

MINUTES OF EXECUTIVE COMMITTEE MEETING OF APPPMA HELD ON 01.02.2020 AT 2.0 P.M. AT ITS REGISTERED OFFICE – SUITE 23, 3RD FLOOR, BILAL CENTRE 9 NICHOLSON ROAD, LAHORE

Mr. Faisal Sattar Mughal warmly welcomed Hon'able Members who have come to attend the Executive Committee Meeting of the Association. He specially expressed thanks to Mr. Muhammad Shoaib, Zonal Chairman, APPPMA South, who have come from Karachi to attend the Executive Committee Meeting and to make presentation on CPEC.

The Executive Committee Meeting started with recitation from Holy Quran. Haji Muhammad Afzal very kindly recited the Holy Verses.

1. To offer Dua for the departed souls.

The Chairman invited the Hon'able House to offer Dua for the departed souls. Due was particularly offered for the late Mother of Mr. Tanvir Ahmad Butt, Hon'able Executive Committee Member and the mother of Mr. Imran Aziz.

2. To confirm Minutes of the Meeting of the Association held on 14.01.2020.

The second item on the Agenda related to confirmation of Minutes of the E.C. Meeting held on 14.01.2020. The draft minutes were distributed among the Hon'able Members present in the House.

Mr. Tanvir Ahmad Butt objected to the wording used in item No. 6 that since none of the previous Chairmen was present in the Hon'able House, it was unanimously decided that the matter be deferred till next meeting of the Executive Committee.

His version was that he did not attend the E.C. Meeting of 14.01.2020 due to personal reasons, however, had attended other meetings. The wording was changed to that; Mr. Tanvir Ahmad Butt, Ex-Chairman has not attended this E.C. Meeting due to personal reasons, as such it was decided that the matter be deferred till next meeting of the Executive Committee.

The Minutes were approved by the Hon'able House. Since there was no objection from any Hon'able Members, Mr. Mahmood Ahmad proposed and Mr. Laeeq Ahmad seconded and the motion stood approved.

3. To apprise the Hon'able House about the meeting held on 20.01.2020 with M/s Engro Team at APPPMA office to discuss matters of mutual interest.

The 3rd item on the Agenda related to brief the Hon'able House about meeting of M/s Engro Team, who visited APPPMA office on 20.01.2020 to discuss matters of mutual interests. The Engro Team comprised of Syed Khurram Hussain, National Sales Manager and Mr. Mohsin Iqbal, Manager Resin Sales, Marketing Division, EPCL, Lahore.

Mr. Faisal Sattar Mughal informed the Hon'able House that APPPMA bitterly complained unjustified price increase of PVC Resin by M/s Engro at the end of December, 2019 – beginning January, 2020, which has badly affected the PVC Pipe Manufacturers; as due to price increase they were unable to meet their commitments. Moreover, the percentage of change in price of more than 1 to 2%, the PVC Pipe Manufacturers cannot afford; the availability of the material from other informal sources was also not within the reach of the PVC Pipe Manufacturers.

M/s Engro Team tried to explain the reasons for the increase of the price which related to high demand of the material in the international market particularly, the USA, as the product was quoted world-wide. M/s Engro Team could not satisfy APPPMA regarding the unjustified and frequent increase in the price of PVC Resin.

Mr. Faisal Sattar Mughal, Chairman, raised the point of availability of Off-spec material for supply through APPPMA to its Member. M/s Engro Team assured that the details of the material shall be shared with APPPMA and on the recommendations shall be supplied to its Members. The point of supply of PVC Resin on the Bank Guarantee was also discussed. M/s Engro Team assured to share the policy with APPPMA for benefit of its Members.

The Chairman informed the Hon'able House that it was decided that APPPMA and ECPL shall meet once a month for exchange of views on the matters of mutual interest.

The Hon'able House appreciated efforts of the Chairman in dealing with M/s Engro Polymer & Chemicals Limited and assured him full cooperation in this regard. However, the Hon'able House deplored the unjustified increase in price of PVC Resin by M/s Engro.

Since there was no objection from any Hon'able Members, Mr. Laeeq Ahmed proposed, Mr. Humayun Sharif seconded the motion stood approved.

4. **To review Members concern about fake brand names or names similar to most renowned brands manufactured with low price material being sold in the market and to arrive at recommendations to curb such undesirable activities by unreasonable PVC Pipe Manufacturers (Point carried over from E.C. Meeting held on 14.01.2020).**

The fourth item on the Agenda of Executive Committee was to discuss Members concern about the fake brand names of most established Pipe Manufacturers flooded in the market. Mr. Hamad Aslam and Mr. Tanvir Ahmad Butt were of the view that those members, who have complained, must come forward and give evidence to APPPMA to take up the matter with the concerned Manufacturers producing and selling such type of PVC Pipes. Mr. Humayun Sharif suggested that these PVC Pipe Manufacturers be approached by APPPMA; asked to stop production of Fake Brand PVC Pipes and become members of the Association.

Majority of Hon'able Members present in the House suggested that these cases be given to FIA. Various Hon'able Members expressed their views on the subject, which included that this was the violation of Trade Mark Act and other relevant laws. APPPMA to suggest to the Government for strict enforcement of laws. Members, however, suggested that those who have been affected by use of Fake Brand Names to please provide evidence to APPPMA so that corrective actions could be proposed.

Since there was no objection from any Hon'able Members, Mr. Mahmood Ahmad proposed, Mr. Laeeq Ahmed seconded and the motion stood approved.

5. **Presentation on CPEC by Hon'able Mr. Muhammad Shoalb, Zonal Chairman, APPPMA South /CEO M/s Zaka Sons, Karachi.**

Mr. Faisal Sattar Mughal, Chairman APPPMA extended welcome to Mr. Muhammad Shoalb, Zonal Chairman APPPMA (South) and requested to go ahead with his presentation.

Mr. Muhammad Shoalb gave a detailed count of his efforts for the development of his Company where it is now. He opined that it was because of his broad thought and vision and the step taken by him were over and above limiting the same to his Entity. The progress and development of the industry to which he was associated were basis on which he worked and was successful.

Regarding the CPEC, he informed the Hon'able House that FPCCI has opened its office at Gawadar Port for which land has been provided by China free of cost; FPCCI is facilitating local industrial undertakings for establishing industrial units. China has declared Industrial Free Zone comprising on 2000 Acres. Mr. M. Shoalb is of the view that PVC Pipe Manufacturers presence in this Free Zone should be must. He further informed that the industries established under CPEC, for which material is coming from

China and exempt from duties. Local PVC Pipe Manufacturing industries must be established to avail this facility.

The Hon'able House appreciated presentation / information regarding CPEC and thanked Mr. Muhammad Shoab for coming to APPMA Office for the purpose.

6. To discuss proposals for Federal Budget 2020-2021 for onward submission to various Government Offices / FPCCI

The 6th item on the Agenda related to finalize proposals for the Federal Budget to be presented to Engineering Development Board, FPCCI and other Government Departments. The Chairman informed the Hon'able House that draft proposals have been prepared, copies of which were distributed for study and comments by the Hon'able Members present in the House. The Chairman requested the Hon'able Members to study the same and give their feedback so that the proposals could be finalized and submitted to the concerned Departments / Authorities timely.

Hon'able Mr. Habib-ur-Reham, after studying the proposals suggested including import of Machinery in the budget proposals. He was requested by the Chairman to send his proposal to APPMA office for including the same in the Budget Proposals for the year 2020-2021, to which he promised to do so.

Since there was no objection from any Hon'able Member present in the meeting, Mr. Hamad Aslam proposed, Mr. Humayun Sharif seconded and the motion stood approved.

7. To discuss prevailing scenario of import and availability of Plastic Scrap in the country.

The 7th Item on the Agenda related to discuss availability of Plastic Scrap, the Chairman informed the Hon'able House that on the wish of Mr. Mahmood Ahmad, Member Executive Committee, APPMA has included in the Budget Proposals for the year 2020-2021, reduction in Customs and Regularly Duties and modification in the Import Policy Order 2016.

The 20% Customs Duty and 7% Regulatory duty has been proposed to be brought down to maximum 3% for the import of Plastic Scrap as is levied on other Plastics. The Chairman further informed that modification in the conditions of Import Policy Order 2016 pertaining to involvement of Environmental Protection Agencies for obtaining approval of Environmental Protection facilities / Annual Environmental Audit Reports has been suggested to be withdrawn and restricting EPAs to monitoring the units only to the extent of environmental aspects.

Since there was no objection from any Hon'able Members, Mr. Mahmood Ahmad proposed, Mr. Humayun Ajmal seconded and the motion stood approved.

8. To discuss about the update on the previous years accounts of APPMA in the light of meeting held on 10.10.2019 [Point carried over from the E.C. Meeting held on 14.01.2020].

The 8th Item on the Agenda related to discuss about the update of APPMA accounts for the previous years.

Mr. Faisal Sattar Mughal, Chairman as promised by him, asked the Secretary General to distribute in the Hon'able House copies of Income & Expenditure accounts for the period from Oct. 2019 to Jan. 2020. The same was distributed among the Hon'able Members. Income & Expenditure details for the period from July, 2019 to September, 2019 were also distributed among the Hon'able House. The Chairman informed the Hon'able House that the accounts of every month shall be presented in the Hon'able House for study and comments, if any by the Hon'able Members.

The Chairman pointed out non-availability of record and serious discrepancies found in the accounts of previous years, a few of which were presented in the Hon'able House. Mr. Tanvir Ahmad Butt, Ex-Chairman was very bitter and instead of satisfying the Hon'able House on the points raised by the

Chairman resorted to aggressive posture. This created an unpleasant situation in the Hon'able House, which came down to normalcy when, the matter was decided to be discussed separately after the meeting.

The Chairman informed the Hon'able House that he would continue to present in the Hon'able House monthly accounts of the Association of his tenure so that any Hon'able Member having any objections to any of the transactions could point it out for betterment of the working of APPPMA.

Since there was no objection from any Hon'able Membrs, Mr. Laeeq Ahmed proposed, Mr. Mahmood Ahmad seconded and the motion stood approved.

9. **To discuss matters of Hon'able Members in dealing with HUD & PHE , C/ W Departments, Government of the Punjab, Lahore (Point carried over from E.C. Meeting held on 14.01.2020).**

The 9th Item on the Agenda related to discuss matters of Hon'able Members in dealing with HUD & PHE Department. The Chairman informed the Hon'able House that a request has been made to Secretary, HUD & PHE Department for a meeting, as such, those members having any point to be included in the ensuing meeting to please inform APPPMA office so that these could be resolved with the Secretary, HUD PHE Department.

Since there was no objection from any Hon'able Member, Mr. Laeeq Ahmed proposed, Mr. Humaun Ajmal seconded and the motion stood approved.

- 10 **Any other point with the permission of the Chair.**

Since there was no other point for discussion, the meeting ended with a vote of thanks to the Chair.

SECRETARY GENERAL

**ALL PAKISTAN PVC & PLASTIC PIPE
MANUFACTURERS ASSOCIATION**