General Mr. Yunus Bin Aiyoob as well as all others members who have passed away to heavenly abode.

Khawaja Amjad also advised that PHMA may send condolences to the bereaved families who have lost their family members.

Thereafter, AGM meeting proceedings formally started. The House appreciated the teamwork under the lead of Mr. Riaz Ahmed as Central Chairman and recognized Association's imperative role to address the issues and problems confronting to the members.

Thereafter, further meeting proceedings started as per Agenda as follows:

#### **Agenda # 1**

**To consider and confirm Minutes of 59<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September 2020**

The Chair invited the House to comment on the Agenda item, if any. The House expressed satisfaction on compilation of minutes. Thereafter, the minutes as proposed by Ch. Salamat Ali and seconded unanimously, were approved. The following Resolution was adopted.

**"UNANIMOUSLY RESOLVED THAT THE MINUTES OF 59<sup>th</sup> ANNUAL GENERAL MEETING HELD ON 29<sup>th</sup> SEPTEMBER 2020, BE AND ARE HEREBY CONFIRMED."**

#### **Agenda # 2**

**To receive and adopt Annual Activity Report 2020-21.**

Detailed Annual Review / Report of activities of PHMA was presented in the meeting. The House lauded the efforts of the Chairman, Office Bearers & Executive Committee Members & Staff and placed on record appreciation for all the achievements made during the tenure. The report comprehensively covered activities of entire Association: Central Office, Southern and Northern Zone. Thereafter, the House unanimously adopted and endorsed the PHMA Annual Activity Report 2020-2021. The following resolution was also passed.

**"UNANIMOUSLY RESOLVED THAT PHMA ANNUAL ACTIVITY REPORT 2020-21 BE AND IS HEREBY CONFIRMED AND ADOPTED."**



### **Agenda # 3**

**To receive and approve Consolidated Audited Accounts (Statement of Accounts & Balance Sheet) of PHMA for the Accounting Year ended on 30<sup>th</sup> June 2021.**

The Chair invited comment on the Agenda item. The House expressed satisfaction on the accounts of PHMA Central Office and Consolidated audit report comprising of the financials and accounts details of both Southern & Northern Zones. Some observations of the members are as follows:

Dr. Mushtaq Mangat was of the view that Audited Accounts and Balance Sheet of PHMA Central Office as well as the Zonal Offices (Lahore, Faisalabad and Sialkot) are showing deficit which were previously in surplus. He advised that the Executive Committee should look into the matter.

Mr. Jawed Bilwani added that Dr. Mushtaq Mangat has rightly observed the deficit. One way to increase the surplus is to revise the PHMA Annual Membership Renewal Fee which is already low as compared to other leading textile Associations. Central Office has made a comparison and is in process to give a proposal in this regard.

Ch. Salamat Ali, Immediate Past Central Chairman commented that the funds to efficiently run the affairs of the Association are required to be generated and enhanced with a view that we should all make sincere efforts to make PHMA the top and leading Association of Value Added Textile Sector advancing ahead APTMA. In this connection besides revision the Annual Membership Fee, the leading and prominent member exporters should also come forward and generously contribute supporting funds to PHMA in order to remove deficit and create surplus.

Newly elected Central Chairman, Mr. Shahzad Azam Khan seconded Mr. Jawed Bilwani and Ch. Salamat Ali and stated that the two zones should deliberate upon matter of revision of Annual Membership Fee, decide and inform accordingly to the Central Executive Committee.

**“UNANIMOUSLY RESOLVED THAT THE CONSOLIDATED ANNUAL ACCOUNTS AND BALANCE SHEET OF PHMA (CENTRAL OFFICE) FOR THE ACCOUNTING YEAR ENDED ON 30TH JUNE 2021, AS AUDITED BY M/S. REANDA HARRON ZAKARIA & CO., CHARTERED ACCOUNTANTS, BE AND ARE HEREBY APPROVED.”**

**“FURTHER UNANIMOUSLY RESOLVED THAT THE ZONES SHALL DELIBERATE UPON REVISING THE ANNUAL MEMBERSHIP RENEWAL FEE TO MEET THE EXPENDITURES, DECIDE AND IMPLEMENT FROM THE NEXT MEMBERSHIP YEAR AND INFORM THE EXECUTIVE COMMITTEE TO ENDORSE/CONFIRM, ACCORDINGLY.”**

**“FURTHER UNANIMOUSLY RESOLVED THAT AS AND WHEN REQUIRED, THE EXECUTIVE COMMITTEE SHALL REQUEST THE PROMINENT MEMBER EXPORTERS TO GENEROUSLY CONTRIBUTE AND SUPPORT THROUGH FUNDS IN ORDER TO IMPROVE ASSOCIATION'S FINANCIAL HEALTH TO PERFORM PAR EXCELLENCE FOR TEXTILE BUSINESS DEVELOPMENT AND EXPORT”.**

### **Agenda # 4**

**To appoint Auditor for the Accounting Year 2021-2022 and fix remuneration.**

The Secretary General informed the House that quotations from Chartered Accountant Firms: M/s. Rafiq & Co. and M/s. Reanda Haroon Zakaria & Co. were received for considerations. Thereafter, the AGM agreed and approved to appoint M/s. Reanda Haroon Zakaria & Co., as PHMA Auditor for year 2021-2022 and the following resolution was unanimously adopted.

**“RESOLVED THAT M/S. REANDA HAROON ZAKARIA & CO., CHARTERED ACCOUNTANTS, BE AND ARE HEREBY APPOINTED AS AUDITORS OF PHMA FOR THE ACCOUNTING YEAR 2021-2022.”**

### **Agenda # 5**

**To announce Election results of Office Bearers, Members of Executive Committee and Women Entrepreneurs by the Election Commission in terms of Article-16(19) of Articles of Association of PHMA.**

The Chair asked the Secretary General to announce the Officials result of Elections on behalf of the Election Commission, which is as follows:



SOUTHERN ZONE		NORTHERN ZONE	
NEWLY ELECTED MEMBERS	CONTINUING MEMBERS	NEWLY ELECTED MEMBERS	CONTINUING MEMBERS
Mr. M. Babar Khan	M. Jawed Bilwani	Mr. Kashif Zia	Mr. Shahzad Saleem
Mr. Irfan Z. Bawany	Mr. Tariq Munir	Mr. Adil Butt,	Mr. Shahzad Azam
Mr. Saqib Bilwani	Mr. Akhtar Memon	Mr. Tariq Mahmood Bhatti	Mr. Farrukh Iqbal
Mr. Abdul Rehman	Mr. Jabbar Gajjani	Syed Nahid Abbass	Mr. Muhammad Zubair
Mr. Fawad Usman	Mr. Bashir Ghaffar	Mr. Naseer Ahmad Butt	Hafiz Rashid Mahmood
Mr. Faisal Arshad Sheikh	Mr. Umair Mianoor	Sheikh Hammad Kapoor	Mr. Muhammad Idress
Mr. Ali Murtaza Panju	Mr. Abdul Kadir Bilwani	Mr. Moazzam Javaid	Mr. M Rafi Sony
Mrs. Uzaira Khalid		Mrs. Nabeela Intsar	Mr. Riaz Ahmed (Ex-Officio)

The Executive Committee unanimously elected the new Office Bearers for the year 2021-22 as follows:

- **Mr. Shahzad Azam Khan, Central Chairman, PHMA**
- **Mr. Abdul Rehman, Senior Vice Chairman, PHMA**
- **Mr. Kashif Ahmed Aslam Zia, Vice Chairman PHMA**

Mr. Shahzad Azam Khan conveyed his gratitude for being unanimously elected as the Central Chairman PHMA. He congratulated the other newly elected Members of the Executive/Zonal Committee and emphasized on the need of collective efforts with effective coordination to address the issues and problems and enterprise to enhance the value added textile exports. He assured the office bearers and executive committee of his best support to achieve the desired objectives of the association.

Mr. Shahzad Azam Khan also recognized the efforts made by all former Chairmen of the Association, Office Bearers and Executive Committee Members. He expressed hope that the newly elected office bearers and Executive committee will devote their precious time for the activities of the Association and ensure their presence in all meetings and events of the Association.

The House congratulated the newly elected team of Executive Committee Members and office bearers on their well-deserved, unanimous election and expressed best wishes for them and assured to extend best possible support in performance of their duties and responsibilities, as per law.

#### **Agenda # 6**

#### **Review of PHMA activities by Vice Chairman (Central) & Zonal Chairmann (Southern Zone) Mr. Tariq Munir.**

PHMA Vice Chairman Central & Zonal Chairman (Southern Zone) Mr. Tariq Munir presented his report of activities of PHMA during his tenure. He stated that his tenure was full of activities which kept the Zonal Office active throughout the year. Various Government Officials and dignitaries visited PHMA for exchange of views on matters of mutual interest. He added that the details of activities is published in the Annual Report, however, he briefly apprised that:

- Prime Minister called meeting of Chairmen / leading exporters on 22nd Oct, 2020 at Islamabad. Mr. Tariq Munir Vice Chairman Central attended the meeting. PM and exporters discuss how to boost exports. The Prime Minister said promotion of industrial activities was government's priority as it would increase economic activity, and create employment opportunities.
- Zoom Meeting was held with Advisor to PM on Commerce Mr. Razak Dawood on 26 October 2020 to address the recent crisis of cotton yarn being faced by the Value Added Textile Industry. PHMA submitted its short term, medium and long term proposals.
- Dr. Aftab Imam, Chief Commissioner, Corporate Tax Office (CTO) Karachi visited PHMA House, Karachi on 07th November, 2020 for meeting with exporters registered with Corporate Tax Office Karachi to discuss Sales Tax Refunds, Income Tax Refunds, CTO Notices on Post Refund Audit and Withholding Tax.
- Zoom meeting of Ministry of Commerce was held with Chairmen of Textile Associations chaired by Adviser to Prime Minister on Commerce Mr Razak Dawood held on 6th April, 2021 to discuss the relevant matters.



- PHMA called meeting of leading member exporters to review and discuss Draft Text of Proposed Single Unified Export Facilitation Scheme on 22nd May 2021 at 4:00 pm at PHMA House, Karachi.
- Zoom meeting of Ministry of Commerce was held with value added textile sector on Post-Budget held on 16 June 2021.
- PHMA convened a meeting to discuss and brainstorm on the burning issues of Gas crisis and Minimum Wage of Rs25,000/- arbitrarily announced by the Sindh Government in Sindh Budget 2021 held on 30th June, 2021 at PHMA House Karachi.
- Zoom Meeting with USAID SMEA to analyze training needs for the Textile Sector held on 1st July, 2021

Mr. Tariq Munir conveyed his sincere gratitude and compliments to the Zonal Committee particularly to the Ex-Officio Central Chairman and Chief Coordinator, Mr. M. Jawed Bilwani and Office Bearers of PHMA Southern Zone for their all time support and cooperation to achieve the objects of the Association during his tenure. He also conveyed his best compliments to the Central Chairman and Zonal committee of North Zone for their efforts and activities from the platform of PHMA.

The House lauded the efforts of the Vice Chairman Central and Zonal Chairman (SZ), Mr. Tariq Munir along with the Zonal team and placed on record appreciation for all the achievements made during his Chairmanship.

#### **Agenda # 7**

#### **Review of PHMA activities by Senior Vice Chairman (Central) & Zonal Chairman (Northern Zone) Mr Faisal Mehboob Shaikh**

PHMA Senior Vice Chairman (Central) & Zonal Chairman (Northern Zone) Mr Faisal Mehboob Shaikh while presenting the Activity Report briefly recounted important meetings & events held at Northern Zone during his Chairmanship, details of which are as under:

- WWF/ILO Online Webinar up cycling of Textile Waste Transferring Textiles for Future.
- Webinar Online on Shaping the Future of Textile and Apparel Industry (PEGASUS)
- Online Stake Holders Meeting Communication and discrimination Strategy or Healthy Work places.
- Zoom Meeting with MOC/TDAP on STFP2020-25
- WWF/ILO Webinar on finance facility to Businessmen.
- Meeting with Director TDAP Ms. Naheed Akhtar at PHMA Lahore.
- Meeting with Mr. Junaid from IOCO at PHMA Lahore.
- WWF/ILO webinar on Post COVID-19 Challenges and opportunities to Textile and Clothing Industry
- WWF/EFP Seminar on Elimination Child Labour held at Hotel Flatties
- Meeting of Stakeholders with NLC and at PHMA Office Lahore.
- Webinar by TDAP/Smeda/SBP on SMEs Support. GIZ Dialog Platform on Environmental sustainability held at Hotel PC
- PAK-CHINA FTA webinar by TDAP Online
- EFP Program on Promotion of Social dialogue on best Labour production at Hotel Four-Point
- WWF Zoom Meeting on Waste Water Management
- Webinar on Denim Finishing by PAK-GERMAN Chamber of Commerce
- TDAP Webinar on Exports to Sri Lanka
- GIZ webinar on how we getting thru the COVID-19 crises
- Zonal/Executive committee Meeting of PHMA
- Webinar on GSP plus status
- TDAP webinar on PAK-CHINA Textile Trade and Investment MINTEX Islamabad
- Meeting with Pak German Chamber of Commerce at PHMA FSD & LHR
- GIZ Webinar on Sustainable Pakistan (Made in Pakistan)
- TDAP Webinar on Ecommerce



- TDAP webinar on UK GSP Scheme
- Meeting with Director PCSIR on Cash Incentive Scheme at PHMA Lahore.
- GIZ Webinar on ZDHC Zonal Chairman to deliver opening remarks
- Meeting with Director State Bank of Pakistan Online /Zoom
- CBI Webinar on Inside the Mind of European fashion buyer PKTI Lahore.
- Meeting with Secretary Power division at Mr. Ali Raza Bhutta Islamabad
- GPCCI Webinar how to obtain German Export Services online
- WWF Meeting on Water management in Textile Sector at Hotel Park Lane.
- Meeting with (EFP) Employers Federation of Pakistan on minimum wages issues. Online

Mr Faisal Mehboob Shaikh appreciated that his Zonal Senior Vice Chairman Mian Farrukh Iqbal (NZ) was also very active at PHMA Faisalabad Office whereby they also had several meetings. Details as follows:

- Zoom Meeting with Mr. Abdul Razzaq Dawood, Advisor to the Prime Minister of Pakistan on Commerce & Textile, regarding Textile Policy 2019-24 on Monday Oct 5, 2020 03:00 PM at Faisalabad, Karachi.
- Meeting with Stakeholders to discuss the current issue of Cotton Yarn & other issues being faced by our members on Tuesday 06th October, 2020, at 01:00 PM at PHMA House Faisalabad.
- Meeting with Directors of Punjab Employees Social Security Institution (PESSI) on Tuesday 24th November, 2020, at 01:00 PM at PHMA House Faisalabad.
- Executive Committee Meeting of PHMA Karachi, Lahore, Faisalabad & Sialkot on Saturday November 28<sup>th</sup>, 2020 through Zoom video link.
- Meeting with Commissioner Faisalabad on Monday December 8, 2020 at 01:30 PM at Millat Industrial Estate Association.
- TEVTA Meeting of Sector Skill Council for Textile Garments Sector on December 23, 2020 at 03:00 PM at Faisalabad Chamber of Commerce & Industry (FCCI).
- Meeting regarding News Published in "The Guardian" Investigation Committee Meeting on Dec 26, 2020 at 04:30 PM through Zoom video link.
- Meeting with Ministry of Commerce & President FCCI on Jan 14, 2021 at 05:30 PM through Zoom video link.
- Meeting with Ministry of Commerce Pakistan for issues of Major Textile Exporters and Firms on Jan 23, 2021 at 04:00 PM through Zoom video link.
- TEVTA Meeting under the chair of Mian Farrukh Iqbal, S.Vice Chairman PHMA at Govt. Hosiery Knitting Training Centre for Women Madina Town Faisalabad on Jan 26, 2021 at 01:00 PM.
- Meeting with Mr. Ahmed Javed Qazi, Secretary Labour & Human Resources, Govt. of Pakistan at Faisalabad Chamber of Commerce & Industry (FCCI) on Jan 26, 2021 at 02:45 PM
- TEVTA Meeting of Sector Skill Council for Textile Garments Sector on January 23, 2021 at 11:00 AM at Govt. College of Technology, Samanabad, Faisalabad.
- Meeting with Mr. Sajjad Director EOBI on 29<sup>th</sup> January 2021 at 01:00 PM PHMA House Faisalabad.
- Press Conference on Severe Current Crisis of Yarn on Thursday 18<sup>th</sup> February, 2021, at 04:00 PM at PHMA House Faisalabad.
- Meeting with Anjuman-e-Tajiran Lahore on March 18<sup>th</sup>, 2021 at 01:00 PM at PHMA House Faisalabad.
- Meeting with Secretary of UK Pakistan Business Council at PHMA House Faisalabad on March 30<sup>th</sup>, 2021 at 01:00 PM at PHMA House Faisalabad.



- Jointly Press Conference of All Value Added Textile Associations on Severe Current Crisis of Cotton Yarn Saturday 03rd April, 2021, at 03:30 PM at PHMA House Faisalabad.
- PHMA Faisalabad conducted a Solidarity Rally for Palestine on Friday 21st May, 2021 at 02:30 PM from PHMA House Faisalabad to Clock tower Faisalabad.
- Meeting with Ministry of Commerce Pakistan Zoom link to Discuss on Budget Proposals with Value-Added Textile Industry on Jun 16, 2021 01:30 PM.
- Meeting with Mr. Abdul Razak Dawood Adviser to the Prime Minister on Commerce, Textile & Investment Ministry of Commerce, on Saturday 10th July, 2021, at 04:00 PM at PHMA house.
- Meeting With Rana Sikandar Azam Khan for Membership on August 12, 2021 at 01:00 PM.
- Meeting with FBR & PHMA on Export Facilitation Scheme 2021 on Sep 8, 2021 at through Zoom Meeting.

The House lauded the efforts of the PHMA Senior Vice Chairman (Central) & Zonal Chairman (NZ), Mr Faisal Mehbood Shaikh along with his Zonal team, particularly Zonal Senior Vice Chairman Mian Farukh Iqbal and placed on record appreciation for all the achievements made during his Chairmanship.

Mr Faisal Mehbood Shaikh expressed his sincere gratitude to the Central Chairman, Office Bearers & Executive Committee Members for extending their support to him in performance of his duties and responsibilities. He also thanked all Former Office Bearers and Senior Members for their confidence and support. He also conveyed his felicitations to the newly elected Office Bearers and Executive Committee Members and assured best support and assistance.

#### **Agenda # 8**

#### **Review of PHMA activities by Central Chairman Mr Muhammad Riaz Ahmed**

The House noted the activities of Central Office under the chairmanship of Mr Muhammad Riaz Ahmed which is highlighted in the Annual Review Report presented to the General Body in the AGM. Exchanging his views and speaking on this occasion, Mr Muhammad Riaz Ahmed stated that the Pakistan Hosiery Manufacturers & Exporters Association is the premier Association of Value-added Textile Sector, established in 1960. The PHMA elected Chairman & Office Bearers shoulder the responsibility to promote, develop, stimulate and protect the Pakistan's textile industry's interest in general and enhancement of exports particular. PHMA's Chairman is also meticulous to deliberate upon all questions connected with textile industry and its exporters and to initiate and support necessary action connected therewith; and to consider, support or oppose legislative or other government measures affecting the interests of value-added textile industry and also make representations to the Government on grievances if any. The PHMA, among all other Textile Association, always took the lead and represent on the forefront at all forums throughout the year.

Mr Riaz Ahmed added that to be elected as the Central Chairman of PHMA is indeed an honour and privilege. He stated that his colleagues reposed confidence in him to lead the Association in these most challenging times in the history of Pakistan when the industry was facing highest ever cost of manufacturing and cut-throat competition with regional competitors.

PHMA Central Chairman articulated that the ongoing global slowdown due to Corona Pandemic and fast changing worldwide geo-strategic dynamics and unprecedented economic challenges faced in Pakistan by all the segments of the economy, it was indispensable and inevitable that the Government must take crucial taxation relief measures in terms of tackling economic challenges, capitalizing on opportunities, uplift exports and more industrialization. It was dire need of the time that the budgetary and policy measures for FY2020-21 must hold the key to economic prosperity, to confront challenges and create conducive and enabling environment for investment and growth for industry and trade, through major structural changes in Tax regime, policy revision focusing to incentivize commerce and industry to generate more employment and overcome the fiscal, current account and trade deficit.

PHMA presented its proposals and recommendations for the upcoming Federal Budget 2020-2021 with a view to bring a positive impact on overall economy and business environment which will accelerate the wheels of industries to develop and enhance exports for the economic prosperity of the country while creating new employment.

#### **PHMA proposals and suggestions are focused on:**

- **Sales Tax & Income Tax**
- **Custom Related**
- **Exports & Export Refinancing Schemes**
- **Reduction in Cost of Doing Business/ Manufacturing**
- **Broadening of Tax Base**



Knitwear Garment Export Sector having great potential for enhancement, had maintained its top/ first position with highest export in Textile export chain as well as total national export during the last consecutive years and witnessing an increase every coming year. Provided, the Government accords deserving consideration to this sector with continuous support, the knitwear garment sector can achieve new milestones and its export can be further enhanced. Exports is the lifeline to strengthen the national economy.

PHMA urged the Government that affirmative considerations and prompt response on proposals and suggestions in the relevant provisions will address the issues appropriately to restore confidence of the business and industrial community in the current difficult and challenging times of the history. PHMA was of the view that Government had closed its eyes towards global business shrinkage and multiplicity of challenges faced by the Textile Industry. The textile export industry will face additional challenge due to global 40 to 50 percent recession, where price war would be the name of game which will cause and lead to exorbitant increase in the cost of manufacturing, which cannot be afforded by SME Exporters and such situation may compel for closure.

Brief of important meetings & events during his Chairmanship are as under:

- Zoom Meeting of Ministry of Commerce with Textile Associations to discuss New Textile Policy 2020-25 was held on 5th October 2021.
- Mr Omar Ayub Khan, Federal Minister for Energy (Petroleum & Power) visited PHMA House, Karachi on 9th October, 2020 along with Nadeem Babar, Special Assistant to Prime Minister (SAPM) on Petroleum, Mian Asad Hayaud Din Federal Secretary for Energy and top management of SSGCL for meeting with Chairmen Textile Associations to discuss the gas crisis in winter. Government Officials assured that implementation of reduced gas tariff without FBR certificate, new gas pipeline in the SITE Industrial Area, instant process of RLNG applications, regularization of extra gas load, removal of ring on gas meters, new tariff of zero rated consumers in winter season for smooth gas supply.
- Meeting with Advisor to PM on Commerce & Textile, Mr. Abdul Razak Dawood held on 21-10-20 at Islamabad to discuss skyrocketing prices of Cotton Yarn, Unavailability of Yarn, dollar depreciation against local currency, Outstanding payments of pending Custom Rebate Claims, Income Tax Claims, Sales Tax Refund Claims, DLTL / DDT & TUF Schemes and non-compliance of reduced tariff of electricity and gas for five zero rated industries.
- Zoom Meeting held with Advisor to PM on Commerce Mr. Razak Dawood on 26 Oct 2020 to address the recent crisis of cotton yarn being faced by the Value Added Textile Industry. PHMA submitted its short term, medium and long term proposals.
- Zoom Meeting with Mr. Muhammad Sualeh Ahmed Farooqui, Federal Secretary, Ministry of Commerce held on 15th December, 2020 wherein Mr. Kanwar Usman, Director General (Textile), Ministry of Commerce was also present whereby issues were discussed: Anti-Dumping Duty levied on imports that are to be used as inputs in products destined solely for exports, Non-Compliance of reduced tariff of electricity and gas for five zero rated industries by utilities companies, RLNG at the rate of \$6.5 per MMBTU not provided to Exporters of Karachi, Outstanding payments of DLTL / DDT Claims & TUF Schemes, Continuous decline in Cotton Crop leading to shortage of cotton yarn which is basic raw material for value added garment, and home textile sectors and custom duty on import of cotton yarn. Secretary Commerce replied that all the demands of PHMA is valid and shall be taken positively at the appropriate time with all concerned.
- Meeting of Ministry of Commerce with Textile Associations on shortage of cotton yarn held on 9 Feb 2021 chaired by Advisor to PM on Commerce.
- Zoom meeting of Ministry of Commerce with value added textile sector on Post Budget held on 16 June 2021.
- Zoom meeting of Ministry of Commerce with Chairmen, Textile Associations chaired by Adviser to Prime Minister on Commerce Mr Razak Dawood held on 6th April, 2021. Chairmen of Textile Association demanded that Government must immediately place ban on export of cotton yarn from Pakistan or impose 10% duty on export of cotton yarn from Pakistan and allow duty free import of cotton yarn from countries worldwide for at least next six months to control the aggravating crisis of cotton yarn which is not available to the Value Added Textile Export Sector of Pakistan as such the cotton yarn crisis is resulting to declining trend in exports. Responding to the demands and suggestions of Textile Exporters, Adviser to Prime Minister on Commerce Mr Razak Dawood stated that he has always supported the textile export sector and he shall continue to support and facilitate and the Ministry will take all decision in complete consultation by taking on board all the stakeholder Associations. He noted the suggestions and demands of textile exporters to allow duty free import of cotton yarn, to place ban on export of cotton yarn or impose 10% duty on export of cotton yarn. He assured that the Commerce Ministry has taken serious notice of the situation and will revert back in next few days.





- Meeting of PHMA Delegation with Mr. Muhammad Sualeh Ahmed Farooqi, Federal Secretary, Ministry of Commerce held on 24th September, 2021 at 12:30 pm in NICL Office, Karachi. Discussed the problems in shipments of export containers as the vessels are reluctant load containers from Pakistan due to lesser charges as compared to other countries in the region and vessel taking empty containers from Pakistan, enhancement of bilateral trade through Regional Connectivity with EU countries by opening trade via land routes, concessional Rates of RLNG \$6.5 per MMBTU for Export Oriented Sectors of Karachi (Sindh), availability of Gas in winter season to Export Oriented Sectors, Excessive delays in announcement of Textile Policy 2020-25 and DDT / DLTN Notification, Cotton Crop and Availability of Cotton Yarn for textile exporters.

The House highly appreciated the efforts of Central Chairman and his Central team to take up the relevant matters with all concerned quarters and placed on record appreciation for all the achievements made during his Chairmanship.

Mr Muhammad Riaz Ahmed in his concluding note conveyed his sincere gratitude to the Office Bearers & Executive Committee Members for extending their support and assistance to him in performance of his duties and responsibilities. He articulated that during his tenure he made best possible efforts to deliver results from PHMA, nevertheless, COVID19 had severely affected the industry and all segments of the society. Yet in such difficult times, PHMA team has made efforts and delivered reaching out all concerned at Islamabad.

He also conveyed his felicitations to the newly elected office bearers and executive committee members and assured best support.

#### **Agenda # 9**

#### **Briefing / Overview on current affairs by Chief Coordinator Mr. Muhammad Jawed Bilwani**

**Speaking on the occasion, Chief Coordinator Mr. Muhammad Jawed Bilwani added further that PHMA Central Office from Karachi also remain engaged in relevant activities throughout the year in order to serve the Association and members. The FBR Technical Committee remain active throughout the year wherein he was the active member to highlight various taxation matters and issues pertaining to textile industry.**

He highlighted the activities as follows:

- The Second Meeting of the FBR Technical Committee for discussions on new refund system FASTER and Annexure H and proposals to streamline the FASTER system led by Mr. Jawed Bilwani, Member Committee held on Thursday 01 October 2020. From FBR, the Chief Sales Tax and his team were participated.
- The Third Meeting of the FBR Technical Committee on taxation issues was held on 09 October 2020.
- The Fourth Meeting of the FBR Technical Committee on taxation issues was held on 16 October 2020.
- The Sixth Meeting of the FBR Technical Committee on taxation issues held on 29 October 2020 to discuss simplification of tax procedures.
- Seventh Meeting of FBR's Technical Committee held at Zoom on 13th November, 2020 wherein Advisor to PM on Finance & Revenue Dr. Abdul Hafeez Shaikh also participated. The meeting appreciated smooth functioning of FASTER Plus and disbursement of claims within 48-72 hours recognizing that the system was performing towards maximum efficiency. However, it was discussed that more than 80% textile exporters were getting the refunds after recent upgrading of FASTER to FASTER plus in specified timeline, whereas, the grievances of remaining 20% approx. needs to be addressed. Outstanding payments of pending Custom Rebate Claims, Income Tax Claims, DLTN / DDT & TUF Schemes and Sales Tax Refund Claims, Audit Notices of Sales Tax and Income Tax were also discussed.
- The 8th Meeting of the FBR Technical Committee on Customs matter held on 19 November 2020.
- The 10th Meeting of the FBR Technical Committee held on 27 November 2020.
- The 11th Meeting of the FBR Technical Committee to discuss Sales Tax and Income Tax Refunds held on 8 January 2021. Dr Ashfaq Ahmed Khan, Member IR Operations FBR also attended the meeting.
- The 12th Meeting of the FBR Technical Committee to finalize the proposals for Budget to FBR held on 11 January 2021.
- Technical Committee of FBR arranged Workshop / Webinar for orientation of SMEs regarding FASTER and procedure of filing of Annexure H held on 20th January, 2021.
- Joint Press Conference on the subject of Government's decision to discontinue gas to industrial captive power plants held on 25th January 2021 at FPCCI Head Office, Karachi.



- Sindh Industrial Liaison Committee Meeting was held under the Chair of Governor Sindh, Mr Imran Ismail on Energy issues confronting to the industries of Sindh on 29th January, 2021 at Sindh Governor House, Karachi. Special Assistant to Prime Minister on Petroleum, Mr Nadeem Babar and Special Assistant to Prime Minister on Power, Mr Tabish Gohar were also present in the meeting. Mr. Muhammad Zubair Motiwala Chairman BMG and Former President KCCI and Muhammad Jawed Bilwani Chief Coordinator Karachi Industrial Forum represented industries of Sindh. The Governor Sindh said that industrial development is one of the top priorities of Prime Minister Imran Khan. He said that the Federal Government would extend all possible assistance to them for industrial growth and of country's exports. He committed that no industry would be disconnected from gas supply unless they have an electricity connection to meet their requirements.
- FBR Technical Committee Meeting with FPCCI. Member Inland Revenue and Member Customs participated from FBR.
- Joint Press Conference of value-added textile sectors held at PHMA House Karachi on 2nd March, 2021 on the shortage of cotton yarn. Chairman of Council of Textile Associations Mr Muhammad Zubair Motiwala, and Chief Coordinator of the Council and Chairman of Pakistan Apparel Forum Muhammad Jawed Bilwani said that despite COVID-19 pandemic big export orders from different countries were coming to Pakistan for various value-added textile products but short supply of cotton yarn in the local market hindered their production activities and rendered many textile manufacturers unable to meet their export orders. Chairmen of value-added textile associations unanimously urged that the government should immediately allow duty-free import of cotton-yarn and impose ban on cotton yarn export like it did in the cases of wheat and sugar shortage in the country.
- Meeting with Deputy Governor SBP held on 9th March, 2021 whereby Mr Jawed Bilwani proposed that SBP should issue circular monthly or quarterly informing that period / date of DDT / DLTL claims are cleared of exporters.
- Meeting of Chairmen of Value Added Textile Associations to discuss that Federal Cabinet defer the ECC decision of allowing import of cotton and cotton yarn from India held on 2nd April, 2021 at PHMA House Karachi.
- Joint Press Conference of Value Added Textile Associations on the shortage of Cotton Yarn held at PHMA House Karachi on 12th April, 2021
- Successful efforts for allowing export industries to operate in long Eid Holidays to meet the export orders.
- Zoom Meeting with Mr Shaukat Tarin, Minister of Finance held on 3rd June, 2021 to discuss Federal Budget 2021-22 at KCCI wherein Mr. Jawed Bilwani, Chief Coordinator and Former Central Chairman PHMA participated and matter of undue collection of Export Development Fund (EDF) surcharge despite excessive amount has the Government in EDF head was discussed. In meeting, Finance Minister considered the demand of exporters not to collect Export Development Fund (EDF) surcharge and issued directive not to collect EDF surcharge.
- Zoom Meeting of Chairmen of Value Added Textile Associations to discuss Proposals for Budget 2021-22 on 7th June, 2021.
- The Value Added Textile Exports Associations hold joint Press Conference at PHMA House Karachi on 9th June, 2021 and demanded the Govt. for restoration of Zero Rating - No Payment No Refund System, continuation of Duty Drawback of Taxes (DDT) & Technology Up-gradation Fund (TUF) scheme, reduce WHT rate to 0.5%, suspension of EDF surcharge, reduce and fix tariffs of electricity, indigenous gas & RLNG, continuation of duty free import of cotton yarn.
- Emergent Zoom Meeting of Chairmen, Value Added Textile Associations to discuss Post-Budget 2021-22 on 12th June, 2021.
- JOINT PRESS CONFERENCE of VALUE ADDED TEXTILE SECTOR held on 14th June, 2021 at PHMA House, Karachi to express their grievances over the non-consideration of major restoration of Zero Rating of GST - No Payment No Refund System, reduce WHT rate to 0.5% and suspension of EDF surcharge in Federal Budget 2021-22.
- Online Meetings of the National Assembly and Senate Standing Committees on Finance, Revenue & Economic Affairs with Value Added Textile Forum held on 22 June, 2021 to discuss Post Budget 2021-22 Anomalies and Grievances.
- PHMA in collaboration with FBR organized a seminar on the new Export Facilitation Scheme 2021 at PHMA House, Karachi which was also attended by a large number of textile exporters from Karachi, Lahore, Faisalabad and Sialkot online. Mr Amir Thahim, Collector, Model Collectorate of Customs (Exports) Port Qasim and Mr Moeen Afzal, Additional Collector, Model Collectorate of Customs (Exports) Port Qasim participated from Customs, Federal Board of Revenue to brief the salient features and registration process of Export Facilitation Scheme 2021 (EFS 2021).



○ Members participated physically	=	80
○ Members attended online at Zoom	=	100+
○ Member joined through YouTube	=	25
○ Total	=	205+

- Meeting with Mr. Shaukat Tarin, Federal Minister for Finance & Revenue held during his visit to Karachi Chamber for meeting on 19th September, 2021 which was attended by Mr. Jawed Bilwani, Chief Coordinator and Former Central Chairman PHMA wherein matter of DLT, Sales Tax Refund, Gas / RLNG was discussed. Finance Minister informed that DLT Scheme will be continued, Ministry will release amount of Rs30 to Rs32 Billion for ready DLT claims, Ministry will issue Trade-able Bonds against pending sales tax refunds, RLNG at \$6.5 will be provided all over Pakistan including Karachi and Government Cotton Agencies forecast cotton crop to 12 million bales this year.
- Zoom Meeting called by Advisor to PM on Commerce Mr. Abdul Razak Dawood on 28th September, 2021 to discuss issue of cotton and cotton yarn.

Concluding his keynotes, Mr. Jawed Bilwani appreciated the efforts of Central Chairman Mr Muhammad Riaz Ahmed, Chairman SZ Mr. Tariq Munir and Chairman NZ Mr Faisal Mehboob Shaikh and all other Executive Committee members.

The House also admired and appreciated the services of Mr. Jawed Bilwani as PHMA Chief Coordinator to take up the relevant matters with all concerned.

#### **Agenda # 10** **Keynotes of the newly elected PHMA Office Bearers.**

Newly elected Central Chairman Mr. Shahzad Azam Khan conveyed his gratitude for being unanimously elected as the Central Chairman PHMA. He congratulated the other newly elected Members of the Executive/Zonal Committee and emphasized on the need of collective efforts with effective coordination to address the issues and problems and enterprise to enhance the value added textile exports. He assured the office bearers and executive committee of his best support to achieve the desired objectives of the association. He emphasized on the collective efforts for the image building and to make once again PHMA as the top most influential and number One position Association of Pakistan having strong say in all concerned quarters. He added that the financial matters confronting to the Associations shall be deliberated in the Zones and to be adopted and resolved by the Central Office.

Newly elected Senior Vice Chairman (Central) & Zonal Chairman (Southern Zone) Mr. Abdul Rehman pledged to make all-out efforts for the resolution of problems being faced by the Members of the Association which are vital for the boosting of textile exports from the country.

Newly elected Vice Chairman (Central) & Zonal Chairman (Northern Zone) Mr. Kashif Zia while expressing gratitude to members said that he will try his level best to come up to the expectation of members of the Association.

#### **In the General Body open House Session, the Executive and General Body Members shared their views as follows:**

Mian Farrukh Iqbal congratulated the newly elected Office Bearers and assured best support stating that the PHMA Faisalabad Management shall stand shoulder to shoulder with the Office Bearers to achieve the desired aims and objectives.

Jawed Bilwani highlighted throughout the year the Central Office performed and delivered. He articulated that he himself and Dr Khurram Tariq being the members of FBR Technical Committee worked to streamline the process of refunds by removing impediments and hurdles. With their efforts and considerations of the FBR Technical Committee and onwards submissions to FBR, the Refunds whether that are Sales Tax or Income Tax or other have been processed and released on fast track as compared to past. The PHMA Office Bearers provided their feedback and support. Various press conferences were held on burning issues. He acknowledged the dedication, devotion and hard work and support of Secretary General and all other Secretaries and staff of PHMA at Karachi, Lahore, Faisalabad and Sialkot.

Jawed Bilwani added that in prevailing issues and challenges, the unavailability of yarn is the most hot issue. Recently, meeting was held with Advisor to PM on Commerce Mr Razak Dawood wherein he along with Mr Zia Alamdar, Mr Ejaz Khokhar and Zubair Motiwala criticized and voiced for the rights of Value-Added Textiles Exports whereby the Advisor was informed that the Yarn Spinners



were availing the Concessional Utility Tariff to export yarn while on the other hand yarn was not available for the Value-Added Textile Industries. He was of the view that Regulatory Duties be imposed on export of yarn and if yarn is exported beyond 30 count

Bilwani added further that exporters were also facing problems as the mother vessels were not coming to Pakistan and the shipping charges were gone very high. Containers to exporters were not easily available as the Shipping Companies were also practicing to export empty container from Pakistan to other regional countries. Exporters were also facing demurrage and detention charges. PHMA Central Office will meet the Secretary Commerce in next few days to address and resolve the issues. He advised to the new Office Bearers to give special attention to these issues. He apprised that he will also meet the Finance Minister in Islamabad soon.

Mr Kashif Zia conveyed gratitude to all for reposing confidence in him to elect as Zonal Chairman Northern Zone. He emphasized on the need of collective and joint efforts so that both the Zone and Centre should be on one page and reflect uniformity and harmony in the Association affairs. He sought support of other Office Bearers and Executive Committee Members.

Mian Farrukh Iqbal voiced that the Central Office and Zones should keep each other well informed on all activities and for the purpose of meetings, joint delegation should be composed rather some persons attend such meetings keeping other zones in isolation. He referred that recently a zoom meeting was held with Advisor to PM on Commerce whereby PHMA Faisalabad Office was not informed.

Mian Naeem Ahmed informed that member exporters were facing high grievances as their remittances against export consignment were delayed and stopped. He urged that PHMA should form a high profile committee to look into this matter so that the exporters may not face any hardship and uncertainty with regards to their payments. He also urged the newly Elected Central Chairman Mr Shahzad Azam Khan to look into this matter. All concerned at Islamabad including our Trade Missions in abroad be contact for the purpose of facilitation in order to receive swift remittance against their exports.

Mr Khawaja Amjad highlighted changes in the region and political unrest to effect the exports. He was of the view that the regional uncertainty, particularly in Afghanistan. He was worried that the Government of Pakistan must act intelligently and PHMA must draw its attention to the Government that the GSP Plus status of Pakistan to European Union must not be affected, at all.

Jawed Bilwani stated that globally the Supply Chain was disrupted which has also affected the exports and imports of Pakistan. He said that he has consulted the stakeholders in this regard and learned that 72 million TEUs are available worldwide out of 30 to 35 percent are stuck in USA, remaining 30 percent in China and around 15 percent in India. The balance remaining approx. 25 percent containers TEUs are only available for imports and exports. This matter shall be taken up with the Government on priority basis. He advised to also call Central Executive Committee Meeting to discuss various issues and challenges to take up matters with all concerned.

Thereafter, the AGM sessions concluded with joint resolve of Team work, harmony and uniformity to achieve the objectives.

**Agenda # 11**  
**To consider and discuss any other matter with the permission of the Chair.**

There being no other matter to discuss, the meeting concluded with vote of thanks to and from the Chair.

Secretary General

Chairman

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