**MINUTES OF THE PSAA EXECUTIVE COMMITTEE**

**MEETING HELD ON 12.10.2015 AT 03.00 P.M.**

**AT ASSOCIATION’S OFFICE, KARACHI**

Present:

Ms.Ava A.Cowasjee Chairperson

Mr.Younus Vayani Vice Chairman

Mr.Bilal-ur-Rehman Executive Committee Member

Mr.Khalid W.Khokhar Executive Committee Member

Mr.Kareem Ispahani Executive Committee Member

Mr.Jawed Iqbal Executive Committee Member

Mr.Amir Ali Jamal Secretary General

Mr.Syed Tahir Hussain Deputy Secretary

Regrets:

Mr.Tariq Haleem Senior Vice Chairman

Capt.Nusrat Iqbal Executive Committee Member

Capt.Mohammad Inam Executive Committee Member

Capt.Javed Iqbal Executive Committee Member

A meeting of the Executive Committee was held at 03.00 p.m. on Monday, 12.10.2015 at Association’s office, Karachi.

Ms.Ava A.Cowasjee, Chairperson welcomed all participants at the first EC Meeting for the term 2015-2016.

**1) To confirm minutes of the Executive Committee meeting held on 03.09.2015.**

The minutes of the above meeting were approved by all present.

**2) To elect two women on reserved seats on the Executive Committee (if any).**

Mr.Amir Ali Jamal informed the meeting that as per Trade Organizations Act/Rules, 2013 he invited nominations from all Members regarding two reserved seats for women entrepreneurs on the Executive Committee. There was no response from the Members therefore these seats shall remain vacant for this term 2015-2016.

**3) To appoint PSAA nominees on the FPCCI on the Executive Committee and General Body for the term 2016.**

(2)

Mr.Amir Ali Jamal informed the meeting that FPCCI has invited nominations of PSAA representatives on its Executive Committee and General Body for the term 2016. He added that there is one reserved seat on the Executive Committee and two seats on the General Body for which we have to submit names to FPCCI.

It was unanimously decided to nominate Mr.Tariq Haleem, Senior Vice Chairman on the Executive Committee and General Body.

It was unanimously decided to nominate Mr.Khalid W.Khokhar, Executive Committee Member on the General Body.

Both nominees consented to such nominations. As a result following resolutions were adopted:

a) Resolved that Mr.Tariq Haleem of M/s.Bulk Shipping & Trading (Pvt.) Ltd. is hereby nominated as PSAA nominee on the Executive Committee and General Body of the FPCCI for the term 2016. Mr.Tariq Haleem has consented to such nominations and he is otherwise qualified.

b) Resolved that Mr.Tariq Haleem of M/s. Bulk Shipping & Trading (Pvt.) Ltd. and Mr.Khalid W.Khokhar of M/s. Golden Shipping Lines (Pvt) Ltd. are hereby nominated as PSAA nominees on the General Body of FPCCI for the term 2016. Mr.Tariq Haleem and Mr.Khalid W.Khokhar have consented to such nominations and they are otherwise qualified.

**4) To pass a resolution to include signatures of incoming Chairman and Senior Vice Chairman as authorized signatories to operate PSAA Account.**

The Executive Committee resolved that henceforth PSAA’s Current Account No.0010011535760017 with Allied Bank, New Queens Road Branch will be operated jointly by any two of the following persons:

a) Ms.Ava A.Cowasjee Chairperson

b) Mr.Tariq Haleem Senior Vice Chairman

c) Mr.Amir Ali Jamal Secretary General

**5) To approve schedule of Executive Committee meetings for the term 2015-2016.**

Mr.Amir Ali Jamal informed the participants that as per procedure we have to approve schedule of Executive Committee meetings for the term 2015-2016 which was approved by the Committee (Attached Annexure-I).

(3)

**6) To approve plan of activities for the term 2015-2016.**

Mr.Amir Ali Jamal informed the participants that as per procedure we have to approve plan of activities for the term 2015-2016 which was approved by the Committee (Attached Annexure-II).

Mr.Khalid W.Khokhar suggested to include name of Sindh Revenue Board which was agreed by all present.

**7) Imposition of minimum 8% Tax on service sector on turnover.**

Mr.Amir Ali Jamal informed the Federal Government through Finance Bill 2015 has amended the Finance Act whereafter tax adjustment has been withdrawn. As a consequence, final tax liability has increased to around 8% of turnover instead off previous 2%. He added reacting to this PIFFA, ACAAP, etc. protested to the Federal Government and demanded withdrawal of the same however after seeing no progress PIFFA and ACAAP went on the strike. The Federal Government afterwards formed a Review Committee in order to resolve the issue however nothing concrete has been achieved so far.

He added that In order to discuss this issue PIFFA invited several relevant Associations namely PSAA, ACAAP, APSAA, APSA, APMOA, FOAP, PSC, etc for a meeting held on 07.10.2015 at Beach Luxury Hotel. PSAA was represented by him alongwith Mr.Tariq Haleem, Mr.Khalid W.Khokhar, Mr.Jawed Iqbal, and Syed Tahir Hussain.

He further informed the house that Shipping Lines/Agents are paying taxes: (a) 8% Freight Tax where applicableby its non-resident Principals (b) 12% u/s 233 on the agency commission earned/received from its non-resident Principals and (c) 8% since 1996-97 on Terminal Handling Charges, Container services/detention charges.

Mr.Asif Kasbati of Kasbati & Co. who initially gave presentation on behalf of PIFFA was of the view that in such situation Shipping Lines/Agents do not fall in the ambit of 8% minimum regime as per SRO 586(1)/91 since tax liabilities are discharged vessel-wise. However, other services provided by them attract 8% minimum tax regime.

The participants were of the view that this change will increase tremendous tax liability and un-affordable. After long deliberation the house approved “Road Map” i.e. all Associations to write letters to FBR/Review Committee seeking withdrawal of the enhanced tax levy, hold meetings with FBR, FPCCI, KCCI, TDAP, meet lawyers to discuss legal recourse, take on board print and electronic media, seek political support, organize protest rallies and as a last resort go for strike. Furthermore, house formed an action Committee and requested all the Associations to nominate their representatives.

(4)

Ms.Ava A.Cowasjee was of the view that taxability of Ship’s Agent is different from other service providers hence PSAA’s stance should be different from others. She added when Mr.Farooq H.Rahimtoola was the Chairman, PSAA had obtained cover from paying tax on certain heads which will be helpful in providing cover to our members. She asked Syed Tahir Hussain to traced these documents in order to go through them.

She added that nomination of PSAA on the Committee will not serve any fruitful purpose for its Members.

**8) Any other business with the permission of the Chair.**

There being no other business the meeting ended with a vote of thanks to the Chair at 4:00 p.m.

**Confirmed**

**Date: \_\_\_\_\_\_\_\_\_ Chairman: \_\_\_\_\_\_\_\_\_\_\_**