

# OICCI

Contributing towards Prosperity



ANNUAL REPORT 2007





ANNUAL REPORT 2007

OICCI

LEVERAGING THE WORLD CLASS  
EXPERTISE OF OICCI MEMBERS  
FOR THE BENEFIT OF THE  
INVESTOR AND THE COUNTRY



Chamber of Commerce Building, Talpur Road, Karachi-74000

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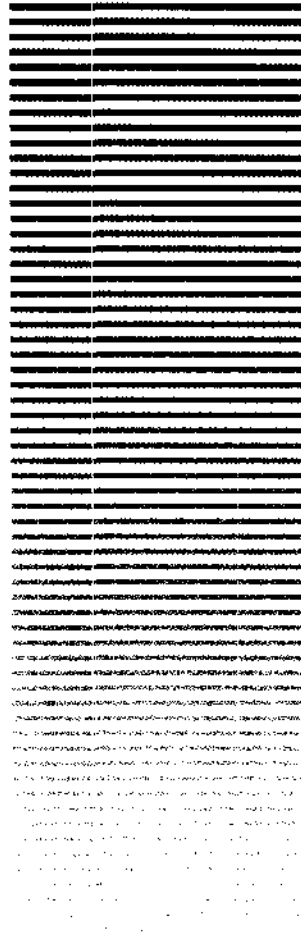
Email: [info@oicci.org](mailto:info@oicci.org) Web: [www.oicci.org](http://www.oicci.org)



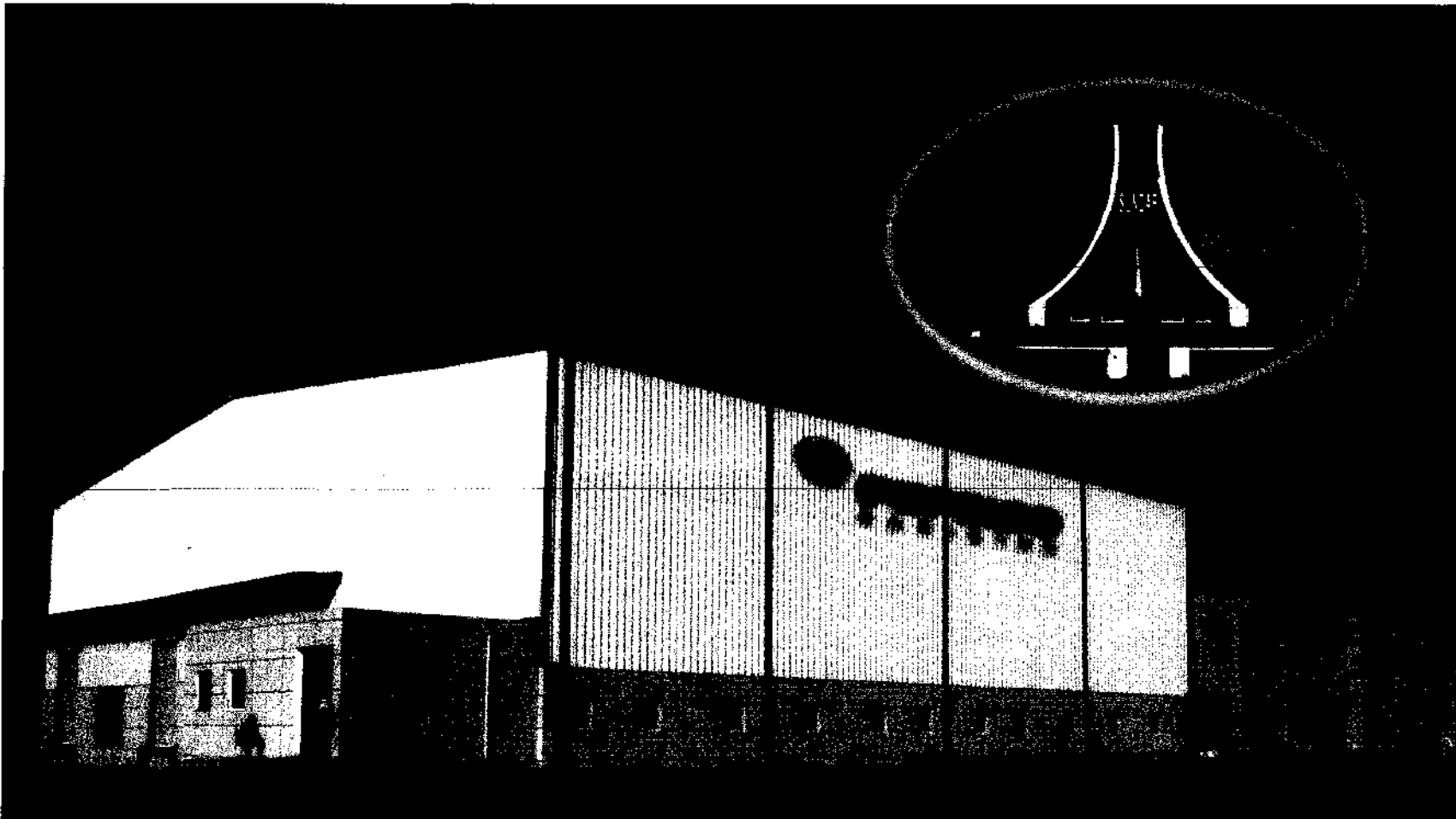
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# ORGANIZATION PROFILE



**Benefits are meant to be shared**

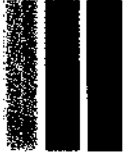
PepsiCo strives to prosper and give back to the economies it operates in. Its \$27 million state-of-the-art Snacks Plant at Sundar Industrial Estate, that offers more than 7,000 employment opportunities, is an expression of PepsiCo's commitment and trust in Pakistan's economic growth.



**PEPSICO**  
P A K I S T A N



**Tomorrow > Today**



## Origin

Established in 1860, as the Karachi Chamber of Commerce and adopted the present name Overseas Investors Chamber of Commerce & Industry (OICCI) in 1968. The Chamber serves as the national point of reference for foreign investors in Pakistan.

## Legal Form of Organization

A Company Limited by guarantee incorporated on May 25, 1925, under Section 26 of the Indian Companies Act, 1913.

## Functions

The Chamber's main function is to promote the commercial, industrial and financial interests of foreign investors engaged in commerce and industry in Pakistan. Primarily to develop trade and industry and to ensure that government and society as a whole understand the need of foreign investors and the contribution they make to the economic prosperity of the Country. The Chamber is heard and respected because of its unbiased independent views.

## Areas of Action

- Information & Dissemination
- Advisory & Advocacy
- Problem Solving
- Representation
- Investment Promotion
- Policy Reform

## Activities Carried Out on a Regular Basis

- Dissemination of information
- Representation on various councils and committees
- Dialogue with government in process of policy formulation and procedure rationalization
- Reform in trade regulations
- Reform in investment regulations
- Responses to legislative changes
- Business group meetings
- Consumer price surveys
- Identification of opportunities in business
- Consultation and advice to potential investors
- Arbitration
- Trade Certification
- Participation in trade fairs
- Participation in international forums, seminars and conferences
- Publishing reports
- Provide training and learning activities



### **Vision**

To be the premier body for promoting new and existing overseas investment in Pakistan by leveraging the world-class expertise of OICCI members for the benefit of the investor and the country.

### **Mission**

- To assist in fostering a conducive, open and equitable business environment in Pakistan
- To facilitate transfer of best global practices to Pakistan
- To enhance the image of overseas investors in Pakistan, and vice versa





## OICCI ORGANIZATION STRUCTURE

### Managing Committee

Is the apex body and consists of ten members who are elected every year.

### Office Bearers

President (Elected Office)  
Vice President (Elected Office)  
Secretary-General

### Sub Committees

The Chamber has five Sub Committees with forty nine specialist members participating in them. These are: Financial Services; Intellectual Property Rights; Law & Order; Pharmaceutical and Taxation. Each Sub Committee is headed by a Chairperson.

### Panels

Apart from these Sub Committees, there is a panel of experts representing Industrial, Commercial, Environment, Corporate Law, Labor, Employee Relations and Energy issues who are consulted on need basis. No regular meetings are held unless an issue arises pertaining to a particular panel.

### Members

OICCI has 170 companies in various sectors of the economy of which fifty are listed on the Stock Exchange. 45 are British, 47 Continental European, 43 American, 12 Japanese and 23 Companies of other-nationalities.

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At HUBCO, the educational benefits for children is an important social issue. That's why in collaboration with TCF, a fully funded TCF School HUBCO, IPGD Campus has been established for up to 500 students. We are proud to sponsor a free bus service that enables the children of 18 surrounding villages to travel to school each day.

We believe that every child deserves a better future.

**HUBCO**

**THE HUB POWER COMPANY LIMITED**

3rd Floor, Islamic Chamber Building, ST-2/A, Block-9 Clifton, P.O. Box 13841, Karachi-75600  
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Partners in progress



**MANAGING COMMITTEE OF THE CHAMBER**

**April 2007 to March 2008**

**Office Bearers**



**Mr. Zubyr Soomro**  
President  
Citibank N.A.



**Mr. Waqar Malik**  
Vice President  
ICI Pakistan Limited

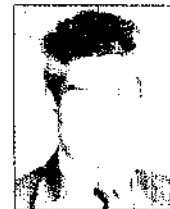
**Managing Committee Members**



**Mr. Farhat Ali**  
Member  
ABB (Private) Ltd



**Mr. Humayun Bashir**  
Member  
IBM



**Mr. Zaiviji Ismail**  
Member  
Shell Pakistan Limited



**Mr. Zouhair Khaliq**  
Member  
Pakistan Mobile  
Communications  
Limited



**Mr. Ehsan Malik**  
Member  
Unilever Pakistan  
Limited



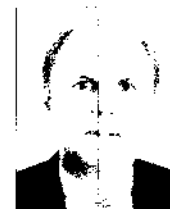
**Mr. Asif Qadir**  
Member  
Engro Polymer &  
Chemicals Limited



**Mr. H. Reza - Ur Rahim**  
Member  
J. P. Morgan Pakistan  
Limited



**Mr. Shahid Zaki**  
Member  
Philips Electrical  
Industries Of Pakistan  
Limited



**Mr. Juergen Koenig**  
Co-opted Member  
Merck (Private)  
Limited



This has been a year dominated by change right since our term began in April 2007. As the political developments unfolded we needed to stay on top of how these were likely to impact the economy and business. In order to be positioned to offer ongoing constructive advice, we emphasized on interaction with our members so we could benefit from their input. To this end and to institutionalize and structure our feedback to the government, relevant institutions and the community in general we took some material steps which are outlined below and should strengthen us as a chamber in the years ahead.

The single most important step forward was the initiation of the "Perception Survey" of our members. This sought members' views on the environment, both political & economic, on key issues and their assessment of the government bodies they interacted with for the conduct of their businesses. These included ministries, both federal and provincial, local governments and key institutions. This was the first time that such a survey was carried out by OICCI. I am happy to announce that this initiative will now become an annual event of the chamber. The details of the Survey were shared with the media in a press briefing held at the chamber, which were widely circulated over the electronic and the print media. The Survey was very well received by members and also by the diplomatic community, government ministries, DFIs and research consultants. I am thankful to the MC who personally helped in getting information from members, however, I would like to mention that some the members did not participate in their own Chambers' survey despite repeated requests from the MC. I strongly recommend members to equally share the responsibility of making the activities of the chamber more meaningful.

There has been a long standing demand from members in the North that they are not sufficiently included in the activities of the chamber. We approached this issue in two ways. First, in response to the Northern members' requests, we moved MC meetings to Islamabad and Lahore and held events there to interact with our members based in these major cities.

Second, was the introduction of quarterly lunch meetings with the CEO's of member companies, where their input was sought on issues of concern and also to increase interaction and develop ownership of the CEO's in the activities of the chamber. We held such meetings twice in Karachi and once each in Islamabad and Lahore. I am happy to report that both these initiatives received a positive response from the members.

We also took departure from the routine visits done by the diplomatic community to the chamber in the past, instead encouraged them into involving the chamber into more meaningful activities. In this background, we hosted the Ambassadors of our member companies to a dinner in Islamabad where we presented the results of our perception survey and thus established a higher level channel of communication between the chamber and the embassies. The British Deputy High Commission, Mr. Hamish Daniel's visit along with his Visa Officers and other separate visits from French and Italian Trade Commissioners to the chamber were part of the this initiative.

Our members play a major role in the uplift of the social sector of our country. To strengthen our role in CSR, Ms. Jacqueline Novogratz, founder and CEO, was invited to introduce "The Global Acumen Fund" and gave an update on their investments in Pakistan to our members. This presented members with both ideas and access to CSR investment opportunities that met global standards.

November was a busy month. It started with a change of Secretary General at the chamber. The MC hosted a lunch to bid farewell to Mr. Adnan Afridi, the outgoing Secretary General and to welcome Ms. Unjela Siddiqi who succeeded him. The appointment of Ms. Siddiqi is part of the OICCI's strategy to carry forward the change initiative that continued with the induction of Mr. Afridi in 2006. The MC and the CEOs of member firms attended the lunch and discussed various issues related to their companies and other sectors.

The imposition of Emergency in the country in November raised concerns amongst the business community. In this background, a meeting of a select group of CEOs of member firms was held with Prime Minister Shaukat Aziz to convey our members' concern regarding the effects of the emergency on overall business and investment environment in the country. Later in the month, a separate meeting of a select group of member firms with Dr. Salman Shah, Finance Minister was held to discuss the economic situation. Both events were arranged exclusively for members of OICCI.

Amongst the major achievements of this MC would be the exemption we managed to receive from the Ministry of Finance on the requested three provisions of the Trade Organization Rules (TOR), which if implemented would have affected the organizational structure of the chamber for years to come. It would not have only changed the tenure of the President, Vice President and MC members but would have also limited the jurisdiction of the chamber to one district. I am pleased to announce, that the chamber managed to get exemptions on all requested provisions for a period of three years (for details, please see Annex A).

Another achievement was the initiation of dialogue with the Competition Commission of Pakistan. A team comprising, Mr. Waqar Malik, Mr. Ehsan Malik and Ms. Unjela Siddiqi discussed and studied the ordinance in detail and sought legal advice to ascertain how the new Ordinance will affect the business community in Pakistan. Several consultative meetings were held with Chairman CCP, Khalid Mirza and his team and the Commission was presented with a list of recommendations sought in the Ordinance. It was a very significant achievement as OICCI and CCP have agreed to hold quarterly meetings to continue to engage with each other and discuss issues as and when they arise.

On the media front, OICCI's point of view was represented fairly and widely. Working with Grant Communications, our media consultants, I, other members and the SG represented the chamber's viewpoint across all sectors through appearances in a number of TV programs and through print media interviews. We stepped up our dissemination efforts and established meaningful contacts with leading business schools of the country. We also initiated holding of workshops and training sessions for member companies in order to provide greater services to them.

We also managed to open a dialogue with and engage the development financial institutions and invite their country representatives, in most cases for the first time, to the chamber. The chamber hosted Mr. Henri Lone, Senior Resident Representative of the IMF for lunch and discussed issues related to the budget, tax and other sectors. Subsequently, we hosted the entire World Bank visiting delegation to a lunch with members and are now on their circuit for input on the economy & business.



Some of the renovation work such as installation of the new AC plant (initiated by the prior MC) and refurbishment of the library were successfully completed. It is pertinent to mention here that the amount of Rs6.5 million taken in 2007 from Orix Leasing for a 5-year period for the installation of a new AC plant was paid-off in full during 2008. It has reduced a significant burden on the chamber's monthly expenses. Efforts were also made to induct some new competent staff to bring improvement in the quality of HR to meet stated objectives of the OICCI.

I am pleased to inform our members that most of these activities have been duly completed and the chamber is now moving towards providing greater service to its members.

Other visitors who came during the year to the chamber include Mr. Omar Ayub Khan and Mr. Arthur Bayhan from Competitiveness Support Fund (CSF). CSF is a joint initiative of the Ministry of Finance and the United States Agency for International Development (USAID). Karachi Centre for Dispute Resolution (KDCR) and the IFC was also invited for a presentation to members.

The members have seen a quality change in the services provided by the chamber over the years, especially in the research area. The provision of a Daily Political and Economic Update provided to the members is a step in that direction. I would like to thank the Secretary General and her staff for such initiatives and also for their efforts during the year, for organizing all the activities and agenda and for making our tenure active and constructive.

I take this opportunity to thank the outgoing MC for their support and contribution. Attendance at MC meeting, however, needs to be improved as the burden of management was thus disproportionately shared. Similarly, the level of involvement of some of our members needs to be enhanced. This is your chamber and I urge you to participate actively in strengthening it. This is especially important as we face the imminent changes in Government. We will need to interface at many different levels to project our views and concerns and to make these meaningful, your contributions are essential.

In closing, I would like to thank all of you for giving me the honor and opportunity to lead your chamber. I would also like to wish the new President, Mr. Waqar Malik, and the new MC the very best in leading the chamber forward.

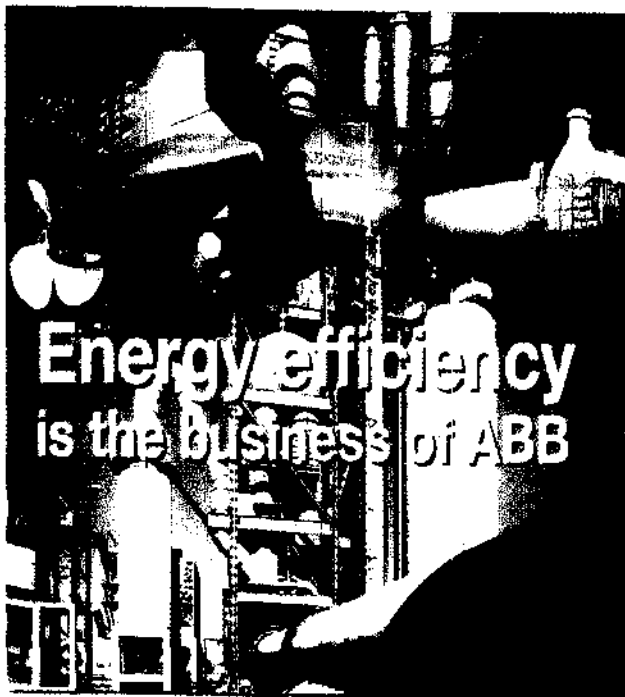
**ZUBYR SOOMRO**

President

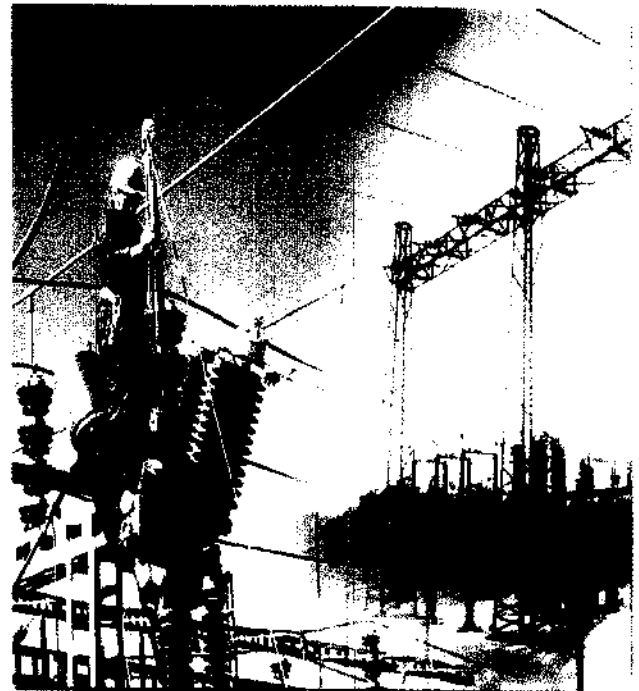


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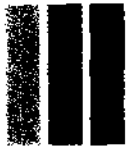
## CHAIRMEN OF THE CHAMBER

D. McIver	1860/61	Sir Montague Webb	
W. Nichol	1861/62	Kt., C.I.E., C.B.E., M.L.C.	1920/21/22
A. Stewart	1862/63/64	F. Clayton C.I.E., M. L. C.	1922/23/24/25
A. E. Denso	1864/65/66	F. Clayton C.I.E., M. L. C.	
W. G. Hall	1866/67/68	R. D. England	1925/26
J. G. Tindal	1866/69/70	F. Clayton C.I.E., M. L. C.	1926/27/28
Max Denso	1870/71/72	F. Clayton C.I.E., M. L. C.	
F. Masotti	1872/73	J. R. N. Graham V.C.	1928/29
W. Thorburn	1873/74	E. A. Pearson	1929/30
W. M. Macaulay	1874/75	E. A. Pearson	1930/31
W. Thorburn	1875/76	H. G. Cooper,	
Max Denso	1876/77	M.C.D.C.M.	1930/31
James Grant	1877/78	H. S. Bigg – Wither, O.B.E.	1931/32
A. Mchinch	1878/79/80	J. R. N. Graham, V.C.	1932/33
Max Denso	1880/81	G. H. Raschen	
Max Denso	1881/82	R. H. Martin	1933/34
James Grant		H. S. Bigg – Wither, O.B.E.	1934/35/36
James Grant	1882/83/84	G. H. Raschen C.B.E.	1936/37/38
Max Denso	1884/85	G. H. J. Richmond	
Max Denso	1885/86	R. H. Martin	1938/39
A. Thole		J. H. Blackwell, C.B.E., M.C.	1939/40
A. Thole	1886/87	J. Humphrey, O.B.E.	1940/41/42
A. Mchinch	1887/88 To 1889/90	A. T. Orr Deas, M.C.	1942/43
James Currie	1890/91 To 1894/95	J. H. Blackwell, C.B.E., M.C.	1943/44
T. R. McLellan	1895/96 To 1898/99	W. J. Cullen, M.B.E.	
T. L. F. Beaumont	1899/1900	J. Humphrey, C.B.E., J.P.	1944/45
D. McIver	1900/01 To 1902/03	Lt. Col W.B. Hossack, M.L.A.	1945/46
Hon'able W. T.		B. R. Graham	1946/47
O' Brien	1903/04	E. J. Pakes	
M. De P. Webb, C.I.E.	1904/05 To 1909/10	R. L. Coghlan	1947/48
M. De P. Webb, C.I.E.	1910/11	B. R. Graham, O.B.E.	1948/49/50
H. T. Robson		J. N. Kerr	1950/51
M. De P. Webb, C.I.E.	1911/12/13	D. B. Ashworth	
M. De P. Webb, C.I.E.	1913/14	B. R. Graham, C.B.E.	1951/52/53
W. U. Nicholas		T. W. Cree	1953/54
M. De P. Webb, C.I.E.	1914/15/16	B. Fane Saunders, C.B.E.	1954/55
M. De P. Webb, C.I.E.		T. W. Cree	1955/56
W. U. Nicholas	1916/17	W. E. Wilkie – Brown	1956/57
M. De P. Webb, C.I.E.	1917/18/19	Mirza A. Raza	1957/58
H. G. Jaughton	1919/20		



**PRESIDENTS OF THE CHAMBER**

T. W. Cree, C.B.E.	1958/59/60		
M. J. Condon, C.B.E.			
W. N. Banks	1960/61		
W. B. Banks	1961/62		
S. R. Stephens	1962/63		
H. C. G. Brown, D.S.C.,	1963/64		
I. Habibullah	1964/65		
J. F. C. Gallaher			
C.B.E., D.S.O., D.F.C.,	1965/66		
R. A. M. Henson	1966/67		
J. F. C. Gallaher			
C.B.E., D.S.O., D.F.C.,	1967/68		
J. D. Le Valliant	1968/69/70		
D. Jongeneel	1970/71		
Masud Karim	1971/72/73/74		
J. H. A. Midwood	1974/75		
K. Z. Hassan	1975/76		
W. R. A. Kimber	1976/77/78		
Saleem Majidullah	1978/79/80		
R. Stokell	1980		
N.A. Shah	1980/81/82/83		
D.M. Keith, O.B.E.	1983/84/85		
Dr. M. S. Habib	1985/86/87		
Naseem S. Mirza	1987/88/89		
Dr. M. S. Habib	1989/90/91/92		
C. T. Dullaert	1992		
M. Younas Khan	1992/93/94		
Nisar A. Memon	1994/95		
Tariq Ikram	1995/96		
Tariq Amin	*2000/2001 *		
Moin M. Fudda	2001/2002		
Kamran Y. Mirza	2002/2003		
Zaffar A Khan	2003/2004		
Farooq Rahmatullah	2004/2005		
Sohail Wajahat H. Siddiqui	2005/2006		
Salman Burney	2006/2007		
Zubyr Soomro	2007/2008		
		<b><u>ADDENDUM</u></b>	
		<b>T.V. HIGGINS, OBE</b>	<b>1996 / 97</b>
		<b>S. NASEEM AHMAD</b>	<b>1997 / 98</b>
		<b>I. S. SANGSTER, OBE</b>	<b>1998 / 99</b>
		<b>MUNNAWAR HAMID, OBE</b>	<b>1999 / 2000</b>

**SECRETARIES OF THE CHAMBER**

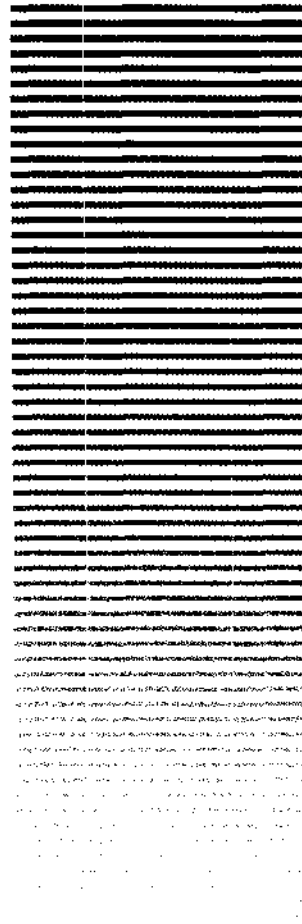
R. Bell	
R. Stewart	
W. Nicol	1860-4
W.W. Beck	
J.W. Hill	
H. Jacob	
A.N. de Fleurimont	1864-68
Dan McIver, Jr.	1868-69
G.T. Portlock	1870-81
W. Cooper (Acting)	1881-82
G.Y. Portlock	1882
Harry W. Brooks	1882-87
Stephen W. Anderson	1887-90
H.E. Fuller (Acting)	1890-91
Col A.C. Cory	1891-93
T.L. F. Beaumont	1894-95
C.H. Chetham	1895-1908
E.L. Rogers	1908-20
Major Alan Duguid, AFC, MLC	1921-31
H.M. Gomes (Acting)	1932-42
M. de Melo (Acting)	1943
H.J. Martin, MBE	1944-53
J.S. Lobo	1953-58
M. Nazir Mohiyuddin (Acting)	1958-59
A. Eumorfopoulos	1959-64
M. Nazir Mohiyuddin (Acting)	1964-65
P.T. Ensor	1966-78
Salamat R. Rizvi	1978-90

**SECRETARY GENERALS**

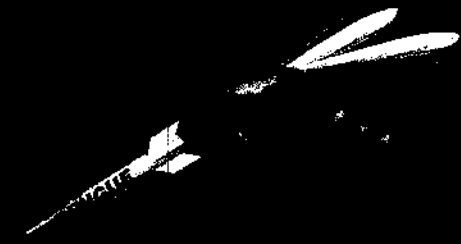
Zahid Zaheer	1991-2005
Syed Viqar Salahuddin	2005 to 2006
Adnan Afridi	2006 to 2007



**Ms. Unjela Siddiqi**  
Secretary General  
2007 to date



# MEMBERSHIP OF THE CHAMBER



**Baygon®**



**NEW MEMBERS OF THE CHAMBER****1. BMA CAPITAL MANAGEMENT LIMITED**

8th Floor, Room No.801 Unitower

I.I. Chundrigar Road, Karachi.

Telephone: 2430532

Fax: 2430748

**MR. FARRUKH H. KHAN**

Chief Executive

**2. UCH POWER LIMITED**

48, Khayaban-E-Iqbal

Main Margalla Road

F – 7 / 2, Islamabad.

Telephone: 051 – 2654901 - 4

Fax: 051 - 2654905

**MR. PERVAIZ KHAN**

Director & Chief Executive Off.

**3. PARAZELUS PAKISTAN (PVT) LIMITED**

15, West Wharf Road,

Karachi.

Pabx: 2313386 - 90

Telephone: 2331011 - Direct

Fax: 2314093

**MR. ANDREAS UMBRIGHT**

Chief Executive

**4. TRAKKER (PVT) LIMITED**

39 – K, Block-6, R.E.C.H.S.,

Karachi – 75400

Telephone: 4390300-5

Fax: 4529429

**MR. M. A. JAMEEL**

Chief Executive

**5. TRG PAKISTAN LIMITED**

7th Floor, Block – B

Finance & Trade Centre

Shahra-e-Faisal

Karachi.

Telephone: 5661506-7

Fax: 5661508

**MR. M. A. JAMEEL**

Chief Executive



## MEMBER UPDATE

### Changes in Names of Members

	<b>Previous Name</b>	<b>Present Name</b>
1.	Gestetner (Private) Limited	Hascombe Business Solutions (Pvt) Ltd
2.	Habib Bank AG Zurich	Habib Metropolitan Bank Limited
3.	Rhodia Pakistan (Pvt) Ltd	Orkila Pakistan (Private) Limited
4.	Standard Chartered Bank	Standard Chartered Bank (Pakistan) Ltd
5.	Rafhan Best Foods Limited	Unilever Pakistan Foods Limited
6.	Merck Marker (Private) Ltd	Merck (Private) Limited
7.	J. P. Morgan Pak (Pvt) Ltd	J. P. Morgan Pakistan Limited
9.	UCH Power Limited	UCH Power (Private) Limited

### Outgoing Members

1. Schering Asia GmbH
2. Union Bank Limited
3. American Express Bank



## CLASSIFICATION OF MEMBERS

The Membership of the Chamber as on December 31, 2007, stood at 170.  
The names of member companies are given in alphabetical order on the next page.

### Country Wise

United Kingdom	45
United States Of America	43
Switzerland	16
Japan	12
Germany	08
Netherlands	07
France	06
Hong Kong	04
Multi Nationalities	04
United Arab Emirates	03
Belgium	02
Saudi Arabia	03
Bahrain	02
Singapore	02
Kuwait	02
Bangladesh	01
Canada	01
Sweden	01
Australia	01
Greece	01
Denmark	01
Bermuda	01
Italy	01
Malaysia	01
Oman	01
Norway	<u>01</u>
	<b>170</b>

### Category Wise

Oil / Gas / Energy	30
Pharmaceutical	23
Trading & Other Services	19
Engineering & Industrial Products	18
Banks	14
Chemicals / Pesticides / Fertilizers / Paints	15
Food & Consumer Products	14
Finance & Leasing	12
Shipping & Airlines	09
Tobacco & Other Manufacturers	08
Insurance	03
Telecommunications	<u>05</u>
	<b>170</b>



GlaxoSmithKline

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**LIST OF MEMBERS 2007**

1. ABB (Private) Limited
2. Abbott Laboratories (Pakistan) Limited
3. ABN Amro Bank N.V.
4. ACE Insurance Limited
5. Actis Assets Limited
6. AES Lal Pir Limited
7. AIG New Hampshire Insurance Company
8. AlBaraka Islamic Bank B.S.C. (E.C.)
9. Alcatel Pakistan Limited
10. Arabian Sea Enterprises Limited
11. Areva T&D Pakistan (Private) Limited
12. Asia Petroleum Limited
13. Atlas Honda Limited
14. Atlas Investment Bank Limited
15. Attock Cement Pakistan Limited
16. Attock Oil Company Limited (The)
17. Attock Refinery Limited
18. Avery Scales (Private) Limited
19. Bank Alfalah Limited
20. Bank Of Tokyo - Mitsubishi Ufj Limited (The)
21. Barrett Hodgson Pakistan (Private) Limited
22. BASF Pakistan (Private) Limited
23. Bata Pakistan Limited
24. Bayer Cropscience (Private) Limited
25. Bayer Pakistan (Private) Limited
26. Becton Dickinson Pakistan (Private) Limited
27. Berger Paints Pakistan Limited
28. Blackwood Hodge Pakistan (Private) Limited
29. BMA Capital Management (Guarantee) Limited
30. BOC Pakistan Limited
31. Bosicor Pakistan Limited
32. BP Pakistan Exploration & Production, Inc.
33. Bristol-Myers Squibb Pakistan (Private) Limited
34. BSN Medical (Private) Limited
35. Cadbury Pakistan Limited
36. Chevron Pakistan Limited
37. Chiesi Pharmaceuticals (Private) Limited
38. Citibank N.A.
39. Clariant Pakistan Limited
40. Coca-Cola Beverages Pakistan Limited
41. Coca-Cola Export Corporation (The)
42. Continental Biscuits Limited
43. Cox & Kings (Agents) Limited
44. Dadex Eternit Limited
45. Dawood Hercules Chemicals Limited

46. Delphi Diesel Systems Pakistan (Private) Limited
47. Deutsche Bank AG
48. DHA Cogen Limited
49. Dupont Pakistan Operations (Private) Limited
50. El Paso Technology Pakistan (Private) Limited
51. Eli Lilly Pakistan (Private) Limited
52. Engro Asahi Polymer & Chemicals Limited
53. Engro Chemical Pakistan Limited
54. Engro Vopak Terminal Limited
55. ENI Pakistan Limited
56. Exide Pakistan Limited
57. Fauji Oil Terminal & Distribution Company Limited
58. Faysal Bank Limited
59. General Tyre & Rubber Company Of Pakistan Limited (The)
60. Getz Pharma (Private) Limited
61. Gillette Pakistan Limited
62. GlaxoSmithKline Pakistan Limited
63. Global Securities Pakistan Limited
64. Habib Metropolitan Bank Limited
65. Hascombe Business Solutions (Private) Limited
66. Hinopak Motors Limited
67. Hongkong & Shanghai Banking Corporation Limited (The)
68. Hub Power Company Limited (The)
69. IBM
70. ICI Pakistan Limited
71. ICI Pakistan Powergen Limited
72. Indus Motor Company Limited
73. Industrial Promotion Services (Pakistan) Limited
74. International Housing Finance Limited
75. International Power Global Developments Limited
76. Itochu Corporation
77. J&P Coats Pakistan (Private) Limited
78. James Finlay Limited
79. Johnson & Johnson Pakistan (Private) Limited
80. Johnson & Phillips (Pakistan) Limited
81. J. P. Morgan Pakistan Limited
82. Karachi Electric Supply Corporation Limited (The)
83. Karachi International Container Terminal Limited
84. KASB Securities (Private) Limited
85. KLM Royal Dutch Airlines
86. Kodak Limited
87. KSB Pumps Company Limited
88. Lakson Tobacco Company Limited
89. Lundbeck Pakistan Private Limited
90. 3M Pakistan (Private) Limited
91. M-I Overseas Limited
92. Mackinnon, Mackenzie & Company of Pakistan (Private) Limited

93. Makro Habib Pakistan Limited
94. Meezan Bank Limited
95. Merck (Private) Limited
96. Merck Sharp & Dohme Of Pakistan Limited
97. Mitsubishi Corporation
98. Mitsui & Company Limited
99. Muller & Phipps Pakistan (Private) Limited
100. Nalco Pakistan (Private) Limited
101. NCR Corporation
102. Nestle Pakistan Limited
103. New Jubilee Life Insurance Company Limited
104. NIB Bank Limited
105. Nimir Chemicals Pakistan Limited
106. Novartis Pharma (Pakistan) Limited
107. Oerlikon-Welding Limited – Zurich
108. Oman International Bank S. A. O. G.
109. Organon Pakistan (Private) Limited
110. Orix Leasing Pakistan Limited
111. Orkila Pakistan (Private) Limited
112. Otsuka Pakistan Limited
113. Oxford University Press
114. P&O Containers Pakistan (Private) Limited
115. Pak - Arab Refinery Limited
116. Pak Oman Investment Company (Private) Limited
117. Pakistan Cables Limited
118. Pakistan Gum & Chemicals Limited
119. Pakistan Gum Industries (Private) Limited
120. Pakistan Mobile Communications Limited
121. Pakistan Oilfields Limited
122. Pakistan Petroleum Limited
123. Pakistan PTA Limited
124. Pakistan Refinery Limited
125. Pakistan Tobacco Company Limited
126. Parazelsus Pakistan (Private) Limited
127. Parke Davis & Company Limited
128. Pepsi-Cola International (Private) Limited
129. Pharmatec Pakistan (Private) Limited
130. Philips Electrical Industries Of Pakistan Limited
131. Phoenix Armour (Private) Limited
132. Premier - Kufpec Pakistan B.V.
133. Procter & Gamble Pakistan (Private) Limited
134. Progas Pakistan Limited
135. Qasim International Container Terminal Pakistan Limited
136. Rafhan Maize Products Company Limited
137. Ray Shipping Enterprises Limited
138. Reckitt Benckiser Pakistan Limited
139. Reuters Limited



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142. Sanofi Aventis Pakistan Limited
143. Saudi Pak Industrial & Agricultural Investment Company (Private) Limited
144. S. C. Johnson & Son of Pakistan (Private) Limited
145. Security Leasing Corporation Limited
146. SGS Pakistan (Private) Limited
147. Sheikho Sugar Mills Limited
148. Shell Gas LPG (Pakistan) Limited
149. Shell Pakistan Limited
150. Siemens Pakistan Engineering Company Limited
151. Singer Pakistan Limited
152. Standard Chartered Bank (Pakistan) Limited
153. Stork - IBI Prints Pakistan (Private) Limited
154. Syngenta Pakistan Limited
155. Tapal Energy (Private) Limited
156. Telenor Pakistan (Private) Limited
157. Tethyan Copper Company Pakistan (Private) Limited
158. Tetra Pak Pakistan Limited
159. Total Atlas Lubricants Pakistan (Private) Limited
160. Trakker (Private) Limited
161. TRG Pakistan Limited
162. Tyco Fire & Security Pakistan (Private) Limited
163. UCH Power (Private) Limited
164. Unilever Pakistan Foods Limited
165. Unilever Pakistan Limited
166. Unisys Pakistan (Private) Limited
167. United Bank Limited
168. United Liner Agencies of Pakistan (Private) Limited
169. Warid Telecom (Private) Limited
170. Wyeth Pakistan Limited

**CHAMBER'S REPRESENTATION ON VARIOUS BODIES 2007-08**

No	Representation	Present
1	Board Of Governors-Foreign Trade Institute of Pakistan Islamabad (Ministry of Commerce)	President
		Alternate Mr. Waqar Malik
2	Pakistan Human Development Fund	Secretary - General
3	Board of Investment, Islamabad	President
		Alternate Vice President
4	Board of Investment, Karachi Investment Facilitation Board	Vice President
5	Board of Trustees - Karachi Port Trust	Mr. S.H.A. Bukhari
6	Shipping Rates Advisory Board (SRAB) (Ports & Shipping Wing) (Ministry of Communications)	Secretary -General
7	Standing Committee On International Maritime Organization( IMO) (Ministry Of Communications)	Secretary-General
8	National Engineering Manufactures Export Council (Ministry Of Commerce)	Chairperson of Sub Committee on Industrial, Commercial & Environment
		Alternate Co-Chairperson of the above
9	Sindh Social Securities Board (Ministry Of Labor)	To be nominated by the Chairperson of Sub Committee on Corporate Law, Labor & Employee Relations
		Alternate Co-Chairperson of the above
10	Advisory Committee for the Regional Commissioner of Income Tax and Wealth Tax ( Regional Tax Office)	Chairperson of the Sub Committee on Taxation
		Alternate Co-Chairperson of the above
11	Karachi Dock Labor Board	Mr. S. H. A. Bukhari
12	Managing Committee of the Employers Federation of Pakistan	Secretary-General

13	Member of Governing Body-Workers Welfare Fund	Mr. Shahid Qureshi, GlaxoSmithKline Pakistan Limited
14	Valuation Advisory Committee (ITP) of Collector of Customs Valuation ( Central Board of Revenue)	Chairperson of Sub Committee on Industrial, Commercial & Environment
15	Government of Sindh Labor Advisory Board (Ministry of Labor)	To be nominated by the Chairperson of Sub Committee on Corporate Law, Labor & Employee Relations
16	Private Sector Credit Advisory Council (State Bank of Pakistan)	Secretary-General
17	Pakistan Environmental Protection Council(PEPC) (Ministry of Environment)	President
	Alternate	Member from Environment Sub Committee
18	Provisional Environment Monitoring Committee on NEQS (Sindh Environmental Protection Agency)	Co-Chairperson of Sub Committee on Industrial, Commercial & Environment
19	Pakistan Institute of Corporate Governance	Mr. S.H.A. Bukhari
20	Intellectual Property Organization	President
21	Hospital Committee of Police	Mr. Hasan Ali Khan, Ex-Chairperson, Law, Order & Security
22	Membership to represent Foreign Banks on permanent Sub Committee to review NIFT Service charges	Representative-Standard Chartered Bank On Banking, Leasing & Insurance
23	Trade Development Authority of Pakistan	President
24	Karachi Water Partnership	Secretary-General
25	Sindh Consumer Right Protection Council	Mr.Amar Naseer, Unilever



## **NOMINATIONS OF CHAMBER'S REPRESENTATIVES TO FPCCI**

### **Managing Committee & General Body 2007-08**

#### **Managing Committee of the FPCCI**

President

#### **General Body of FPCCI**

##### *Representing Trade*

Mr. Hasan Ali Khan

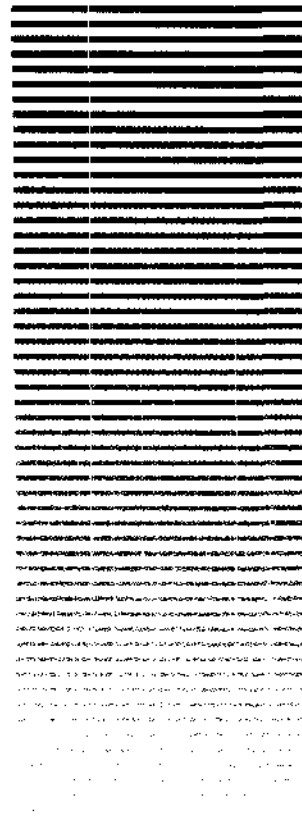
Ms. Unjela Siddiqi

##### *Representing Industry*

Mr. Salman Burney

Mr. Waqar Malik





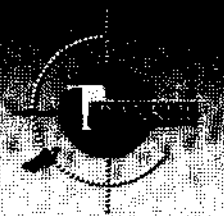
# MANAGING COMMITTEE

PACRA Rating  
Long Term: A (Single A Minus)



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## MEETINGS OF THE MANAGING COMMITTEE

Under the amended Company Rules, companies are now required to hold their Annual General Meeting within three months of the completion of their financial year. Since the OICCI financial year ends in December, the holding of AGM has been brought forward to March. This change has resulted in reduction in tenure of the present Managing Committee by one month; hence the total numbers of meetings held are 11. The MC held meetings on the following dates:

### 2007

- May 23
- June 13
- July 11
- August 8
- September 12
- October 18
- November 22
- December 12

### 2008

- January 16
- February 13
- March 19

## ATTENDANCE OF THE MANAGING COMMITTEE

Name	Total Number of Meetings Attended
Mr. Zubyr Soomro	10
Mr. Waqar Malik	6
Mr. Farhat Ali	8
Mr. Humayun Bashir	7
Mr. Zaiviji Ismail	3
Mr. Zouhair Khaliq	5
Mr. Ehsan Malik	8
Mr. Asif Qadir	7
Mr. H. Reza – Ur Rahim	7
Mr. Shahid Zaki	5
Mr. Juergen Koenig (Co-Opted)	6

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## ACTIVITIES OF THE MANAGING COMMITTEE

### Meetings Held at OICCI

#### **Mr. Omar Ayub Khan, Minister of State for Finance and Chairperson Competitiveness Support Fund (CSF) along with Mr. Arthur Bayhan Chief Executive Officer CSF, Islamabad visited on April 19, 2007**

Mr. Omar Ayub Khan with Mr. Arthur Bayhan visited OICCI and met the Managing Committee Members and CEOs of member firms. Competitiveness Support Fund (CSF) is a joint initiative of the Ministry of Finance of Pakistan and the United States Agency for International Development (USAID).

While addressing the members of OICCI, Mr. Khan highlighted the critical and pivotal role the private sector can play in improving competitiveness of the country's economy which in turn will achieve economic growth. He also discussed the government's second generation economic reforms, their progress to date, the focal point of the government's current economic policies and their impact on the overall economy.

#### **Presentation by Karachi Centre for Dispute Resolution (KCDR) and IFC on August 27, 2007**

A presentation was made to Member Companies jointly by Karachi Centre for Dispute Resolution (KCDR) and the IFC. KCDR is a non profit organization, which offers mediation as an institutionalized Alternative Dispute Resolution (ADR). The option is also available for commercial cases that are pending before the High Court of Sindh and Civil Court of Karachi. The presentation was followed by a question/answer session. Justice (Retd) Saiduzzam Siddiqui, Chairperson KCDR, also addressed the participants.



Former Secretary General Mr. Adnan Afridi and Justice (Retd) Saiduzzam Siddiqui, Chairperson KCDR, with guest at presentation at OICCI.

#### **Ms Jacqueline Novogratz, the founder and CEO Acumen Fund visited the Chamber on October 25, 2007**

A lunch was held at OICCI on Thursday, October 25th, 2007 for member companies and Ms. Jacqueline Novogratz, the founder and CEO Acumen Fund was invited to introduce Acumen Fund and give an update on their investments in Pakistan to member companies.

Acumen Fund channels philanthropic funds into innovative enterprises that bring critical goods and services to low-income markets. Ms Novogratz pointed out that Africa and India always manage to attract most of the philanthropic funds whereas Pakistan is generally marginalized. She said that this was a prime reason for her interest in visiting Pakistan to overcome the shortage of philanthropic funds in Pakistan.



### **Mr. Khalid Mirza, Chairperson Competitive Commission of Pakistan (CCP) visited on November 27, 2007**

In November, a three-member team, comprising Mr. Waqar Malik, Mr. Ehsan Malik and Ms. Unjela Siddiqi (SG, OICCI) initiated a dialogue process with the Competition Commission of Pakistan (formerly Monopoly Control Authority). The team discussed and studied the ordinance in detail and sought legal advice to ascertain how the new Ordinance will affect the business community in Pakistan. Several consultative meetings were held with Chairman CCP, Mr. Khalid Mirza and he was presented with a list of recommendations sought in the Ordinance (Please see Appendix B). Mr. Mirza and his team were invited to the chamber to meet the members so that their views and concerns could be conveyed to the Commission.

Mr. Mirza visited OICCI with members of the Commission and briefed OICCI on the CCP Ordinance and how their business would be affected. He explained that the Ordinance did not curtail growth by placing undue restrictions but encouraged growth by curtailing monopoly and encouraging competition in the economy.

When asked about the Commission's role in controlling deceptive marketing practises, he affirmed that the Commission encouraged settlement between the involved parties and would step in only if the initial mediation process failed. The stakeholders were consulted when the law was being framed in 2006 but the seventeen months hiatus before its promulgation created the impression otherwise.

Mr. Waqar Malik, Vice President OICCI appreciated Mr. Mirza initiative of seeking a dialogue with member companies of OICCI who represent 14% of the GNP of Pakistan. He offered on behalf of OICCI to play a major role by partnering with CCP in ensuring a competitive economy and producing a level playing field for all major stake holders. He emphasized that the meeting with the business community is seen as a positive first step in the long series of consultations that is now expected to take place in order to make the ordinance beneficial to all parties involved. Both organizations have agreed to meet on a quarterly basis to continue with the dialogue process.



Ms. Unjela Siddiqi Secretary General OICCI, Mr. Waqar Malik Vice President OICCI and Mr. Khalid Mirza Chairperson CCP. Mr. Mirza visited the OICCI to initiate dialogue with the business community.

### **Mr. Henri Lorie, Senior Resident Representative, the International Monetary Fund (IMF) Visited OICCI on December 14, 2007.**

An interactive session with Mr. Henri Lorie, Resident Rep, IMF was held at the chamber on December 14, 2007. This was the first time that IMF and OICCI were engaged in an interactive dialogue. Vice President Mr. Waqar Malik, Mr. Saad A. Khan, Co Chairperson of the Taxation Sub Committee, Mr Rayomond Kotwal, Co Chairperson of the Financial Services Sub Committee and other members attended the event.



The meeting began with a welcome note and an overview of the economic and political situation in the country presented by Mr. Waqar Malik, followed by a brief presentation about the OICCI by the Secretary General.

There were exchange of ideas and views on various issues ranging from the GDP growth, short and long-term investment outlook, fiscal deficit, monetary policy and the working of various regulatory bodies of the government.

Mr. Lorie shared his views on the above and gave a positive outlook of the long-term growth in the country. He suggested that the government should continue with the economic reforms agenda, otherwise, it could prove detrimental to the progress made so far.

### **British Deputy High Commissioner Hamish St. Clair Daniel Visited the OICCI on January 23, 2008**

Mr. Hamish St. Clair Daniel, British Deputy High Commissioner and Director U.K. Trade and Investment (UKTI) for Pakistan visited the OICCI and held an interactive session with member companies. His visit was part of the farewell call before Mr. Daniel left for his home country.

He thanked the OICCI members for the cooperation and support extended to United Kingdom Trade and Investment (UKTI) team during his tenure. He stressed on the role of UKTI and the OICCI to provide further investment opportunities in Pakistan. The OICCI had proved to be an important forum for the foreign investors to communicate their concerns to the government.

Mr. Zubyr Soomro, President OICCI thanked Mr. Daniel for his association with the OICCI as head of UKTI. This partnership had proved to be instrumental in increasing trade for both countries and foreign direct investment in Pakistan.

Mr. Daniel, was accompanied by two other officers, Mr. Tony O' Driscoll and Mr. James Radcliffe, who explained the new Visa scheme introduced by the British High Commission.

Mr. O'Driscoll gave a presentation on Trusted Partnership Agreement (TPA), which exists between British High Commission and Chambers Of Commerce and Industry and UKTI listed business. In essence, the purpose of this agreement is to facilitate the legitimate businessmen traveling to United Kingdom.

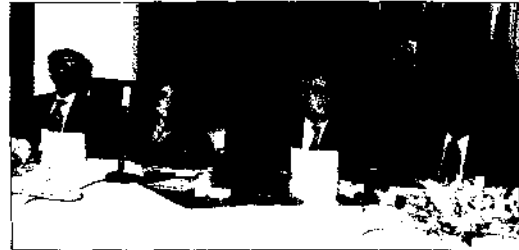
A designated team of Entry Clearance Officers to exclusively process business applications has been set up as part of the TPA. According to the details, if a company /organization signs this partnership agreement, the turnaround time for business visas would be twenty four hours.



### **World Bank Delegation Visited OICCI on February 7, 2008**

A delegation comprising Mr. Yusupha Crookes, Country Director of the World Bank and his team held an interactive session with Mr. Zubyr Soomro, President OICCI, Ms Unjela Siddiqi, Secretary General and CEOs of other member companies at the Chamber.

This was the first time that a high level delegation from the World Bank visited the Chamber and exchanged views on the investment and economic growth in the country. The WB delegation included Mr. Ernesto May, Sector Director, Mr. Robert L. Floyd, Country Program Coordinator, Ms. Satu Kahkonen, Lead Economist for Pakistan, Dr. Hanid Mukhtar, Economist, Dr. Kaspar Richter, Senior Economist, Mr. Mirafe Marcos, Economist and Mr. Amer Zafar Durrani, Senior Transport Specialist.



World Bank Delegation visited OICCI. (L-R) Mr. Ehsan Malik (Managing Committee Member), Ms. Unjela Siddiqi (Secretary General OICCI), Mr. Zubyr Soomro (President OICCI) and Mr. Yusupha Crookes (Country Director World Bank).

The details of the Perception Survey conducted by OICCI during 2007 were discussed at length. Consistency in government policies and the growing domestic economy were seen as key contributors to making Pakistan as an attractive investment destination. It was suggested that consistency in economic policies is required to continue with the economic growth.

### **Mr. Pervaiz Kausar Chairperson Intellectual Property Organization of Pakistan (IPO-P) visited OICCI on March 5, 2008**

Mr. Pervaiz Kausar Chairperson IPO-Pakistan visited OICCI and met Ms. Unjela Siddiqi Secretary General and the Intellectual Property Rights Sub Committee . Ms. Siddiqi explained OICCI's role in promoting the interest of foreign companies engaged in major sectors in Pakistan with various government agencies.

Mr. Juergen Koenig Chairperson IPR Sub Committee apprised Mr. Kausar of the various IPR issues of investors in Pakistan. He pointed out that IPR infringement affected the multinationals and national equally.

Mr. Kausar stressed that to implement the various laws , there had to be direct collaboration and dialogue between the business communities, IPO-P and the law enforcement agencies.



Mr. Koenig Chairperson IPR Sub Committee presented a memento to Mr. Kausar Chairperson IPO-P.

OICCI invited the process of regular dialogue and the next step will be a meeting of the IPR Sub Committee with the Chairperson IPO-P on March 17, 2008 tentatively with the member firms IPR related issues.





## **Meetings Held Outside OICCI**

### **Dinner in Honor of Senior Diplomats at Islamabad on September 12, 2007**

A dinner for few senior diplomats and the Managing Committee Members was arranged in Islamabad. The objective of the dinner was to have a discussion on the key opportunities and challenges facing foreign investors in Pakistan.

The Perception Survey carried out by OICCI to determine our members' assessment of the business climate in Pakistan and more specifically the performance of the key Ministries and the Federal Institutions was also highlighted.

### **PM Shaukat Aziz, met CEOs of Member Firms on November 9, 2007 at Governor House Sindh, Karachi.**

A meeting of a select group of CEOs of Member Companies was held with Mr. Shaukat Aziz following promulgation of emergency in the country. The aim of the meeting was to convey the members' concern regarding the effects of the emergency on the overall business and investment environment in the country.

### **Farewell /Welcome Lunch for Mr. Adnan Afridi and Ms Unjela Siddiqi on November 10, 2007 at Sindh Club**

A lunch was held at Sind Club to bid farewell to Mr. Adnan Afridi the outgoing Secretary General and to welcome Ms. Unjela Siddiqi who succeeded him. The Managing Committee and the CEOs of the member firms also attended the lunch.

The appointment of Ms. Siddiqi is part of the OICCI's strategy to carry forward the change initiative that continued with the induction of Mr. Afridi in 2006. The lunch also provided an opportunity to meet informally and talk about the issues related to the companies and the various sectors.

### **Meeting of Managing Committee Members with the CEOs of Lahore Based Members Companies on November 22, 2007**

President OICCI, Mr. Zubyr Soomro together with members of the MC hosted a lunch meeting with our Member Companies based in Lahore on November 22, 2007, in Pearl Continental Hotel to exchange ideas and views. This exercise was part of the initiative taken for the first time at OICCI, for reaching out to our members based outside Karachi. Earlier, during the year a similar meeting was held with the members based in Islamabad.

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### **Luncheon Meeting With Dr. Salman Shah, Federal Finance Minister on November 24, 2007 at Sindh Club**

Dr. Salman Shah (caretaker Federal Finance Minister) was invited for lunch at Sind Club on November 24, 2007. This was attended by the Managing Committee and the CEOs of the Member Companies. Mr. Zubyr Soomro, President OICCI in his welcome speech appreciated the efforts made by the government in attracting foreign investment in the country. He highlighted the fact that it was only possible due to the consistency in economic policies.

Dr. Shah in his address to the members of OICCI said that Pakistan continued to register growth despite recent political developments. He highlighted the achievements of the government. The Finance Minister stressed that the country was able to attract huge amounts of investment over the past few years due to which the foreign reserves stored at record level of about 14 billion dollars. He further said that the consumer economy had brought boom in the country and the future outlook was positive and the rural economy was ready to take-off in a big way

### **Meeting with a Group of Senior Economic Journalist to convey OICCI'S Perspective on Competition Commission Ordinance**

Secretary General, Ms Unjela Siddiqi and Mr. Ehsan Malik, Chairperson Taxation Subcommittee held a meeting with a select group of journalists from the mainstream print media to update and correct the media perception regarding the Business community's views on the CCP Ordinance.

The meeting highlighted various aspects of the Ordinance by explaining the affect on the business community and the overall investment environment in the country if implemented in the existing format.

### **Mr. Peter Fedon Director Asian Development Bank Meeting With Secretary General on December 6, 2007**

On December 6, 2007, Secretary General, Ms Unjela Siddiqi held a meeting with Mr. Peter Fedon and Group Managing Director of the Jang Group, to exchange ideas and explore the possibility of initiating joint reports/surveys on issues common to both organizations. The exercise was part of expanding the outreach of OICCI to the development finance institutions and also enhancing its media image.

### **Lunch Meeting with the Competition Commission of Pakistan in Islamabad on February 4, 2008**

A lunch meeting of the OICCI with the entire team of the CCP was held in Islamabad. The chamber was represented by Mr. Waqar Malik, Vice President OICCI, Mr. Ehsan Malik, Chairperson Taxation Sub Committee and Ms. Unjela Siddiqi, Secretary General. The meeting was part of the ongoing dialogue that the chamber initiated in March to iron out certain issues in the CCP ordinance.



**Mr. Jean - Philippe Quercy, Minister Counselor for Economic & Commercial Affairs and Mr. Francis Widmer, Commercial Counselor, Embassy of France met with Ms Unjela Siddiqi Secretary General on February 25, 2008**

The meeting was very successful as various strategies to increase bilateral trade between the two countries were discussed. OICCI's cooperation and support was offered by the Secretary General to increase French investment in Pakistan.

**Farewell Lunch for the Outgoing President and MC Members on March 19, 2008 at Sind Club**

The OICCI hosted a farewell lunch for Mr. Zubyr Soomro, the outgoing President and members of the Management Committee. The President was appreciated for his outstanding career and his forward thinking. It was an eventful year for the OICCI under his tenure. The outreach programme passed its implementation stage and is proving to be successful with cementing relationship with the media, DFIs and other sectors.

CHAMBER'S  
STANDING  
SUB COMMITTEE

# SAY NO TO NO

Instead of getting negative about negativity,  
look at how the world is full of things that, according  
to our negative minds never have happened.

What if we  
said yes?  
The conditions have been found  
to allow our bodies golf on the moon  
to turn our waste being turned into biofuel to power cars  
to turn our waste into energy

What would it take to turn no into yes?  
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chance is there, when everyone else is sitting  
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## CHAMBER'S STANDING SUB COMMITTEES

The new Managing Committee held its first meeting on May 23, 2007, and decided to restructure the existing Sub Committees and reduce their number from 12 to 5. The objective of reducing the Sub Committees was to bring it in line with the mission and vision of the OICCI. The limitations observed during the committee meetings were lack of attendance, inability to identify broad issues and follow-up with the government to ensure implementation of policy. Minutes of the meetings held during the year can be seen on our website at

*(Most meetings of the Sub Committees were held at the Chamber; meetings held outside the Chamber are otherwise specified)*

### Sub Committee for the Current Year

The following sub committees were formed. The Chairperson and Co- Chairperson are:

<b>Sub Committee</b>	<b>Chairperson</b>	<b>Co Chairperson</b>
Financial Services	Mr. H Reza-Ur Rahim J. P. Morgan Pakistan Limited	Mr. Rayomond Kotwal Citibank N.A.
Intellectual Property Rights	Mr. Juergen Keonig Merck Private Limited	Mr. Amar Naseer Unilever Pakistan Limited
Law and Order	Mr. Humayun Bashir IBM	Lt Col (Retd.) Masood Siddiqi ICI Pakistan Limited
Pharmaceutical	Mr. Juergen Keonig Merck Private Limited	Mr. Arshad Rahim Khan Wyeth Pakistan Limited
Taxation	Mr. Ehsan Malik Unilever Pakistan Limited	Mr. Saad A Khan Gillette Pakistan Limited



## REPORT OF THE FINANCIAL SERVICES SUB COMMITTEE

### Chairperson

Mr. H. Reza-Ur Rahim

### Co Chairperson

Mr. Rayomond Kotwal

### Terms of Reference

- Stay up to date with impending changes in policies/regulations of State Bank of Pakistan which impact the micro economic operations of the foreign banks as compared to the local banks.
- Recommend to the Managing Committee suggestions for changes in regulation policies on proactive basis which are in the interest of banks and financial institutions.
- Regular interaction with State Bank of Pakistan and other concerned institutions, regulatory authorities and government officials in bringing about the required changes.

### Achievements

The Sub Committee studied the implications of the draft Financial Services Commission Act, which envisions the transfer of the banking supervisory and regulatory functions from SBP to a new regulatory body called the Financial Services Commission (FSC) that would report to SECP. This significant change in the regulatory framework is being considered without consulting stakeholders especially since this change can adversely impact the sustainability of banking reforms.

Based on the concerns voiced by Members, the Sub Committee recommended that the following three issues needed to be dealt with prior to the enactment of the draft Act:

- a) Schedule I lists the activities that would be under the supervision of the proposed FSC. This schedule can be amended by the Federal Government at any time and the ambit can be amended to include banks. This uncertainty should be removed by having a definite list that does not include banks.
- b) Schedule III lists laws/regulations that will have to be "consequently modified" after the act has been passed. The Banking Companies Ordinance (BCO) is listed in this schedule. Although there have been public statements (including from the SECP) that this is an error, it needs to be explicitly removed.
- c) Section 36 of the Act permits the FCS to ask for information from various parties including banks. Given the general confidentiality requirements for banks under the BCO, SBP should be made specifically aware of this.

### Sub Committee Meetings Held

2007            Friday, July 6

Friday, November 2





## REPORT OF THE INTELLECTUAL PROPERTY RIGHTS (IPR) SUB COMMITTEE

### **Chairperson**

Mr. Juergen Koenig

### **Co- Chairperson**

Mr. Amar Naseer

### **Terms of Reference**

The key issue of the overseas investors is the need for proper IPR compliance and strong enforcement. There is a definite need to work with the Intellectual Property Organization of Pakistan to improve the IPR environment in the Country. The Task of the Sub-Committee is to lay emphasis influencing the Government policies, legislation and enforcement of current legislation.

### **Achievements**

Following are the major activities undertaken by the IPR Sub Committee:

- It was decided to invite key officials to visit the OICCI. The Director General IPOP, Mr. Yasin Tahir consequently visited the Chamber.
- A presentation on IPR related topics was prepared which would be used when visiting Ministers, Diplomats, CBR Chairperson and DG FIA.
- As part of enhanced PR activities, the Sub-Committee invited Media Mark and Grant Communication to submit their proposals. Media Mark's proposal is under consideration subject to availability of necessary funds.
- Anti-Counterfeiting and Infringement Forum (ACIF) held their meeting jointly with the Pharma Bureau in the Chamber. The Co-Chairperson of the IPR Sub-Committee is the President of ACIF, so the collaboration offers greater augmentation and value to IPR efforts of the Sub-Committee.
- H.E. Regis De Belenet, Ambassador of France and Mr. Pierre Seillan, the French Consul General visited the Chamber met few members of the Managing Committee and IPR Sub-Committee and discussed the business and investment environment including the IPR issues.
- Mr. Joachim Koerner, Area Sales Manager, KURZ, Germany visited the OICCI and gave a talk on Anti Counterfeiting Concepts and Brand Protection. The meeting was attended by the members of the IPR Sub-Committee.
- Secretary General's interview on Intellectual Property Rights & Infrastructure appeared in the daily The News on March 25, 2007.



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- Ms. Aameena Saiyid, OBE, Managing Director, Oxford University Press represented the OICCI at the WIPO National Seminar on Copyright-based Business: Authorship, Publishing, & Access to Knowledge on November 13, 2007 in Islamabad, which was organized by the Intellectual Property Organization of Pakistan.

### **Sub Committee Meetings Held**

#### **2007**

Tuesday, April 10

Tuesday, July 3

Wednesday, September 5

Wednesday, September 26

Tuesday, November 13

#### **2008**

Wednesday, January 16

Wednesday, March 5



## REPORT OF THE LAW AND ORDER SUB COMMITTEE

### Chairperson

Mr. Humayun Bashir

### Co-Chairperson

Lt. Col. (Retd) Masood Siddiq

### Terms of Reference

- Be the focal point for exchange of security information, and be the liaison for OICCI with CCPO and other government agencies/CPLC.
- Disseminate Information to members, to prepare them for tackling the challenge.
- Distribute material or hold training events/seminars as and when required to impart knowledge on readiness.

### Achievements

Security, law and order situation remained unpredictable in Pakistan, due to its geo-political situation, presence of Al-Qaeda/Taliban activity and several other disturbing factors e.g.

- Series of suicide bomb blasts
- Strike calls & demonstrations
- Movement for restoration of Chief Justice
- Lal Masjid operation
- Announcement of election schedule
- Return of exiled leaders to Pakistan to prepare for participation in elections
- Killing of PPP Chairperson Ms. Benazir Bhutto
- Rioting and Looting following Ms. Bhutto's unfortunate event

Challenges continued for businesses to keep operations smooth and the ability to invite foreign visitors. Members also became victim of street crime, arson, robberies and lootings. In the backdrop of this situation, the sub-committee carried out following activities on behalf of the Chamber.

The Sub-Committee maintained a close liaison with law enforcement to facilitate OICCI -Police liaison for effective support to members in case of incidents of threats relating to security, law and order situation. However, it was noted that in several cases the support from Police Department was lacking and concern was communicated to the Police Department/CCPO.

Following the death of Ms. Bhutto on December 27, 2007, the committee decided to raise Chamber's concern regarding the law and order situation with the CCPO, Minister of Interior/Governor Sindh. Several issues were raised and suggestions were made to convey Chamber's extreme dissatisfaction at the absence of Police and withdrawn reaction of Rangers soon after the death of Ms. Bhutto. It was emphasized that government should adopt a Standard Operating Procedure (SOP) for such emergencies which should include actions like deployment of Rangers and Police on at least 4 or 5 main arteries/road networks of Karachi, e.g. Shakra-e-Faisal, Port, Defence, M.A. Jinnah Road. It was suggested that law enforcement personnel should be deployed at few main petrol pumps so that these can remain open during crisis alternatively, these can be reopened within 24 hrs of crisis under security to allow essential services, Police, ambulance and limited public access to petrol and diesel. The government was also recommended immediate installation of the planned 500 CCTV's in Karachi and banks/businesses should also be directed to install external CCTV's which can be used during investigation and prosecution of culprits. Police/Civil administration should come on TV channels (via telephone) to inform public of police actions and help available. FM radio channels can also be used for broadcasting public service messages related to traffic conditions and road networks which are open and safe for travel.

Attention of Police Department was drawn on increased number of street crimes, especially in Korangi Industrial area and the worse incidents of law and order situation particularly after killing of Ms. Benazir Bhutto. A detailed letter was sent noting member's experience and proposed future course of action by law enforcement.

Periodic assessment of security situation including pre and post scenario of elections, threats to business and foreign visitors due to prevailing security situation with focus on effects of suicide bombings were also carried out. Based on such assessments of law and order situation, advisories were issued for measures to be adopted by member companies for their own security and in respect of their visitors.

A two-hour presentation & seminar session on Security Awareness Program was held for Members at the chamber. The seminar was conducted by Lt.Col. Masood Siddiq (R) and it covered various security aspects. About 30 member companies participated in this session and found it very useful. Advice on Travel Advisories, general assessments and guidance was issued to members based on various meetings of the Sub-Committee during the year.

The Chairperson sincerely wishes to thank the sub-committee members, the Vice Chairperson and the OICCI secretariat for their support and cooperation.

### **Sub Committee Meetings Held**

**2007** Thursday, January 25

Friday, July 30

### **Workshops Held**

**2007** Friday, August 8

**2008** Monday, February 20

# Leadership in Industrial Gases



## BOC Group

The BOC Group plc., U.K., the majority shareholder of BOC Pakistan Limited, has become a wholly owned subsidiary of Linde AG, Germany. Accordingly, Linde AG is the ultimate parent company of BOC Pakistan Limited, which is a part of The Linde Group, and is now the world's largest industrial gases Group.

The Linde Group operates in some 70 countries, employs 53,000 people and has an annual sales of €12.439 billion. The Linde Group is a genuine global player.

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## BOC Pakistan

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Committed to Safety, Quality & Service

 BOC



## REPORT OF THE PHARMACEUTICAL SUB COMMITTEE

### Chairperson

Mr. Juergen Koenig

### Co- Chairperson

Mr. Arshad Rahim Khan

### Executive Director

Mr. Riaz Hussain

### Terms of Reference

- Provide a forum to the Pharma Companies in the OICCI for communicating their opinions, suggestions and views to the government on the Health Policy in general and those related to manufacture and sales of drugs and medicines in particular.
- Continue to pro-actively work with Ministry of Health and other important entities like Ministers of Commerce, Industries; Chairperson CBR; IPO; Health Committees of Senate & NA and decision makers to highlight the issues faced by the Pharma Industry and to suggest solutions through a standard Presentation.
- Continue to work with the Ministry Of Health to implement a price adjustment policy for the Pharma Industry. No price increase has been given to the industry for over 6 years. Also pursue hardship cases
- Continue the efforts on MoH and IPO to have the IPR/DE laws enacted. Actively work with the Ministry Of Health, for a transparent, fast track product registration system especially of the new chemical entities (NCEs)
- Keep engaging the MoH for optimization and user friendliness of the product registration process.
- Actively work with the MOH for development and implementation of vitamin / psychotropic / import policies
- Continue with our efforts to implement the decision taken during the March 1st, 2007 Ethical seminar of Pharma Bureau and ensure that the IFPMA code of ethics continues to be followed by all our member companies.

### Achievements

The most significant change during 2007 has been the active involvement of the CEOs of Member Companies of the Pharma Bureau in tackling the major issues facing the Pharma Bureau. Some of them have been part of the various Task Forces dealing with the lawyer, PPMA, PMA, Sindh Govt. and the Ministry of Health especially relating to the Supreme Court's suo motu action. **Regular contacts** were maintained with the MoH for clarification and future discussion.



The Pharma Bureau prepared the **Price adjustment** proposals which a working group guided by the Task Force worked on. The Pharma Bureau Delegation made presentations to the MoH giving concrete proposals as options. The MoH is actively considering the proposals.

The Pharma Bureau continued to actively pursue the **IPR and Data Exclusivity (DE)** issues with the Ministry of Health. The Data Exclusivity draft laws were discussed with all the stakeholders including Pharma Bureau and PPMA, and are under process. Earlier, the Pharma Bureau submitted its recommendation in the form of draft amendment for inclusion of DE laws in the Drugs Act 1976. Pharma USA, and Mr. Alan Larson provided the valuable support.

The Pharma Bureau had a strong representation in the **WIPO National Seminar** held in November in Islamabad. Mr. Hasan Irfan, our Attorney on IPR gave a talk on "Flexibilities under the TRIPS: Another Perspective" Executive Director, Pharma Bureau, Ms Sharmeen of Pfizer, Ms. Nadia of GSK and Dr. Shujaiddin of MSD also attended on behalf of the Pharma Bureau. Mr. Kauser Pervaiz Chairperson IPOP was the Chief Guest. WIPO was represented by Mr. Octavio Espinosa and Ms. Francois Simon-Vianes.

There was visible improvement in the **registration process** and the Central Registration Board met regularly clearing the back log. The lead time for grant of registration was significantly reduced.

**The Pharma Bureau is strongly represented in the Central Licensing and Registration Board (CLRB) as well as the Price Recommender Committee (PRC).** Besides this, the Pharma Bureau has volunteered to the MoH, the talent and expertise in various fields from our Member Companies. The details are as follows:

- |                              |                          |
|------------------------------|--------------------------|
| 1. Ethical Committee:        | Dr. Amir Jafri (ICI)     |
| 2. IPR Committee:            | Mr. Shahid Qureshi (GSK) |
| 3. Labeling Rules Committee: | Ms. Seema Khan (Abbott)  |
| 4. QC Committee:             | Mr. Anis Shah (BMS)      |

After active interactions with the PPMA and the MoH, the **Vitamin Policy** was given a final shape. Currently, the MoH constituted of a working committee comprising of experts from the Pharma Bureau, PPMA and also from the Central Licensing & Registration Board to clear all pending vitamin registrations. The Vitamin Policy aims to re-classify vitamin and mineral preparation as food supplement ultimately leading to de-regulation as is the case in the USA. The final recommendations on Import Policy as well as Policy on Psychotropic Drugs were submitted to the MoH.

As a follow-up and build up of Ethical practices in the Pharma Industry, the Pharma Bureau organized a **second Ethical Marketing Seminar** in March 2007. For the first time, the Pharma Bureau invited the PPMA Member Companies; eight of them registered twenty participants. Maj. Gen (Retd.) Shahida Malik, DG Health was the Chief Guest. The Drug Controller along with the Karachi based Drug Control Organization attended in full strength. The objective to create awareness and train the Marketing and Medical personnel to follow the Code of Ethics of the International Federations of the Pharmaceutical Manufacturers Association (IFPMA) was successfully achieved, as all the Pharma Bureau Member Companies confirmed adherence to the IFPMA Code.





### **Suggested Road Map for the Future**

1. Continue to involve the CEOs in the various Task Forces.
2. Continue to interact with our Lawyer on the suo moto case.
3. Vigorously pursue the recommendations made to the MoH on Price Adjustment Policy for the Pharma Industry.
4. Work with the MoH and the PPMA to develop a Health Policy that would be viable to the Pharma Industry.
5. Fast track product registration and pricing system for the NCEs
6. Make registration process IPR / DE friendly and compliant to the TRIPS.
7. Continue to enhance the PR activity to clear the misconceptions about the Multinational Pharma Companies and to develop better understanding of their issues in Pakistan.

### **Sub Committee Meetings Held**

**2007**

Tuesday, July 3

August ,Friday 10, at 3.30 at Sheraton Hotel

August, Wednesday 15, at 3.30 at Sheraton Hotel

August, Thursday 23, at 8.30 at Carlton Hotel

August, Friday 31, at 8.30 at Carlton Hotel

Monday, September 24

Tuesday, November 13

Wednesday, December 26



## REPORT OF THE TAXATION SUB COMMITTEE

### Chairperson

Mr. Ehsan Malik

### Co-Chairperson

Mr. Saad A. Khan

### Terms of Reference

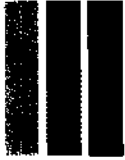
- Take up issues applicable to the members where inequity and principles of law are involved
- Keep abreast of all impending changes in policy and regulation and ensure such changes do not compromise the interest of members
- Make suggestions for changes in regulations, policies which are in the interest of members
- Regular interaction with regulatory authorities and other government officials in bringing about the changes required

### Achievements

The Taxation Sub- Committee inherited a situation where hardly any of the OICCI Budget recommendations were implemented. Recognizing limitations of influencing cash-starved, pre-election transitional government, a view was taken to remain engaged with the members and FBR, the latter on an informal basis. Whilst we await response to representations made, a fresh exercise is being conducted to collate issues to take up with an incoming government in 2008.

### Sub Committee Meetings Held

- |             |                       |
|-------------|-----------------------|
| <b>2007</b> | Monday, July 9        |
| <b>2008</b> | Thursday, February 14 |



## PANEL OF EXPERTS

### Panel

Corporate Law, Labor &  
Employee Relations

### Experts

**Mr. Shahid Qureshi**  
Director & Company Secretary  
GlaxoSmithKline Pakistan Limited

**Ms. Khurshid Bhaimia**  
Country Counsel  
Citibank N.A.

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Energy

**Mr. Muqtadar Quraishi**  
Manager Supply  
Chevron Pakistan Limited

**Mr. Abbas Bilgrami**  
Managing Director  
Progas Pakistan Limited

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Environment

**Mr. Jahangir Piracha**  
HSE Manager  
Engro Chemical Pakistan Limited

**Dr. Tahir Barlas**  
HSE Manager  
Shell Pakistan Limited

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Industrial & Commercial

**Mr. Asif Saad**  
Commercial Manager  
Pakistan PTA Limited

**Mr. Amar Naseer**  
Company Secretary  
Unilever Pakistan Limited

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Corporate Law, Labor &  
Employee Relations

**Ms. Khurshid Bhaimia**  
**Mr. Shahid Qureshi**

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Mr. Shahid Qureshi organized an impromptu meeting on Monday 14th January at 11.00 at OICCI, on a one point agenda i.e. Amendments in the WPPF existing OICCI network as no designated Sub Committee deals with this particular issue.

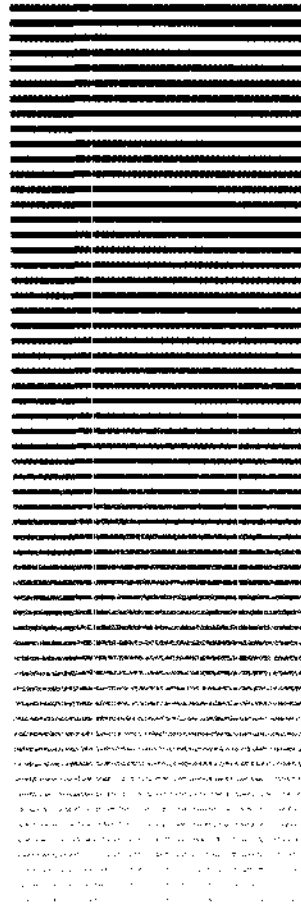
The amendments in certain Labor Laws in The Finance Act 2007 resulted in making contract workers eligible for WPPF. The matter was discussed at length and the participants agreed that Mr. Rashid Ahmed and Mr. Shahid Zuberi will seek legal guidance regarding some of the points raised above. Then a letter will be written from OICCI Forum to Federal Ministry to seek clarification regarding the various issues and their suggestions.

---

Industrial & Commercial

**Mr. Asif Saad**  
**Mr. Amar Naseer**

Ministry of Commerce has initiated an exercise to formulate the Trade Policy for 2008/09. The Members have been asked for the proposals which the panel will finalize and forward to the Ministry.



# ACTIVITIES AT OICCI



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*Nimir is an international chemical group based in Pakistan and Middle East with its head office in Dubai.*

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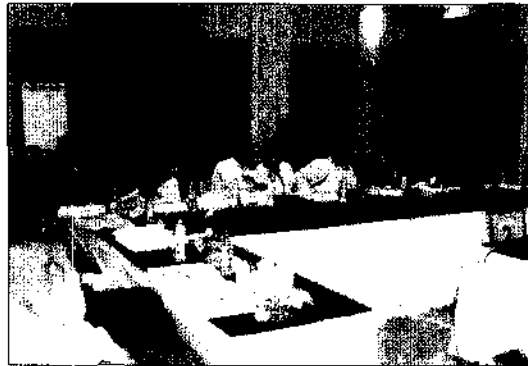
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## TRAINING/WORKSHOPS

### **Workshop on Succession Planning: Developing the Next Generation of Leaders was conducted on April 25, 2007**

A training workshop on human resources was conducted in OICCI by Mr. Amer Qureshi, a Chartered Accountant and a business advisor. This was attended by 14 participants from the member firms. The aim of this workshop was to develop the next generation of leaders. This would enable the present senior managing team how to successfully deal with the challenges of continuing business. Emphasis was laid on how to apply in-depth knowledge of these leaders as potential successors for position of CEO and Board of Directors. The workshop also touched upon succession planning, succession development and implementing the succession plan



Participants from member firms attending a workshop on Succession Planning: Developing the next generation of Leaders at OICCI.

### **First Security Awareness Programmes for Member Companies on August 20, 2007**

The Sub Committee on Law and Order chaired by Mr. Humayun Bashir organized a presentation on Security Awareness Session for all members of the OICCI. The presentation was given by Lt Col. (Retd) Masood Siddiq, Co Chairperson of the Law and Order Sub Committee. The objective of this programme was to cover the current security threats keeping in view the fundamental aspects of security and security management. This programme also provided a foundation for advance security management. The presentation was attended by 37 representatives of the member firms. The following topics were discussed at length:

1. Reasons for lawlessness and security measures to be taken
2. Security advices
3. Measures against mobile thefts
4. Laptop security tips
5. Handling of cash



6. Measures against abduction and assault
7. Advice on car snatching
8. Home security including domestic employees

The programme was very interactive and feedback received from the participants was very positive



Lt. Col. (Retd) Masood Siddiq, Co Chairperson of the Standing Law and Order Sub Committee conducting a security awareness programme at OICCI.

### **A Workshop on “Winning the War for Talent” was held on December 5, 2007**

A training workshop on was conducted in OICCI by Mr. Amer Qureshi, a Chartered Accountant and a business advisor. Approximately 10 participants from member firms attended the workshop.

### **Second Security Awareness Session for Member Companies on February 8, 2008**

The standing Sub Committee on Law and Order, chaired by Mr. Humayun Bashir, Country General Manager IBM, in view of the up coming elections and the prevailing law and order situation, organized Security Awareness Session for all member firms at OICCI.

The session was conducted by Lt. Col. (Retd.) Masood Siddiq Corporate Security Manager ICI and Co-Chairperson of the standing Law and Order Sub Committee.

It proved to be a successful event with more than fifty participants attending the workshop. The topics covered essential security issues like:

- Security Risk Management
- Security Measures to be adopted

To facilitate those member firms that were unable to attend the session, a copy of the presentation was sent to all member firms. This also marked the introduction of a new service offered by OICCI that is sending a soft copy of the presentation to all its member firms.



## PERCEPTION SURVEY

The first annual survey of OICCI was conducted during 2007. The details of the survey were given by Mr. Zubyr Soomro, President of the chamber during a press briefing held in the Chamber's premises.

### Survey Highlights

Mr. Soomro while briefing the media said that OICCI considered Pakistan as an attractive place to do business. Consistency in government policies and the growing domestic economy are key contributors to making Pakistan as attractive investment destination. While no Ministry was highly ranked for its performance, members of the OICCI were satisfied with the performance of the Ministry Of Finance, Industry and Commerce,

The performances of autonomous (independent regulators) were ranked significantly higher by the OICCI members as compared to the performances of Government department/ministries. The State Bank of Pakistan and CBR were considered high performers by member companies. However OICCI members indicated that the Intellectual Property Organization and Monopoly Control Authority (now CCP) need to further improve their performances. Other than Quetta, the city governments of major cities were considered to be performing well. The performances of Karachi and Lahore city governments were particularly appreciated by OICCI members.

### Some Statistics of the Survey

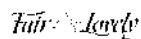
1. Survey carried out for 168 members
2. OICCI representative sectors in the country's economy: mainly telecommunication , tobacco, manufacturing, engineering, & industrial products, banking & finance leasing, insurance, pharmaceuticals, food consumers products, shipping , airline, trading, oil gas & energy
3. Contribution to economy – 14% of GNP & 32% of the GDD of the manufacturing sector, 33% of tax revenue



60

Everyday across generations

We meet everyday needs for nutrition, hygiene and personal care. Our brands help people feel good, look good and get more out of life.





### Performance of Important Ministries

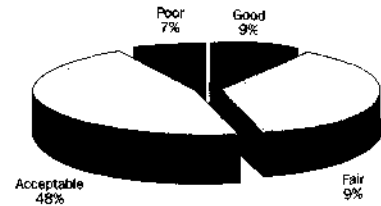
#### Ministry of Commerce Ratings

39% rated Fair  
47% rated Acceptable  
7% rated Poor



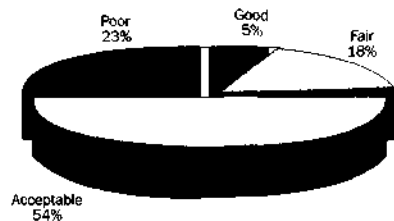
#### Ministry Of Industry and Production Ratings

48% rated Acceptable  
36% rated Fair  
7% rated Poor



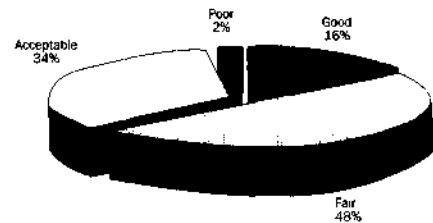
#### Ministry Of Labor Ratings

18 % rated Fair  
54% rated Acceptable  
23% rated Poor



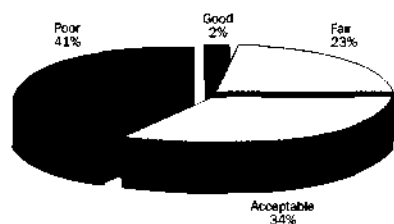
#### Ministry Of Finance Ratings

48% rated Fair  
34% rated Acceptable  
2 % rated Poor



#### Ministry Of Interior

23% rated Fair  
34% rated Acceptable  
41% rated Poor





## ACHIEVEMENTS

### Establishment of Foreign Investors Council (FIC)

The Board of Investment and Competitive Support Fund set up a Foreign Investors Council (FIC), with Prime Minister as the Chairperson. The objectives of FIC are to primarily serve as a forum for dialogue regarding policies between the government and the foreign investor community. This will increase Foreign Direct Investments in Pakistan and provide an opportunity for top multinational companies to share their expertise with the Pakistani government. This step has been taken to improve Pakistan's investment climate. The Managing Committee of OICCI decided to become a part of the FIC. The OICCI could engage key global and regional corporate leaders from within their entire network not just limited to Managing Committee network and seek their participation in the annual event of the FIC. Already 5 meetings have been held and a summary of OICCI proposals related to FIC sent to the Prime Minister.

### OICCI Members Achieve Honors on the KSE Top 25 List

Out of the Top 25 companies listed at the Karachi Stock Exchange for 2006, 13 are OICCI member companies.

Zubyr Soomro, President OICCI, said that this is a big achievement and it will encourage foreign investors to change their perception about Pakistani market and will help restore their confidence in Pakistan's economy. The performances of the companies will prove to be an incentive for overseas investors and will attract more FDI, which will be beneficial for Pakistan and the global market, he said.

The 13 companies listed in the KSE Top 25 List are:

1. **Unilever Pakistan Limited**
2. **Siemens (Pakistan) Engineering Company Limited**
3. **Rafhan Maize Products Limited**
4. **Lakson Tobacco Company Limited**
5. **Indus Motor Company Limited**
6. **Engro Chemical Pakistan Limited**
7. **Clariant Pakistan Limited**
8. **Pakistan Cables Limited**
9. **Unilever Pakistan Food Limited (Formerly: Rafhan Best Food Ltd.)**
10. **Dawood Hercules Chemicals Limited**
11. **Shell Pakistan Limited**
12. **Pakistan Petroleum Limited**
13. **Atlas Honda Limited**

The Top 3 positions in the list are of companies, who maintained their positions from the previous year:

- Unilever Pakistan Limited
- Siemens Pakistan Engineering Company Limited
- Rafhan Maize Products Limited



## MEDIA

### Electronic Media

- On May 27, 2007, President Mr. Zubyr Soomro, Vice President Mr. Waqar Malik, were interviewed by GEO News Budget Programme with Dr Salman Shah (advisor to PM) and
- On May 28, 2007, President Mr. Zubyr Soomro & Mr. Saad A Khan were interviewed by Aaj TV Budget Programme hosted by Mr. Anis Sheikh on OICCI Budget proposal.
- On May 30, 2007, Secretary General Mr. Adnan Afridi, was interviewed by Play television
- On June 6, 2007, Secretary General Mr. Adnan Afridi was interviewed by CNBC on FDI and budget.
- On June 6, 2007, President Mr. Zubyr Soomro and Dr Ishrat Hussain were interviewed on GEO News programme Aaj Kamran Khan Ke Saath on Pakistan's economy.
- On September 6, 2007, Secretary General Mr. Adnan Afridi was interviewed by CNBC Programme Business Tonight by Ms. Sabeen Mushfiq on the OICCI Survey.
- On November 19, 2007, President Mr. Zubyr Soomro was interviewed by Dawn TV.

### Print Media

- On March 25, 2007, Secretary General Mr. Adnan Afridi Interview on IPR and infrastructure came in The News
- On June 8, 2007, Secretary General Mr. Adnan Afridi was interviewed by Forbes magazine.
- On June 20, 2007, Forbes magazine met with Secretary General Mr. Adnan Afridi
- On August 6, 2007, Secretary General Mr. Adnan Afridi met a representative from Dawn
- On September 6, 2007, a press conference was held to brief media on key results of the Perception Survey conducted by OICCI.
- On February 13, 2008, Secretary General Ms. Unjela Siddiqi, was interviewed by The Hindu (India's National Newspaper) on foreign investment in Pakistan.
- On February 15, 2008, the Secretary General Ms. Unjela Siddiqi was interviewed by Newline magazine on the political instability and its affect on foreign investment in Pakistan



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**Press Releases**

- Ms. Jacqueline Novogratz, the founder and CEO Acumen Fund visit to the Chamber was covered by The Daily Jung, Pakistan Observer, Daily Juraat and The News
- Appointment of Ms. Unjela Siddiqi, new Secretary General was covered by Daily Nawa-i-Waqt, Dawn, The News, Daily Times and Business Recorder.
- Visit of Dr. Salman Shah, Federal Finance Minister was covered by Dawn , The Nation, The News and Daily Times
- Visit of Mr. Hamish St. Clair Daniel, British Deputy High Commissioner and Director U.K. Trade and Investment (UKTI) was covered by The Nation, The Daily Jung, The Financial Daily, The News, Daily Times and Daily Express
- World Bank Delegation visit was covered by Financial Post, Daily Nawa-i- Waqt, Dawn, Business Recorder, The News, Daily Express, Daily Times, Financial Daily, Aaj Kal and Business Day
- Mr. Khalid Mirza, Chairperson Competitive Commission of Pakistan (CCP) visit was covered by Nawa-i-Waqt, Financial Post, Pakistan Observer, Business Recorder, The Nation and The Daily Jung



## **SIGNIFICANT ISSUES/ACTIONS TAKEN UP WITH THE GOVERNMENT BY MC 2007-08**

### **OICCI Granted Exemption under Trade Organizations Ordinance and Rules 2007**

Under the new the new Trade Ordinance 2007, promulgated by President Pervez Musharraf, the chamber requested exemption under the following 3 categories:

- Continue its registration as a chamber,
- Retain its existing provisions in its constitutions dealing with designations, tenure and mode of election of its office bearers,
- Allow to hold its elections as per schedule that is April.

Correspondence with the Director General Trade Organizations, Ministry Of Commerce continued for more than a year.

Finally on January 3 2008, OICCI managed to get exemption for 3 years on the above three categories **(For further details please refer to Appendix A).**

### **Competition Commission of Pakistan**

In the first Perception Survey conducted by OICCI among its member firms, over 21% members had concerns about the then named MCA's effectiveness to ensure a level playing field.

OICCI sent a letter with the concerns to Mr. Khalid A. Mirza Chairman Competition Commission of Pakistan (CCP). He was invited to the chamber to meet the members and clarify the misconceptions relating to the Competition Ordinance 2007 and its mandate.

Mr. Mirza visited OICCI on November 28, 2007 and held an interactive session with the members including the MC members. CCP had come under a lot of criticism from the business community due to lack of consultation from the stakeholders. This first meeting with the business community was seen as a positive step and continued consultations in the future were promised.

Recommendations from the member firms were compiled and forwarded to CCP. Subsequently, a number of meetings were held between the OICCI and the CCP. As a result, there is now established channel of communication between the two organizations.

**(For details please refer to Appendix B)**





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### Correspondence

**(For details please refer to Appendix C)**

**April 30, 2007:** Letter to secretary IT Policy, CBR regarding issue of Presumptive Tax Regime applicable to manufacturers, importers and controllers. (I)

**June 11, 2007:** Letter to Chairperson CBR regarding non availability of import statistics through CARE and PRAL System. (II)

**July 5, 2007:** Letter to Chairperson CBR on enhancement of GST on plastic products and levy of 1% Custom Service charges on import announced in the Federal Budget 2007/2008. (III)

**August 6, 2007:** Letter to Secretary Reforms and Automation CBR regarding non availability of import statistics. (IV)

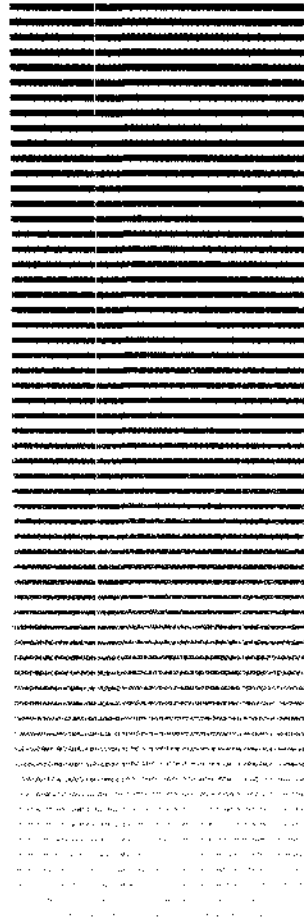
**August 8, 2007:** Letter to Inspector General Police Sindh drawing attention towards the security situation in Korangi Industrial Area Karachi. (V)

**September 19, 2007:** Letter to Federal Minister of Commerce regarding first Annual Perception Survey of Member Firms carried out by OICCI. (VI)

**December 6, 2007:** Letter to Chairperson CBR regarding an anomaly on tax on dividends applicable to non resident foreign companies. (VII)

**December 26, 2007:** Letter to Drug Controller Ministry of Health with recommendations for the Vitamin Policy. (VIII)

**February 8, 2008:** Letter to Brig (R) Akhtar Zamin, Minister of Interior, Government of Sindh Karachi regarding the law and order situation and the losses incurred by the member firms following the death of Ms. Benazir Bhutto. (IX)



# ADMINISTRATION AND OTHER MATTERS



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## RENOVATION

### Annual General Meeting

147th Annual General Meeting of the Chamber was held on Tuesday April 17, 2007 in the Chamber. Mr. Salman Burney presided over the meeting. (For details please refer to Appendix D).

### Administration Sub Committee

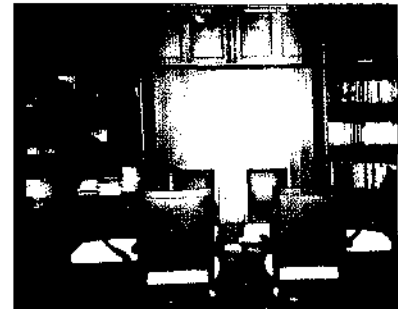
The following members were appointed to the Sub Committee:

- Mr. Zubyr Soomro - President
- Mr. Waqar Malik - Vice President

### Revamp Of Chamber Offices

During the year under review, renovation of the following chamber offices were carried out to improve efficiency and incorporated various safety measures for the staff.

**Serviced Office cum Library underwent renovation.** This room will be available on rent for holding small meetings/trainings.

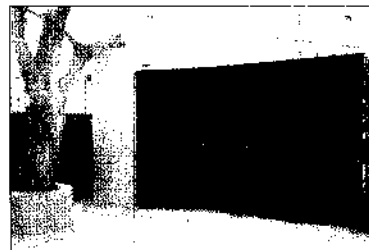


Office cum Library

**Beautification of the chamber compound** has been started to improve the visual appeal of the chamber. Security arrangements have also been increased to provide safe environment to the staff.



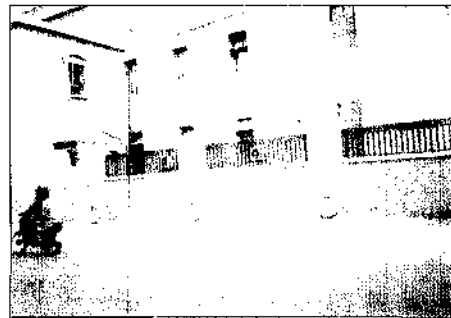
Old Gate



New Gate



Old Boundary Wall



New Boundary Wall



Complete renovation of roof, laying of **drain and water pipes**, concealed wiring, complete cleaning and renovation of the back area of the building and improvement in general upkeep of the building was carried out.



Old Pipes



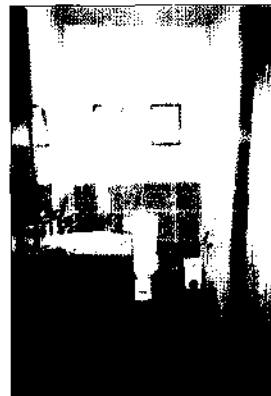
New PVC Pipes

Renovation work at the **Certification Department** has been started. The aim is to computerize the services provided and facilitate the customers through one-window operation for certification of various documents. On completion, this will enhance the efficiency and services provided by the chamber.

The kitchen and bathrooms at the chamber also underwent refurbishment to facilitate the employees and the visitors at the chamber.



Kitchen

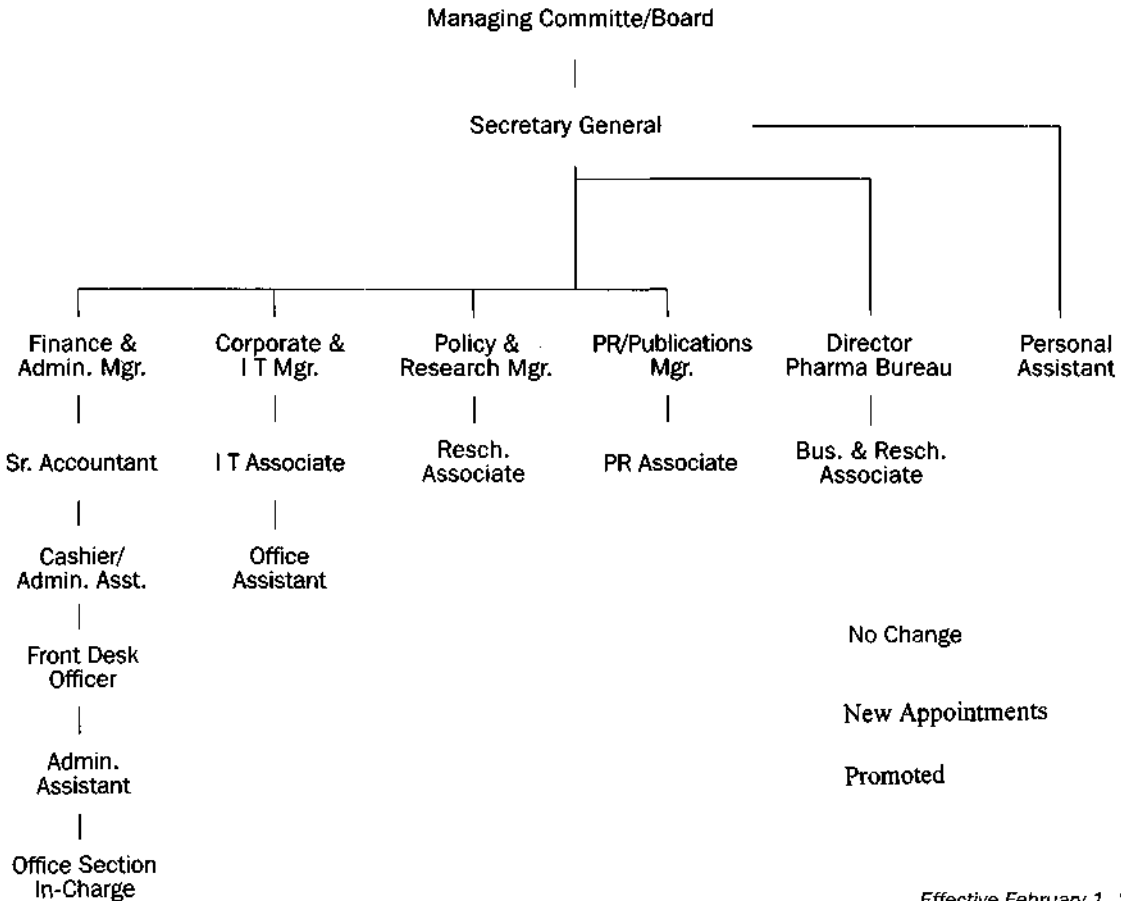


Bathroom

**New Organizational Structure**

In January, the chamber underwent staff changes to improve efficiency and increase output to meet the stated objectives of the chamber.

See below the new organogram of the office reflecting the changes.



Effective February 1, 2008



## OTHER MATTERS

### Annual Performance Bonus

A new Appraisal System has been introduced starting 2008. All employees will have job-related Terms of References (TOR), and accordingly set targets to achieve for the whole year. At the end of the year, based on the performance and number of targets achieved, the performance bonus will be given.

### Annual Leave Policy

The existing leave policy was revised and a new Annual Leave Policy was introduced in January 2008. The previous policy allowed the staff to accumulate annual leave up to 120 days. There was also provision of encashment of annual leaves.

According to the new Leave Policy, the staff will be encouraged to avail their entitled leave with prior approval of the immediate Supervisor/Line Manager. The supervisor will be responsible for making an annual leave plan in the beginning of the year and will ensure that leaves are taken as per schedule.

The practice of encashment of leave has been discontinued, except in case of separation from the company.

### Karachi Chamber Hospital Association

Managing Committee of Karachi Chamber Hospital Association decided to close the association due to less number of members. The closure is under process and members have been informed.

### Measurement Department's Activities

In the year 2007 the Measurement Department earned revenue of Rs 3, 315,500/- compared to Rs 3, 626,250, the previous year. Revenue of the previous four years is also listed:

2003	Rs2, 789,839
2004	Rs3, 918,307
2005	Rs4, 511,550
2006	Rs3, 626,250





## PUBLICATIONS

### Newsletter

The newsletter of the Chamber was published in December 2007 and is now a regular feature.

### Consumer Price Survey

Ferguson Associates conducts periodic surveys on behalf of the Overseas Investors Chamber of Commerce and Industry. The objective is to trace the trend of prices of various consumer items and assess their impact on household budget of various income groups, based on their respective expenditure pattern. This year also the survey was carried out during last two weeks of September 2007. Those Members who contributed towards the cost were provided a copy of the Survey Report.

### Membership Survey

Taseer Hadi Khalid & Company carried out survey of Member Companies. The data survey was designed to gather information from OICCI Members on their operations, remittances, employment and contribution to the economy. At the time of survey there were 171 Members out of which 104 responded the survey was carried out on basis of information for the year 2006.

### Research Services

The chamber will be focusing on providing increased research reports and surveys during the coming months.

One service already started is the **Daily Political and Economic Report**, provided to our members, free of cost.



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1. The Board of Directors has reviewed the financial statements and is satisfied that they present a true and fair view of the company's financial position and performance for the financial year ended 31 December 2007.

2. The Board of Directors has also reviewed the directors' remuneration report for the financial year ended 31 December 2007 and is satisfied that it is consistent with the company's financial statements.

3. The Board of Directors has also reviewed the company's annual report for the financial year ended 31 December 2007 and is satisfied that it is consistent with the company's financial statements.

4. The Board of Directors has also reviewed the company's annual general meeting for the financial year ended 31 December 2007 and is satisfied that it was conducted in accordance with the company's articles of association.

5. The Board of Directors has also reviewed the company's annual general meeting for the financial year ended 31 December 2007 and is satisfied that it was conducted in accordance with the company's articles of association.

6. The Board of Directors has also reviewed the company's annual general meeting for the financial year ended 31 December 2007 and is satisfied that it was conducted in accordance with the company's articles of association.

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10. The Board of Directors has also reviewed the company's annual general meeting for the financial year ended 31 December 2007 and is satisfied that it was conducted in accordance with the company's articles of association.

# FINANCIAL STATEMENTS

**OICCI FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007****Auditors' Report to the Members**

We have audited the annexed balance sheet of Overseas Investors Chamber of Commerce and Industry as at December 31, 2007 and the related income and expenditure account and cash flow statement together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of accounts have been kept by the company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
  - (i) the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied except for the changes as stated in note 2 (d) and 2(i) with the concur;
  - (ii) the expenditure incurred during the year was for the purpose of the company's business; and
  - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- (c) In our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure account and cash flow statement together with the notes forming part thereof, conform with approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at December 31, 2007 and of the surplus and its cash flows for the year then ended; and
- (d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Chartered Accountants  
Karachi

Dated: March 8, 2008

**COMMITTEE'S REPORT ON THE ACCOUNTS FOR 2007**

February 13, 2008

The audited accounts of the Chamber for the year ended December 31, 2007 together with Auditors Report thereon, are attached.

The current year's working has resulted in excess of income over expenditure amounting to Rs 2,812,587 as compared to Rs 4,724,622 for last year. After providing for Income Tax for the current / prior years amounting to Rs 1,046,582 this surplus is reduced to Rs 1,766,005.

There was an overall increase of Rs 6,259,320 in the expenditure as compared to last year, which was mainly due to an increase in Legal, Professional, VSS, Salaries, Electricity, Gas and other charges.

However the income of the Chamber increased by Rs 4,347,285 compared to previous year, which was due to increased revenue income of the Membership Subscription, Building Rental and other income.

**Zubyr Soomro**  
President

**Unjela Siddiqi**  
Secretary General

**Member**  
Managing Committee



FINANCIAL STATEMENTS

Balance Sheet

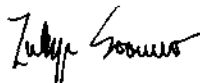
ANNUAL REPORT 2007

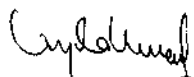
67

OVERSEAS INVESTORS CHAMBER OF COMMERCE AND INDUSTRY  
BALANCE SHEET AS AT DECEMBER 31, 2007

	Note	2007 Rupees	(Restated) 2006 Rupees
<b>RESERVES</b>			
Balance as at January 1		49,828,545	48,450,147
Effect on recognition of finance lease		-	82,767
		<u>49,828,545</u>	<u>48,532,914</u>
Surplus for the year		1,766,005	1,295,631
		<u>51,594,550</u>	<u>49,828,545</u>
Unrealised gain on investments		3,955,910	4,269,882
		<u>55,550,460</u>	<u>54,098,427</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred taxation	3	1,050,543	898,656
Staff retirement benefit - gratuity	4	616,121	1,437,901
Liabilities against assets subject to finance lease	5	1,130,321	816,925
		<u>2,796,985</u>	<u>3,153,482</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables			
Creditors		4,910,575	144,818
Accrued liabilities		5,371,879	4,151,665
Subscription received in advance		4,930,750	-
Rentals received in advance		6,344,415	5,497,653
Other liabilities		698,900	1,420,530
		<u>22,256,519</u>	<u>11,214,666</u>
Advance from leasing company	6	6,500,000	-
Current maturity of liabilities against assets subject to finance lease	5	532,722	401,324
Taxation - payments less provisions		85,089	584,776
		<u>29,374,330</u>	<u>12,200,766</u>
		<u>87,721,775</u>	<u>69,452,675</u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	25,543,015	12,933,149
Intangibles	8	101,987	56,000
Long-term deposits		857,985	113,585
Long-term investments	9	12,156,374	26,733,369
		<u>38,659,361</u>	<u>39,836,103</u>
<b>CURRENT ASSETS</b>			
Stationery - at cost		35,970	36,356
Trade receivables		346,825	217,206
Accrued mark up		1,779,873	1,672,478
Advances, short-term prepayments and other receivable	10	458,987	354,650
Investment maturing within twelve months	9	14,000,000	-
Cash and bank balances	11	32,440,759	27,335,882
		<u>49,062,414</u>	<u>29,616,572</u>
		<u>87,721,775</u>	<u>69,452,675</u>

The annexed notes 1 to 17 form an integral part of these financial statements.

  
President

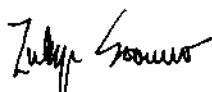
  
Secretary General

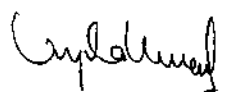
  
Member

**OVERSEAS INVESTORS CHAMBER OF COMMERCE AND INDUSTRY INCOME  
AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2007**

	Note	2007 Rupees	(Restated) 2006 Rupees
<b>INCOME</b>			
Membership subscription and entrance fee		9,960,000	7,714,000
Fees for certification		3,315,500	3,626,250
Secretarial fee		90,000	60,000
Building Fund Contributions		946,000	741,400
Surplus on compilation of COLA index		111,000	155,500
Rent		5,087,577	4,495,664
Airconditioning charges		6,709,491	6,237,849
Return on investments		4,015,487	3,492,786
Exchange gain		-	1,288
Other income		1,629,898	341,521
Profit on disposal of fixed assets		-	651,410
		<b>31,864,953</b>	<b>27,517,668</b>
<b>EXPENDITURE</b>			
Salaries and allowances		11,909,867	9,697,336
Contribution to provident fund		533,699	466,743
Contribution to E.O.B.I.		34,764	35,100
Medical expenses		541,530	414,295
Provision for staff gratuity		1,395,000	983,000
Cost of staff uniforms		11,200	38,360
Entertainment and promotional expenses		1,005,656	2,594,256
Insurance		364,512	334,369
Electricity and gas [net of recoveries Rs. 7,200 ; (2006: Rs. 126,250)]		1,839,400	1,255,020
Municipal taxes and ground rent [net of recoveries Rs. 32,785 ;(2006: Rs. 10,351)]		290,004	307,673
Repairs and maintenance		960,122	480,280
Postage, telegram and telephone		524,674	460,641
Printing and stationery		373,149	870,584
Books and periodicals		41,719	35,259
Subscription		153,400	203,400
Travelling expenses		276,218	121,462
Mark up on finance leases		181,709	112,963
General expenses [net of recoveries Rs. 77,310 ; (2006: Rs. 83,360)]		810,597	678,259
Motor car running and maintenance		423,742	396,846
Depreciation and amortization		1,027,566	765,867
Amortization of premium on WAPDA Bonds		263,023	198,354
Generator running expenses		-	127,372
Legal and professional		4,130,050	1,074,357
Loss on disposal of fixed assets		503,891	-
Auditors' remuneration	12	134,459	123,000
Software expenses		32,415	43,900
Donation		-	800,000
Voluntary separation scheme		1,290,000	-
Golf cup competition		-	174,350
		<b>29,052,366</b>	<b>22,793,046</b>
<b>SURPLUS BEFORE TAXATION FOR THE YEAR</b>		<b>2,812,587</b>	<b>4,724,622</b>
Taxation	13	(1,046,582)	(3,428,991)
<b>SURPLUS AFTER TAXATION FOR THE YEAR</b>		<b>1,766,005</b>	<b>1,295,631</b>

The annexed notes 1 to 17 form an integral part of these financial statements.

  
President

  
Secretary General

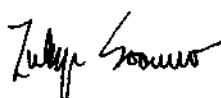
  
Member

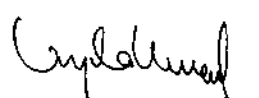


**OVERSEAS INVESTORS CHAMBER OF COMMERCE AND INDUSTRY  
CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2007**

	Note	2007 Rupees	2006 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from / (used in) operations	16	<b>19,476,572</b>	(4,481,371)
Taxes paid		<b>(1,394,382)</b>	(844,917)
Mark up paid		<b>(181,709)</b>	(112,963)
(Increase) / decrease in long term deposits		<b>(744,400)</b>	20,561
Staff gratuity paid		<b>(2,216,780)</b>	(616,886)
Net cash from / (used in) operating activities		<b>14,939,301</b>	(6,035,576)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		<b>(13,121,599)</b>	(5,956,713)
Proceeds from sale of operating assets		<b>956,289</b>	1,567,766
Interest received		<b>3,908,092</b>	2,134,556
Net cash used in investing activities		<b>(8,257,218)</b>	(2,254,391)
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>			
Payment of finance lease liabilities		<b>(1,577,206)</b>	(991,397)
Net increase / (decrease) in cash and cash equivalents		<b>5,104,877</b>	(9,281,364)
Cash and cash equivalents at the beginning of the year		<b>27,335,882</b>	36,617,246
Cash and cash equivalents at the end of the year	11	<b>32,440,759</b>	27,335,882

The annexed notes 1 to 17 form an integral part of these financial statements.

  
President

  
Secretary General

  
Member



**OVERSEAS INVESTORS CHAMBER OF COMMERCE AND INDUSTRY  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
DECEMBER 31, 2007**

**1. THE COMPANY AND ITS OPERATION**

The company is a not for profit association under section 42 of The Companies Ordinance, 1984 and was incorporated as a guarantee limited company. The Chamber deals with matters relating to trade and commerce for the foreign investors in Pakistan. The registered office of the Chamber is situated at Chamber of Commerce Building, Talpur Road, Karachi.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) **Basis of preparation**

These financial statements have been prepared in accordance with approved accounting standards, as applicable in Pakistan. Approved accounting standards comprise of Accounting and Financial Reporting Standard for MSEs issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

(b) **Overall valuation policy**

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

(c) **Staff Retirement Benefits**

The Chamber operates an approved funded gratuity scheme which is a defined benefit plan for all its employees. The charge for the year 2007 is based on actuarial recommendation and the latest actuarial valuation was conducted at the balance sheet date (December 31, 2007).

Cumulative net unrecognised actuarial gains and losses at the end of previous year which exceed 10% of the greater of the present value of the Chamber's gratuity obligations and if applicable, the fair value of plan assets are amortized over the remaining service of employees expected to receive benefits.

The Chamber also operates a recognised provident fund scheme which is a defined contribution plan for all its employees. Equal monthly contributions are made, both by the Chamber and the employees, to the fund at the rate of 10% of basic salary.

(d) **Finance Lease**

Lease that transfer substantially all the risks and rewards incidental to ownership of assets are classified as finance leases. Finance leases are capitalised at the inception of the lease term at the lower of fair value of the leased assets and the present value of minimum lease payments. The outstanding obligation under



the lease less finance charges allocated to future periods is shown as a liability. Financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of charge on the outstanding liability.

Previously the leases were classified as operating lease. With the adoption of Accounting and Financial Reporting Standards for MSEs, the Company has adopted the above policy for leases. The change in accounting policy has been applied retrospectively and the comparative statement has been restated. Had there been no change in accounting policy surplus after taxation would have been lower by Rs 294 thousand for 2007 and higher by Rs 75 thousand for 2006 and operating assets would have been lower by Rs 1.8 million for 2007 and by Rs 1.4 million for 2006.

(e) Trade and other payables

Trade payables are carried at the fair value of the consideration to be paid for goods and services.

(f) Borrowing costs

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying asset, if any, are capitalised as part of the cost of that asset.

(g) Provisions

Provisions are recognised when the Chamber has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

(h) Property, plant and equipment

i) Tangible

These are stated at cost less accumulated depreciation except for capital work-in-progress which are stated at cost.

Depreciation on all assets except leasehold land, is charged to income applying the reducing balance method. Cost of leasehold land is depreciated over the lease period using the straight line method. Full year's depreciation is charged on additions during the year whereas no depreciation is charged in the year of disposal.

Maintenance and normal repairs are charged to income as and when incurred; gains and losses on disposal of fixed assets are included in income currently.

Assets donated are capitalized at market value and corresponding credit is recognised as deferred income. Deferred income is credited to income and expenditure account over a period of useful life of these assets.

ii) Intangible

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over the period of three years on straight-line basis.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

(i) Investments

Investments of the Chamber are classified into the following categories:

i) Held to maturity

These are investments with fixed or determinable payments and fixed maturity with the Chamber having positive intent and ability to hold to maturity. These are stated at amortized cost .

ii) Available for sale

These represent investments that are either designated in this category or not classified in any other category. These are initially recognised at fair value plus transaction cost, and subsequently at fair value. They are included as non-current assets unless management intends to dispose off the investments within twelve months of the balance sheet date. Changes in fair value are recognised separately as part of reserves.

Previously the investments were carried at cost less diminution in the value of investment. With the adoption of Accounting and Financial Reporting Standards for MSEs, the Company has adopted the above policy of valuing investments. The change in accounting policy has been applied retrospectively. Had there been no change in accounting policy reserve and long-term investments as at December 31, 2007 would have been lower by Rs 3.95 million (2006: Rs 4.27 million). There is no effect in the income and expenditure account for the year.

(j) Stationery

These are valued at cost using the first-in-first-out method.

(k) Trade receivables

Trade receivables are stated at original invoice amount. Receivables considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

(l) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and with banks.

## (m) Revenue recognition

Income is accounted for on an accrual basis except for certification fee and commission on sale of publications which are recognised on actual receipt.

## (n) Foreign currency transactions and translation

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the balance sheet date. Foreign exchange gains and losses on translation are recognised in the income and expenditure account.

The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

## (o) Taxation

## i) Current

Provision for taxation is based on taxable income at the current rates of taxation, or half percent of turnover, whichever is higher.

## ii) Deferred

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

	<b>2007</b>	2006
	<b>Rupees</b>	Rupees
<b>3. DEFERRED TAXATION</b>		
Credit balance arising in respect of accelerated tax depreciation allowances	<b>1,158,952</b>	1,401,921
Debit balance arising in respect of provision for staff gratuity	<b>(138,635)</b>	(503,265)
Liabilities against assets subject to finance lease	<b>30,226</b>	-
	<b><u>1,050,543</u></b>	<u>898,656</u>

**4. STAFF RETIREMENT BENEFIT - Gratuity**

The latest actuarial valuation of the defined benefit plan was conducted at December 31, 2007 using the projected unit credit method with the following significant assumptions:

	<b>2007</b>	2006
- Expected rate of increase in salary level (per annum)	<b>9%</b>	9%
- Expected return on plan assets (per annum)	<b>10%</b>	10%
- Discount factor used (per annum)	<b>10%</b>	10%

Details of the defined benefit plan are as under:

	<b>Gratuity Fund</b>	
	<b>2007</b>	<b>2006</b>
	Rupees in thousand	
<b>Cost For The Year</b>		
Current service cost	569	244
Interest cost	335	252
Expected return on assets	(5)	-
Amortization of transition obligation	487	487
Amortization of actuarial (gain)/loss	9	-
(Income) / expense	<u>1,395</u>	<u>983</u>
<b>Movement In Liability Recognised In The Balance Sheet</b>		
Opening balance	1,438	1,072
Charge for the year	1,395	983
Contributions / benefits paid	(2,217)	(617)
Closing balance	<u>616</u>	<u>1,438</u>
<b>Balance Sheet Reconciliation</b>		
Present value of defined benefit obligations	3,973	3,533
Fair value of plan assets	(1,685)	(167)
Funded status	<u>2,288</u>	<u>3,366</u>
Unrecognised actuarial gain	(699)	(468)
Unrecognised transitional obligation	(973)	(1,460)
	<u>616</u>	<u>1,438</u>
<b>Movement In Present Value Of Defined Benefit Obligation</b>		
Present value of defined benefit obligation as at January 1	3,533	3,330
Current service cost	569	244
Interest cost	335	252
Actuarial loss / (gain) on defined benefit obligation	233	511
Benefit paid out during the year	(697)	(804)
Present value of defined benefit obligation as at December 31	<u>3,973</u>	<u>3,533</u>
<b>Movement In Plan Assets</b>		
Fair value of plan assets as at January 1	167	365
Contribution made during the year	2,217	617
Benefits paid out during the year	(697)	(804)
Expected return on plan assets during the year	5	-
Actuarial gain / (loss) on plan assets	(7)	(11)
Fair value of plan assets as at December 31	<u>1,685</u>	<u>167</u>

**Plan Assets**

Fair value of plan assets are comprised as follows:

	2007		2006	
	Rs '000s	%	Rs '000s	%
Equity	-	-	-	-
Debt	-	-	-	-
Other	1,685	100	167	100
	<u>1,685</u>	<u>100</u>	<u>167</u>	<u>100</u>

**Funded Gratuity Scheme**

	2007	2006
	Rupees in thousand	
Present value of defined benefit obligation	3,973	3,533
Fair value of plan assets	1,685	167
Deficit / (surplus)	<u>2,288</u>	<u>3,366</u>
Experience adjustments on obligation	(233)	(511)
Experience adjustments on plan assets	(3)	(7)

The expected return on plan assets was determined by considering the expected return available on the asset underlying the current investment policy.

Expected contribution to the defined benefit plan for the year ending December 31, 2008 is Rs. 1.475 million

5. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE	2007	2006
	Rupees	Rupees
Present value of minimum lease payments	1,663,043	1,218,249
Current maturity shown under current liabilities	(532,722)	(401,324)
	<u>1,130,321</u>	<u>816,925</u>
<b>Minimum Lease Payments</b>		
Not later than 1 year	749,280	556,860
Later than one year but not later than 5 years	1,293,920	928,100
	<u>2,043,200</u>	<u>1,484,960</u>
Future finance charges on finance lease	(380,157)	(266,711)
Present value of finance lease liabilities	<u>1,663,043</u>	<u>1,218,249</u>
<b>Present Value of Finance Lease Liabilities</b>		
Not later than 1 year	532,722	401,324
Later than one year but not later than 5 years	1,130,321	816,925
	<u>1,663,043</u>	<u>1,218,249</u>

The above represents finance leases entered into with a leasing company for motor vehicles. The balance of liability is payable by September 2010 in monthly installments.

Monthly lease payments include finance charge ranging from 14.44% to 15.51% (2006: 6.26% to 15.00%) per annum which are used as discounting factor.

**6. ADVANCE FROM LEASING COMPANY**

This advance has been received for the construction and fabrication of air conditioning plant for the building.



	2007 Rupees	2006 Rupees
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating assets-note 7.1	<b>18,267,535</b>	10,661,649
Capital work in progress-at cost-note 7.2	<b>7,275,480</b>	2,271,500
	<b><u>25,543,015</u></b>	<b><u>12,933,149</u></b>

**7.1 Operating assets - Restated**

	Leasehold land	Building on leasehold land	Air conditioning plant	Electrical installations	Office furniture, fittings and equipments	Motor Vehicles		Total
						Own	Subject to finance lease	
	←----- Rupees -----→							
<b>Net carrying value basis</b>								
<b>Year ended December 31, 2007</b>								
Opening net book value (NBV)	24,744	5,577,015	478,955	798,661	2,354,050	51,765	1,376,459	10,661,649
Additions (at cost)	4,860,625	1,428,850	-	210,500	1,506,664	-	2,022,000	10,028,639
Disposals (at NBV)	-	-	-	-	(127,805)	(51,765)	(1,280,610)	(1,460,180)
Depreciation charge	(76,413)	(140,117)	(35,922)	(75,687)	(316,757)	-	(317,677)	(962,573)
Closing net book value	<b><u>4,808,956</u></b>	<b><u>6,865,748</u></b>	<b><u>443,033</u></b>	<b><u>933,474</u></b>	<b><u>3,416,152</u></b>	<b><u>-</u></b>	<b><u>1,800,172</u></b>	<b><u>18,267,535</u></b>
<b>Gross carrying value basis</b>								
<b>At December 31, 2007</b>								
Cost	6,097,875	7,360,313	647,750	1,251,967	4,272,678	-	2,205,617	21,836,200
Accumulated depreciation	(1,288,919)	(494,565)	(204,717)	(318,493)	(856,526)	-	(405,445)	(3,568,665)
Net book value	<b><u>4,808,956</u></b>	<b><u>6,865,748</u></b>	<b><u>443,033</u></b>	<b><u>933,474</u></b>	<b><u>3,416,152</u></b>	<b><u>-</u></b>	<b><u>1,800,172</u></b>	<b><u>18,267,535</u></b>
<b>Net carrying value basis</b>								
<b>Year ended December 31, 2006</b>								
Opening net book value (NBV)	49,489	217,327	493,214	46,958	977,579	-	936,414	2,720,981
Additions (at cost)	-	5,473,505	24,575	823,775	1,705,536	60,900	1,506,600	9,594,891
Disposals (at NBV)	-	-	-	(7,316)	(85,390)	-	(823,650)	(916,356)
Depreciation charge	(24,745)	(113,817)	(38,834)	(64,756)	(243,675)	(9,135)	(242,905)	(737,867)
Closing net book value	<b><u>24,744</u></b>	<b><u>5,577,015</u></b>	<b><u>478,955</u></b>	<b><u>798,661</u></b>	<b><u>2,354,050</u></b>	<b><u>51,765</u></b>	<b><u>1,376,459</u></b>	<b><u>10,661,649</u></b>
<b>Gross carrying value basis</b>								
<b>At December 31, 2006</b>								
Cost	1,237,250	5,931,463	647,750	1,041,467	3,170,562	60,900	1,690,217	13,779,609
Accumulated depreciation	(1,212,506)	(354,448)	(168,795)	(242,806)	(816,512)	(9,135)	(313,758)	(3,117,960)
Net book value	<b><u>24,744</u></b>	<b><u>5,577,015</u></b>	<b><u>478,955</u></b>	<b><u>798,661</u></b>	<b><u>2,354,050</u></b>	<b><u>51,765</u></b>	<b><u>1,376,459</u></b>	<b><u>10,661,649</u></b>
<b>Rate of depreciation/useful life</b>	50 years	2%	7.5%	7.5%	5%&15%	15%	15%	

\* Lease of land expired in 2007 and the Chamber is in the process of renewing the lease for another 50 years. The addition represents the provisional amount Communicated by Government authorities to the Chamber.

	2007 Rupees	2006 Rupees
<b>7.2 CAPITAL WORK IN PROGRESS</b>		
Civil Works	<b>408,900</b>	2,271,500
Air Conditioning Plant	<b>6,500,000</b>	-
Borrowing costs	<b>366,580</b>	-
	<b><u>7,275,480</u></b>	<b><u>2,271,500</u></b>

	<b>2007</b>	2006
	<b>Rupees</b>	Rupees
<b>8. INTANGIBLES - Computer Software</b>		
<b>Net Carrying Value Basis</b>		
Opening net book value	<b>56,000</b>	-
Additions (at cost)	<b>110,980</b>	84,000
Amortisation for the year	<b>(64,993)</b>	(28,000)
Closing net book value	<u><b>101,987</b></u>	<u>56,000</u>
<b>Gross Carrying Value Basis</b>		
Cost	<b>194,980</b>	84,000
Accumulated amortization	<b>(92,993)</b>	(28,000)
Net book value	<u><b>101,987</b></u>	<u>56,000</u>
<b>9. INVESTMENTS</b>	<b>2007</b>	(Restated) 2006
	<b>Rupees</b>	Rupees
<b>Held to Maturity</b>		
5 years Wapda bonds [2,800 bonds; (2006: 2,800 bonds)]	<b>14,000,000</b>	14,263,023
<b>Available For Sale</b>		
Unit trust of Pakistan [ 71,874 units; (2006: 1,129 units)]	<b>7,584,852</b>	8,317,320
Pakistan Income Fund [ 87,060 units; (2006:78,820 units)]	<b>4,571,522</b>	4,153,026
	<u><b>26,156,374</b></u>	<u>26,733,369</u>
Less: WAPDA Bonds maturing within twelve months	<b>14,000,000</b>	-
	<u><b>12,156,374</b></u>	<u>26,733,369</u>
<b>10. ADVANCES, SHORT-TERM PREPAYMENTS AND OTHER RECEIVABLE</b>		
Advances to suppliers – considered good	<b>1,678</b>	3,456
Short-term prepayments	<b>457,309</b>	301,194
Other receivable	-	50,000
	<u><b>458,987</b></u>	<u>354,650</u>



	<b>2007</b>	2006
	<b>Rupees</b>	Rupees
<b>11. CASH AND BANK BALANCES</b>		
With banks		
- on 1 year term deposit account (rate of return 10.5% per annum)	<b>25,000,000</b>	24,000,000
- on current accounts	<b>7,438,887</b>	3,333,217
Cash in hand	<b>1,872</b>	2,665
	<b><u>32,440,759</u></b>	<u>27,335,882</u>
<b>12. AUDITORS' REMUNERATION</b>		
Audit fee	<b>23,000</b>	23,000
Tax services	<b>100,000</b>	100,000
Others	<b>7,500</b>	-
Out of pocket expenses	<b>3,959</b>	-
	<b><u>134,459</u></b>	<u>123,000</u>
<b>13. TAXATION</b>		
For the year		
Current Year	<b>591,000</b>	226,000
Deferred	<b>151,887</b>	898,656
	<b><u>742,887</u></b>	<u>1,124,656</u>
Prior years'	<b>303,695</b>	2,304,335
	<b><u>1,046,582</u></b>	<u>3,428,991</u>
<b>13.1 Relationship Between Tax Expense And Accounting Surplus:</b>		
Surplus before taxation	<b><u>2,812,587</u></b>	<u>4,724,622</u>
Tax at the applicable tax rate of 35% (2006: 35%)	<b>984,406</b>	1,653,618
Expenses not deductible for tax purposes	<b>48,123</b>	24,745
Others	<b>(289,642)</b>	(553,707)
Tax expense for the year	<b><u>742,887</u></b>	<u>1,124,656</u>

**14. RELATED PARTY DISCLOSURES****A. Related Parties With Whom The Company Had Transactions**

- i) Defined Contribution Plan: Overseas Investors Chamber of Commerce & Industry Employees' Provident Fund
- ii) Defined Benefit Plan: Overseas Investors Chamber of Commerce & Industry Employees' Gratuity Fund

	<b>2007</b>	2006
	<b>Rupees</b>	Rupees
Key management compensation:		
Salaries and other short-term employee benefits	<b>5,126,390</b>	3,990,190
Post-employment benefits	<b>627,908</b>	479,518
	<b><u>5,754,298</u></b>	<u>4,469,708</u>

**15. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES****15.1 Financial assets and liabilities**

	Interest bearing			Non-interest bearing			Total
	Maturity up to one year	Maturity after one year	Total	Maturity up to one year	Maturity after one year	Total	
Rupees							
<b>Financial assets</b>							
Long term deposits	-	-	-	-	857,985	857,985	857,985
Investments	14,000,000	-	14,000,000	-	12,156,374	12,156,374	26,156,374
Trade receivables	-	-	-	346,825	-	346,825	346,825
Accrued mark-up	1,779,873	-	1,779,873	-	-	-	1,779,873
Cash and bank balances	25,000,000	-	25,000,000	7,440,759	-	7,440,759	32,440,759
December 31, 2007	40,779,873	-	40,779,873	7,787,584	13,014,359	20,801,943	61,581,816
December 31, 2006	25,672,478	14,263,023	39,935,501	3,603,088	264,185	3,867,273	43,802,774
<b>Financial liabilities</b>							
Liabilities against assets subject to finance lease	532,722	1,130,321	1,663,043	-	-	-	1,663,043
Creditors	-	-	-	4,910,575	-	4,910,575	4,910,575
Accrued liabilities	-	-	-	5,371,879	-	5,371,879	5,371,879
December 31, 2007	532,722	1,130,321	1,663,043	10,282,454	-	10,282,454	11,945,497
December 31, 2006	401,324	816,925	1,218,249	4,296,483	-	4,296,483	5,514,732

The effective mark-up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

**(i) Concentration of credit risk**

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparts failed to perform as contracted. The Chamber's credit risk is primarily attributable to its investments and its balances with banks. The credit risk on investments is managed by investing in securities of reputed companies and mutual funds. The credit risk on bank balances is managed by maintaining balances with banks of reasonably high credit ratings.

**(ii) Foreign exchange risk management**

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings. No transaction involving foreign currency has occurred.

**(iii) Liquidity risk**

The company manages liquidity risk by maintaining sufficient cash and call deposits with banks and marketable securities.

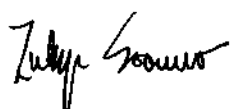
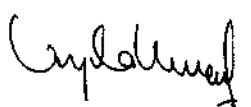
**(iv) Fair values of financial instruments**

The carrying values of all the financial instruments reported in the financial statements approximate their fair values.

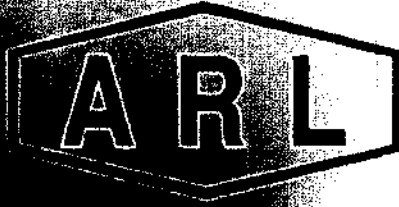
	2007 Rupees	2006 Rupees
<b>16. CASH GENERATED FROM OPERATIONS</b>		
Surplus before taxation	2,812,587	4,724,622
Add / (less): Adjustments for non-cash charges and other items		
Depreciation	962,573	737,867
Amortization	64,993	28,000
Amortization of premium on Wapda bond	263,023	198,354
Mark up on finance leases	181,709	112,963
Return on investments	(4,015,487)	(3,492,786)
Loss / (gain) on sale of fixed assets	503,891	(651,410)
Provision for staff gratuity	1,395,000	983,000
	(644,298)	(2,084,012)
Profit before working capital changes	2,168,289	2,640,610
<b>EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES</b>		
Decrease / (increase) in current assets		
Stationery	386	119,378
Trade receivables	(129,619)	189,164
Advances, prepayments and other receivables	(104,337)	177,157
	(233,570)	485,699
Increase / (decrease) in current liabilities		
Creditors	4,765,757	(1,713,669)
Accrued liabilities	1,220,214	2,416,923
Subscription received in advance	4,930,750	(3,982,000)
Rentals received in advance	846,762	247,732
Advance from leasing company	6,500,000	-
Other liabilities	(721,630)	(4,576,666)
	17,541,853	(7,607,680)
	19,476,572	(4,481,371)

**17. DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on February 13, 2008 by the Managing Committee of the Chamber.


**President**

**Secretary General**

**Member**



# Performance

You can trust

### Mission

To be a model diversified energy resources and petrochemical organization exceeding expectations of all stakeholders. We will achieve this by utilizing best blend of state-of-the-art technologies, high performing people, excellent business processes and synergetic organizational culture.



Great Heritage - Greater Vision

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**APPENDIX A**

To Be Published In The Next Gazette Of Pakistan Extra Ordinary

Part- 1

Government of Pakistan

Ministry of Commerce

Islamabad, the 3rd January 2008

**Notification**

No. (41)/2008-T.O.1:- In exercise of the powers conferred by Section 3(9) of the Trade Organizations Ordinance 2007 (LXXI of 2007) the Federal Government is pleased to exempt Overseas Investors Chamber of Commerce and Industry Pakistan from following provisions of Trade Organizations Ordinance 2007 (LXXI of 2007) and Rules made thereunder for a period of three years from the date this notification: -

- i. Section 3(2)(b) of the Trade Organizations Ordinance 2007 to the extent that territorial Jurisdiction of the Chamber shall not be confined to a District, rather, it shall extend to the whole of Pakistan.
- ii. Section 11(2) of the Trade Organizations Ordinance 2007 and Rule 15 and 21 of the Trade Organizations Rules 2007 pertaining to mandatory period of election.
- iii. Rule 23 of the Trade Organizations Rules 2007 the chamber shall continue to operate with its organizational structure as contained in its Memorandum and Articles of Association.

2. However, all other provisions of the Ordinance and Rules not specifically exempted in this notification shall continue to apply to the Overseas Investors Chamber of Commerce & Industry.

(Muhammad Ashraf)  
Director Trade Organisations

The Manager,  
Printing Corporation of Pakistan Press,  
Karachi

S.#	Items	Existing Provisions in the Chamber's Constitutional Documents	Specific Provisions Under the New Law	Change in Law	Exemption Sought	Justification
(i)	Chamber's territorial jurisdiction	Clause 3(2) of Memorandum of Association provide as an object of the chamber to "promote and protect the general, commercial and industrial interests of Pakistan or any part thereof and the interests of persons engaged in trade, commerce, or manufactures in Pakistan or any part thereof"	Section (3) (2) (b) of Trade Organizations Ordinance 2007	The scope of a "Chamber" has been restricted to Revenue District	The Chamber be allowed to be formed on all-Pakistan basis as has been the case for the last 150 years	The Chamber was founded in 1860 and is the oldest Chamber of Commerce in Pakistan. Of its 168 members, 18 operate in the engineering/industrial sector, 28 are shipping/airlines/trading entities, 30 operate in the banking and financial sector, 8 are tobacco/other manufacturers, 3 operate in the telecommunication sector, 22 pharmaceuticals, 14 in consumer and food products, 15 in chemical/fertilizers/pesticides/paints, while 30 are operating in oil and gas sector. The membership represents approximately Rs. 468 billion in equity, of which Rs. 290 billion is foreign equity. The sales made by the members constitute 14% of the total GNP of the country and nearly 32% of the GDP of the manufacturing sector. Between them, the members contribute nearly one-fourth of the total tax revenue of the Government of Pakistan and employ about 100,000 people. Given this presence and history, the Chamber ought to be allowed to continue as it has been doing over the last 150 years, even though it does not, and indeed, should not, represent any particular district or trade. The Chamber counts amongst its members various foreign entities based in different parts of Pakistan. The uniquely diversified membership of the Chamber can neither be limited to a geographical area nor to any specific trade, industry or service. Indeed, any such limitation will defeat the very objectives for which the Chamber was formed and for which it has been operating for over a century. The eligibility criteria in the new law require the Chamber to be "organized to represent trade, industry and services "in a district". While appreciating the general scheme of the new law, the Chamber considers it crucial to have a confirmation of its existing status as a Chamber of Commerce & Industry. Given the obvious benefit for Pakistan in having the Chamber, such confirmation may take the form of an exemption permitted under section 3(9) of the Trade Organizations Ordinance 2007, allowing for licensing and registration of the Chamber under the new law in its current representative capacity. For your reference, copies of similar exemptions granted to the Chamber in the past are attached herewith.

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S.#	Items	Existing Provisions in the Chamber's Constitutional Documents	Specific Provisions Under the New Law	Change in Law	Exemption Sought	Justification
(ii)	Elections Period / Tenure	Articles 14 to 17 deal with the existing arrangements concerning the time frame and issues pertaining to elections which were required to be held within 4 months of closing of accounts	Section 11(2) of the Trade Organizations Ordinance 2007 and Rules 15 & 21 of the Trade Organizations Rules 2007	Detailed changes in the election procedure have been prescribed under the new law, which are at variance with the procedures provided under the Chamber's constitution. In particular, the time frame for the elections under the new law is 1st July to 30th September	Existing election procedure and time frame sought to be retained.	The Chamber is a completely apolitical body, which has been carrying out its aims and objectives for about 150 years without there ever being any conflict or discord among its members. It has succeeded in achieving this through strict adherence to the relevant provisions of its constitutional documents. The existing Articles of Association of the Chamber contain detailed rules on the election of the Executive Committee Members while Articles 5-6 and 11-12 contain detailed rules on the membership issues. Since the elections for the executive council are held every year, Vice President succeeds to the office of the President which provides continuity and stability to the management of the chamber. The Chamber and its members are convinced that the new rules on membership of trade bodies and for elections of their office-bearers will only serve to politicize and divide the Chamber. Accordingly, it would be appreciated if the Chamber is exempted, as a special case, from the application of the new rules pertaining to membership and elections.
(iii)	Organizational Structure	Articles 13-17 prescribe that the Chamber will be managed by an Executive Committee, which would include a President and a Vice President. The retiring Vice President is to succeed to the office of the President. There is also a Secretary General, who acts as the Chief executive of the Chamber. All members are Ordinary members, with equal rights and privileges which are entitled to exercise from the date of their membership.	Rule 23 of Trade Organizations Rules 2007	Rule 23 of Trade Organizations Rules 2007, stipulates that a Chamber will comprise a President, Vice-President, an Executive Committee and a General Body. The Executive Committee is to comprise persons elected by the General Body from amongst its members, in a prescribed manner. Also, the tenure of all elected office bearers is to be one year, and no member of Executive Committee may hold office for more than two consecutive terms. Lastly, on completion the term the President, Vice-President, Chairman and Vice-Chairman are not eligible to contest election or co-option in any representative capacity for the next one year		The Memorandum and Articles of Association contain detailed rules in this regard, which have done exceedingly well in the test of time. The Chamber would seek permission to retain the existing provisions in its constitution dealing with the designations, tenure, roles and the mode of appointment of its office-bearers so as to ensure succession planning and stability to the management of the Chamber.





**APPENDIX B**

**Competition Ordinance 2007 – Issues, Implications, Possible Remedies**

Issues	Competition Ordinance 2007	Implications	Remedies based on best international practices
"Dominant Position"	An undertaking has "dominant position" when it has more than 40% market share	<p>Without clarification on what is the "relevant market" and how market shares will be determined, implementation of this clause will be open to misinterpretation.</p> <p>The potential to misuse a dominant position (as opposed to merely having a dominant share) will vary from industry to industry and depend on how the rest of the market is shared by various players. For example, in a market in which A, B and C possess 40%, 35% and 25% share respectively, the likelihood of A misusing its position is minimal. Two near-equal players with around 40% share each may prove to be a more effective check against dominant action than a case in where a single player commands a large share and the rest of the market is proliferated amongst many players. Hence Relative Market Share is a more useful guide than absolute share.</p> <p>Is dominant share a volume share or a value share? The two will differ because branded offerings command a premium for quality and consistency. As large parts of the Pakistani market are still held by the informal, unregulated sector, volume is a better basis for determining the potential to dominate rather than value. Also a volumetric measure avoids the need to adjust for differing trade margins.</p> <p>In some industries dominant position may have been achieved because of factors like licensing agreements, copyrights, trade marks etc., the Competition Law does not take this into account.</p>	<p>As stated above, definition of "relevant market" needs to be clearly stated by the CCP.</p> <p>The threshold beyond which a firm is stated to have a dominant position in a market needs to be re-stated keeping different industries and share dispersion in mind. A Relative Market Share of 1.5 times nearest competitor, coupled with an absolute share threshold of 50% may in combination be a more effective measure.</p> <p>Exemptions must be made if market dominance has come about through use of Intellectual Property Rights.</p> <p>A clear distinction must be made for industries which have low entry barriers, high switchability between products, choice between a number of product forms and where market share has or can be built through investing in brands, supply chain and distribution.</p> <p>The bases for determining Dominant Share will be volumetric.</p>

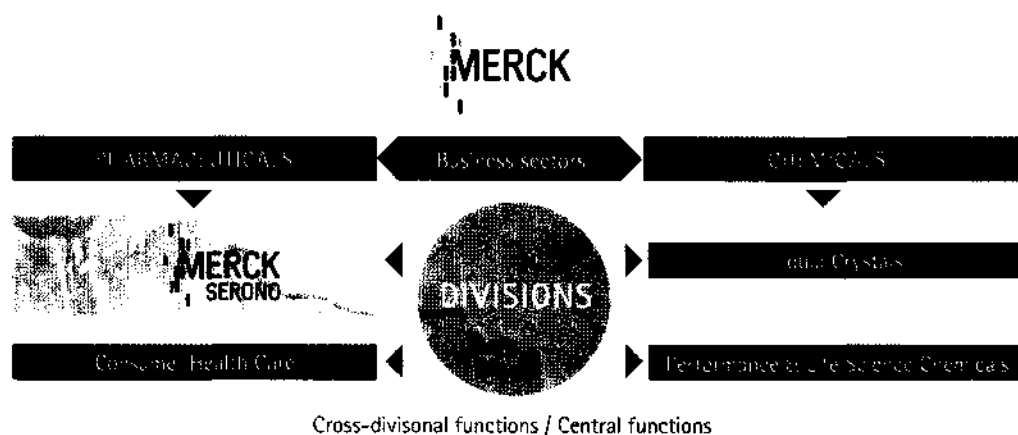
Issues	Competition Ordinance 2007	Implications	Remedies based on best international practices
"Relevant Market"	<p>The Competition Ordinance defines a "relevant market" in terms of a "product market" or a "geographic market".</p> <p>"Product market" consists of all products &amp; services consumer regards as interchangeable or substitutable. Geographic markets comprise of areas in which the undertaking &amp; its competitors are competing</p>	<p>Definition of "relevant market" is important as it is used for determining market shares. These are important for:</p> <ul style="list-style-type: none"> <li>~ determining "dominant position" and as such "abuse of dominant position"</li> <li>~ for notifying mergers / acquisitions / JVs to the CCP</li> </ul> <p>In the Competition Ordinance it has not been clarified whether the "product market" includes unbranded products and brands that mushroom from time to time, in addition to widely recognized brands. In most consumer markets, bulk sales are in the unbranded / mushroom category. Taken as a total the market shares of the known brands would be significantly smaller than if the market was to consist exclusively of major/well-known brands.</p> <p>A number of popular brands are counterfeited. Distinction is required to be made between the genuine and the counterfeited in determining share.</p> <p>In markets where we have identifiable segments created on the basis of factors such as price or consumer preferences, does each segment constitute a market or is the market defined as the sum of sales in each segment (product category)? For example if the toothpaste market had four distinct segments (hypothetical example), consisting of opaque (white), gel, medicated and smokers toothpaste, will the acquisition by the leader in white toothpaste of another in gel need to be reported to the CCP, even though their combined share of the total toothpaste market may be less than 40%? If in the automotive industry, operators for reasons of scale and efficiency specialize in the production of a particular size or type of car, will they be deemed to have a dominant share within the size they produce or in the total car market.</p> <p>"Product" is in itself a narrow term, when the intention should be to address consumer need or function. For example, in the snacking and refreshments industry, the consumer need can be met by a host of products – potato chips, sweets, cold drinks, fruit juice, ice cream, tea, coffee, etc.</p>	<p>The definition of the "relevant market" in both its product and geographic dimension often has a decisive influence on the assessment of a competition case. It is therefore necessary that the Competition Commission clearly indicate the criteria and evidence on which it will rely in order to reach a decision, this is especially important if the CCP wants to come across as a transparent organization.</p> <p>Not only does it need to clarify the criteria it is going to use in order to determine "relevant market" it also needs to clarify the methodology that will be used to establish "market shares".</p> <p>Usually the economic criterion which includes demand and supply substitutability are used, in addition the product dimensions as well as views of customers, competitors, consumer preferences, entries to barriers and costs with regard to switching are taken into consideration. The CCP has to clearly state the methodology it is going to follow.</p> <p>For determining the market shares including those of imported brands the proposed methodology needs to be broad-based, holistic, national and include the unbranded sectors. It should address consumer needs rather than be narrowly segmented and bound by product forms.</p>



Issues	Competition Ordinance 2007	Implications	Remedies based on best international practices
		<p>The appropriate definition would therefore be the consumer need for snacking and refreshment; therefore cover all the product forms that are capable to deliver this. Another example is the need to wash clothes. If restricted to product forms, laundry powder, laundry soap, laundry noodles would each represent a product even though consumers switch frequently between them, depending on the type and quantity of clothes, type of fabrics, whether hand or machine-washed, climate etc.</p> <p>Based on the criteria used to define a "geographic area" a number of brands may find they are open to action by the CCP as they may be deemed to have a large share of what in effect is a small market.</p> <p>Consideration is also required of cross-border movement and smuggling of products. For example, about 40% of tea sold in Pakistan is smuggled in the guise of Afghan Transit Treaty. This will not be reflected in the official import statistics, but impacts market size in a significant manner.</p>	
"Use of outside consultants"	The CCP may outsource studies by hiring consultants on contract	Criteria for hiring and evaluating the work of independent consultants have not been clearly defined. This could lead to studies being done which are not objective in nature and be biased against some undertakings or industries.	<p>The CCP needs to clearly state the criteria to be followed for hiring and monitoring the work of independent consultants.</p> <p>A procedure needs to be allowed for aggrieved undertakings to challenge the findings of the independent consultant and if required have the work evaluated by a third party. The consultant should be subject to same penalties as those imposed on undertakings for furnishing false information.</p>
"Right of appeal against decision of the CCP"	Right of appeal lies with the Appellate Bench of the CCP, the decision of the Appellate Bench can only be challenged in the Supreme Court.	The Appellate Bench comprises members of the CCP. The CCP has the power to review its own decision and this could simply be a restatement of the case.	Either the High Court is allowed to review the decisions of the CCP or else an independent Appellate Bench separate from the CCP be set up. The Chairperson and members of the Appellate Bench be hired by a selection committee headed by the Chief Justice of the Supreme Court or his nominee and include as its members the Secretary Finance and the Secretary Ministry of Law, Justice and Parliamentary Affairs. Unless the Chairperson of the Tribunal is competent, the Tribunal will not be able to function as a quasi-judicial forum.



# A Leader in Biotechnologies



**Merck** is a global pharmaceutical and chemical group. In 2006, Merck Group sales totaled approximately Å 6.3 billion. Following the acquisition of the Swiss biotech firm Serono in early 2007, around 35,000 people work for Merck in 62 countries. Merck is pursuing a strategy of ifocused diversification with the two divisions of its Pharmaceuticals business sector and the two divisions of the Chemicals business sector. The Pharmaceuticals business comprises branded prescription drugs, e.g. for the treatment of cancer, neurological and growth disorders, cardiovascular diseases and infertility. Merck also offers over-the-counter pharmaceutical products with its the consumer health care business. The Chemicals business sector offers chemicals for sophisticated applications: liquid crystals for displays, effect pigments for industry and cosmetics, analytical reagents and test kits, as well as products and services along the entire process chain of the

pharmaceutical and biotech industry. Merck is the world's oldest pharmaceutical and chemical company, with roots dating back to 1668. From the start of industrial production in 1827 to first research into liquid crystals more than 100 years ago up to our entry into targeted cancer therapy with the launch of Erbitux/Erin 2003, many milestones in the company's history provide strong evidence of the pioneering spirit of the people at Merck. At the beginning of 2007, Merck took a significant step to strengthen itself in a highly promising sector by announcing its intention to join forces with Serono, Europe's leading biopharmaceutical company. Merck Serono is the combination of the former Serono with the previous ethical drugs business of Merck. It stands for the link between innovative biotechnology and established pharmaceutical science. It is a link that is widely considered to offer tremendous potential.

## Merck in Pakistan:

Merck (Pvt.) Ltd. is a wholly owned subsidiary of Merck Specialties (Pvt.) Ltd. Merck (Pvt.) Ltd. is a leading pharmaceutical and chemical company in Pakistan. It is a member of the Merck Group, a global pharmaceutical and chemical group. Merck (Pvt.) Ltd. is committed to providing high quality pharmaceutical and chemical products to the Pakistani market.

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## Merck Specialties (Pvt.) Ltd.

Merck Specialties (Pvt.) Ltd. is a leading pharmaceutical and chemical company in Pakistan. It is a member of the Merck Group, a global pharmaceutical and chemical group. Merck Specialties (Pvt.) Ltd. is committed to providing high quality pharmaceutical and chemical products to the Pakistani market.

## Merck (Pvt.) Ltd.

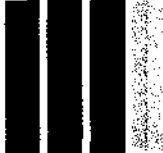
Merck (Pvt.) Ltd. is a leading pharmaceutical and chemical company in Pakistan. It is a member of the Merck Group, a global pharmaceutical and chemical group. Merck (Pvt.) Ltd. is committed to providing high quality pharmaceutical and chemical products to the Pakistani market.

## Merck Pharmaceuticals (Pvt.) Ltd.

Merck Pharmaceuticals (Pvt.) Ltd. is a leading pharmaceutical and chemical company in Pakistan. It is a member of the Merck Group, a global pharmaceutical and chemical group. Merck Pharmaceuticals (Pvt.) Ltd. is committed to providing high quality pharmaceutical and chemical products to the Pakistani market.



Issues	Competition Ordinance 2007	Implications	Remedies based on best international practices
"Authority to pass interim orders"	The CCP has got powers to pass interim orders however no time limit has been placed for these interim orders	The CCP has the mandate to issue interim orders in cases which come before it. There is no time limit for these interim orders. These can cause considerable losses to the undertakings which are affected by them there is therefore a need to have a time limit for the interim orders	There has to be a time limit on the interim orders passed by the CCP. The power to extend the interim orders should also be limited
"Forcible entry"	Any investigating officer of the Commission has got the power to forcibly enter any place or building provided he has an order signed by two members of the CCP	This gives sweeping powers to the investigating officer which if used imprudently could lead to seriously affecting the reputation of the undertaking which has been subjected to forcible entry.	While the need for confidentiality and speed of action exists under certain circumstances, it also carries the risk of imprudent use. It is therefore highly desirable that the forcible entry option be subject to some objective threshold such as an order issued by a judge of a High Court.
"Penalties imposed by the CCP"	The CCP can impose a fine extending to Rs.50.0 million or 15% of the last years turnover. In case of failure to comply with the CCP decision, an additional fine of up to Rs.1.0 million can be imposed	The maximum fine that the old MCA could impose was Rs100, 000. In addition it could impose a fine of up to Rs.10, 000 per day for failure to comply with an order.  Since the CCP is expected to fund its operations, the possibility of over zealotness cannot be overlooked	Where a flat fine is imposed, the maximum limit should be set at a nominal Rs.500, 000. It is proposed that fines be in proportion to ability to pay. In case of penalty being a percentage of annual turnovers; the percentage needs to be revised to a more realistic figure. The current 15% figure is much higher than in other parts of the world (It is 10% in the case of both the EU & India)
"Pre-merger clearance from the CCP"	Pre-merger clearance is required from the CCP once a threshold is reached. This is gross assets in excess of Rs.300 million for the acquired undertaking, or if the acquired company has an annual turnover in excess of Rs.500 million. Further more if the combined assets of the new undertaking exceed Rs.1.0 billion or combined turnover of the merging units is more than Rs.1.0 billion it has to get clearance from the CCP	Pre-merger clearance from the CCP will allow the market players to manipulate share prices.	Ideally the CCP should review the mergers after they have taken place  The thresholds for certain high capital intensive industries like oil & gas need to be increased.  The fee accompanying merger reviews need to be reduced



Issues	Competition Ordinance 2007	Implications	Remedies based on best international practices
"Merger reviews"	The CCP will review applications for mergers in two phases. The Phase 1 Review has to be completed in 30 working days. In case the Phase 1 review is not conclusive, the CCP will start Phase 2 which has to be completed in 90 working days	As the time period starts once the CCP is satisfied that it has received all the information it requires, there is the possibility that the process can be a long drawn one. Also the onus of providing the proof lies with the undertakings and not with the CCP	Merger notification documents need to be condensed and simplified owing to lacuna in reporting market data in Pakistan.
"Refusal to Deal" and "Boycotting of Undertakings"	These, prima-facie restrictive practices are disallowed.	There can be good reasons why a business may refuse to deal with another. Example - inadequate capital; lack of knowledge, experience or capability; record of mal-performance; need to protect proprietary information, etc., etc.	Refusal to deal or boycotting of undertakings on justifiable business grounds should not automatically be deemed to be a restrictive practice.
"Misleading Marketing Practices"	Deceptive marketing practices and misleading advertising is not allowed	Judgment on what is deceptive and misleading is often debatable and even experts sometimes disagree. Advertisers' associations and the media have established councils to adjudicate and arbitrate, which by and large work satisfactorily. Recourse to existing law is an additional safeguard.	This is best left to industry and advertising associations, failing which, recourse is available in existing law. The Commission's time, effort and limited resources would otherwise be sub-optimally deployed.
"Predatory Pricing"	A level of pricing that could lead to elimination of competition is disallowed	Price is a function of cost and profit ambition. Cost in turn is determined by scale and efficiency. Where existing scale and efficiency allows competitive pricing, it works in the interest of consumers and ought to be encouraged. Otherwise too, there can be valid reasons for temporary price cuts, for example to sell slow-moving stock, to promote trial of new or existing products or to clear inventory ahead of innovation etc.	The term predatory needs to be defined in at least the following dimensions - (i) extent of discount from the norm; (ii) period and (iii) reason for which the discount is applied; (iv) cost and (v) mark-up.

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**APPENDIX C****I**

30th April, 2007.  
Mr. Saeedullah Khan,  
Secretary (IT Policy),  
(Revenue Division),  
Central Board of Revenue,  
Government of Pakistan,  
ISLAMABAD.

Dear Sir,

**FEDERAL BUDGET PROPOSALS FOR 2007 – 2008**

Thank you for your letter dated 9th April, 2007.

As per your letter under reference, you had asked us to forward the proposed preset criteria for the salaried class in order to avoid extra burden of taxation due to nominal increase in salary. The subject issue was discussed in detail with Chairperson, Central Board of Revenue during his visit to the Chamber. It was decided that since marginal taxation impacts a very small group of people and this issue will remain, as it is not possible to satisfy all the persons. Therefore OICCI will not like to press the issue further.

**PRESUMPTIVE TAX REGIME**

The said issue was discussed in detail. It was agreed by Chairperson, CBR that PTR is an unfair regime. However, he suggested that he could consider a proposal in line with "Large Trading Houses" offered in last fiscal budget. In this regard, we are sending you a criteria to fall under NTR applicable to manufacturers / importers / contractors. The same is attached as **Annexure 'A'**. We hope the suggested criteria will be useful in solving the issue.

Regards,

Yours truly,

**ADNAN AFRIDI**  
**SECRETARY GENERAL**





||

11th June, 2007.  
Mr. Abdullah Yusuf,  
Chairperson,  
Central Board of Revenue,  
Government of Pakistan,  
ISLAMABAD.

Dear Sir,

**NON-AVAILABILITY OF IMPORT STATISTICS FOR EACH HS CODE INCLUDING QUANTITY, SOURCE, VALUE AND IMPORTER**

I am writing to express our serious concern about the decision of the Customs Authorities to make the import data unavailable to the public which was previously handled by Pakistan Revenue Automation Limited (PRAL) till mid 2006. Thereafter the imports have gone into the CARE system which is no longer providing information and is only referring to federal bureau of statistics which publishes monthly information giving consolidated import quantity and value for the items by country of origin with a three month lag.

The delayed flow of information and missing details impact on:

- Identifying damage done to the local industry and economy through under invoicing, dumping, and other unethical trade practices.
- Estimating the market size and growth in order to undertake appropriate marketing measures.
- Evaluating the overall attractiveness of the domestic market in order to negotiate better terms with the raw material suppliers.
- Analyzing investment decisions in the form of capital expenditures and capacity enhancement.

The access to the import data promotes a culture of transparency and facilitates informed decision-making towards strengthening the domestic industries to emerge competitive in the global scenario. Our Members have a significant contribution to the GDP of the Country and have expressed their concern on this issue (see attached copies of letters of Member Companies, ICI Pakistan Limited and Engro Asahi Polymer & Chemicals Limited for your information).

You are therefore requested to take up this issue so that the comprehensive import data for chapters identified in the appendix, through CARE and PRAL systems is made available to public, in a timely manner.

Sincerely,

**ADNAN AFRIDI**  
**SECRETARY GENERAL**

Attachments:

1. ICI Pakistan Limited letter dated 4th June, 2007
2. Engro Asahi Polymer & Chemicals Limited letter dated 22nd March, 2007

c.c.: Mr. Khawaja Saqib Mahmood,  
Corporate Commercial Affairs Manager,  
ICI Pakistan Limited,  
KARACHI.

|||

July 5, 2007  
Mr. M Abdullah Yusuf  
Secretary General, Revenue Division /  
Chairperson, Central Board of Revenue  
Government of Pakistan  
Islamabad

Dear Mr. Yusuf,

**Federal Budget 2007 – 2008 - Enhancement of GST on Plastic Products & Levy of 1 % Custom Service Charge on Imports**

The membership of Overseas Investors Chamber of Commerce and Industry (OICCI) is a major stake-holder in Pakistan economy, with an overall contribution in excess of 10% of the GNP of the country and over 33% of the manufacturing GDP of Pakistan. Moreover, our members are the most significant tax-payers in the country, contributing approx. 20% of total tax collections. Our members represent Pakistan's major trading partners and are active in most major sectors of the economy.

We are hopeful that the recently announced budget will assist in sustaining the country's economic growth; however, we would like to draw your attention towards the enhancement of GST on plastic products and levy of 1 % custom service charge on imports. Our analysis indicates that these additional duty measures, particularly on plastics and steel will significantly add to the overall cost of doing business as these materials form the basis of both the construction and the manufacturing sector.

**Issue:**

Levy of the additional GST of 5 % and 1 % service charges for customs resulted in an immediate price increase of 6 % in steel and plastic materials.

**Recommendation:**

The CBR should consider imposing 15% GST for registered and 20% for un-registered companies. This will provide incentives to vendors to register and provide documentation to the government.

We also consider the 1 % levy of custom service charge as over and above the basic tax rate that already exists. If such a charge is levied, a similar reduction in tax rate should also be considered.

We hope that the above suggestions will be given serious consideration and we are available to make a representation in person as and when required.

Sincerely,

**ZUBYR SOOMRO**  
**PRESIDENT**

**IV**

6th August, 2007  
Ms. Seema Raza Bokhari,  
Secretary (Reforms & Automation),  
Central Board of Revenue  
Government of Pakistan  
ISLAMABAD.

Dear Madam,

**ISSUE OF NON AVAILABILITY OF IMPORT STATISTICS**

Thank you for your letter dated 30th June, 2007 in reply to our letter of 11th June, 2007 on the above subject.

As per your reply under reference, the data pertaining to individual trader transaction cannot be shared. This will have a very adverse effect on the business, as no company will be able to actively monitor the quantum and value of goods being imported in Pakistan. Moreover, the present information released by Federal Bureau of Statistics has following drawbacks:

- a. The consolidated data regarding import quantity and value by Country of Origin is released at times with 6 months delay.
- b. This would damage the economy as non availability of data would encourage under invoicing and dumping and hence against the principle of transparency
- c. As the operations will expand in future, the information flow will further deteriorate and it would be difficult to monitor the quantum and value of products being imported in Pakistan
- d. Due to non availability of import data, antidumping applications cannot be processed, as sufficient evidence of dumping will not be available to initiate an investigation
- e. Cumulative data for the whole month as mentioned in the letter under reference will not serve the purpose, as unit value is not available
- f. Under the provision of Clause 155 H (c) of the Customs Act, the Federal Government may allow any organization to obtain such information

The access to PRAL data is limited to Karachi Port Trust only. CARE has the additional data. In view of the facts stated above, you are once again requested to reconsider your decision and allow the comprehensive import data identified in the appendix through CARE be made available to promote culture of transparency and protect the local industry.

We hope to receive a positive response from you.

Yours truly,

**ADNAN AFRIDI**  
**SECRETARY GENERAL**

c.c.: Mr. M Abdullah Yusuf  
Secretary General, Revenue Division /  
Chairperson, Central Board of Revenue  
Government of Pakistan  
ISLAMABAD.



V

8th August, 2007.  
Mr. Zia – ul - Hassan Khan,  
Inspector General Police, Sindh  
Police Head Office,  
I. I. Chundrigar Road,  
KARACHI.

Dear Sir,

**Re: SECURITY SITUATION – KORANGI INDUSTRIAL AREA, KARACHI**

I am writing to you on behalf of the Overseas Investors Chamber of Commerce & Industry. The Chamber represents overseas investors representing diversified sectors of the economy and its Members are key to the country's economic investment and growth. Our 168 members collectively contribute to over 14% of the GDP of the country and over 33% of total tax revenues of the Government of Pakistan.

While we welcome you as the new Inspector General of Sind, I am writing to express our concern over the growing cases of serious street crimes in Karachi (including Car and Mobile Phone Theft and Kidnapping). In particular, I would like to inform you that one of the employees of our Member Companies, Bristol - Myers Squibb Pakistan (Private) Limited, a leading Pharmaceutical Company located in Korangi Industrial Area was deprived of his Car, Mobile Phone and cash at gun point in front of their main gate on the evening of 3rd August, 2007 (An FIR has already been lodged at the Sharafi Goth Police Station. The incident is alarming as the incident occurred just outside the main gate of the Company; moreover, similar incidents have seen a sharp increase in the Korangi area in the recent past.

I would like to express our deep concern over the increasing frequency of such crimes and draw your attention to the fact that such incidents particularly against the employees of multinational companies hamper the flow of investment into the country and in particular into the province of Sindh.

I am writing to request the following: (1) This particular incident be investigated on a priority basis with updates provided to the company and the OICCI; (2) Increased police visibility and vigilance in the Korangi area, particularly during morning and evening traffic; (3) A severe and sustained crack-down on street crime and a communication of the law and order strategy to key stake-holders including the OICCI.

I look forward to your early attention to this matter.

Yours truly,

**ADNAN AFRIDI**  
**SECRETARY GENERAL**

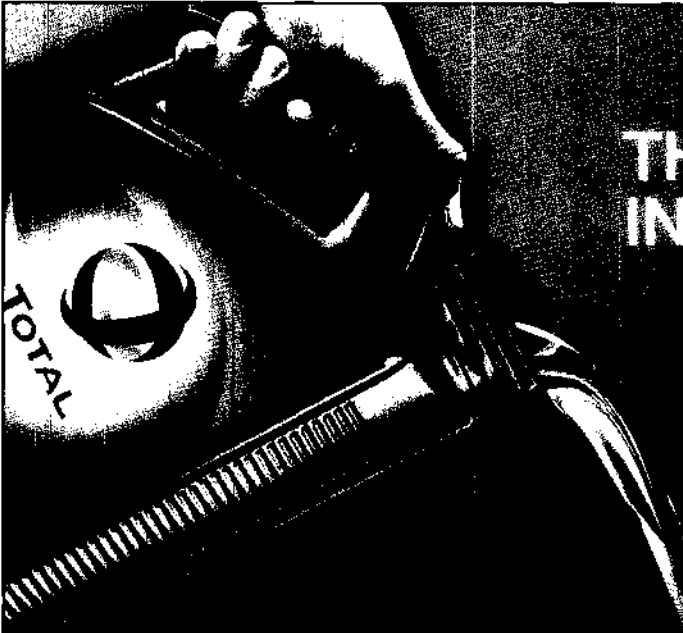
c.c.: Captain A E Mohammad Tahir Naved,  
PSP, TPO, Saddar Town,  
KARACHI.



c.c.: Mr. Sharfuddin Memon, T. I.  
Chief,  
Citizen Police Liaison Committee,  
Central Reporting Cell,  
Sindh Governor's Secretariat,  
KARACHI.

c.c.: Dr. Sitwat Husain,  
Senior Director,  
Human Resources,  
Bristol - Myers Squibb Pakistan (Private) Limited,  
KARACHI.

c.c.: Mr. Humayun Bashir,  
Chairperson,  
OICCI Sub Committee on Law & Order



# THE RIGHT CHOICE IN LUBRICANTS

Total is a multinational energy company committed to leveraging innovation and initiative to provide a sustainable response to the nation's energy requirements. The fourth largest oil and gas company in the world, Total operates in more than 130 countries and is no. 1 in Europe. With a strong focus towards research and development, our wide range of over 450 products is custom designed to cater to diversified customer needs.

Total is the right choice in Industrial & Automotive lubricants in Pakistan. For a powerful performance, the nation trusts only TOTAL.

T H E R I G H T C H O I C E I N L U B R I C A N T S



TOTAL ATLAS LUBRICANTS PAKISTAN (PVT.) LTD.



VI

19th September 2007  
Mr. Humayun Akhtar Khan  
Federal Minister of Commerce  
Ministry of Commerce  
Islamabad

Dear Minister,

As you are aware Overseas Investors Chamber of Commerce and Industry (OICCI) is the oldest Chamber of Commerce of Pakistan. The Chambers' primary function is to promote the commercial, industrial & financial interests of foreign investors engaged in Pakistan. OICCI has 168 Members, representing all major sectors of the economy. A recent survey conducted by KPMG indicated that the OICCI membership contributes over 14% of the GNP of Pakistan and approx. 32% of the GDP of the manufacturing sector. Between them, they contribute 33% of the total tax revenue of the Government of Pakistan, and directly employ approximately 100,000 people.

OICCI recently conducted its first Annual Perception survey of our members in which we asked them to summarize the quality of their interaction with various ministries and autonomous bodies over the past 12 months. I am pleased to inform you that the results of this survey indicate that Pakistan is considered an attractive investment destination because of a growing domestic economy, consistent and business friendly policies and sound macro-economic management.

Our survey indicates that the membership of OICCI found its interaction with the Ministry of Commerce to be productive. Your leadership in ensuring consistency in policies and responsiveness to genuine business needs have contributed to the positive perception.

I hope that the OICCI can continue to work with your Ministry to further promote bilateral trade with our key trading partners.

Sincerely,

**Zubyr Soomro**  
President

Attachment: Results of perception survey

**VII**

6th December 2007

Mr. Abdullah Yusuf  
Chairperson  
Federal Board of Revenue  
Islamabad

Dear Mr. Yusuf,

**Tax on Dividends-Non Resident/Foreign Companies**

As you are aware Overseas Investors Chamber of Commerce and Industry (OICCI) is the oldest Chamber of Commerce of Pakistan. The Chamber's primary function is to promote the commercial, industrial and financial interests of foreign investors engaged in Pakistan.

Foreign Investment is a key driver of growth and we appreciate the government's policy to encourage it. However as a result of recent changes in Sections 8(e)(ii) and 169(3) of the Tax Ordinance 2001, an anomaly has crept in to which we draw your kind attention. The change will cause non-resident parent companies receiving dividend from Pakistani Resident companies (subsidiaries) to be inadvertently subjected to tax at the corporate tax rate, currently 35%. Prior to this change, tax deducted at source was deemed to be the full and final liability for the non-resident foreign parent companies receiving dividend income. Such non-resident foreign parent companies were not required to file a return for a tax year. Instead a statement under section 115(4) of the Ordinance was required to be filed.

The following changes have been made to the above referred section:

Section 8(e)(ii): A proviso is added which reads " Provided that the provisions of this section shall not apply to dividend received by a company" implying that if the dividend is received by a company, including non resident companies having investment in local resident companies, the tax deducted at source on dividend income will not be the full and final liability for them and they would have to file the return of income and pay corporate tax @35% on such income;

Section 169(3): The change reads "Other than dividend received by the company," again implying that dividend income earned by a company, including non resident companies is excluded from the purview of final taxation.

We believe that it is the intention of the Federal Board of Revenue to increase the tax base and clearly the above amendments were made with a view to tax dividend received by Local Resident Companies at the corporate tax, currently 35%. However, the definition of "company" as given under section 80 of the Ordinance is wide enough to encompass all companies including non-resident/foreign companies within its sphere.

We feel that this is an inadvertent oversight and will be detrimental to Foreign Investment in Pakistan and therefore, would like to recommend that the above anomaly may please be rectified by introducing suitable and necessary amendments under the relevant provisions of the law to exclude Non Resident/Foreign companies from the purview of the above changes.

With kind regards,

**Unjela Siddiqi**  
Secretary General



# WE STAND STRONG through investment in people



Engro Polymer & Chemicals Ltd.  
(Formerly Engro Asahi Polymer & Chemicals Ltd.)

**First IIP Certified  
Company of Pakistan**



## INVESTOR IN PEOPLE

*Investors In People is a world renowned UK based Human Resource Development standard. More than 40,000 organizations are already aligned with the standard across the globe.*

*Around 1/3rd of the UK population falls under this certification now. The standard audits the training systems and their effectiveness mainly through employee feedback.*

Engro Polymer & Chemicals Ltd. (formerly Engro Asahi Polymer & Chemicals Ltd.) is the only manufacturer of PVC resin in Pakistan. We support our customers in helping grow their businesses by developing new applications.

We take strength from our Core Values & Management Systems. Ethics, Health, Safety & Environment, Employee development and Customer focus are critical to our business success.

At Engro Polymer, we believe that a motivated & well trained workforce provides the launch pad for business growth through effective customer service. We are investing more and more in our people to meet the ever changing business requirements. Efforts put into developing our people have now been recognized by Investors In People (IIP). **We are proud of our people.**

**VIII**

December 26, 2007  
Dr. Farnaz Malik  
Drugs Controller  
Ministry of Health  
Islamabad

**Subject: VITAMIN POLICY: PHARMA BUREAU'S RECOMMENDATIONS**

Dear Dr. Farnaz Malik,

We are pleased to submit our final recommendations regarding the Vitamin Policy in the light of recommendations from the Ministry of Health, Islamabad. The Pharma Bureau's recommendations are enclosed as annexure pages 1-5.

Thanking you, we remain,

With best regards

Sincerely,

**Riaz Hussain**  
Executive Director

c.c. Mr. Khushnood A. Lashari, Secretary Health, MoH, Islamabad  
Maj. Gen. (Retd.) Shahida Malik, DGH, MoH, Islamabad  
Mr. Juergen Koenig, Chairperson Pharma Bureau  
Mr. Arshad Rahim Khan, Co-Chairperson Pharma Bureau



MoH Proposal	Proposed Amendments	Comments
<p>a) PPMA &amp; Pharma Bureau collectively adopted a stand that vitamins shall remain under the Drugs Act, 1976</p>		<p>There was a common understanding between the MoH officials and the stake holders (PPMA &amp; Pharma Bureau) as per Pre-Board Meeting dated 09 August 2007 that as a first step the pendency to be cleared and subsequently will move forward with de-regulation.</p>
<p>b) That the formulations approved by the Regulatory Authorities of the developed countries will remain register in the identical strengths of active ingredients with special focus on the optimum level of the Vitamin A, Vitamin D, Vitamin E and certain Trace Elements which exhibit toxicity because the dietary habits of Pakistan population are full of the Vitamins</p> <p>It will be mandatory that free sale certificate would be submitted to the Ministry of Health for continuation of the formulation or new registrations identical.</p>	<p>Countries should be specified: US, any EU country, Switzerland, Canada, Japan, Australia – it should not be mandatory that the formulation is available in the country of origin</p>	<p>We are going to follow the formulations that are already being marketed in developed countries and their safety is well established; Pakistani diet is in fact poor in vitamin content In most developed countries, vitamin and mineral preparations are not considered drugs, therefore, in most cases FSC from HAs will not be available – however, proof of availability in developed countries can be arranged. The requirement for proof should be applicable to only those new registrations that have any ingredient in quantity higher than the formulations that were registered up to Dec 97.</p>
<p>c) The formulations which were registered up to December, 1997 will also remain in the market. However, their ingredient's strength levels will be rationalized at uniform formula.</p>		<p>As far as we know, Pakistan will be the first country in the world to adopt the policy of "uniform formula". There are different patient/population groups having different needs of different vitamins and minerals - uniform formula will not be able to cater for the needs of these groups, e.g., needs of pregnant/lactating women will be quite different from elderly population. The MoH should concentrate on maximum allowable content of vitamins and minerals (Upper safety limits) – any quantity below that level should be acceptable The reason for accepting the formulations that were registered up to Dec 97 was that since these products have been in the market for a decade, their efficacy and safety is well established. Therefore, there is no need to "rationalize at uniform formula"</p>
<p>d) Rest of the formulations will be reviewed in the light of Para "b &amp; c". In case of formulations not in line with the "b &amp; c", the firms will be allowed to adopt similar formulations available in the light of the Para "b &amp; c" or surrender the formulation</p>	<p>Para "b &amp; c" should be replaced by Para "b or c"</p>	<p>Para b and c should be amended to incorporate the recommendations made therein Important: It was between the stake holders and MOH officials that MOH will be evaluating the application on the basis of: - Already registered and Marketed Products (prior to Dec 1997) OR - Product available in the developed and industrialized countries OR All other formulation to be reviewed on the scientific evidence</p>
<p>e) All the pending applications will be decided in the light of Para "b &amp; c".</p>	<p>Para "b &amp; c" should be replaced by Para "b or c"</p>	<p>Same as above</p>
<p>f) Mandatory stability studies along with validation of testing methods will be pre-requisite for the grant of registrations</p>		
<p>g) No vitamin, mineral or any combinations will be allowed to be sold as dietary supplements unless it is registered by the Ministry of Health</p>		<p>Criteria should be set by all the stakeholders that may be based on RDA and or its multiples, for classifying formulations as dietary supplements and these should be de-regulated in terms of price and advertisement</p>



MoH Proposal	Proposed Amendments	Comments
h) Pricing issues will be decided by the PRC.		
i) The firms seeking manufacturing permission for minerals will be required to possess the facility of the atomic absorption.		
j) A committee comprising of two members each from PPMA & Pharma Bureau along with MOH will scrutinize the pending applications in the light of above recommendation in the light of Para "b & c". This committee would submit their recommendations for finalization of formulations in line with "b & c". They will also report about the food supplements fate. A comprehensive report will be submitted for final consideration of the Drugs Registration Board.	Para "b & c" should be replaced by Para "b or c" Para "b & c" should be replaced by Para "b or c"	provided the recommended amendments in Para b and c are incorporated
k) No new registration will be permitted to the Vitamins and Minerals formulations which will not be identical with the formulations in "b & c" or free sale certificate will be provided from the developed countries		same comments as above i.e. provided the recommended amendments in para b & c are incorporated and consideration given to important note mentioned in comments in point d.



IX

February 8, 2008

Brig (R) Akhtar Zamin  
Minister of Interior  
Government of Sindh  
Karachi

Dear Sir,

**Security Situation - Sindh Province**

I am writing to you on behalf of the Overseas Investors Chamber of Commerce and Industry (OICCI). The Chamber represents foreign investors from diverse sectors of the economy. Our 171 members collectively contribute to over 14% of the GDP of the country and over 33% of total tax revenues of the Government of Pakistan.

Through this letter, I would like to express our members' concern over the law and order situation created following the tragic assassination of Ms. Benazir Bhutto on December 27, 2007. The vandalism witnessed during this period has created a frightening situation in the country especially in Sindh and has made our members fear for their lives and property.

One of the major concerns of our members was the complete absence of police and the Rangers operating in Sindh on the evening of the incident. It is reported that they were told to remain within their barracks. They finally became visible on the streets on December 29, 2007 when most of the damage/looting had already taken place.

We would like to express our deep concerns over the burning of factories and destruction of assets of several of our member companies during the aftermath. (Please see attachment) We remind you that such incidents hamper the flow of investment in the country and severely affect the country's image in the international community.

We feel that the following measures, if adopted, could help:

- a) Advance preparation of Emergency/Disaster plans for dealing with such situations
- b) A dedicated force of Police/Rangers for high volatile/vulnerable areas
- c) Few petrol pumps in key areas should remain open under security for availability of petrol/gas for smooth running of essential services
- d) The decision taken regarding the installation of CCTV/cameras in key areas should be implemented immediately
- e) Home secretary/DG Rangers Sindh and IG police responsible for maintaining law and order should issue short messages in person on the electronic media to calm the public
- f) Local radio Channels for dissemination of latest information on traffic routes
- g) Dedicated appropriate level police officer for OICC&I to assist the Law & Order Sub-Committee of the Chamber
- h) Updates on security situation should be provided to the Chamber
- i) A severe and sustained crack down on criminals who had resorted to looting and robbery should be taken



I, along with some members of the Executive Committee would like to meet you to work out a mutually acceptable mechanism for dealing with such situations to avoid any untoward damage.

I look forward to your early attention to this important issue.

Regards,

**Zubyr Soomro**

President

cc:

1. Mr. Azhar Ali Farooqi  
I.G. Sindh Police  
Sindh Police Karachi
2. Mr. Niaz Ahmed Siddiqi  
CCPO  
Sindh Police Karachi
3. Ms. Unjela Siddiqi  
Secretary General  
OICCI
4. Mr. Humayun Bashir  
Chairman, Law and Order Sub Committee  
OICCI

# SHOCKED AGAIN BY THE ELECTRICITY BILL?



Low quality cables made from sub standard & impure copper  
cause wastage of electricity, whereas

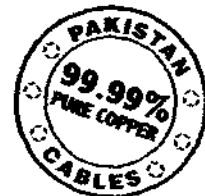
## **PAKISTAN CABLES**

**is made from 99.99% pure copper, ensuring:**

- Smooth Flow of Electricity
- Lower Electricity Bill



Pakistan Cables  
[www.pakistancables.com](http://www.pakistancables.com)



**Trusted not to compromise**

**OICCI MEMBERS INPUT REGARDING LOSSES INCURRED DURING RECENT  
LAW & ORDER SITUATION**

S. No.	Name of Member	Damage to Building, Machinery,Infrastructure, vehicles etc.	Loss of lives	Loss Incurred
1	Bristol-Myers Squibb	BMS Head Office/Factory in Korangi Industrial Area, Karachi, was attacked by large mobs two days running on the 27th and 28th of December, 2007. The mobs (around 150 on the first day and around 70 on the second day) forced the gate open and ransacked some parts of our offices and broke many glass windows and doors in addition to stealing many telephone sets as well as some computers, laser printers, PABX Operator Console, crockery/cutlery items from the cafeteria and 2 weapons of the security guards in addition to many smaller items.	No loss of lives reported	
2	Chevron	23 Caltex retail outlets were damaged Breakdown: 6 in Karachi (3 outlets were burnt) 14 in Hyderabad in Sukkar	No loss of lives reported	Estimated damage of over 20 million rupees Estimated loss due to closure/disruption of business over 110 million rupees
3	Citibank	The Trade Center in Korangi Industrial Area was burnt completely.Sales and Service Centre in Korangi was completely ransacked by what seemed to be a large but well organized mob and it was then burnt down. In addition branches in Hyderabad and Rawalpindi were also attacked and damaged and an office of Sales agents in Hyderabad was also set on fire and destroyed.	No loss of lives reported	16 million rupees equivalent to 262,000 USD
4	Clariant	Damage to some extent was done to one factory in Jamshoro by a mob of miscreants who also set ablaze some of the vehicles in the parking lot	No loss of lives reported	
5	Gillette	Two of the trucks of our trucking company got burned and one got looted while going up north from Karachi	No loss of lives reported	
6	Lakson		No loss of lives reported	Losses above \$ 250 million across the country
7	Johnson and Johnson	Two cars of the field staff employees were seriously damaged		
8	Novartis	Factory at Jamshoro was damaged	No loss of lives reported	
9	Procter & Gamble	Two trucks of contract carriers were burnt and drivers roughed up by mobs. One was empty and one was full of product. Additionally, product from one of the truck was looted.	No loss of lives reported	





S. No.	Name of Member	Damage to Building, Machinery, Infrastructure, vehicles etc.	Loss of lives	Loss Incurred
10	Pakistan Mobile	7-8 of its cell sites were destroyed, several outlets across the country and franchises were also burnt and looted. Minimum service levels at the call centres in Karachi as our people could not move in and out and had to stay two nights at the premises and work multiple shorter shifts. Distribution system for transporting diesel stocks to keep the generators running on various cell sites suffered heavily due to limited movement in Karachi and Interior Sindh thus effecting service quality in places.	No loss of lives reported	Over the last 48 hrs our retailers across the country ran out of scratch cards loading stock and our revenues as a result suffered up to a 20% drop during this period
11	Singer	Shop and Factory located in Korangi Industrial Area were attacked by unruly mob on 27th December 2007 in the evening. The security people tried to contact Authorities including 115 but there was no response from any law enforcement agencies. The entire shop has been looted, destroyed and put on fire. Factory was luckily saved but electrical cable was damaged.	No loss of lives reported	
12	Shell	37 Shell Petrol Filling Stations had been damaged with 4 being partially brunt. One of our sales staff's car was also burnt and it was fortunate that he was unharmed.	No loss of lives reported	
13	Unilever	Four trucks carrying products were torched at various places in Sindh. Only 50% of call routes are open.	No loss of lives reported	

**APPENDIX D**

**MINUTES OF THE 147TH ANNUAL GENERAL MEETING  
OF THE OVERSEAS INVESTORS CHAMBER OF COMMERCE  
& INDUSTRY HELD IN THE COUNCIL HALL OF THE CHAMBER  
AT CHAMBER OF COMMERCE BUILDING, TALPUR ROAD,  
KARACHI ON TUESDAY 17TH APRIL, 2007 AT 11 AM**

**Present In Person**

Mr. Salman Burney  
President  
GlaxoSmithKline Pakistan Limited

**Members**

- |   |                       |
|---|-----------------------|
| 1. ACE Insurance Ltd                              | Ms. Zehra Naqvi       |
| 2. Citibank N. A.                                 | Mr. Zubyr Soomro      |
| 3. Dadex Eternit Ltd                              | Mr. I. H. Zaidi       |
| 4. Engro Asahi Polymer & Chemicals Ltd            | Mr. Asif Qadir        |
| 5. Johnson & Johnson Pakistan (Private) Ltd       | Mr. Farrukh Fayyaz    |
| 6. J.S. Bank Limited                              | Mr. Naveed Qazi       |
| 7. Merck Marker (Private) Ltd                     | Mr. Juergen Koenig    |
| 8. New Jubilee Life Insurance Company Ltd         | Mr. Zulfiqar Abdullah |
| 9. Novartis Pharma (Pakistan) Ltd                 | Dr. Farid Khan        |
| 10. Orix Leasing Pakistan Ltd                     | Mr. Teizoon Kisat     |
| 11. Pak Oman Investment Company (Private) Ltd     | Mrs. Ozma Rasikh      |
| 12. Pakistan Cables Ltd                           | Mr. Kamal Chinoy      |
| 13. Pakistan Mobile Communications (Private) Ltd  | Mr. Zouhair Khaliq    |
| 14. Pakistan Tobacco Company Ltd                  | Mr. Mobasher Raza     |
| 15. Rafhan Best Foods Ltd                         | Mr. Jameel Siddiqui   |
| 16. S. C. Johnson & Son Of Pakistan (Private) Ltd | Mr. Husain Jafar      |
| 17. Shell Pakistan Ltd                            | Mr. Zaiviji Ismail    |
| 18. Siemens Pakistan Engineering Company Ltd      | Mr. Zaman Najmi       |
| 19. Telenor Pakistan (Private) Ltd                | Mr. Peter Kuncewicz   |
| 20. Total Atlas Lubricants Pakistan (Private) Ltd | Mr. Sohail Farookhi   |

**Present By Proxy**

1. Actis Assets Limited
2. Albaraka Islamic Bank B.S.C. (E.C.)
3. Areva T&D Pakistan (Private) Limited
4. Attock Refinery Limited
5. Avery Scales (Private) Limited
6. Bank Alfalah Limited
7. Bank Of Tokyo - Mitsubishi UFJ Limited (The)
8. Barrett Hodgson Pakistan (Private) Limited
9. BASF Pakistan (Private) Limited
10. BMA Capital Management (Guarantee) Limited
11. BOC Pakistan Limited
12. Bosicor Pakistan Limited
13. Chevron Pakistan Limited
14. Clariant Pakistan Limited
15. Continental Biscuits Limited
16. Delphi Diesel Systems Pakistan (Private) Limited
17. Dupont Pakistan Operations (Private) Limited
18. Eli Lilly Pakistan (Private) Limited
19. Engro Asahi Polymer & Chemicals Limited
20. Getz Pharma (Private) Limited
21. Indus Motor Company Limited
22. James Finlay Limited
23. Johnson & Phillips (Pakistan) Limited
24. J. P. Morgan Pakistan (Private) Limited
25. Karachi International Container Terminal Limited
26. KASB Securities (Private) Limited
27. Kodak Limited
28. 3M Pakistan (Private) Limited
29. Mackinnon, Mackenzie & Company Of Pakistan (Private) Limited
30. Meezan Bank Limited
31. Mitsubishi Corporation
32. Nalco Pakistan (Private) Limited
33. Nestle Pakistan Limited
34. Nimir Chemicals Pakistan Limited
35. Organon Pakistan (Private) Limited
36. Pak - Arab Refinery Limited
37. P&O Containers Pakistan (Private) Limited
38. Pakistan Refinery Limited
39. Phoenix Armour (Private) Limited
40. Premier – Kufpec Pakistan B. V.
41. Procter & Gamble Pakistan (Private) Limited
42. Progas Pakistan Limited
43. Roche Pakistan Limited
44. Rousch (Pakistan) Power Limited
45. Syngenta Pakistan Limited
46. UCH Power Limited
47. United Bank Limited

The meeting was invoked with a short recitation from the Holy Quran by Hafiz Moinuddin.



Mr. Salman Burney, President chaired the meeting. He addressed:

Ladies & Gentlemen,

I welcome you to the 147th Annual General Meeting of the Chamber. In addition to the Members present in person, we have received 47 proxies from Members. These are as prescribed under Article 36 of the Chamber's Articles of Association. The quorum prescribed under Article 31 is 25% of total membership, which is 42 including Proxies. We therefore constitute the necessary quorum.

The Notice convening the meeting has already been circulated; I propose that this be taken as read.

The First Item on the Agenda is to confirm and sign the Minutes of the 146th Annual General Meeting held on Monday 10th April, 2006 at 11 AM. These have already been circulated to all Members and if there are no comments, I propose that these be taken as confirmed and I will now sign the Minutes.

The Second Item on the Agenda is to approve the Minutes of the Extra Ordinary General Meeting held on Tuesday 9th January, 2007 at 4 PM. These have already been circulated to all Members and if there are no comments, I propose that these be taken as confirmed and I will now sign the Minutes.

The Third item on the Agenda is to pass the Audited Accounts for the year 2006. Copies are already with you and if there are any questions, I shall endeavour to reply to them.

Mr. Kamal Chinoy enquired about what the category Air-conditioning Income refers to. Secretary General explained that Orix pays OICCI a fee for air-conditioning usage.

As there are no questions, may I request a Member to propose the adoption of the Accounts for the year ended December 31, 2006 and another Member to second the Resolution.

Resolution

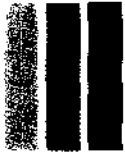
"that the audited accounts for the year ended December 31, 2006 be and are hereby adopted"

{Proposed by Mr. Juergen Koenig of Merck Marker (Private) Limited}

and

{Seconded By Mr. Zouhair Khaliq of Pakistan Mobile Communications (Private) Limited}

The Resolution was carried unanimously.



The Fourth item on the Agenda is to receive the Committee's Report on the Accounts and President's Review for the year 2006. Committee's Report and President's Review have already been circulated to you. I will be pleased to answer any questions arising there from, and now invite discussions.

President briefed the general body on the up gradation and refurbishment of the Chamber premises. Secretary General explained that the renovation has received positive feed back from members and visitors. Moreover, Chamber premises are being rented out to members much more frequently than previous year.

Since there are no questions forthcoming, may I propose that the Report of the Committee for the year 2006 as circulated to members be adopted?

Resolution

"That the report of the committee for the year 2005 as circulated to members, be and is hereby adopted"

(Proposed by chair)

And

{Seconded by Mr. Kamal Chinoy of Pakistan Cables Limited}

The Resolution was carried unanimously.

The Fifth item on the Agenda is to consider appointment of Auditors for the year 2007.

The present Auditors, Messrs. A. F. Ferguson & Company has offered them for re-election.

I request a Member to propose and another Member to second a resolution for the appointment of Auditors.

"That Messrs. A. F. Ferguson & company, be and are hereby  
Re-appointed as auditors for the year 2007 at a fee of Rs. 23,000 per annum"

{Proposed by Mr. Asif Qadir of Engro Asahi Polymer & Chemicals Limited}

And

{Seconded by Mr. Juergen Koenig of Merck Marker (Private) Limited}

The Resolution was carried unanimously.

The Sixth item on the Agenda is to record the election of Eight Members of the Managing Committee for the year 2007 - 2008, and to receive the Scrutineers Report on the election.

Mr. Nadeem N. Jafarey and Mr. Humayun Murad were kind enough to act as Scrutineers this year and I wish to thank both of them for having rendered this service.

I will now open the envelope and read the Scrutineers Report on the result of the Ballot.



Results make trust credible – Achievement makes commitment known – Responsibility makes promise real  
Our identity is of the essence – Care makes us Bank Alfalah

The Caring Bank

BANK ALFALAH LIMITED  بنك الفلاح المحدود



The results of the election read as follows:

**Members of the Managing Committee**  
(In alphabetical order)

- |                           |   |
|---------------------------|---|
| 1. Mr. Farhat Ali         | ABB (Private) Limited                         |
| 2. Mr. Humayun Bashir     | IBM   |
| 3. Mr. Zaiviji Ismail     | Shell Pakistan Limited                        |
| 4. Mr. Zouhair Khaliq     | Pakistan Mobile Communications (Pvt) Ltd      |
| 5. Mr. Ehsan Ali Malik    | Unilever Pakistan Limited                     |
| 6. Mr. Asif Qadir         | Engro Asahi Polymer & Chemicals Ltd           |
| 7. Mr. H. Reza - Ur Rahim | J. P. Morgan Pakistan (Private) Limited       |
| 8. Mr. Shahid Zaki        | Philips Electrical Industries Of Pakistan Ltd |

I would like to take this opportunity to congratulate all the Members who have been elected to serve on the Managing Committee and to thank those who have not been successful for the interest they have shown in the affairs of the Chamber.

The last item on the Agenda is to discuss any other business for which due notice should have been given. No such notice has been received. However, I will entertain any comments from Members.

No comments were forthcoming.

Before closing the meeting, I would like to request Mr. Zubyr Soomro who succeeds me as President, OICCI to address you. The business of the Annual General Meeting having finished, I now request Members to join me for tea.

**Adnan Afridi**  
Secretary General

**Zubyr Soomro**  
President