All members of the Managing Committee PAAPAM, 2021-22

Subject: Minutes of the 2nd meeting of Executive Committee held on 12th November 2021, at Karachi.

Dear Sir(s),

The minutes of the second meeting of the Managing Committee (MC) PAAPAM, held on 12th November 2021, at 3:00 PM, at Hotel Regent Plaza, Karachi, are being reproduced for your information and record.

Participants

1.	Mr Abdur Razzaq Gauhar	:	Chairman
2.	Mr Abdul Rehman Aizaz	:	Senior Vice Chairman
3.	Mr Sheryar Qadir	:	Vice Chairman
4.	Mr Muhammad Irfan Qureshi	:	Member
5.	Mr Shahab Saleem	:	Member
6.	Syed Mansoor Abbas	:	Member
7.	Mr Akbar Allana	:	Member
8.	Mr Shehryar Qadir	:	Member
9.	Mr Taufiq Sherwani	:	Member
10.	Mr Mohsin Qaiser	:	Member
11.	Mr Umar Abdullah	:	Member
12.	Mr Muhammad Anus Khan	:	Member
13.	Mr Syed Misbahuddin	:	Member
14.	Mr Mannan Ahmed	:	Member
15.	Mr Ghualm Murtaza	:	Secretary General

1. **Talawat Kalame Pak.**

The proceeding started with the recitation of the Divine message by the MC member Mr Umar Abdullah.

2. **Approval of the minutes of the first MC meeting held in Karachi.**

The minutes of the second MC meeting, held at Karachi, had already been circulated, again tabled before the house. The house went through the same.
Decision: The house, unanimously, approved the minutes, being proposed by Mr Akbar Allana and seconded by Mr Irfan Ahmed Qureshi .

3. **The Strategic Framework of the association for the year 2022 and Standing committees' restructuring.**

The Chairman briefed the house on the formation of standing committees and strategic objectives of the association for the next year. He further reminded that they were under oath to serve the community and standing committees were the best forum of doing it.Those who would not perform, better to withdraw their names, he regretfully suggested. Conveners' joint periodical monthly meetings felt indispensable by the house. Mr. Abdul Rehman Aizaz and Mr. Irfan Ahmed Qureshi also emphasized the meetings of the conveners and review of their performance on regular basis. The portfolios of standing committees from North and South were displayed at the LED. The house appreciated the homework and gave its accord to the standing committees. (copy attached).

The Chairman gladly remarked that PAAPAM was then the only certified trade body by the ISO 9001-2015; however, it was a challenge to sustain as well. Next year's audit would be more extensive and PAAPAMs management should have synchronized with ISO standards.

Decision:

The house approved the list of standing committees.(attached).

4. **Regional competitive analysis of Auto Part Industry.**

The philosophy behind this brainchild was to have our industry's SWOT analysis before entering into the international market and to scale up our performances. Unless we are well aware of it, we cannot remove our exporting impediments. The chair apprised that the PAAPAM had been in liaison with UMT and LUMS for that study. The opinion of the SVC, Mr Aizaz Abdul Rehman hailed by the majority that the study should be segmentized into 8-10 modules to initiate the process with 1-2. The TORs must be broad-based with a representation from both zones of the association.

Decision:

It was upheld to seek professional help for that study to be commenced from 1-2 modules at the association level.

5. **Price indexing of parts with OEMs.**

As It was the burning issue due to the cost of production escalation, indexing up in parity of USD/PKR, unstable prices of raw material, and nightmares of energy and logistics costs. All the variables had squeezed the parts vendors' liquidity and ability to contract. The Chairman shared with the honorable house Paapam's Consultant financial working that had impacted the contractual capacity of the vendors for sure. He also apprised the house that he had written letters for meetings with all the Chairmen/ CEOs of all OEMs. It was noticed by the house that the OEMs received advances from the end-users and got credit from the vendors. They had sufficient funds at their disposal to reinvest in many projects, instead of paying to their vendors industry; pushing them to the threshold of collapsing.

Decision:

The statistics shared were eye-opening and decided to be taken as reference point of the next working and strategy, both at an individual and collective level. The matter was decided to be raised in a forceful way on the platform of PAAPAM with the OEMs to adopt price indexing formula by unfreezing all elements of cost to rescue the vendors, the house further upheld.

6. **Membership and members related issues.**

I. The house discussed the status of 03 suspended members by the elections commission from a-c. Whereas, Albadar Engineering (e) was debarred by the DGTO for not being active sales tax status thereof. The Secretary-General detailed the grounds that caused the suspension of the below four members.

a. Teel Electronics.

b. Rakson Engineers.
c. Prime chemicals.
d. Al Badar Engineering.

Decision:

The house instructed the Secretary-General to write to the above members to remove the deficiencies that led to their disqualification as voters. If they would remove the deficiencies, they would stand restored .

II. New membership cases.

The following applications of memberships were put before the house for its approval. The cases had gone through the due verification process by the membership committee followed by physical visits of the premises. One applicant of M/s Gift Enterprises was reported to be fake and sham. The house regretted the prominent members who seconded and proposed without getting into it. The case of M/s Chenab Engineering was also discussed who remained to default for one year and paid the amnesty money Rs.5000 along with the current year's dues.

Sr.#	Company Region	Representative
1	M/s Fabro International (Pvt) Ltd Lahore	Col R. Alamdar Hussain Gohar
2	M/s Sikka Automotive Parts Lahore	Khwaja Ahmed Siddique Sikka
3	M/s Atsali Automobile Lahore	Mr. Shahid Pasha
4	M/s Ammarian Industry Lahore	Mr. Khalid Rashid
5	M/s Panther Tyres Lahore	Mr. Faisal Iftikhar
6	M/s Jili Mecganical and Electrical Technology (Pvt) Ltd. Lahore	Mr. Mu Shi Bin
7	M/s Chenab Engineering Works & Foundries (Pvt) Ltd. Faisalabad	Mr. Bakhtiar Ahmed
8	M/s Sigma Engeering Works Lahore	Mr Tariq Mahmood
9	M/s Indus Cables (Pvt) Ltd. Karachi	Mr. Afzal Siddiqui

The house also felt to extend a new amnesty scheme to bring the defaulting members into the mainstream.

Decision:

a) The house unanimously approved the following applications for membership of PAAPAM. The application of M/s Gift
Enterprises was rejected by the house.

b) The house declared a new amnesty scheme with effect from 17th November 2021 -16th November 2022 with a payment of Rs.15000/ extra fee and Rs.15000/ current year subscription regardless of the period of default.
Banking and finance related issues

7. **Bank ,Finance,and Budgeting**
   I. As per the requirement of section 25 of the memorandum and articles of association to be read with section 24 (3) of the trade rules, the association was needed to change the signatories in the bank to operate the account.

Decision:
The house nominated the following gentleman to sign on behalf of the association in their respective zone.

North:
Mr Abdur Razaq Gauhar
Mr Rehan Riaz
South:
Mr Abdul Rehamn Aizaz
Mr Munir K Bana

   II. Approval of the budget for the year 2021-22 (Copy attached).

The Secretary-General put before the house the revised budget of the PAAPAM for the next year 2021-22. The last budget was made a reference point and added 30% inflationary effect and salaries of new staff.
Decision: The house approved it unanimously.

8. **Approval of calling of EOSG meeting of PAAPAM to get the approval of amendments in the Memorandum and Articles of Association.**

The Secretary-General informed the house that our Memorandum and Articles of Association needed many changes therein. And a special general meeting was required to give the cover to the changes.
Decision: It was decided that an EOSGM would be called soon to get approval from the general body. Meanwhile, SG would circulate the document amongst the MC's members for their input.

9. **Human Resources Management related issues:**

I. Staff increments:
The Chairman apprised the house of the increments given to head office staff as per the details annexe to this document. The house also considered the increments to Southern zone's staff keeping their performance in view.
Decision:
The house granted the retro-approval to the increments given to the Northern Zone's employees as per attachment. The house also very kindly granted the following increments to the following staff of Southern zone w.e.f Ist July 2021:

i. Mr Muhammad Aslam Sheikh, Secretary 20%

ii. Mr Asim Lodhi, Assistant Manager CMS, 20%
iii. Mr Muhammad Saqib, Assistant Manager Accounts and Admin, 5% (As he did not complete one year on Ist July 2021.
iv. Mr Muhammad Kamil , office boy, 20%.

II. New HR Policy of the Association

This agenda item was deferred to the next MC meeting due to the shortage of time and further homework was needed thereon.

III. Confirmation of contracts of SG, Mr Ghulam Murtaza & Mr Anas Haroon.

The house showed its satisfaction regarding the above two gentlemen who were on a probationary period.

Decision:

Both the above gentlemen, mentioned in agenda item No.9, clause (1), section (c), were confirmed to be regular by the house after successfully completing their probationary period.

IV. **Approval of Staff hiring of two persons:**

a. Accountant

The Chairman told the house that head office had relieved the previous assistant manager accounts. He had been given many opportunities and training but he couldn't not improve to be able to perform his tasks . It had become indispensable to replace him with any better source to avoid further problems, he added.

Decision: The house unanimously approved the removal of Mr Imran Riaz, assistant manager accounts and granted the approval for a better replacement.

b. Surveyor (Temporary for 6 months)

The updating of the record had been intensely felt by the house. The PAAPAM office had asked our members many times to update their data, but unfortunately, the majority of them remained unmoving. Eventually, the membership committee requested the managing committee for an additional source for the 6 months who would visit the premises of the members to update the data. It was the only way to meet the objective, the membership committee felt.

Decision:

The house approved the additional hiring of one resource person for 6 months both for North and South to update the membership record.

Any other point with the approval of the Chairman.

There was no other point to be discussed, the meeting ended with a vote of thanks to the Chairman.

Thanking you,

Yours sincerely,

(Ghulam Murtaza)
Secretary-General

(Abdur Razzaq Guahar)
Chairman PAAPAM

Distribution:

I. Chairman
II. Senior Vice Chairman
III. Secretary South
IV. All Project Mangers , Mr Anas Haroon and Mr Muhammad Umair Naseem
V. Assistant Manager Marketing, Miss Tehreem Sajid.