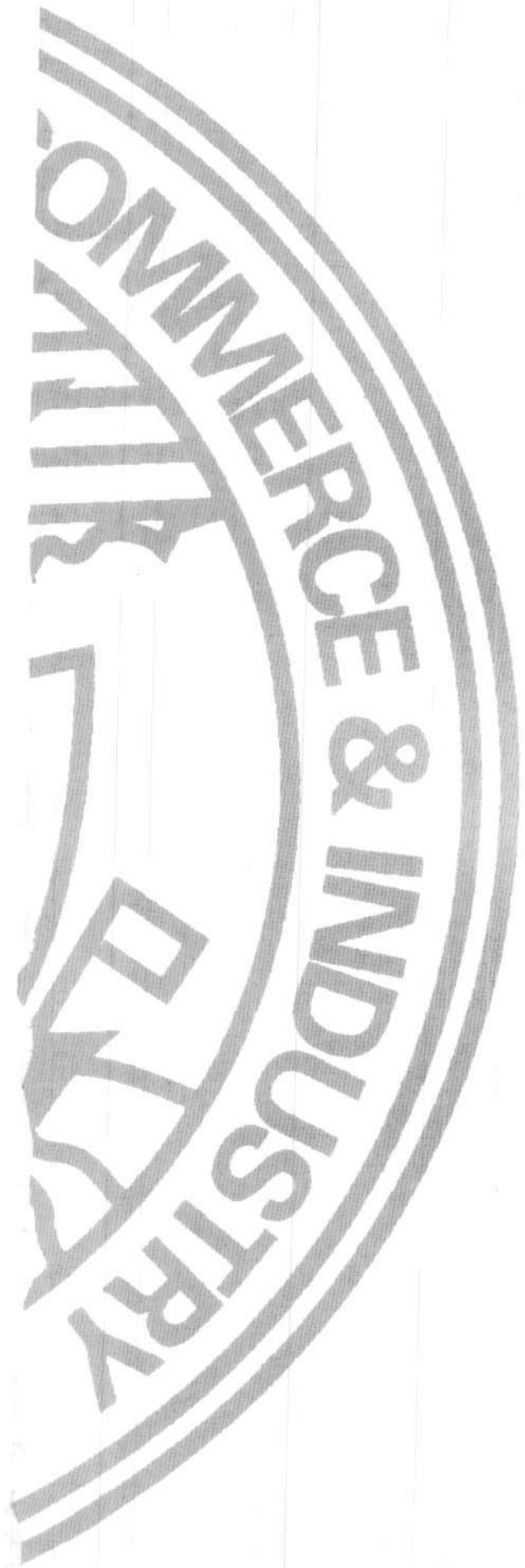


Representing
International Business





Leveraging the
world-class
expertise of
OICCI members
for the benefit
of the investor
and the country.



Table of Contents

Organization Profile

Origin	01
Mission and Vision	02
Managing Committee 2006	03
Chairmen of the Chamber	04
Presidents of the Chamber	05
Secretaries of the Chamber	06
Secretaries-General of the Chamber	07
Deputy Secretaries of the Chamber	07
President's Review for 2006	08

Membership of the Chamber

New Members	10
Member Updates	11
Member Statistics	12
List of Members	13
The Chamber's Representation on Various Bodies	16

Managing Committee

Meetings of the Managing Committee	19
Activities of the Managing Committee	20
Significant Correspondence	32

The Chamber's Standing Sub-committees

Chairmen and Co-chairmen of the Sub-committees	50
Meetings of Standing Sub-committees	51
Corporate Social Responsibility	52
Corporate Law, Labour and Employee Relations	53
Energy	54
Corporate Communications	55



Intellectual Property Rights	56
Pharmaceutical	57
Investment	59
Taxation	61
Banking, Leasing and Insurance	62
Industrial, Commercial and Environment	63

Administration and Other Matters

Annual General Meeting	65
Merchants' Golf Cup Competition	66
Consumer Price Survey	67
Minutes of the 146th Annual General Meeting	68

Financial Statements

Auditors' Report to the Members	73
Committee Report on the Accounts	74
Balance Sheet	75
Income and Expenditure Account	76
Notes to the Financial Statements	77

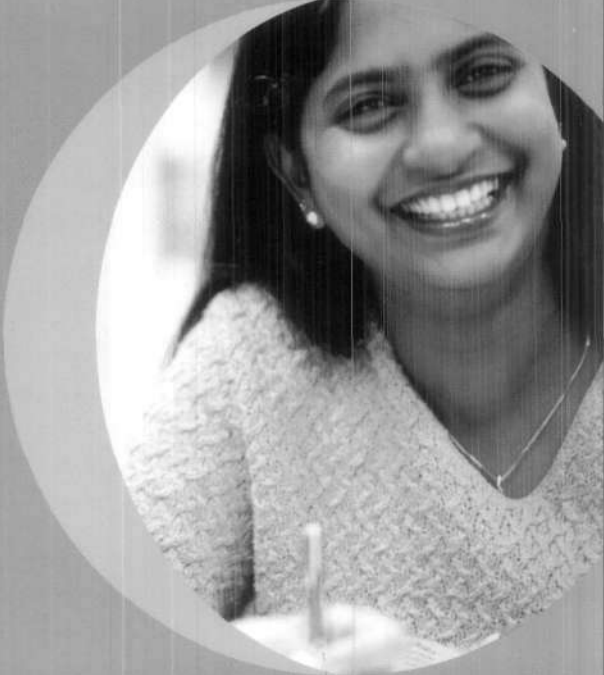




P&G helps its employees with personal development and encourages them to combine their personal victories for the success of the company.

Recently rated amongst the top five companies of the world, P&G could not have achieved this position without making the **right investments** in every area, including human resources.

With over 260 employees in Pakistan, P&G continues to make a triumphant history in the corporate world and the consumer market of Pakistan.

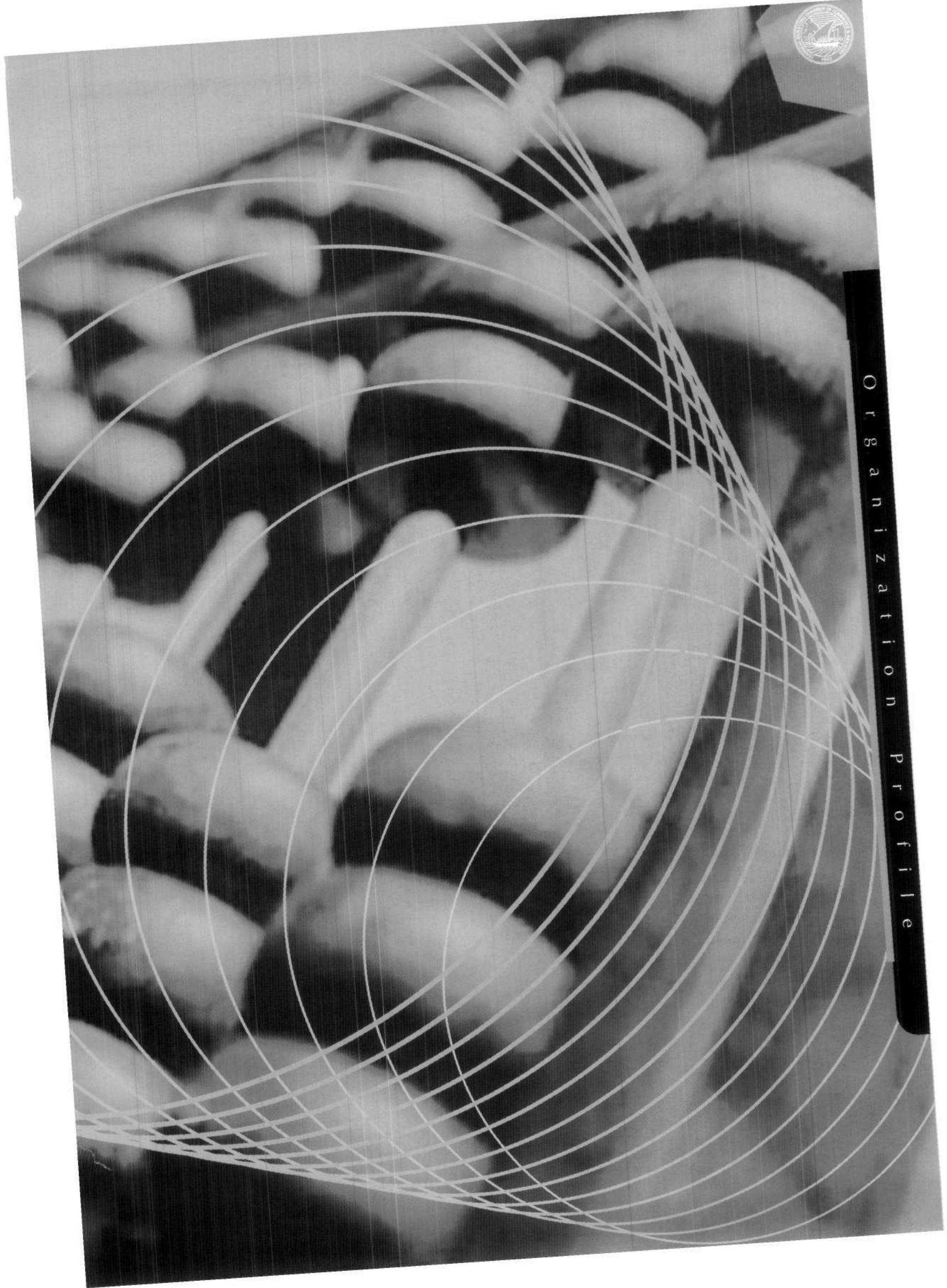


Fruitful Investments

Touching lives, improving life. *P&G*



O r g a n i z a t i o n P r o f i l e



Organization Profile

Origin

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

A. Legal Form of the Organization

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

B. 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 for 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.

C. Areas of Action

Information

Advisory

Problem solving

Representation

Investment promotion

Policy reform

D. Activities Carried Out on a Regular Basis

Disseminating information

Representation on various councils and committees

Dialogue with government concerning

- 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

E. OICCI Organization Structure

Managing Committee

Is the apex body consisting of eight regular and three co-opted members, who are elected every year.



Office Bearers

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

Sub-committees

The Chamber has 12 Standing Sub-committees with about 125 specialist members participating in them. The Sub-committees are:

Banking, Leasing and Insurance
 Corporate Social Responsibility
 Corporate Communications
 Corporate Law, Labour and Employee Relations
 Energy
 Industrial, Commercial and Environment
 Intellectual Property Rights
 Investment, Infrastructure, Law & Order and Security
 IT & E-commerce and Telecommunications
 Pharmaceutical
 Programmes and Events
 Taxation

Each Sub-committee consists of approximately 10 to 12 specialist members and is headed by a Chairman.

Members

169 companies in various sectors of the economy, of which 49 are quoted on the Stock Exchange. Amongst these companies, 41 are British, 45 European, 44 American, 12 Japanese and 27 are companies of other nationalities.

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

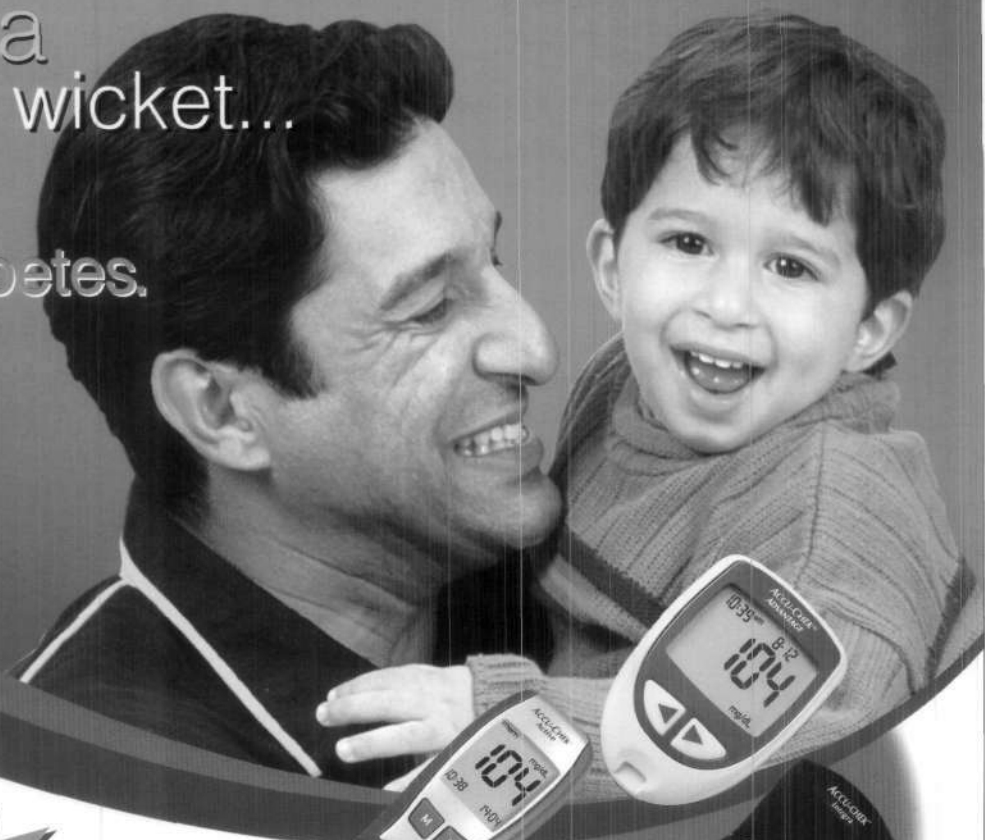
Mission

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



Life is a
priceless wicket...

...don't let it
fall to diabetes.



Defeat **diabetes** with

ACCU-CHEK®

"I have a life, but I also have diabetes. Earlier my biggest fear was whether I would be able to defeat it. Then I found **ACCU-CHEK®** and regained the confidence to live life the way I wanted. Thanks to **ACCU-CHEK®**, I can now monitor my blood sugar frequently and defeat diabetes daily"



World leader in Blood
Glucose Monitoring

ACCU-CHEK®

Live life. The way you want.

Managing Committee of the Chamber for 2006



President
Salman Burney
GlaxoSmithKline Pakistan Limited



Vice President
Zubyr Soomro
Citibank N. A.

Members



Humayun Bashir
IBM



S. H. A. Bukhari
Mackinnon, Mackenzie &
Company of Pakistan
(Private) Limited



Qaisar Shareef
Procter & Gamble Pakistan
(Private) Limited



Hasan Ali Khan
Continental Biscuits Limited



Waqar A. Malik
ICI Pakistan Limited



Asif Qadir
Engro Asahi Polymer
and Chemicals Limited



Shahid Zaki
Philips Electrical Industries of
Pakistan Limited



Parvez Ghias
Indus Motor Company
Limited



Zaiviji Ismail
Shell Pakistan Limited



Zouhair Khaliq
Pakistan Mobile
Communications (Private)
Limited



Farid Khan
Novartis Pharma (Pakistan) Limited



Chairmen of the Chamber

D. Mclver	1860/61	M. De P. Webb, CIE	1914/15
W. Nichol	1861/62	M. De P. Webb, CIE	1915/16
A. Stewart	1862/63	W. U. Nicholas	1916/17
A. Stewart	1863/64	M. De P. Webb, CIE	1917/18
A. E. Denso	1864/65	M. De P. Webb, CIE	1918/19
A. E. Denso	1865/66	H. G. Jaughton	1919/20
W. G. Hall	1866/67	Sir Montague Webb, KT, CIE, CBE, MLC	1920/21
W. G. Hall	1867/68	Sir Montague Webb, KT, CIE, CBE, MLC	1921/22
J. G. Tindal	1868/69	F. Clayton, CIE, MLC	1922/23
J. G. Tindal	1869/70	F. Clayton, CIE, MLC	1923/24
Max Denso	1870/71	F. Clayton, CIE, MLC	1924/25
Max Denso	1871/72	R. D. England	1925/26
F. Masotti	1872/73	F. Clayton, CIE, MLC	1926/27
W. Thorburn	1873/74	F. Clayton, CIE, MLC	1927/28
W. M. Macaulay	1874/75	J. R. N. Graham, VC	1928/29
W. Thorburn	1875/76	E. A. Pearson	1929/30
Max Denso	1876/77	H. G. Cooper, MCD CM	1930/31
James Grant	1877/78	H. S. Bigg – Wither, OBE	1931/32
A. McHinch	1878/79	J. R. N. Graham, VC	1932/33
A. McHinch	1879/80	R. H. Martin	1933/34
Max Denso	1880/81	H. S. Bigg – Wither, OBE	1934/35
Max Denso	1881/82	H. S. Bigg – Wither, OBE	1935/36
James Grant	1882/83	G. H. Raschen, CBE	1936/37
James Grant	1883/84	G. H. Raschen, CBE	1937/38
Max Denso	1884/85	R. H. Martin	1938/39
Max Denso	1885/86	J. H. Blackwell, CBE, MC	1939/40
A. Thole	1886/87	J. Humphrey, OBE	1940/41
A. McHinch	1887/88	J. Humphrey, OBE	1941/42
A. McHinch	1888/89	A. T. Orr Deas, MC	1942/43
A. McHinch	1889/90	J. H. Blackwell, CBE, MC	1943/44
James Currie	1890/91	J. Humphrey, CBE, JP	1944/45
James Currie	1891/92	Lt. Col. W. B. Hossack, MLA	1945/46
James Currie	1892/93	B. R. Graham	1946/47
James Currie	1893/94	R. L. Coghlan	1947/48
James Currie	1894/95	B. R. Graham, OBE	1948/49
T. R. McLellan	1895/96	B. R. Graham, OBE	1949/50
T. R. McLellan	1896/97	J. N. Kerr	1950/51
T. R. McLellan	1897/98	B. R. Graham, CBE	1951/52
T. R. McLellan	1898/99	B. R. Graham, CBE	1952/53
T. L. F. Beaumont	1899/1900	T. W. Cree	1953/54
D. Mclver	1900/01	B. Fane Saunders, CBE	1954/55
D. Mclver	1901/02	T. W. Cree	1955/56
D. Mclver	1902/03	W. E. Wilkie – Brown	1956/57
Hon. W. T. O' Brien	1903/04	Mirza A. Raza	1957/58
M. De P. Webb, CIE	1904/05		
M. De P. Webb, CIE	1905/06		
M. De P. Webb, CIE	1906/07		
M. De P. Webb, CIE	1907/08		
M. De P. Webb, CIE	1908/09		
M. De P. Webb, CIE	1909/10		
M. De P. Webb, CIE	1910/11		
M. De P. Webb, CIE	1911/12		
M. De P. Webb, CIE	1912/13		
M. De P. Webb, CIE	1913/14		



Presidents of the Chamber

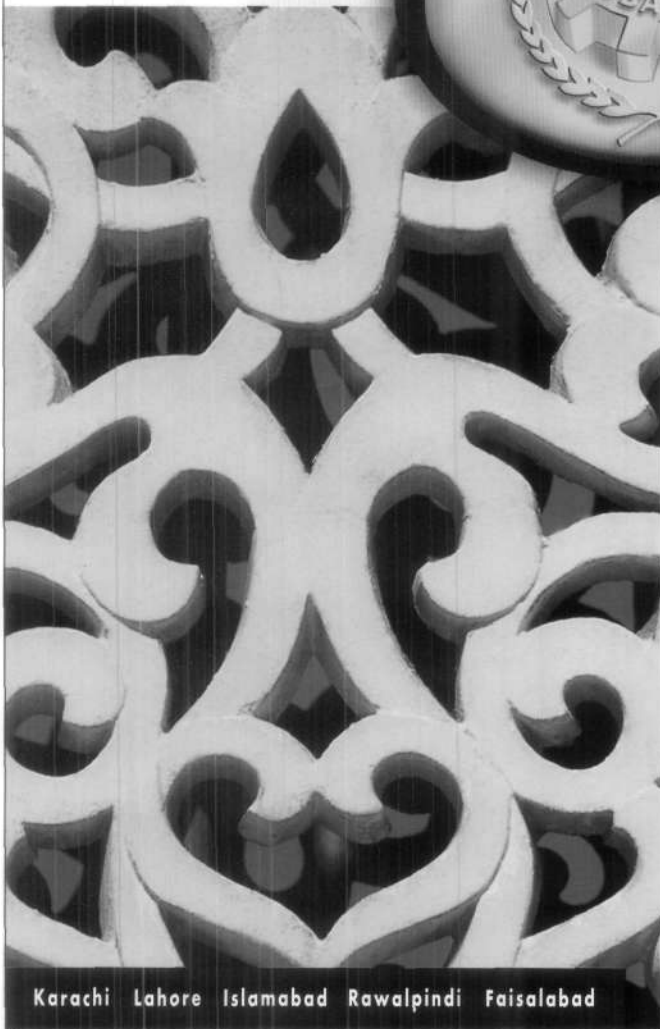
T. W. Cree, CBE	1958/59
T. W. Cree, CBE	1959/60
W. N. Banks	1960/61
W. B. Banks	1961/62
S. R. Stephens	1962/63
H. C. G. Brown, DSC	1963/64
I. Habibullah	1964/65
J. F. C. Gallaher, CBE, DSO, DFC	1965/66
R. A. M. Henson	1966/67
J. F. C. Gallaher, CBE, DSO, DFC	1967/68
J. D. Le Valliant	1968/69
J. D. Le Valliant	1969/70
D. Jongeneel	1970/71
Masud Karim	1971/72
Masud Karim	1972/73
Masud Karim	1973/74
J. H. A. Midwood	1974/75
K. Z. Hassan	1975/76
W. R. A. Kimber	1976/77
W. R. A. Kimber	1977/78
Saleem Majidullah	1978/79
Saleem Majidullah	1979/80
R. Stokell	1980
N. A. Shah	1980/81
N. A. Shah	1981/82
N. A. Shah	1982/83
D. M. Keith, OBE	1983/84
D. M. Keith, OBE	1984/85
Dr M. S. Habib	1985/86
Dr M. S. Habib	1986/87
Naseem S. Mirza	1987/88
Naseem S. Mirza	1988/89
Dr M. S. Habib	1989/90
Dr M. S. Habib	1990/91
Dr M. S. Habib	1991/92
C. T. Dullaert	1992
M. Younas Khan	1992/93
M. Younas Khan	1993/94
Nisar A. Memon	1994/95
Tariq Ikram	1995/96
T. V. Higgins, OBE	1996/97
S. Naseem Ahmad	1997/98
I. S. Sangster, OBE	1998/99
Munnawar Hamid, OBE	1999/2000
Tariq Amin	2000/01
Moin M. Fudda	2001/02
Kamran Y. Mirza	2002/03
Zaffar A. Khan	2003/04
Farooq Rahmatullah	2004/05
Sohail Wajahat H. Siddiqui	2005/06
Salman Burney	2006/07



We understand your needs.
We share your beliefs.

AlBaraka Islamic Bank

Backed by AlBaraka Banking Group
of Saudi Arabia with operations
in 10 countries, through 200 branches.



An Islamic Ideology

Islamic Shariah - the guiding principle of all our banking and financial activities, while sharing the expertise of world renowned Islamic scholars

Strong Financial Institution

Part of the AlBaraka Banking Group - one of the largest Islamic banking groups. Registered in Bahrain and licensed as a Scheduled Commercial Bank by the State Bank of Pakistan

The Pioneering Spirit

Acclaimed as a model of Islamic banking, for its expertise and strict compliance of the Islamic Shariah in all spheres of operations

Global Expertise

Operating in Jordan, Bahrain, Algeria, Sudan, South Africa, Lebanon, Pakistan, Tunisia, Egypt and Turkey with over quarter of a century's experience, AlBaraka has been promoting Islamic Banking in Pakistan for the last 14 years

Modern Banking Services

A diversified portfolio of investment solutions, consumer banking and financial services



AlBaraka Islamic Bank بنك البركة الاسلامي

SHARIA IS OUR SOURCE

Tel: 111-SHARIA (742-742)

www.albaraka.com.pk

Karachi Lahore Islamabad Rawalpindi Faisalabad

Secretaries of the Chamber

R. Bell	
R. Stewart	
W. Nicol	1860-64
W. W. Beck	1861-62
J. W. Hill	
H. Jacob	1862-63
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



Build exactly what's on your mind



Bank Alfalah
**Home
construct**

Call Now: **111-225-111**
111-777-786

www.bankalfalah.com

Make a home right according to your plan

Avail the friendliest home plan to lead you home. Complementing your specific requirements from beginning to end, Home Construct brings you the Best Value:

- Up to 100% financing of verified construction cost
- Choice between Variable & Fixed mark-up rate
- Avail up to 2 years to complete construction
- Mark-up calculation on disbursed amount during construction phase
- Disbursement available in Tranches
- No valuation fees

The Caring Bank

BANK ALFALAH LIMITED



بنك الفلاح المحدود

SYNERGY

Secretaries-General of the Chamber

Zahid Zaheer
Syed Viqar Salahuddin

1991-2005
2005/06



Adnan Afridi
2006 to date

Deputy Secretaries of the Chamber

J. S. Lobo
M. Nazir Mohiyuddin
B. H. Naqvi
I. H. Khan
Mohammed Aslam

1946-53
1959-70
1971-83
1983-90
1991-2003



Major (R) Owais Hasan
2003 to date



Thanks to refined planning, our results are far from crude.

Bosicor's integrated oil refinery commenced production in July 2004 to provide a complete range of petroleum products. With self sustaining capabilities in electricity & fresh water generation, Bosicor has augmented existing energy resources for Pakistan and is supplementing the demand for the country's energy.

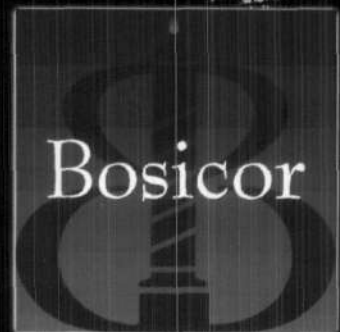


Mouza Kund Plant 1 (MKP-1)

Bosicor Pakistan Limited

2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi-74000. Pakistan

Voice : (92-21) 111-222-081, Fax: (92-21) 111-888-081, (92-21) 2420722



President's Review for 2006

As we mark the end of another successful year for your Chamber, I would like to acknowledge the commendable work done by Mr Sohail Wajahat Siddiqui and the previous committee during this last year and share with everyone some of the activities undertaken by the Chamber during the current year.

This year's calendar kicked off with a luncheon meeting between the Minister of State and Environment, Mr Malik Amin Aslam, members of the Managing Committee and heads of member companies in January 2006. During the visit, a presentation was given highlighting the concerns on Environmental issues by our member firms.

In order to develop a close understanding with the print and electronic media, as well as acquainting them about the role of OICCI and its members - foreign investors in Pakistan - the OICCI hosted a luncheon for senior journalists, in March.

The OICCI Annual Dinner was held on 17th April 2006. The President, Pervez Musharraf was the Chief Guest and the dinner was also attended by the Governor Sindh, Dr Ishrat Ul Ibad and Chief Minister Sindh, Dr Arbab Ghulam Rahim. Tracing the growth and contribution of our member companies over the Chamber's 146 year history, the President commented that OICCI's members were one of the "the main sources of economic activity and growth in Pakistan."

During April, the Chamber hosted Mr Humayun A. Khan, Minister of Commerce and Dr Nadeem Ul Haque, Advisor on Trade & Policy Matters to the Chamber. Core constraints on the development of domestic commerce in Pakistan were highlighted. Presentations were also made separately to the Minister on OICCI Trade Policy proposals and Budget proposals on Taxation.

Mr Anwar Mahmood, the Federal Health Secretary, visited the Chamber to meet the members of the Pharma Bureau in May. He was accompanied by Dr Farnaz Malik, Drug Controller and Mr Amanullah, Cost Accountant. Dr Farid Khan, Chairman Pharma Bureau gave a presentation on the Pakistan Pharma Industry, which covered the major issues confronting the industry.

At a dinner held in Islamabad by the National Commission for Human Development in June, the OICCI presented a cheque for Rs. 6 million towards the Earthquake Relief Fund to the President of Pakistan.

September proved to be a busy month for the Chamber. Fifty-six members of the Pakistan Administrative Staff College, Lahore visited the Chamber in early September. Along with meeting members of the Managing Committee, they also visited Engro Asahi Polymer and Chemicals Ltd. Also in September, Mr Razi-ur-Rahman Khan, Chairman, Securities & Exchange Commission of Pakistan, visited the OICCI and met members of the Managing Committee and representatives from member companies. A detailed set of recommendations developed by the Chamber's Corporate Law, Labour and Employee Relations Sub-committee were presented to him. The Chairman SECP responded very positively and a follow-up dialogue has been instituted with the SECP since then, to ensure implementation of agreed actions.

The Chamber's Law and Order Sub-committee, under the Chairmanship of Mr Hasan Ali Khan, met with the Home Secretary Sindh and senior police officers on 31st October 2006. A range of security matters were discussed, and the OICCI stressed upon the officials to establish a provision whereby



there was a certain degree of investment in technology, in order to prevent crimes and assist in police investigations.

The Chamber had the honor of hosting Dr Shamshad Akhtar, Governor State Bank of Pakistan on 8th December 2006. The interaction with the Governor SBP and OICCI members was highly informative and various suggestions on legal, regulatory and operational issues were put forward to the Governor. These suggestions have now had a response from the SBP and are the basis of ongoing discussions.

Other visitors to the Chamber over the year included Stephen Vranckx, Regional Government Affairs Director for GlaxoSmithKline, who made a detailed presentation on Intellectual Property Rights and Data Protection law.

The Chamber hosted the City Naib Nazim, Dr Nasreen Jalil and a team from the City Government in November. The Nazim discussed Corporate Social Responsibility projects which included better health, improved education and community welfare services to the public.

During March this year, the Chamber hosted Mr Abdullah Yusuf, Chairman CBR. The Chamber's Taxation Sub-committee had worked diligently on this year's tax proposals, which were presented to the Chairman by the Vice Chairman of the Taxation Sub-committee of the Chamber, Mr Saad Amanullah Khan. The proposals were reviewed and discussed in detail by Mr Abdullah Yusuf, to be given due consideration at the time of the budget.

A number of visitors visited the OICCI Chamber during the initial months of the year 2007. Mr Thomas Moritz, Attorney Advisor International and Commercial Law Development Program, along with Mr Dominic Keating of the US Department of Commerce, and Mr K. Bunt, Political and Economic Officer from the US Consulate General, along with Mr Tariq Hafiz, from the US Patent Trademark Office, visited the OICCI in January and met members of the Intellectual Property Rights Sub-committee, as well as a number of members of the Managing Committee and heads of member companies. OICCI gave a briefing on key IPR issues to the delegation, followed by an extensive question and answer session with the visiting guests.

A delegation led by Ms Monika Ruhl Burzi, Ambassador, State Secretariat for Economic Affairs SECO, Swiss Confederation, visited the Chamber in February, and met members of the Managing Committee as well as heads of member companies.

During the year, the renovation of the Chamber's premises was also completed. We now have a fresh and updated look, which incorporates the traditional heritage and design of the Chamber's premises. Members are encouraged to use these facilities which are available at nominal charges.

In the end, I would like to thank the Secretary General and his staff for their efforts during the year, for the Chamber's activities and agenda and for making the year an active one. I would also like to take this opportunity to thank the outgoing Committee, with which I am honored to have been associated. We have endeavored to put in our best efforts to drive the collective agenda of the Chamber.

I wish Mr Zubyr Soomro and all members of the new Managing Committee the very best for the forthcoming year.

Salman Burney
President





Cleansed. Refreshed. Revitalised. With Shell Helix.

We all know how refreshing and invigorating it feels to freshen up after a hard day. Well, imagine how your engine would feel if you could give it the same treatment. Shell Helix motor oils contain special active cleansing agents that continuously lock away harmful dirt and deposits, and condition your car's engine. So your engine is not just protected but revitalised and refreshed. And that smoother, quieter drive will last right up until your next oil change.

Shell
HELIX Motor oils
GIVE YOUR CAR THAT JUST SERVICED FEELING





Membership of the Chamber



Membership of the Chamber

New Members

During the period January to December 2006, the following members were elected:

1. Atlas Honda Limited

F-36, Estate Avenue
S.I.T.E.
Karachi
Telephone 021-2575561-65
Fax 021-2563758

Mr Saquib H. Shirazi
Chief Executive Officer

2. Bank Alfalah Limited

B.A. Building
I.I. Chundrigar Road
Karachi
Telephone 021-2414030-40
UAN 111 777 786
Fax 021-2411151

Mr Mohammad Saleem Akhtar
Chief Executive

3. Warid Telecom (Private) Limited

9th Floor, EFU House, Jailroad
Lahore
Telephone 042-5715750-54
Fax 042-5786750

Mr Hamid Farooq
Chief Executive Officer

4. Pakistan Refinery Limited

Korangi Creek Road
Karachi-75190
Telephone 021-5091771-79
Fax 021-5060145

Mr Zafar Haleem
Managing Director & Chief Executive Officer

5. Makro Habib Pakistan Limited

5 – B/3, Gulberg III
Lahore
Telephone 042-5716451-55

Mr Marek A. Minkiewicz
Chief Executive Officer



- 6 The Karachi Electric Supply Corporation Limited
7th Floor, State Life Building No.11
Abdullah Haroon Road
Karachi
Telephone 021-9205142
Fax 021-9205192

Mr Frank Scherschmidt
Managing Director & Chief Executive Officer

Changes in Names of Members

At the request of the following members, the Committee approved changes to their names, which have been recorded in the Chamber's register:

Previous name	Present name
1. The Bank of Tokyo-Mitsubishi Ltd	The Bank of Tokyo-Mitsubishi UFJ Limited
2. NDLC-IFIC Bank Limited	NIB Bank Limited
3. Aventis Limited	Sanofi Aventis Pakistan Limited
4. Caltex Oil Pakistan Limited	Chevron Pakistan Limited

Outgoing Members

Following were the outgoing members during the year:

1. Pakcom Limited
2. Paktel Limited
3. Pakistan International Computers Limited

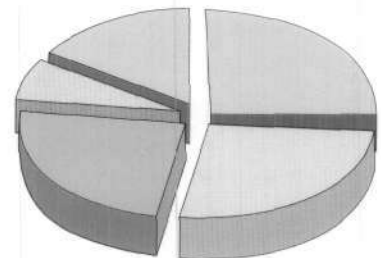
Classification of Members

The membership of the Chamber as on 31st December 2006 stood at 169. A list of members, in alphabetical order, follows on page 13.

Classification of membership as per country and industry segment is as follows:

Members by Country of Origin

USA	44	_____
Europe	45	_____
UK	41	_____
Japan	12	_____
Others	27	_____



Mark your Success



manhattan

Celebrate your success, indulge yourself with the dynamic presence and exhilarating performance of the new Camry. Soothe your soul with the comfort and atmosphere that's unrivaled in its class.



Offering you an array of features:

- ▶ Auto HID Head Lamps with Head Lamp Cleaner and Auto Levelling
- ▶ Tilt and Slide Moon Roof
- ▶ Rain Sensing Windshield
- ▶ 8-Way Power Leather Seats with Power Lumbar Support
- ▶ Leather steering with Audio, AC, MID and Cruise Control
- ▶ Auto Dual AC with Independent Climate Control and Plasma-cluster Generator
- ▶ In-dash 6 CD changer with MP3 and WMA support
- ▶ 2.4 Liter 16 Valve DOHC VVT-I Engine with 5 Speed Super ECT
- ▶ 6 SRS Airbags
- ▶ ABS with Electronic Brakeforce Distribution and Brake Assist



CAMRY

*Which ever comes first / conditions apply

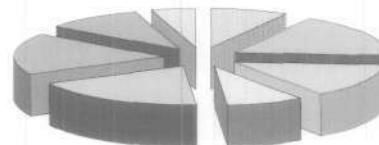
www.toyota-indus.com

INDUS MOTOR COMPANY LIMITED

KARACHI ● TOYOTA CENTRAL MOTORS UAN: 111-786-122 ● TOYOTA DEFENCE MOTORS PHONE: (021) 5386022-27 ● TOYOTA EASTERN MOTORS PHONE: (021) 4614077 ● TOYOTA SOCIETY MOTORS UAN: 111-786-113 ● TOYOTA SOUTHERN MOTORS PHONE: (021) 5053182-6 ● TOYOTA UNIVERSITY MOTORS PHONE: (021) 4941747 ● TOYOTA WESTERN MOTORS PHONE: (021) 2564531-3 ● HYDERABAD ● TOYOTA HYDERABAD MOTORS PHONE: (022) 3885121-5 ● QUETTA ● TOYOTA ZARGHOON MOTORS PHONE: (061) 444440-1 ● LAHORE ● TOYOTA GARDEN MOTORS UAN: (042) 111-56-59-59 ● TOYOTA RAVI MOTORS UAN: (042) 111-700-800 ● TOYOTA SAHARA MOTORS UAN: (042) 111-383-838 ● TOYOTA SHAHEEN MOTORS UAN: (042) 111-300-700 ● TOYOTA TOWNSHIP MOTORS UAN: (042) 111-393-939 ● TOYOTA WALTON MOTORS UAN: (042) 111-008-009 ● FAISALABAD ● TOYOTA FAISALABAD MOTORS PHONE: (041) 8712802 ● MULTAN ● TOYOTA CITY MOTORS PHONE: 111-111-342 ● TOYOTA MULTAN MOTORS PHONE: (061) 111-111-343 ● SARGODHA ● TOYOTA SARGODHA MOTORS PHONE: (0451) 217404-5 ● SIALKOT ● TOYOTA SIALKOT CITY MOTORS PHONE: (052) 6527415-6 ● RAHIM YAR KHAN ● TOYOTA ROYAL MOTORS PHONE: (068) 5885090-91 ● ISLAMABAD ● TOYOTA CAPITAL MOTORS UAN: (051) 111-142-142 ● TOYOTA ISLAMABAD MOTORS PHONE: (051) 2270460-63 ● RAWALPINDI ● TOYOTA RAWAL MOTORS PHONE: (051) 4481400-5 ● PESHAWAR ● TOYOTA FRONTIER MOTORS UAN: (091) 111-235-236 ● MIRPUR (AJK) ● TOYOTA AZAD MOTORS PHONE: (058610) 32803-5 ● MARDAN ● TOYOTA MARDAN MOTORS PHONE: (0937) 873001-5 ● D.I. KHAN ● TOYOTA D.I. KHAN MOTORS PHONE: (0961) 716792-93

Members by Industry Segment

Shipping/Airlines/Trading/Other Services	32
Banking/Finance/Leasing/Insurance	30
Oil/Gas/Energy	29
Pharmaceutical	24
Engineering/Industrial Products	18
Chemicals/Pesticides/Fertilizers/Paints	14
Food/Consumer Products	14
Tobacco/Other Manufacturing	8



Note: Forty nine member companies were quoted on the Karachi Stock Exchange during the year.

List of Members

01. ABB (Private) Limited
02. Abbott Laboratories (Pakistan) Limited
03. ABN Amro Bank N.V.
04. ACE Insurance Limited
05. Actis Assets Limited
06. AES Lal Pir Limited
07. AIG New Hampshire Insurance Company
08. Albaraka Islamic Bank B.S.C. (E.C.)
09. Alcatel Pakistan Limited
10. American Express Bank Limited
11. Arabian Sea Enterprises Limited
12. Areva T&D Pakistan (Private) Limited
13. Asia Petroleum Limited
14. Atlas Honda Limited
15. Atlas Investment Bank Limited
16. Attock Cement Pakistan Limited
17. Attock Oil Company Limited (The)
18. Attock Refinery Limited
19. Avery Scales (Private) Limited
20. Bank Alfalah Limited
21. Bank of Tokyo - Mitsubishi UFJ Limited (The)
22. Barrett Hodgson Pakistan (Private) Limited
23. BASF Pakistan (Private) Limited
24. Bata Pakistan Limited
25. Bayer Cropscience (Private) Limited
26. Bayer Pakistan (Private) Limited
27. Becton Dickinson Pakistan (Private) Limited
28. Berger Paints Pakistan Limited
29. Blackwood Hodge Pakistan (Private) Limited
30. BOC Pakistan Limited
31. Bosicor Pakistan Limited
32. BP Pakistan Exploration and 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 and Chemicals Limited
53. Engro Chemical Pakistan Limited
54. Engro Vopak Terminal Limited
55. ENI Pakistan Limited

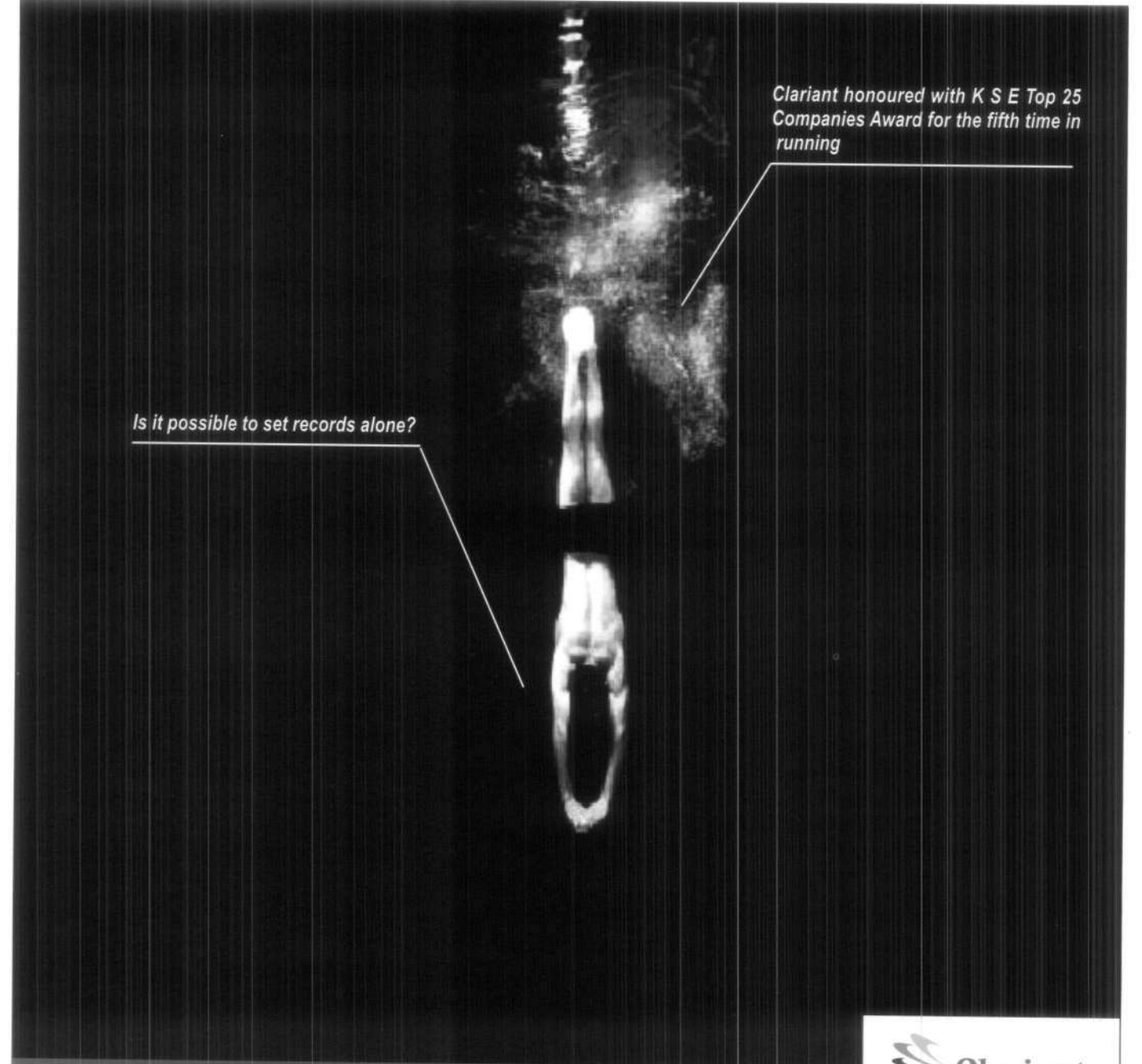


56. Exide Pakistan Limited
57. Fauji Oil Terminal & Distribution Company Limited
58. Faysal Bank Limited
59. General Tyre & Rubber Company of Pakistan Limited (The)
60. Gestetner (Private) Limited
61. Getz Pharma (Private) Limited
62. Gillette Pakistan Limited
63. GlaxoSmithKline Pakistan Limited
64. Global Securities Pakistan Limited
65. Habib Bank AG Zurich
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 and P Coats Pakistan (Private) Limited
78. James Finlay Limited
79. Johnson and Johnson Pakistan (Private) Limited
80. Johnson and Phillips (Pakistan) Limited
81. J. P. Morgan Pakistan (Private) 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 and Company of Pakistan (Private) Limited
93. Makro Habib Pakistan Limited
94. Meezan Bank Limited
95. Merck Marker (Private) Limited
96. Merck Sharp & Dohme of Pakistan Limited
97. Mitsubishi Corporation
98. Mitsui and 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. Otsuka Pakistan Limited
112. Oxford University Press
113. P and O Containers Pakistan (Private) Limited
114. Pak - Arab Refinery Limited



115. Pak Oman Investment Company (Private) Limited
116. Pakistan Cables Limited
117. Pakistan Gum and Chemicals Limited
118. Pakistan Gum Industries (Private) Limited
119. Pakistan International Computers Limited
120. Pakistan Mobile Communications (Private) Limited
121. Pakistan Oilfields Limited
122. Pakistan Petroleum Limited
123. Pakistan PTA Limited
124. Pakistan Refinery Limited
125. Pakistan Tobacco Company Limited
126. Parke Davis & Company Limited
127. Pepsi-Cola International (Private) Limited
128. Pharmatec Pakistan (Private) Limited
129. Philips Electrical Industries of Pakistan Limited
130. Phoenix Armour (Private) Limited
131. Premier-Kufpec Pakistan B.V.
132. Procter & Gamble Pakistan (Private) Limited
133. Progas Pakistan Limited
134. Qasim International Container Terminal Pakistan Limited
135. Rafhan Best Foods Limited
136. Rafhan Maize Products Company Limited
137. Ray Shipping Enterprises Limited
138. Reckitt Benckiser Pakistan Limited
139. Reuters Limited
140. Rhodia Pakistan (Private) Limited
141. Roche Pakistan Limited
142. Rousch (Pakistan) Power Limited
143. Sanofi Aventis Pakistan Limited
144. Saudi Pak Industrial and Agricultural Investment Company (Private) Limited
145. S. C. Johnson and Son of Pakistan (Private) Limited
146. Schering Asia GmbH
147. Security Leasing Corporation Limited
148. SGS Pakistan (Private) Limited
149. Sheikho Sugar Mills Limited
150. Shell Gas LPG (Pakistan) Limited
151. Shell Pakistan Limited
152. Siemens Pakistan Engineering Company Limited
153. Singer Pakistan Limited
154. Standard Chartered Bank
155. Stork - IBI Prints Pakistan (Private) Limited
156. Syngenta Pakistan Limited
157. Tapal Energy (Private) Limited
158. Telenor Pakistan (Private) Limited
159. Tethyan Copper Company Pakistan (Private) Limited
160. Tetra Pak Pakistan Limited
161. Total Atlas Lubricants Pakistan (Private) Limited
162. Tyco Fire and Security Pakistan (Private) Limited
163. Unilever Pakistan Limited
164. Union Bank Limited
165. Unisys Pakistan (Private) Limited
166. United Bank Limited
167. United Liner Agencies of Pakistan (Private) Limited
168. Warid Telecom (Private) Limited
169. Wyeth Pakistan Limited





Clariant honoured with K S E Top 25 Companies Award for the fifth time in running

Is it possible to set records alone?



Exactly your chemistry.

They're always a team effort.

Outstanding performance is always backed by the knowledge of seasoned professionals working closely together – in sport just as much as in specialty chemicals, where Clariant is acknowledged as one of the most innovative companies worldwide. Clariant stands for innovative syntheses, colors and surface effects geared to the needs of sectors such as Textiles, Leather & Paper Chemicals, Pigments & Additives, Functional Chemicals, Life Science Chemicals and Masterbatches. What's more, we're close enough to provide a solution to your problem on the spot. Wherever in the world you are.

Clariant is close to you. Any time. Any place.

www.clariant.pk.com

Clariant Pakistan Limited
Plot # 1-A/1, Sector 20,
Korangi Industrial Area,
Karachi, Pakistan

What do *you* need?

The Chamber's Representation on Various Bodies

Body	Representation	Alternate
1. Board of Governors-Foreign Trade Institute of Pakistan, Islamabad	President	Mr Waqar A. Malik
2. Pakistan Human Development Fund	Secretary-General	
3. Board of Investment, Islamabad	President	Vice President
4. Board of Investment, Karachi Investment Facilitation Board	Vice President	Chairman of Standing Sub-committee on Investment, Infrastructure, Law & Order and Security
5. Board of Trustees - Karachi Port Trust	Mr S. H. A. Bukhari	
6. Shipping Rates Advisory Board (SRAB) Ports and Shipping Wing Ministry of Communications	Secretary-General	
7. Standing Committee on International Maritime Organization (IMO) Ministry of Communications	Secretary-General	
8. National Engineering Manufacturers' Export Council	Chairman of Standing Sub-committee on Industrial, Commercial and Environment	Co-chairman of Standing Sub-committee on Industrial, Commercial and Environment
9. Sindh Industries' Facilities Board	Chairman of Standing Sub-committee on Investment, Infrastructure, Law & Order and Security	Co-chairman of Standing Sub-committee on Investment, Infrastructure, Law & Order and Security
10. Sindh Social Securities' Board	To be nominated by the Chairman of Standing Sub-committee on Corporate Law, Labour and Employee Relations	Co-chairman of Standing Sub-committee on Corporate Law, Labour and Employee Relations
11. Advisory Committee for the Regional Commissioner of Income Tax and Wealth Tax	Chairman of Standing Sub-committee on Taxation	Co-chairman of Standing Sub-committee of Taxation
12. Karachi Dock Labour Board	Mr S. H. A. Bukhari	



Body	Representation	Alternate
13. Managing Committee of the Employers' Federation of Pakistan	To be nominated by the Chairman of Standing Sub-committee on Corporate Law, Labour and Employee Relations	
14. Member of Governing Body - Workers' Welfare Fund	To be nominated by the Chairman of Standing Sub-committee on Corporate Law, Labour and Employee Relations	
15. Advisory Committee on Customs and Sales Tax	Chairman of Standing Sub-committee on Taxation	Chairman of Standing Sub-committee on Industrial, Commercial and Environment
16. Export Processing Zone Authority	Chairman of Standing Sub-committee on Industrial, Commercial and Environment	Co-chairman of Standing Sub-committee on Industrial, Commercial and Environment
17. Valuation Advisory Committee (ITP) of Collector of Customs Valuation	Chairman of Standing Sub-committee on Industrial, Commercial and Environment	
18. Government of Sindh Labour Advisory Board	To be nominated by the Chairman of Standing Sub-committee on Corporate Law, Labour and Employee Relations	
19. National Credit Consultative Council (NCCC)	President	Chairman of Standing Sub-committee on Banking, Leasing and Insurance
20. Pakistan Environmental Protection Council (PEPC)	President	Chairman of Standing Sub-committee on Industrial, Commercial and Environment
21. Committee of Investment (Sindh)	Chairman of Standing Sub-committee on Investment, Infrastructure, Law & Order and Security	
22. Provincial Environment Monitoring Sub-committee on NEQS	Co-chairman of Standing committee on Industrial, Commercial and Environment	



Body	Representation	Alternate
23. Pakistan Institute of Corporate Governance	Mr S. H. A. Bukhari	
24. Intellectual Property Organization Policy Board	President	
25. Hospital Committee of Police	Mr Hasan Ali Khan	
26. Membership to represent Foreign Banks on permanent Sub-committee to review NIFT service charges	Member of Standing Sub-committee on Banking, Leasing, and Insurance	
27. Federal Export Promotion Board	President	

Nominations of Chamber's Representatives to FPCC&I

Managing Committee & General Body 2006/2007

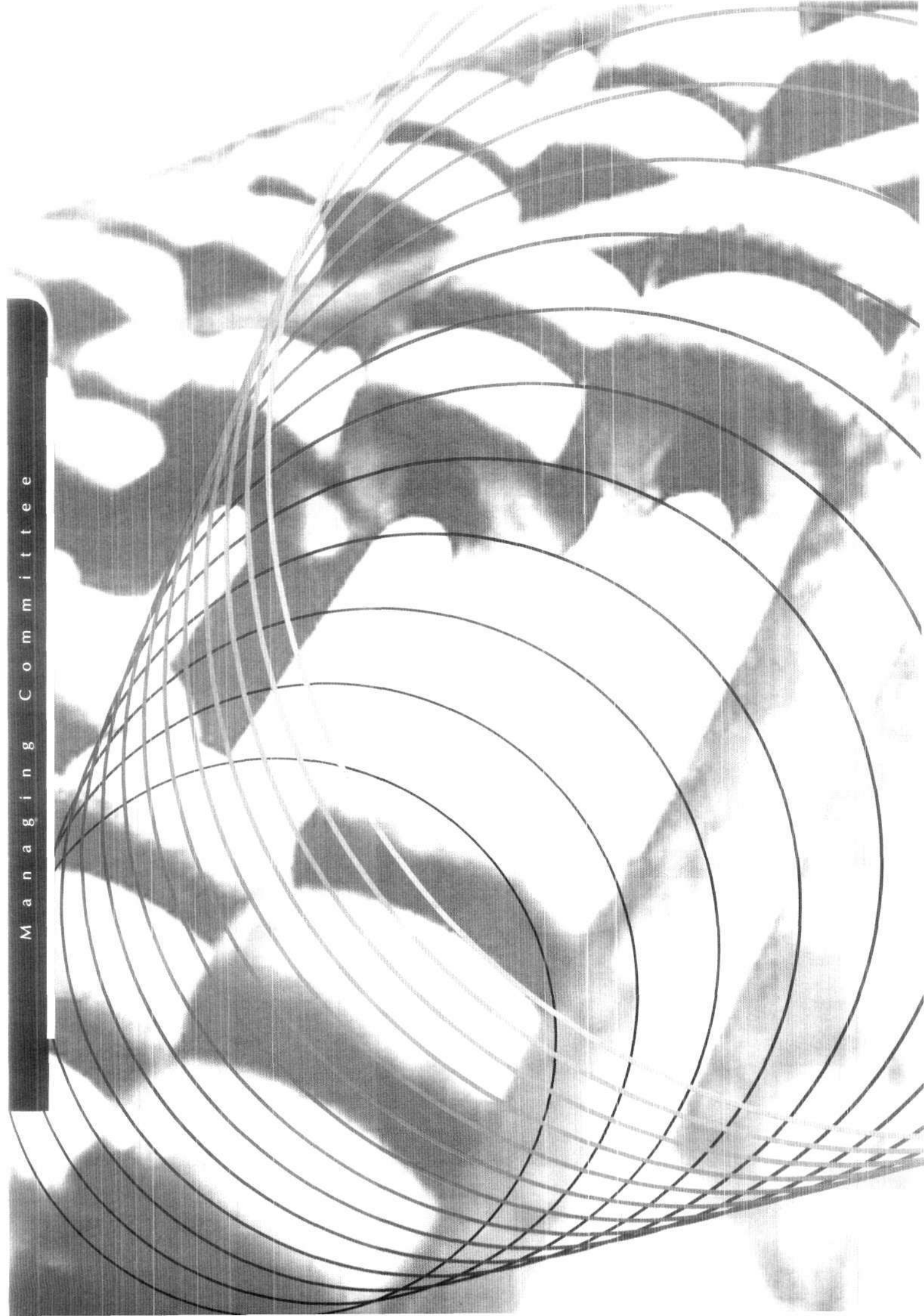
Managing Committee of FPCC&I President

General Body of FPCC&I

Representing Trade: Mr Hasan Ali Khan
Mr Adnan Afridi

Representing Industry: Mr Salman Burney
Mr Waqar A. Malik





Managing Committee

Mr Sohail Wajahat H. Siddiqui of Siemens Pakistan Engineering Company Limited completed his tenure as President. He was succeeded by Vice President Mr Salman Burney on 10th April 2006.

Meetings of the Managing Committee

During the year under review, the Managing Committee held its meetings on 18th January, 15th February, 8th March and 15th April 2006.

At the 146th Annual General Meeting held on 10th April 2006, the following members were elected to the Managing Committee for the year 2006 - 2007:

President	Organization
Mr Salman Burney	GlaxoSmithKline Pakistan Limited
Vice President	
Mr Zubyr Soomro	Citibank N. A.
Members (in alphabetical order)	
1. Mr Humayun Bashir	IBM
2. Mr S. H. A. Bukhari	Mackinnon, Mackenzie and Company of Pakistan (Private) Limited
3. Mr Hans Dewaele	Procter & Gamble Pakistan (Private) Limited *
4. Mr Asif Ikram	Dupont Pakistan Operations (Private) Limited **
5. Mr Hasan Ali Khan	Continental Biscuits Limited
6. Mr Waqar A. Malik	ICI Pakistan Limited
7. Mr Asif Qadir	Engro Asahi Polymer and Chemicals Limited
8. Mr Shahid Zaki	Philips Electrical Industries of Pakistan Limited

*Mr Hans Dewaele transferred abroad and Mr Qaisar Shareef was co-opted

**Mr Asif Ikram retired from his company and Mr Parvez Ghias was co-opted

Managing Committee Co-option

The following three additional members were co-opted to the Managing Committee:

Name	Organization
Ms Fawzia Kazmi	Shell Gas LPG (Pakistan) Limited ***
Mr Zouhair Khaliq	Pakistan Mobile Communications (Private) Limited
Dr Farid Khan	Novartis Pharma (Pakistan) Limited

***Ms Fawzia Kazmi requested to be replaced and Mr Zaviji Ismail was co-opted

Further Meetings of the Managing Committee

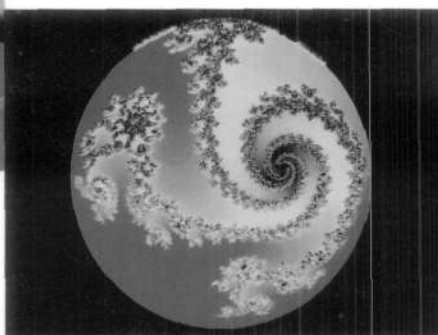
The incoming Managing Committee held meetings on 10th May, 14th June, 19th July, 9th August, 13th September, 11th October, 8th November and 13th December 2006.



Our uncompromising motivation to lead



... emanates from an unwavering commitment to the Triple Bottom Line - People, Planet, Profits



Engro is a diversified company known for its ethical standards. We continually strive for protection of the environment, caring for the communities and maximizing value for our shareholders.

We are certified to ISO 14001:2004 Environmental Management System, ISO 9001:2000 Quality Management System, OHSAS-18001 Occupational Safety Standards and SA-8000 Social Accountability Standards.

Our social investments in health, education and infrastructure development have benefited thousands at the grassroots level for over four decades.

Engro's time-honored values, ever expanding product portfolio and dynamic new business ventures coupled with strong financials clearly indicate that we have performed ahead of stakeholders expectations.

- | | | |
|-----------------------------------|------------------------------------|---------------|
| • Fertilizers | • Integrated Liquid Chemical Jetty | • PVC Resins |
| • Industrial Automation Solutions | • Dairy Processing | • Power Plant |



Activities of the Managing Committee

Meetings held in the Chamber

Meeting with Minister of State and Environment

Mr Malik Amin Aslam, Minister of State and Environment, was invited to the Chamber on 5th January 2006 for a luncheon meeting with members of the Managing Committee and heads of member companies. During the visit, a presentation was given highlighting the concerns on environmental issues by our member firms. The meeting was highly useful, as it provided the member firms the opportunity to interact directly with the Minister. The main issues highlighted during the meeting were:

- Enforcement and promulgation of legislation
- Water pollution from industrial untreated effluents and municipal sewage
- Air pollution in cities
- Deforestation
- Municipal, industrial and hospital waste management
- Minimum HSSE Shipping Standards
- NOSCP (National Oil Spill Contingency Plan)
- Climate change, air quality and noise pollution
- Public awareness and education on environment
- Public Private Partnership
- Biodiversity and protected areas
- Health and environment

Detailed issues and Minister's response can be seen on our website at www.oicci.org

Lunch with Media

In order to develop a better understanding with the print and electronic media, as well as acquainting them about the role of OICCI in promoting the commercial and financial interest of foreign investors in Pakistan, the OICCI hosted a luncheon for senior journalists, on 16th March 2007. The event was also attended by the Managing Committee members, as well as Sub-committee members.

Visit of Humayun Akhtar Khan

Mr Humayun A. Khan, Minister of Commerce and Dr Nadeem-Ul-Haque, Advisor on Trade & Policy Matters, visited the Chamber and met members of the Managing Committee, members of the Standing Sub-committee on Industrial, Commercial and Environment, as well as members of the Standing Sub-committee on Taxation over a luncheon meeting on Tuesday, 18th April 2006.



Mrs Armeena Sajid OBE, Mr S.H.A. Bukhari and Mr Juergen Koerig at the luncheon meeting hosted for senior journalists



Mr Humayun A. Khan, Minister of Commerce, attended a luncheon meeting with various Sub-committees of the Chamber



The meeting was also attended by representatives of national companies who gave presentations on domestic commerce. The following issues were highlighted during the meeting:

- Lack of educated and trained human resource. Education system not delivering the kind of manpower required
- Lack of physical infrastructure. Poor road network. Limited, expensive and uncertain electricity
- Frequent changes in government policies
- Fundamentalist impact on commerce without threat of state reprisal
- Lack of copyright protection
- Inadequate property rights. Acquiring land very difficult, uncertain and time consuming
- Inequitable tax laws and unnecessary tax burdens
- Problems in securing financing and credit
- Quality control and inadequate domestic standards
- Poor quality of IT infrastructure limits management control for extensive branching
- Weak contract enforcement hinders supply chain development and delegation to middle management
- Outmoded and non-professional urban zoning very unfriendly to commercial development
- High commercialization fees a tax on commercial development
- Difficult land acquisition procedures for commercial purposes
- No zoning for warehousing and distribution with the result that warehousing continues to be done in dilapidated old housing
- State favors industry with industrial parks, no commercial or retail parks
- Government controls large tracts of prime commercial land inhibiting city center development. This land must be privatized
- Retail zoning in housing projects is too small to allow shopping mall and large warehousing development
- No city centers are allowed to develop as dense mixed-use areas
- No tourism to support retail development
- No hotel infrastructure to allow a distribution network to develop
- Poor system of tracing and penalizing smugglers and fraudulent parties

Presentations to the Minister were made separately by Mr Asif Jooma and Mr Feroz Rizvi on OICCI Trade Policy proposals and Budget proposals on Taxation respectively.

Visit of Mr Anwar Mahmood, Secretary Health, Government of Pakistan

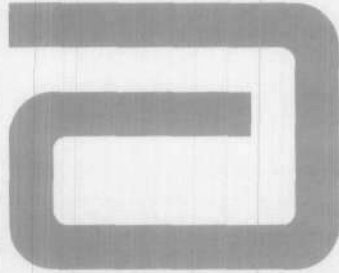
Mr Anwar Mahmood, the Federal Health Secretary, visited the Chamber to meet the members of the Pharma Bureau (Pharmaceutical Sub-committee of the OICCI) on May 27, 2006. He was accompanied by Dr Farnaz Malik, Drug Controller and Mr Amanullah, Cost Accountant.



Mr Salman Burney, President OICCI, presented a commemorative plaque to Mr Anwar Mahmood, Secretary Health



Mr Anwar Mahmood, Secretary Health, addressing members of the Pharma Bureau in a conference at the Chamber



Is your child a fussy eater?

Like most kids, if your child is also fussy about food then bring home PediaSure®. It is a **complete balanced nutrition** for growing children that helps optimize height and weight for their age.

And your child will love the chocolate and vanilla flavors of PediaSure®.

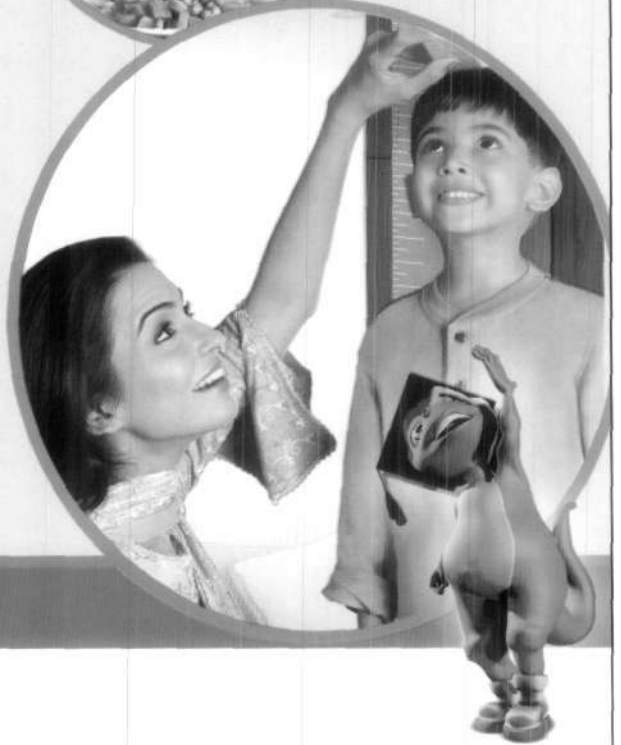
PediaSure®

Shoq Se Piyenge...
Mazay Se Barrhenge



For children
over two years of age.

ABBOTT LABORATORIES (PAKISTAN) LTD.,
P.O. BOX 7229, Karachi-74400.



 **Abbott**
A Promise for Life

The Chairman Pharma Bureau gave a presentation on the Pakistan Pharma Industry that covered the following major issues confronting it:

- Continued price freeze on all Pharma products since December 2001
- Rampant violation of IPR laws, including violation of valid patents
- Slow pace of registrations including the New Chemical Entities (NCEs)
- Irrational and subjective pricing mechanism
- Unfair and abnormal demands for testing samples and questionable testing methods of biological products
- Vitamin policy

After the presentation there was an open house, where the members were able to openly give their views and comments on the prevailing situation and put queries to the Chief Guest and his team. Mr Anwar Mahmood took up some main issues and concerns of the Pharma Bureau, which included:

- De-regulation of vitamins and mineral products to classify them as food supplements
- Fast track registration of NCEs
- Transparent pricing mechanism of new registrations
- The process by which price increases issue can be re-visited
- Accelerated implementation of the IPR/Data exclusivity
- Revised SOP on biologicals, where the industry concerns are addressed

Visit of Mr Razi-ur-Rahman Khan, Chairman SECP

Mr Razi-ur-Rahman Khan, Chairman, Securities & Exchange Commission of Pakistan, visited the OICCI on 6th September 2006 and met members of the Managing Committee and representatives from member companies.

Mr Salman Burney, President OICCI, gave an overview of OICCI in his speech, preceded by a presentation by Mr Amar Naseer, member of IPR Sub-committee, on issues relating to Corporate Law.

Key issues highlighted were:

- Buy-Back of Shares
- Investment in Associated Companies
- Transfer Pricing and Related Party Transactions
- Substantial Holding
- Corporate Law Review Commission
- Tax Incentives
- Tax Rate for Listed Companies
- Tax on dividends
- Offsetting of group profits & losses
- Corporate Governance & Social Responsibility



Mr Razi-ur-Rahman attended a session on Corporate Law with (L-R) Mr S.H.A. Bukhari, Mr Salman Burney and Mr Adnan Afridi

The issues were sent to the Chairman SECP vide OICCI letter dated 6th September 2006. Detailed issues along with the Minister's response can be seen on our website at www.oicci.org

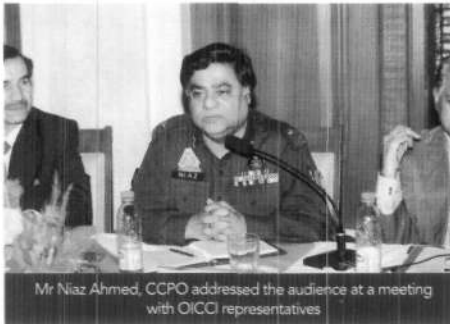
Visit of Members of the Pakistan Administrative Staff College Lahore

The members of the Pakistan Administrative Staff College Lahore visited the Chamber on 7th September 2006 and met members of the Managing Committee. They also visited Engro Asahi Polymer and Chemicals Plant located at Port Qasim. Mr Waqar Malik, Chairman of the Standing Sub-committee on Industrial, Commercial and Environment, gave a presentation on Foreign Direct Investment, followed by Mr Saleem Piracha, Co-chairman of Energy Sub-committee who gave a presentation on energy issues faced by OICCI members.



Members of the Pakistan Administrative Staff College Lahore at a seminar on Foreign Direct Investment and energy issues.

Visit of Home Secretary Sindh and Senior Police Officers



Mr Niaz Ahmed, CCPO addressed the audience at a meeting with OICCI representatives

The Home Secretary, Capital City Police Officer (CCPO), Karachi and senior police officials visited the Chamber on 31st October 2006. It was agreed during the meeting that a representative for OICCI be selected to liaison with Information Cell of Police.

Key issues discussed were:

The Home Secretary and CCPO requested OICCI representatives to raise awareness regarding an increase in the strength of Sindh Police. OICCI members stressed upon having a proper criteria for the selection of police personnel on basis of merit.

Harassment of medical representatives of member firms by PSA was also discussed in detail. Rangers have subsequently been deployed in all the hospitals including Jinnah Post Graduate Medical Center.

The OICCI stressed upon the officials to establish a provision whereby there be a certain degree of investment in technology i.e. cameras, etc., in order to prevent crimes and assist in police investigations.

CCPO informed the participants of plans to establish multiple call centers that would be operated by volunteers, along the lines of CPLC. Tentative plans were also made regarding garnering OICCI member support. It was decided that the OICCI would nominate a permanent representative, who would coordinate with Police Control Room for dissemination of information on security related issues to member firms.

Visit of Mr Stefan R. Vranckx, Area Government Affairs Director, MENA for GlaxoSmithKline Pakistan Limited

Mr Stefan R. Vranckx, Area Government Affairs Director, MENA for GSK Limited visited the Chamber on 14th September 2006. He conducted a discussion on IPR related issues with the members of the Managing Committee as well as the Corporate Law, Labour and Employee Relations, IPR and Pharma Sub-committees.

Visit of Dr Shamshad Akhtar, Governor State Bank of Pakistan

Dr Shamshad Akhtar, Governor State Bank of Pakistan, visited the Chamber on 8th December 2006. She met members of the Managing Committee, along with the CEOs and MDs of OICCI member companies. The President OICCI, Mr Salman Burney gave an overview of the OICCI, followed by Dr Farid Khan, Chairman Pharma Bureau, who gave a presentation on the Pharma industry, and Mr Zubyr Soomro, Vice President OICCI, who gave a presentation on issues relating to the banking sector.



He emphasized on the following points:

- Banking Act 2006
- Cross Border insolvency of banks
- Offences and Penalties Part IV and Schedule II of the Act
- Clean Lending Limits
- Sale/Assignment of Foreign Currency Loans
- Head Office/Other remittances for Multinationals
- Secured Lending
- Inspection Process



Dr Shamshad Akhtar, Governor State Bank of Pakistan discussed issues relating to Banking



Mr Salman Burney presenting Dr Shamshad Akhtar with a commemorative shield

Visit of City Naib Nazim, Mrs Nasreen Jalil

Mrs Nasreen Jalil, City Naib Nazim Karachi, visited the Chamber on 7th November 2006. During her visit, she met members of the Managing Committee, members of the Sub-committee on Investment, Infrastructure, Security Law and Order and members of the Sub-committee on Corporate Social Responsibility.

Minutes of the Meeting

Mr Hasan Ali Khan, Chairman Standing Sub-committee on Investment, Infrastructure, Law & Order and Security, welcomed Mrs Nasreen Jalil on her first visit to the Chamber. He gave a brief history of the Chamber and the contribution being made by OICCI towards Pakistan's economy. The main issues highlighted by Mr Hasan Ali Khan were as follows:

Major Problems/Issues

Roads

- Maintenance of roads
- Encroachments
- Bypasses/diversions
- Removal of bottlenecks

Water Supply, Sewage and Waste Management

- Uninterrupted water supply required
- Solid and liquid waste management projects
- Desalination plants

Traffic

- Congestions due to encroachment
- Implementation of plans to remove/reduce heavy vehicles on small gauge

10
NOVARTIS
1996-2006
YEARS



Caring and Curing

 NOVARTIS

Electricity

- Reduction in power breakdowns
- Uninterrupted supply of electricity

Education/Health

- Recovery plans for education and health sector

Setting up Vocational Training Institutes

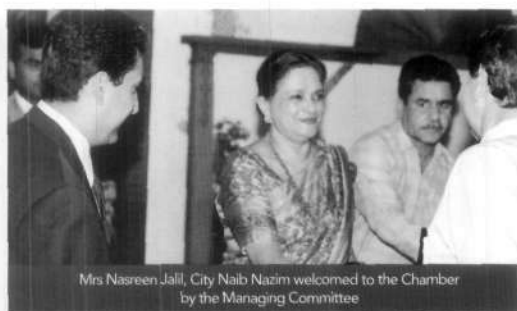
- To produce qualified tradesman/craftsmen

Transport System in Karachi

- Mass transit system
- Regulating of vehicles

The response given by City Naib Nazim was as follows:

- City District Government was planning to establish Solid Waste Management Companies
- City District Government has buildings available for the purpose of establishing Vocational Training Centers
- A committee on improving Investment Infrastructure had been established. She invited OICCI members to be part of this committee
- Proper diversion during construction of roads was being planned for future construction of the roads
- A masterplan was being formulated by the City Government so that alternate roads/bypasses/overhead bridges and underpasses could be constructed
- Several roads that were in dilapidated conditions were now under construction. However, major roads like I.I. Chundrigar Road etc. would be revamped after laying underground pipes
- Encroachments on major roads were being removed with the help of DIG traffic. Town Nazims had also been instructed to do the needful
- Improvement in productivity of available water resources was being implemented, by gathering assistance from international donor agencies



Mrs Nasreen Jalli, City Naib Nazim welcomed to the Chamber by the Managing Committee



Mr Hasan Ali Khan discussed various infrastructure issues with Mrs Nasreen Jalli

Meetings held Outside the Chamber

Meeting with Governor Sindh, Dr Ishrat Ul Ibad

A delegation led by Mr Sohail Wajahat Siddiqui (President) along with Mr Salman Burney (Vice President), Mrs Ameena Saiyid OBE, Mr Hasan Ali Khan (member Managing Committee) and Mr Viqar Salahuddin met with the Governor on 18th January 2006 at the Governor House, Karachi. They discussed various issues, mainly focusing on key areas impacting overseas investors. A summary of issues and the Governor's response can be seen on our website at www.oicci.org

Annual Dinner for the President of Pakistan, Mr Pervez Musharraf

President Pervez Musharraf was invited to the OICCI annual dinner on 17th April 2006, which was held at Karachi Golf Club.

The President, in his speech, said that OICCI was "the main source of economic growth of Pakistan", and called on investors to help the government get more investment into the country.

Speaking on this occasion, the Federal Minister for Commerce, Mr Humayun Akhtar Khan lauded the services of the Chamber and the contribution of its members towards Pakistan's economy.

The President of OICCI, Mr Salman M. Burney, traced the 146 years history of the Chamber. With the member companies having an equity base in excess of Rs.240 billion and total assets of Rs.1100 billion invested in Pakistan, Mr Burney touched upon the activities of the Chamber in the economic sector. Sales of member companies represent over 11% of GNP of the country and over 33% of the GDP in the manufacturing sector. He said that over 37% of our revenue was remitted to the Government in the form of various taxes; 30% of the total national excise duty collection and over 20% of all import and sales tax was paid by our members.

The dinner was attended by over four hundred top executives of member companies and high ranking government officials, including the Governor and Chief Minister of Sindh.



President Pervez Musharraf addressed the gathering at the Annual Dinner of the OICCI



Mr Salman Burney, President OICCI, presented a commemorative plaque to the Honorable President of Pakistan, General Pervez Musharraf

Speech of the President OICCI

Hon President of Pakistan, General Pervez Musharraf, Hon Governor Sindh, Hon Chief Minister Sindh, Hon Ministers, members of the Overseas Investors' Chamber of Commerce & Industry, Excellencies, distinguished guests, ladies and gentlemen.

I thank you all for coming here this evening and gracing our annual dinner with your presence. We are truly grateful to you, Mr President, for taking the time to be with us tonight.

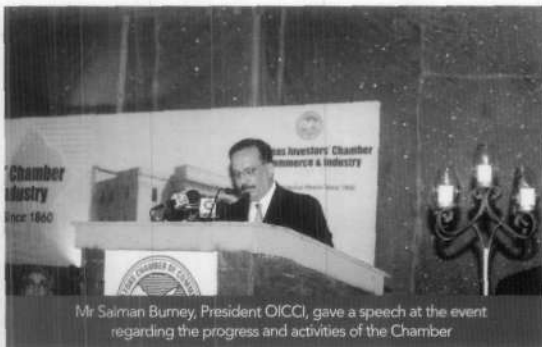
Sir, you have been with us previously, but please allow me to briefly re-introduce this chamber. Our Chamber is the oldest chamber of commerce and industry in the country, and has thrived and prospered for nearly 146 years through many challenges and changing times during its existence. We, our members, have lived and worked through periods of great hope, and also many challenges and adversity, but ultimately, with success.



Today, our member companies have an equity base in excess of Rs.240 billion and total assets of Rs.1100 billion invested in Pakistan.

Sales of our member companies represent over 11% of GNP of the country and over 33% of the GDP in the manufacturing sector. We are also proud of the fact that over 37% of our revenue is remitted to the Government in the form of various taxes; 30% of the total national excise duty collection and over 20% of all import and sales tax is paid by our members.

The success, growth and development of our member companies is entirely linked to the success, economic growth and development of the nation and in the most direct way, we share a common destiny. Our vision and mission is to ensure that the interests of our members and the country are aligned for mutual progress and development. We are therefore particularly grateful to you, Sir, for the economic stewardship you and your team, your government, has given us over the last six years.



Mr Saiman Burney, President OICCI, gave a speech at the event regarding the progress and activities of the Chamber



President Pervez Musharraf attended the Annual Dinner of the OICCI as Chief Guest for the event

During this period, Pakistan's economy has emerged from a depressed phase to a point where we have a resurgent business sector generating strong economic growth at levels that are amongst the best in a global context, year after year. Significantly, this has been achieved whilst facing some of the most serious challenges that this country has ever seen – with wars in the region, social and political disturbances in parts of the country, security threats and challenges (in particular to our members and their businesses) and despite very major natural disasters of a scale which could have laid low many a country's economy.

Economic growth and development is not sustained in such circumstances by accident or good fortune alone, and we should take pride as a nation, at all levels, at this achievement. I say all levels deliberately, Sir, because all of us in Pakistan need to recognize economic growth as our foremost national priority and also as our individual and collective responsibility over which there should be no disagreement or dispute so that we can focus and continue to move forward to access the many opportunities available in the future.

Sir, we believe that there are some 'core principles' that have underpinned the economic success of the country in recent times.

First and foremost, it is the clarity and stability of policy frameworks. Clarity and stability in policy can only be achieved if it is sound, and developed with thought and with inputs. This allows investors to take strategic long-term decisions rather than spend time on fire-fighting. Stable and clear policies in sectors of the economy such as Oil & Gas, Energy, Banking & Finance, Automobiles, Telecommunications etc. have delivered self-evident benefits, which have been the engine of economic growth in the recent past.

Secondly, the principle of transparency and a level playing field for all. Historically, business made a practice of seeking success through protection, if possible on a selective basis. This created distortions, promoted inefficiency and also opportunities for favoritism and corruption. As international investors, we very much value your Government's transparency, and the Government's clear policy of equal treatment and encouragement for all those who invest and do business in Pakistan. Restructuring at the State Bank and other regulators such as the SECP, P.T.A., PEMRA and the change in mindset and operating style at Central Board of Revenue are a sea change from the past, and have transformed the business environment, which deserves our appreciation.

Our global quest is to improve
the quality of human life by
enabling people to do more,
feel better and live longer.



GlaxoSmithKline

Disease does not wait.
Neither will we.

GlaxoSmithKline Pakistan Limited
35-Dockyard Road, West Wharf,
Karachi-74000

Thirdly and most significantly we believe, Sir, that economic success can only be rooted in a pro-business culture. Such a culture has indeed been nurtured by your Government. Some may have forgotten that as recently as the mid eighties, for anyone (even for a Pakistani) to invest and set up an industry in Pakistan was only possible after prior approval from the Government. Capital investment was also subject to control, and in this 'permit raj' environment, we lost at least two decades of economic growth. There was a mindset where making profits for reinvestment in the growth of business, and distribution of returns to shareholders was viewed negatively. We acknowledge and compliment your government for changing this mindset. Today, as a nation, we are beginning to realize that to grow and develop we have to facilitate investment and business, and encourage wealth creation in the economy.

The accelerated pace of privatization in the last few years and initiatives such as the focus on domestic commerce will provide a major boost to the economic growth of the country and towards a business oriented culture. As more and more people in Pakistan build up a stake in our country's economy through jobs, businesses and assets, we will further deepen a positive and dynamic business oriented culture.

Sir, there is much to be proud of in Pakistan's economic turnaround, but we must at the same time not be complacent, as we are still very much at the beginning of our journey of growth and development and have to make up for lost decades. We cannot lose momentum and just keep pace. We, infact, have to catch up. It is, therefore, encouraging to see that the Government is working on second generation reforms aimed at increasing competitiveness and improving governance. We look forward to engaging and having a dialogue with the Government across all major economic sectors with a sense of urgency, in order to develop a shared and exciting vision that could energize the economy over the next five years.

Pakistan is moving rapidly towards integrating with and competing in the global marketplace. Many significant FTAs and regional trade agreements are coming into place. To succeed and fully benefit from these opportunities, there is an urgent need to ensure that our macro and micro (Sectoral) regulatory frameworks are benchmarked and made competitive with those of our major trading partners, and the pace of deregulation is further accelerated. The time to act is now, so that any adjustments can be phased in, allowing industries and consumers time to adjust.



Sir, in today's knowledge economy, respect for intellectual property is a core value. We will not develop if we do not reward and respect creativity, be it in the field of scientific inventions, performing arts or literature. Whilst we have made some progress in this area, much more needs to be done to protect the interests of domestic or foreign investors, manufacturers and also consumers who continue to be duped by poor quality counterfeits. Sir, we urge the government to make protection of intellectual property a focal point of its second generation reforms.

Sir, in one of your earliest policy initiatives in order to encourage investment in the oil marketing sector, you had improved inadequate margins for oil marketing companies. Margins were increased to 3.5% & 4% for oil companies and dealers, leading to major investments in excess of Rs.20 billion over the last five years (double that over the earlier five years). Recently, however, margins for marketing companies were cut by 20%, making them uncompetitive against other countries in the

region, which have substantively higher margins. Policy stability is crucial for investor confidence and to attract future investment. We sincerely hope that the government will review this decision, and hope to engage in a dialogue to develop a balanced solution. Whilst making profit for shareholders remains a central objective of any business enterprise, it can never be done to the exclusion of social interests and concerns. We take great pride in the fact that it is OICCI members who are seen to be setting best practice standards in the area of Corporate Social Responsibility in Pakistan. Whether it is in the payment of taxes or in the area of operating standards in Safety, Health and Environment, or Community Partnerships, it is always the names and contributions of our member companies which come to mind.

Last year in October, the country faced a devastating natural disaster. Our member companies, and also our staff as individuals were part of the united national effort to face this great challenge. To date, our member companies have contributed over Rs.5.4 billion in cash and kind towards the relief and reconstruction effort. The rehabilitation process will take many years, and we are committed to staying engaged with the communities that have borne the brunt of the devastation.

Mr President, the journey towards progress is never ending, and it is also not easy to drive change, even towards improvement.

We acknowledge and compliment you, Sir, for your strong commitment to change Pakistan for the better, and look forward to an enduring partnership with the Government to work towards our shared vision, and towards shaping our own destiny of a prosperous Pakistan.

I thank you again, Mr President, for gracing our annual dinner with your presence.

Meeting with Chairman CBR

A delegation from OICCI held a meeting with the Chairman, Central Board of Revenue in Islamabad on Saturday 22nd April 2006.

The delegation, headed by Mr Waqar Malik, outgoing Chairman, Taxation Sub-committee, highlighted the improvements that had been made in the working of the CBR. These included:

1. Easy accessibility to CBR functionaries
2. Speedy disposal of pending cases
3. LTU working well but requires a full time appointment

Mr Feroz Rizvi, a member of the OICCI delegation, presented the issues relating to changes in Income Tax, Sales Tax & Custom Duties.

At the end of the presentation, Mr Waqar Malik thanked the CBR Chairman for the positive review of the issues. The CBR Chairman, Mr Abdullah Yusuf, while thanking the OICCI delegation for bringing the issues to his attention, reiterated that the goal for CBR was to become an effective and transparent organization. He also emphasized the need for broadening the tax base, as well as plugging gaps in the various sectors.

Roundtable meeting organized by IUCN – The World Conservation Union

The President of the OICCI participated in the CSR meeting held by the IUCN, on 19th January 2006, in Karachi. Covering a wide range of CSR issues, the conference focused on the importance of multinational companies with regards to environment and its subsequent role in alleviating environmental degradation. The Chamber circulated a copy of the presentation made by the OICCI President at the IUCN Conference to all the Managing Committee members.

Dinner hosted by Sindh Governor in honor of Chief Justice of Supreme Court of Pakistan, Iftikhar Muhammad Chaudhry

The President OICCI, Vice President OICCI and Dr Farid Khan of the Pharma Bureau were invited to a dinner hosted by the Sindh Governor on 12th May 2006 at Governor's House, Karachi.



Dinner hosted by National Commission for Human Development

The OICCI, in conjunction with the NCHD, held a dinner in Islamabad on 2nd June 2006. In attendance were the President OICCI, and members from the Managing Committee. The President of the OICCI also presented a cheque for Rs.6 million towards the Earthquake Relief Fund to the President of Pakistan, General Pervez Musharraf.

Meeting with Provincial Police Officer, Sindh

Mr Hasan Ali Khan, Chairman, and Brig. (R) M. Saleem Khan, member of the Sub-committee on Investment, Infrastructure, Law & Order and Security held a meeting with the Provincial Police Officer, Sindh. He discussed the issues faced by members of OICCI related to security, law and order.

Seminars/Conferences/Workshops:

Seminar on Domestic Commerce

Mr T. A. Batlay, member of the Sub-committee on Industrial Commercial and Environment matters, attended the Domestic Commerce seminar held at Pearl Continental Lahore on 28th January 2006. Organized by the Ministry of Commerce, the objective of the seminar was to comprehensively review the state of domestic commerce, and to develop a much-needed understanding of this sector. Mr Batlay gave a presentation on Domestic Commerce on behalf of OICCI, which covered the following areas:

- View of a multinational distributor
- Multinational supply chain
- Emerging trends and challenges
- Way forward along with proposals

Seminar on IPR Judicial Officers/Judges

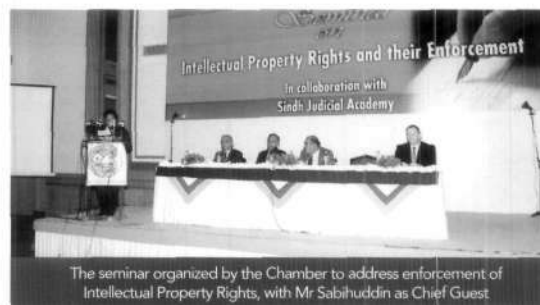
A seminar on "Intellectual Property Rights and their Enforcement" was organized on 5th August 2006 in Karachi, in collaboration with the Sindh Judicial Academy.

The Chief Justice of Sindh, Mr Sabihuddin was chief guest on the occasion, which was attended by a large number of judicial officers and senior judges.

Mr Salman Burney, President OICCI, Mr Shahid Qureshi, Co-chairman IPR Sub-committee, Mr Naveed Aftab, member IPR Sub-committee, Mrs Ameena Saiyid OBE, Managing Director, Oxford University Press and Mr Hasan Irfan Khan, Advocate, gave presentations on the topic.



Mr Sabihuddin, Chief Justice Sindh, addressed the seminar



The seminar organized by the Chamber to address enforcement of Intellectual Property Rights, with Mr Sabihuddin as Chief Guest



Mr Hans Dewaele, GM P&G, also addressed the seminar

Workshop on Data Exclusivity

The Vice President OICCI participated in the workshop held in Islamabad on 25th January 2006. The issues discussed at the workshop pertained mainly to the regulatory data of the Pharmaceutical and Agrochemical Sectors. A summary of the discussions and presentations made at the workshop were circulated amongst the members.



Bright minds towards an
even brighter future



growth through energy

THE HUB POWER COMPANY LIMITED.

3rd Floor, Islamic Chamber Building, ST-2/A, Block-9,
Clifton, P.O.Box 13841, Karachi-75600, Pakistan.
Tel: (021) 5874677 (10 lines) Fax: (021) 5870397
Website: <http://www.hubpower.com>

MEDIA ACTIVITIES

Electronic Media:

Panel Discussion

Mr Waqar Malik, Chief Executive ICI Pakistan, member Managing Committee OICCI, and Mr Iqbal Bengali, President American Business Council, were invited by GEO News to discuss Foreign Direct Investment in Pakistan. Discussing the significant growth of Foreign Direct Investment in Pakistan during the last four years, Mr Malik and Mr Bengali touched upon the scope of foreign investment within Pakistan and the various opportunities that were being offered to investors by the present government.

CEO Interviews

Sunbiz Business Channel and Business Plus featured Mr Asif Qadir, President Engro Asahi Polymer and Chemicals Limited, member Managing Committee OICCI. Mr Qadir touched upon the benefits of FTA between China and Pakistan. Emphasizing the need for manpower within the industrial sector, he called for the re-emergence of a better system of vocational training within the country, as that was the need of the day, with the rapidly growing rate of industrial growth in all sectors.

Mr Salman Burney, Managing Director GlaxoSmithKline Pakistan, President OICCI, was invited by CNBC Pakistan for an interview on their program "Executive Dialogue." Discussing his role within the Pharmaceutical Industry, Mr Burney reflected on the performance of the government in the past five years, as well as discussing the issues faced within the Industry in terms of foreign investment and its various incentives.

In an interview conducted by Bloomberg News, Naved A. Khan, who heads ABN Amro Holding N.V.'s local unit, discussed the opening of its first Islamic consumer banking branch in Pakistan. The bank will open an outlet in Karachi, Pakistan's biggest city, in January and add as many as nine more around the country in the next three years. He said, "Pakistan is going to be the pilot case and set the pace because we have a very strong market position here compared to other markets we're in." Mr Khan plans to increase the number of conventional bank branches in Pakistan fivefold in three years.

Mr Zouhair Khaliq, President & CEO Pakistan Mobile Communications (Pvt) Ltd. in a recent interview touched upon the phenomenal expansion that has taken place in the telecom sector within the last couple of years. He talked about how Pakistan Telecommunications had come a long way from its initial base to a point where a decrease in tariffs, reduction in telecom costs, as well as global influences had ensured that people were better connected than before.

OICCI Secretary General Interviews

At different occasions, Sunbiz Business Channel, Business Plus, and CNBC conducted in-depth interviews with the OICCI Secretary General, Adnan Afridi. He highlighted OICCI's vision, which is "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 country." He also talked in depth about the Chamber's role in promoting investment, as well as the social development of the economy. Issues faced by various sectors of foreign businesses, as well as the need for a constructive dialogue between major stakeholders and the government was emphasized by the Secretary General.

While discussing Foreign Direct Investment opportunities within Pakistan, Mr Afridi emphasized on the need for strategic and key contacts with the government, in order to keep them abreast of issues facing Foreign Direct Investment, as well as to work with them towards effective solutions.



Significant Correspondence

Federal Budget Proposals 2006-2007

Members' suggestions were invited for the Federal Budget Proposals of the 2006-2007 year. These proposals were forwarded to the Ministry of Finance and other concerned ministries on 24th March 2006. The main issues highlighted were:

Big Ticket Items

- Income Tax
- Sales Tax, Excise Duty & Customs
- Procedural Issues
- Functioning of LTU

Details of the proposals can be seen on our website at www.oicci.org

Trade Policy Proposals 2006-2007

Members' inputs were invited for Trade Policy proposals for the year 2006-2007. These proposals were forwarded to the Ministry of Commerce on 5th April 2006. The main issues covered in these proposals were:

- Long-term Trade Policy
- Raising the bar on Pakistan's value-added products both for exports and domestic consumption
- Protection of local brand name holders
- Improving the competitiveness of doing business in Pakistan
- Need for an overall improvement in the external and internal image of Pakistan and its brands/products
- Opening of trade with India
- Level playing field amongst provinces

Detailed proposals can be seen on our website at www.oicci.org



Murder of three Chinese Engineers

The Chamber's letter dated 16th February 2006 addressed to Mr Jahangir Khan Tareen, Minister for Industries & Production, showing concern on the murder of three Chinese Engineers.

16th February 2006

**Mr Jahangir Khan Tareen,
Honorable Minister for Industries & Production.**

Fax: 051 9205334

Dear Sir,

It is with deep concern that I read a press report about the murder of three Chinese engineers working with Attock Cement, a member company. This has resulted in the Chinese company withdrawing all the other engineers working at the factory causing a complete shutdown of their expansion project. Furthermore, it has come to our knowledge that the Chinese engineers working in other parts of the country have also taken the decision to leave Pakistan.

As Chairman of the Investment, Infrastructure, Law & Order and Security Sub-committee of the Overseas Investors' Chamber of Commerce & Industry and also as a Pakistani, I have felt immense anguish at this incident. You will appreciate this, as well as other recent events in the cities of Punjab and NWFP, can only serve to give a negative signal to future investors, both foreign and local.

On behalf of the Management of Attock Cement, which is an important member of our Chamber, and in our own national interest, I urge you to have the incident of the murders of the Chinese engineers investigated and the perpetrators of this crime are apprehended on a high priority.

**Hasan Ali Khan
Chairman
Standing Sub-committee on Investment,
Infrastructure, Law & Order and Security**

Rationalization of Petroleum Product Pricing Formula

The Chamber's letter dated 9th March 2006 addressed to Mr Shaukat Aziz, Prime Minister of Pakistan, regarding rationalization of Petroleum Product Pricing Formula.

9th March 2006

**Mr Shaukat Aziz,
Honorable Prime Minister of Islamic Republic of Pakistan,
Islamabad.**

Honorable Prime Minister,

Please refer to my earlier letter addressed to you dated November 23, 2005 on the subject.

It is with deep concern that we have learnt of the Government's decision to change the Petroleum Products Pricing Formula effective March 16, 2006. This change will drastically affect the profitability of the Oil Marketing Companies and their dealers since it changes the very basis of calculating their margins. It will, however, not have a significant impact on the end-consumer.



The Petroleum industry, as you know, is the backbone of the modern economy because virtually every other industry depends upon this industry. In Pakistan, the petroleum sector has provided stability to the economy over the years by providing consistency in their products and services, which are so vital to the running of the country. Foreign investment in this industry has been there in the country since before its birth. Over the years, it has continued to attract a number of private and foreign investors. Caltex and Shell, as you well know, have both been in Pakistan for a very long time and both have made significant investments over the years in the country, developing their retail outlet network and industry infrastructure while instituting international standards in their programs and processes. Together with PARCO, both these foreign companies hold 88% equity in the vital White Oil Pipeline, which was commissioned last year at a total cost of \$480 million.

Sir, your government's policy of encouraging foreign investment in Pakistan is unprecedented and has been widely lauded by all concerned. Similar to other industries, the petroleum industry has also attracted new foreign investment of late. Most well-wishers of this country will agree that the government's policy of attracting foreign investment is vital to the growth and development of our economy. No one can deny it. We, therefore, strongly feel that this change in policy will not at all bear well for the investment climate of Pakistan and may discourage foreign private investment coming into Pakistan.

We would therefore request that in the larger interest of the nation, the unilateral decision of the Ministry of Petroleum to change the pricing formula for calculation of the margins for oil marketing companies and their dealers be reversed.

Sir, we would propose that an urgent meeting be called with all key stakeholders to work out a mutually acceptable pricing mechanism for calculations of margins.

Thank you and with kind regards,

Sohail Wajahat H. Siddiqui
President

Enhancement of Exports

The Chamber's letter dated 13th March 2006 written to Section Officer (Textiles), Ministry of Commerce, Government of Pakistan, on enhancement of exports.

13th March 2006

Mr Saeed Qadir Mangi,
Section Officer (Tex),
Ministry of Commerce,
Government of Pakistan,
Islamabad.

Dear Sir,

Thank you for your letter of 9th March 2006. Suggested measures to be taken that would facilitate enhancement of exports from Pakistan are as under:

1. LONG TERM TRADE POLICY

The Trade Policy has to be long term for planning strategic investment. Trade encompasses many areas of economy e.g. tariff deregulation, liberalization, cost of doing business and focus on infrastructure



*There is only
one reason for research*

*Better Health:
A commitment for all ages*

*MSD Research:
for every answer, a new question
for every discovery, a new challenge
for every medicine, a new hope*

*MERCK SHARP & DOHME OF
PAKISTAN LTD., is a company of THE
MERCK & CO., Inc., Group of Companies.,
a worldwide research-intensive health
products company that discovers, develops,
produces, and markets human and animal
health products and specially chemicals.*



*Copyright © Merck & Co., Inc., Whitehouse
Station, N.J., U.S.A., 2006. All rights
reserved.*

15-Jun-2007 GEN-2004-MEA-28-J(PK)

2. TRADE WITH INDIA

Trade with India needs to be opened up for specific production inputs i.e. raw materials and machinery. This will allow our local industry to be more competitive on a world scale

3. NEED FOR AN OVERALL IMPROVEMENT IN THE EXTERNAL AND INTERNAL IMAGE OF PAKISTAN AND ITS BRANDS/PRODUCTS

There is a requirement for doing image building particularly in the United States. The Officials of Embassies and Trade Offices need to do more to promote Pakistan's image appropriately

4. MORE FOCUS REQUIRED FOR RAISING THE BAR ON PAKISTAN'S VALUE ADDED PRODUCTS FOR EXPORTS AND DOMESTIC CONSUMPTION

Incentives have played a part in value addition. There is a need to understand why there was no meaningful value addition (with the exception of textiles) despite incentives given in import of machinery on zero rated duty

5. COST OF DOING BUSINESS

The cost of doing business is not internationally competitive. A study be carried out to determine the cost of doing business in the country

6. LEVEL PLAYING FIELD AMONGST PROVINCES

Levy of Infrastructure Cess (Sindh), Tobacco Cess (NWFP). Such duties levied by the provinces discourages investment and creates an uneven playing field

7. BUILDING OF WATER RESERVOIR

The Government should undertake building of water reservoirs to cater to the needs of agriculture and industrial sectors. The availability of sufficient water would help in more power generation for industry and ultimately boost exports

We hope that the above suggestions will be of value.

Yours truly,

Major (R) Owais Hasan
Deputy Secretary



Life...worth living for loved ones!



- A subsidiary of Aga Khan Fund for Economic Development (AKFED)
- Highest paid-up capital among public listed life insurance companies in Pakistan
- Tailor made products for all customers
- Backing of world's largest re-insurance companies
- A network of branches in 26 cities
- Highest ratio of customer locality

NJI

Life

PLAN TODAY, SECURE TOMORROW!
www.njilife.com

Presumptive Tax on Imports

The Chamber's letter dated 17th May 2006 addressed to Chairman, CBR, Government of Pakistan, highlighting the issue of presumptive tax on imports.

17th May 2006

Mr M. Abdullah Yusuf,
Chairman,
Central Board of Revenue,
Government of Pakistan,
Islamabad.

Dear Sir,

We are forwarding a proposal from the Philips Electrical Industries of Pakistan Limited pertaining to Presumptive Tax on imports:

Issue	Policy/ Reference	Recommendation
<p>Presumptive tax on imports was levied in the early nineties, mainly in order to recover the due tax from local importers who were not used to paying tax either by showing losses in their returns or simply not filing the return. For those tax evaders, of course it was a good policy.</p> <p>However for good corporate citizens like MNCs who always paid government taxes, this was a very discouraging law. The situation became more painful when the rate of tax was increased to 6%. (Initially it was 2%).</p> <p>Corporate sector, specially MNCs like Philips and others, are major contributors in Government tax revenue and an important player in the country's GDP growth. However, due to this very high presumptive tax, the effective tax rate of such companies become so high that it is not viable for them to work.</p>	<p>Sec 169 Income Tax Ordinance 2001</p>	<p>It is strongly suggested to exempt those MNCs which are registered in OICCI from this regime and allow them to be taxed on their income instead of import values.</p> <p>The second option to remedy the situation is a sectoral analysis of presumptive tax regime and rationalization of rate as per results.</p>

We will be grateful if you will give the proposal due consideration for the Budget 2006.

With kind regards.

Yours sincerely,

S. Viqar Salahuddin
Secretary General



Harassment of Multinational Companies by Drug Inspectors

The Chamber's letter dated 8th June 2006 addressed to Dr Ishrat Ul Ebad Khan, Governor Sind, on harassment of multinational companies by drug inspectors.

8th June 2006

**Dr Ishrat Ul Ebad Khan,
Governor Sindh,
Governor's House,
Karachi.**

Honorable Governor,

We would like, once again, to bring to your attention the issue of harassment of MNCs by drug inspectors on the pretext of searching for spurious drugs. We believe this is nothing but a brazen attempt at extortion from multinational companies. This matter was also discussed with you earlier at our meeting on 18th January 2006.

In order to bring our concerns personally to your attention, the president of OICCI, Mr Salman Burney, along with representatives of the Multinational Pharmaceutical Companies would like to meet you at your earliest convenience.

We will appreciate if you will kindly give a suitable date and time for the meeting.

Yours truly,

**S. Viqar Salahuddin
Secretary General**

Proposals not addressed in the Budget 2006-2007

Chamber's letter dated 15th June 2006 written to Chairman, CBR, highlighting the proposals sent by the Chamber and were not addressed in the Budget 2006 – 2007.

15th June 2006

**Mr M. Abdullah Yusuf,
Chairman,
Central Board of Revenue,
Government of Pakistan,
Islamabad.**

Dear Sir,

The Overseas Investors' Chamber of Commerce & Industry greatly appreciates the fiscal reforms announced in the recent budget, simplifying many of the tax procedures.

We appreciate and are encouraged by the significant reduction of the personal taxes from 30% to 20%, as well as the increase in the minimum tax bracket and the elimination of double taxation on excess perquisites.

The OICCI also appreciates your personal efforts in involving our Chamber in the budget preparation process. In this regard, you will recall the meeting of an OICCI delegation with you on April 22, 2006, when we made a detailed presentation to you on the tax proposals for the budget.

While we appreciate and welcome these positive changes, we would like to suggest that a number of our proposals which were presented earlier and which have not been addressed in this budget are included in future budgets, which we understand are now part of a rolling three year budget perspective plan.

We believe addressing these outstanding issues will serve to optimize and reduce the cost of doing business in the country, giving Pakistan the needed competitive advantage in today's globally competitive marketplace for investments.

With kind regards.

Yours sincerely,

Salman Burney
President

Zouhair Khaliq
Chairman
Sub-committee on Taxation

Sales Tax on Pesticides

The Chamber's letter dated 15th June 2006 written to the Member Sales Tax, CBR, highlighting the issue of sales tax on pesticides.

15th June 2006

**The Member Sales Tax,
Central Board of Revenue,
Government of Pakistan,
Islamabad.**

Dear Sir,

Anomalies arising out of SRO 553(I)/2006 dated June 5, 2006

The budgetary to SRO 553(I)/2006 dated June 5, 2006, has caused the sales activities of our member pesticide companies to come to a halt, in want of questions to be clarified by the Central Board of Revenue. We, therefore, attach herewith a document as Annexure 'A' that contains the anomalies and our queries for your review and prompt action.

Thanking you.

Yours faithfully,

S. Viqar Salahuddin
Secretary General



Getz Pharma Wins Best Export Performance

Award

2005-2006

Intelligent
Medicine

BECAUSE DISEASE KNOWS NO BOUNDARIES...

...OUR COMMITMENT IS WORLDWIDE

Continuously re-investing in
State of the Art Technology,
Systems, People and
Facilities.

Getz Pharma is proud to
receive the **FPCCI** (Federation
of Pakistan Chamber of
Commerce & Industry)
**Best Export Performance
Award 2005 – 2006** from the
Prime Minister of Pakistan
Mr. Shaukat Aziz.

 **Getz**
pharma
(PVT) LIMITED | 29-30/27,
K.I.A., Karachi,
Pakistan

www.getzpharma.com | UAN:(92-21) 111-111-511

Clarifications sought on the following issues:

- Publication of amending notification
- Persons covered
- Sales tax not to be charged on further stage of supply
- Sales tax not to be charged by whom
- Fixed vs. minimum value addition
- Issuance of sales tax invoices
- Sales returns
- Sales tax on advances
- Reporting in the sales tax returns

15% GST Levied on Computer Hardware

The Chamber's letter dated 20th June 2006 addressed to the Minister for Information, Technology & Telecommunications, highlighting the issue of 15% GST on Computer Hardware.

20th June 2006

**Mr Awais Khan Leghari,
Minister for Information Technology & Telecommunications,
Ministry of Information Technology & Telecommunications,
Government of Pakistan.**

Dear Mr Leghari,

As you are aware the Government of Pakistan, in the recently announced Federal Budget, has announced that import duty of 5% on Computer Hardware and Parts has been withdrawn and instead a 15% GST has been levied. Based on this announcement the overall impact on the end user price will be an increase of approximately 15%.

This action is likely to negate the Government policy to promote the IT industry in Pakistan, not only from the standpoint of growth in SW exports, but more importantly in closing the technological global divide between Pakistan and the rest of the world.

In this age of internet/on-line education/deployment of e-governance/home based computer applications etc., any increase in the price of computers will be counter-productive. The measure announced is surprising even considering that nearly 50% of the consumption of Computer Hardware is done by the Government itself. Hence, the purpose of enhancing the government revenue to a major extent may be defeated.

To conclude, we are convinced that this action by the Government could be detrimental to the future growth of the IT industry and its deployment in fields of education, business applications, SW development and exports, and enhancing e-governance.

We strongly urge you to kindly look into this matter and accord high priority to its quick resolution. We also request an appointment on Friday afternoon, June 23, 2006 or Saturday morning June 24, 2006 for Chairman of Chamber's Standing Sub-committee on IT & E-Commerce and Telecommunications, Mr Humayun Bashir. Looking forward to your confirmation.

Thanking you.

**Salman Burney
President**

**Humayun Bashir
Chairman
Sub-committee on
IT & E-Commerce and Telecommunications**



Energy Issues faced by the Industry

The Chamber's letter dated 22nd June 2006 addressed to Mr Mukhtar Ahmed, Advisor to the Prime Minister on Energy, addressing energy issues faced by our member firms.

22nd June 2006

**Mr Mukhtar Ahmed,
Advisor to the Prime Minister on Energy,
Prime Minister's Secretariat (Public),
Government of Pakistan,
Islamabad.**

Dear Sir,

Further to our letter dated 4th January 2006, we are enclosing the updated list of issues faced by the energy industry along with our considered recommendations.

We request you to review these and provide us your guidance on how these can be progressed. Kindly let us know if any further information/clarification is needed.

Yours truly,

**Fawzia Kazmi
Chairperson
Chamber's Standing Sub-committee on Energy**

Issue 1:

Eroding financial viability of E&P projects in Pakistan due to gas pricing cap at US\$36 in a US\$70 world and increasing development costs.

Recommendation:

GoP had committed to issue a revision of the 2001 Petroleum Policy by May 2006. IHS Energy was engaged by GoP as a consultant to draft a policy document. IHS has prepared and submitted a draft to GoP. This draft has not been provided to the E&P industry and no consultation has been done to date. It is feared that GoP may issue a policy without giving an opportunity to the stakeholders to review and express their apprehensions, if any. GoP may involve the industry in meaningful consultation before finalizing the new policy.

Issue 2:

Local pressure groups and communities with political and monetary agendas are disrupting E&P operations.

Recommendation:

This issue continues to harass companies involved in E&P activities in remote and backward areas. The solution may lie in GoP sharing with the local (district) governments, in a visible manner, the royalty and production bonuses that E&P companies pay the federal government. This way the local communities will see a direct benefit to them from the production activities of the E&P companies. GoP after some initial discussions on this proposal seems to have put it into cold storage.

Issue 3:

OMC and Dealer margins have been cut unilaterally by 20% w.e.f March 16th 2006, which is a reversal of the earlier Government policy of support for the growth and modernization of the oil-marketing sector. This change has adversely impacted the viability of future investments in the sector.

Recommendation:

The Oil Companies Advisory Committee (OCAC) has submitted to the Government a new sliding-scale mechanism for determining OMC & Dealer margins that will protect the consumer at high oil prices while keeping the industry attractive for investment at low oil prices. Urgent approval for this is requested from the Government.

Issue 4:

The oil industry's outstandings against the government on account of price differential claims has reached an alarming level of over Rs.10 billion owed to both oil marketing companies and refineries. It is important for Government credibility vis-a-vis foreign investors to resolve this issue urgently and in a fair manner, including the matter of interest payment on such large outstandings.

Recommendation:

It is recommended that a simple and automatic procedure for prompt repayment of the PDC be implemented, with the PDC being included after the sales tax in the pricing formula and becoming a special subsidy that respective OMCs and refineries may claim after submitting an audited certificate of sales during that period.

Issue 5:

The current freight pool mechanism for oil products is subject to gross inefficiency leading to higher cost for the consumer.

Recommendation:

With the commissioning of the new white-oil pipeline in 2005, the "29-location freight pool model" is no longer optimal and is leading to unnecessary high costs for the consumer. This model urgently needs to be replaced by the "Reduced (8-depot) Depot Model," which has been designed to provide efficiency benefits to the consumer and will reduce the freight pool impact by about Rs.1.5 billion per year.

The Reduced Depot Model will create a level playing field by allowing all OMCs to maintain product stocks at the 8 proposed depot locations, either via own infrastructure or through hospitality. It may be noted that the 8 locations in the Reduced Depot Model are major locations that contain 85% of all petroleum storages in the country. The 8 depot locations also directly cover a bulk of the agri-markets and will provide price equality of petroleum products in all provinces of the country.

Urgent approval of this model is requested from the Government.

Issue 6:

While the recent change in the criteria for new oil marketing licenses is welcome as it increases the investment requirement for new OMCs to US\$100 million, the concern is that the Government is not enforcing the earlier criteria for those new OMCs that have already been issued licenses.

Recommendation:

It is imperative for the Government to create a level playing field by undertaking an accountability process for new OMCs that have not implemented their investment criteria.





DP WORLD



P&O



Mackinnons Pakistan

Operating Since 1863. Backed by P&O, which is now D P World, the company is now involved in diversified activities with branch in Islamabad.

Pioneers in the shipping industry and duly ISO Certified.



Ship Port Agents

The best known and most trusted name for Ship-handling agency in Port Qasim / Karachi



Marine Insurance Survey Agents

Lloyd's agents since 1866. Marine Surveyors & Nautical Consultants, Cargoes & Draught Surveys, Quality Inspection, Hull & Machinery, Petroleum and Chemical custody transfer, Loss prevention for Project Cargo etc. Representatives of the Salvage Association & IUA London.



ACCREDITED AGENT
Govt. Licence No. 18

Mackinnons Travel

(IATA Approved)

Complete travel arrangements with personalized services. Flight bookings; Visa processing, Hotel reservation, Package tours, Sightseeing trips, focused on customers' service, services second to none

Ships' Manning

One of the oldest crew manning agencies. Well trained, disciplined, experienced crew duly certified and a pool of qualified officers. Competitive wages/costs

Overseas Recruitment

(Under Government Licence)

The most respected name in the field transparency, impeccable track record. Recruiting agent for some most reputable companies in the Middle East. Own seamen training facility.

Mackinnon Mackenzie & Co. of Pakistan (Pvt.) Ltd.

Mackinnons Building, I.I. Chundrigar Road, Karachi 74000 Pakistan

Phone: +92-21-241 3041/7 Fax: +92-21-242 4115 Email: Karachi@Mackpak.com

Issue 7:

It is essential to close down unauthorized/illegal "Dabba stations," which are a safety hazard for the consumer.

Recommendation:

Unauthorized/illegal "Dabba stations" are in existence due to differentiated prices of oil products being sold through retail petrol stations and directly to consumers. It is proposed that a uniform selling price be implemented for all consumers. This proposal requires levy of an additional sales tax on oil products (equal to the dealers commission) for all direct consumers to make the price uniform.

The additional levy will have no impact on genuine direct consumers, as it will be adjusted in their input/output tax calculations. It is also estimated that due to this change the Government will benefit with additional sales tax of approx. Rs.2.4 billion p.a.

OCAC has submitted the detailed proposal to the Government. It is requested that urgent approval be accorded for the proposed change.

Issue 8:

Inspection mechanism of Oil & LPG technical & safety industry standards by Government agencies is unsatisfactory.

Recommendation:

Initially, inspections in the LPG sector were all carried out by HDIP. The LPG Association requested an increase in the number of inspection and certifying agencies. A list of companies including SGS, ENAR Petrotech, Uniteam, Moodys etc. was mooted to OGRA. The regulator appointed ENAR rather than expanding the list. This virtual monopoly has meant that there are serious bottlenecks in inspection and certification of LPG Plants. There is currently a waiting list of 53 sites that ENAR has to inspect. They had initially agreed a fee structure for this inspection and now wish to quadruple this. Therefore, certification is being delayed by several weeks as this issue is clarified by OGRA. We believe that inspection should be open to all well reputed third party inspection companies to encourage competition and speed of certification.

In the Oil sector, we welcome the on-going dialogue between OGRA and the oil industry for finalizing the draft OGRA Rules, which should lead to modernized technical & safety standards for the oil sector and to a robust third-party inspection mechanism. It will be imperative, however, to legally ensure that as soon as third-party inspection mechanism is in place, existing government agencies, including the Chief Inspector of Explosives, are no longer responsible for technical inspection of the oil industry.

Issue 9:

Large number of LPG licenses means less control over critical safety issues and less investment in quality infrastructure leading to probability of accidents.

Recommendation:

Over the past five years, the number of licenses issued for LPG Marketing companies has increased to the extent that large distributors are entering as LPG marketing companies. This has meant that HSSE standards have suffered. Cross filling and decanting is rampant. The quality of infrastructure developed is fairly poor and is laying the groundwork for future safety issues. It is our view that the threshold for new entrants must be raised in line with Oil Marketing Company licenses.



Issue 10:

PPIB is unable to play its due role as one-window facility. Agreements have been revised and ECC approval obtained by PPIB without involving the industry. The process of project-specific changes required needs to be clarified.

Recommendation:

PPIB needs to act as a one-window facility and have the authority to expedite matters rather than being a coordinating agency. Its BoD should have members from the power sector and the gas companies. Coal and wind-power should also be under its purview.

NEPRA needs to advise the basis of the upfront tariff and to revise this every six months in line with the economic parameters of the country.

The privatization of Gencos should not be delayed as it has caused anxiety among potential bidders. GoP needs to close out open items and state their policy before putting plants on the block.

Representation of OICCI in a Committee on Private Security Companies

The Chamber's letter dated 20th July 2006 addressed to Mr Tanvir Ahmed Qureshi, Additional Home Secretary, Government of Sindh, requesting to include OICCI's representative in the committee.

20th July 2006

**Mr Tanvir Ahmed Qureshi,
Additional Home Secretary,
Government of Sindh,
Tughlaq House,
Karachi.**

Dear Sir,

We write with reference to our meeting on 14th July 2006, in which law and order issues were discussed.

During the meeting, the issue of Private Security Companies performance was also discussed. You informed us that a Committee on Private Security Companies does exist, which is chaired by you. However, there is no representation of OICCI members on that Committee. It was decided that OICCI will forward two names for representation on the said Committee. The following are nominated to represent OICCI:

1. MR HASAN ALI KHAN, CHAIRMAN, OICCI STANDING SUB-COMMITTEE ON LAW & ORDER AND SECURITY
2. LT. COL. (R) IFTIKHAR-UDDIN, CO-CHAIRMAN, OICCI STANDING SUB-COMMITTEE ON LAW & ORDER AND SECURITY

Please also let us know the date of the next meeting of this Committee.

With regards,
Yours sincerely,

**S. Viqar Salahuddin
Secretary General**





When you need to establish a new relationship or strengthen a bond, count on Indigo to get you through. Experience an exciting world of instant access with Indigo's unrivaled post-paid connectivity that offers you International Roaming in more than 100 countries, Friends & Family and Weekend Discounts, an Exclusive Rewards Program and much more.

Mobilink
indigo | Brings people closer

☎ 111 300 300 mobilinkgsm.com/indigo

Excise Duty on Franchise Fee/Technical Fee and Royalty

The Chamber's letters dated 2nd August 2006 and 12th September 2006 addressed to Mr M. Abdullah Yusuf, Chairman, Central Board of Revenue, requesting to review the subject duty on franchise fee/technical fee and royalty.

2nd August 2006

**Mr M. Abdullah Yusuf,
Chairman,
Central Board of Revenue,
Government of Pakistan,
Islamabad.**

Dear Sir,

Your kind attention is invited towards the Central Board of Revenue's Federal Excise Rules, 2005 and recently issued Federal Excise General Order No.4/2006, dated 1st July 2006, stipulating levy of 5% Excise Duty on the gross amount of franchise fee or the deemed franchise fee or technical fee or royalty charged by the franchiser from the franchisee. It further provides that in such cases where remittances of the fee or royalty are made through the State Bank of Pakistan, under a proper agreement between a foreign franchiser and a Pakistani franchisee, the assessable value for the purpose of levy of 5% excise duty shall be the gross amount remitted or 5% of the net sales (deemed value), whichever is higher. This deemed value enhances many times the amount of excise duty to be paid.

We believe that the aforementioned General Order needs to be reviewed as the excise duty should be charged on the basis of actual franchise fee remitted through the State Bank of Pakistan and not on the basis of deemed value. In latter case, excise duty would be many times high.

As many of the members of OICCI have franchise/technical services agreements with their parent companies, it is a matter of concern for us.

You are requested to kindly review the subject General Order.

With kind regards.

Yours sincerely,

**S. Viqar Salahuddin
Secretary General**

12th September 2006

**Mr M. Abdullah Yusuf,
Chairman,
Central Board of Revenue,
Government of Pakistan,
Islamabad.**

Dear Sir,

Further to our letter dated 2nd August 2006 on the subject regarding the Federal Excise General Order No.4/2006.

The aforesaid General Order No.4/2006 was subsequently superseded by Federal Excise General Order No.5/2006 dated August 5, 2006 issued by CBR. By virtue of this order, 5% Federal Excise



Duty (FED) shall be payable on gross amount remitted/paid to the franchiser or on the amount laid down in the franchise agreement.

As per the Order referred above, franchise fee is applicable from July 1, 2006. However, it needs to be clarified that if any franchise fee is remitted after July 1, 2006 which includes the portion of fee relating to the period prior to July 1, 2006, would FED be payable on that portion of remittance.

Our members feel that since the levy of FED is with effect from July 1, 2006, the charge for FED thereof would be applicable to franchise fee pertaining to the period commencing from July 1, 2006. Any payments pertaining to the period up to June 30, 2006 would not attract FED, notwithstanding the fact that this amount is being remitted subsequent to the above date.

Since the subject Order is silent in this regard and the tax authorities may demand the FED at the time of remittance of prior period's franchise fee. Therefore, a clarification in this regard to resolve the issue will be appreciated.

Thank you and best regards.

Adnan Afridi
Secretary General

Amendments in Sales Tax Act, 1990 brought in through Finance Act, 2006 and the Sales Tax Rules, 2006

The Chamber's letter dated 7th August 2006 addressed to the Chairman, Central Board of Revenue, regarding the Chamber's concerns about certain amendments in the Sales Tax Act, 1990.

7th August 2006

The Chairman,
Central Board of Revenue,
Islamabad.

Dear Sir,

We, through this letter, would like to highlight certain amendments made in the Sales Tax Act, 1990, which is of concern to our member companies complying with the laws of the land. We shall appreciate if you will kindly consider the following comments and suggestions that have been vetted by Messrs A. F. Ferguson & Company.

1. SECTION 8(1)(ca) AND SECTION 8(A) OF THE SALES TAX ACT

1.1 Section 8(1)(ca) seeks to disentitle a bona fide purchaser of taxable goods from claiming input tax for which payment has been made by him to the supplier in compliance of Section 73, if the unscrupulous supplier does not pay/file the Sales Tax Return.

1.2 Similarly, a bona fide purchaser is implicated for payment of unpaid sales tax of the unscrupulous supplier who has not paid or filed his Sales Tax returns. The law makes the purchaser responsible if the supplier does not pay the Sales Tax on goods supplied to the purchaser.

1.3 The aforesaid provisions are detrimental to the conducive business environment that is being aspired, both by the Government and the multinational business organizations. This is especially pertinent in view of the fact that Section 73 ensures that the payment against the Sales Tax invoices, issued by a supplier, flows from the declared business account of the purchaser to the declared business account of the supplier. The information of both the declared accounts of the supplier and the purchaser are available with the concerned Collectors of Sales Tax. The cases where suppliers are not paying/filing their returns are readily available with the Collectors and the Collectors are adequately empowered to enforce filing of Sales Tax Returns by such suppliers.





Nestlé®

Good Food, Good Life



1.4 In view of above facts, imposing additional burden on the bona fide purchasers for default of unscrupulous suppliers is totally uncalled for. We, therefore, request you to issue necessary administrative instructions to the Collectors not to invoke the aforesaid provisions against the bona fide purchasers till the aforesaid provisions are removed from the statute through an Ordinance or by an Act of the Parliament.

2. CHAPTER V OF THE SALES TAX RULES, 2006

2.1 Rule 33 of the Sales Tax Rules, 2006 states that the claimant shall be paid refund to the extent of input tax paid on purchases or imports that are actually consumed in the manufacture of goods which have been exported or supplied at the rate of zero percent. Similarly, Rule 38 requires filing of statement of the tax paid inputs goods consumed in the manufacture of zero rates goods for issuance of refund. The prescribed statement involves provision of the following details:

- Description of input goods
- Opening balance
- Purchases during the month
- Total available for consumption
- Consumed for export/zero-rating
- Consumed in local supplies
- Total consumption
- Balance

2.2 It is felt that restricting the extent of payment of refund to the input tax paid on goods consumed in manufacture and requiring detailed information would result in unnecessary blocking of funds of the business and delay in issuing the refunds. Providing the details required under Rule 38 is especially difficult for the engineering industry, where hundreds of input goods are used for manufacture of the plant, machinery and equipments.

2.3 We shall be grateful if the Rules are amended to ensure timely payment of refunds claim and subsequent audits, where considered appropriate. Moreover, the detail required should also be rationalized/minimize to facilitate taxpayers.

3. We thank you for the efforts made by the Central Board of Revenue to create a business friendly tax culture in Pakistan.

Yours truly,

S. Viqar Salahuddin
Secretary General



Usage of Stolen Cellular Phones for Criminal Activity

The Chamber's letter dated 29th August 2006 addressed to the Major General (R) Shahzada Alam Malik, Chairman, Pakistan Telecommunication Authority, on the subject of stolen cellular phones.

29th August 2006

**Major General (R) Shahzada Alam Malik,
Chairman,
Pakistan Telecommunication Authority,
Sector F – 5 / 1,
Islamabad.**

Dear Major General (R) Shahzada Alam Malik,

I am writing on behalf of The Overseas Investors' Chamber of Commerce and Industry. Our Chamber is the oldest chamber of Commerce and Industry in Pakistan. Over the years we have worked closely with the Government and public sector institutions to promote investment, economic and social activity in the country. Our current membership has 168 members with 49 members listed on Stock Exchanges in Pakistan. Our members include industry leaders in Manufacturing, Trading, Financial Services, Logistics, Oil and Gas and Telecommunications sectors of Pakistan. Our membership includes companies from UK, U.S.A, Europe, Japan and the Middle East.

Today, our member companies have an equity base in excess of Rs.240 billion and total assets of Rs.1100 billion invested in Pakistan with over 100,000 people in direct employment. Sales of our member companies represent over 11% of GNP of the country and over 33% of the GDP in the manufacturing sector. We are also proud of the fact that over 37% of our revenue is remitted to the Government in the form of various taxes; 30% of the total national excise duty collection and over 20% of all import and sales tax is paid by our members.

We are writing to you to articulate our concern over the increasing usage of stolen cellular phones for criminal activity; many of which are directed towards our members. In this context, we would like to address two areas of concern:

(1) We have been informed that the PTA has introduced legislation that directs cellular operators to record and track SIMs of all connections (both post and pre-paid) and link them to hand-sets for tracking purposes. As stakeholders, we would like to have an in-depth discussion with you to fully understand the legislation and discuss its merits and challenges.

(2) We are especially concerned that the legislation introduced is not being effectively implemented. For example, due to the complex sales network of cellular companies, it takes several weeks or even months before the appropriate SIM and its associated hand-set data is recorded with the relevant company. Moreover, we are not aware of the type of information being asked for at the time of sale (e.g. ID card, utility bill, etc.) and actually recorded.

In this context, our Sub-committee on Law and Order would like to make some observations/suggestions.

We have observed best practices adopted in other countries regarding data collection at point of sale of SIMs and mobile handsets. These include:

- Collecting proof of residence (in the form of utility bill, or rent agreement) from subscriber.
- Collecting proof of employment or business information (address, nature of work, etc.)

We urge you to place these or similar requirements at all levels of sale (at cellular connection stage, at dealer stage, at retail stage, etc.) and have penalties for non-compliance.



We look forward to working with you in this matter. Please let us know when we can meet to discuss this further.

Sincerely,

Hasan Ali Khan
Chairman Standing Sub-committee on Investment, Infrastructure, Law & Order and Security

Inhospitable Security Environment at JPMC – Extortion and Vandalism by Members of Punjabi Students Association

The Chamber's letter dated 20th September 2006 addressed to Brigadier (R) Ghulam Mohtarem, Home Secretary, Government of Sindh, on an inhospitable security environment at JPMC.

20th September 2006

Brigadier (R) Ghulam Mohtarem,
Home Secretary,
Government of Sindh,
Sindh Secretariat,
Karachi.

Dear Sir,

The Punjabi Students Association (PSA), which is apparently a student body at the Jinnah Post-Graduate Medical College (JPMC), has been indulging in acts of vandalism, extortion through intimidation and threats given to the visitors at JPMC. They demand cash as donation from the Medical Reps of Pharma Companies.

A number of our member companies have reported such type of incidents in the past. A serious incident occurred recently, where the PSA gangsters have beaten and injured one of our members from the Pharmaceutical Company. Now the Medical Reps of Pharma Companies are very vulnerable to acts of manhandling and physical injuries by the PSA hoodlums.

The PSA members resort to mugging, threatening and extortion through detention kidnapping of persons of the Pharmaceutical Companies. Their demands are for immediate payments, failing compliance for which, the victims are subjected to manhandling and physical injuries.

The multinational Pharmaceutical Companies are seriously discouraged in business continuity with the JPMC at the expense and suffering of the patients.

It is with a sense of urgency that we approach your office to take urgent necessary action and involve Provincial Police Authorities for taking cognizance of the unbridled and illegal activities of PSA at JPMC.

Lt. Col. (R) Masood Siddiq who is a member of the Chamber's Standing Sub-committee on Law & Order and Security has already met you in this regard.

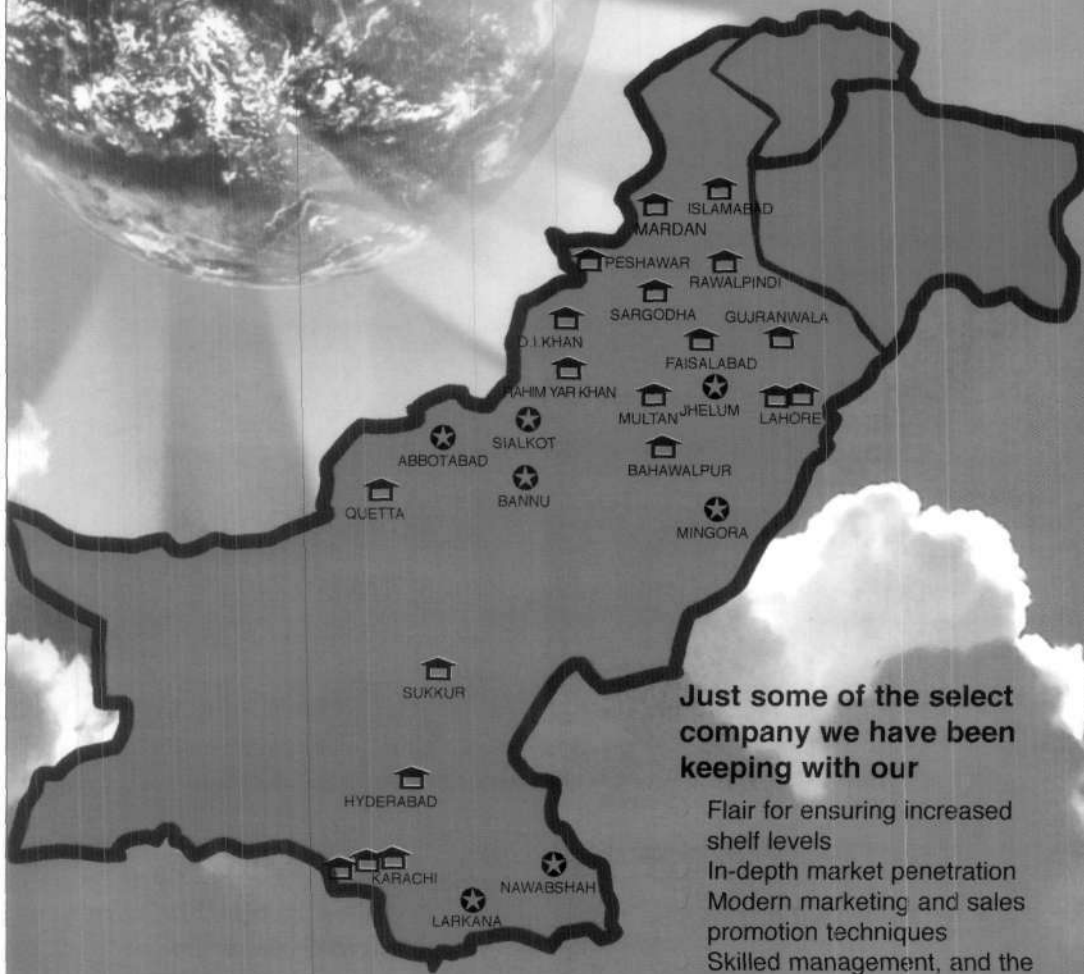
Thank you.

Sincerely,

Adnan Afridi
Secretary General



We are **Known**
by the **Company**
we **Keep**



**Just some of the select
company we have been
keeping with our**

Flair for ensuring increased
shelf levels
In-depth market penetration
Modern marketing and sales
promotion techniques
Skilled management, and the
ability to meet specific needs of
our Principals.

After all, we like the
company we keep.



MULLER & PHIPPS PAKISTAN (PRIVATE) LTD.

P.O.Box No 3880 Karachi-75600, Tel: 5867501-3, 5834471-3

Importers, Indentors, Distributors of Pharmaceutical & Consumer Products

BRANCHES : KARACHI - HYDERABAD - SUKKUR - QUETTA - BAHAWALPUR - MULTAN - FAISALABAD
SARGODHA - LAHORE - GUJRWANWALA - RAWALPINDI - ISLAMABAD - PESHAWAR
MARDAN - D.I.KHAN - SAHIWAL, Rahim Yar Khan

SALES OFFICES : Nawabshah, Larkana, Sialkot, Jhelum, Abbotabad, Mingora, Bannu.

3M

Household Division

B|BRAUN
AESCULAP

BD
Indispensable to
human health



Bristol-Myers Squibb

ConvaTec
(A Bristol Myers Squibb Co.)

egg & life
NUTRICIA



GETZ PHARMA
PAKISTAN (PVT) LIMITED

Johnson Johnson
PAKISTAN (PVT) LTD.

MSD



novo nordisk

PERFETTI
van Melle

PHARMATEC

Roche

SaraLee **KIWI**

Unilever

SBP Circular requiring Banks to seek NOCs for IT Solutions

The Chamber's letter dated 21st November 2006 addressed to Dr Shamshad Akhtar, Governor, State Bank of Pakistan, requesting to remove the condition of NOCs on the IT Solutions provided by the companies.

21st November 2006

**Dr Shamshad Akhtar,
Governor,
State Bank of Pakistan.**

Honorable Governor,

As you are aware, the Overseas Investors' Chamber of Commerce and Industry (OICCI) is the oldest and largest chamber of international investors in Pakistan, with over 170 multinationals from banking, oil, telecom, IT, FMCG, Pharma and other sectors represented. Collectively we represent over 11% of the GDP of Pakistan and contribute over 30% of all taxes to the Government of Pakistan.

In our recent visit to your office, we highlighted the positive impact of the Government's policy of de-regulation and liberalization on the overall investment climate of Pakistan. In particular, the Banking Industry of Pakistan has led the reform process and the recent interest in this sector from foreign investors is a testimonial to the positive role played by the regulator.

I am writing this letter to seek your guidance on a matter that has taken the Banking and Information Technology Sectors by surprise. We refer to a recent circular by SBP requiring NOC for IT solutions, as well as NOC for projects that are already contracted and underway. We have several concerns regarding this:

First, the limit of Rs.10 million does not appear practical relative to the size of banking operations in Pakistan. This may cause a significant administrative burden for both the Regulator and the Industry players.

Second, it does not appear the spend on IT would pose a Systemic Risk to the Banking Industry, so any regulation in this regard appears surprising.

Third, our member companies/banks have strong international IT consultants and strategies, who make plans after due diligence. Several banks are rolling out branch banking, e-banking, ATM, networking, payment and other solutions to be competitive, improve risk-management and improve customer service and the NOC process for existing projects will lead to significant delays.

We suggest that instead of a general circular covering all banks, the State Bank could consider taking action against specific instances of 'mis-use.' This proportionate response may serve the desired purpose, without the 'un-intended' consequences of slow-down in use of modern technology in this vibrant sector.

Please let me know when you can meet with a select OICCI delegation to discuss this matter.

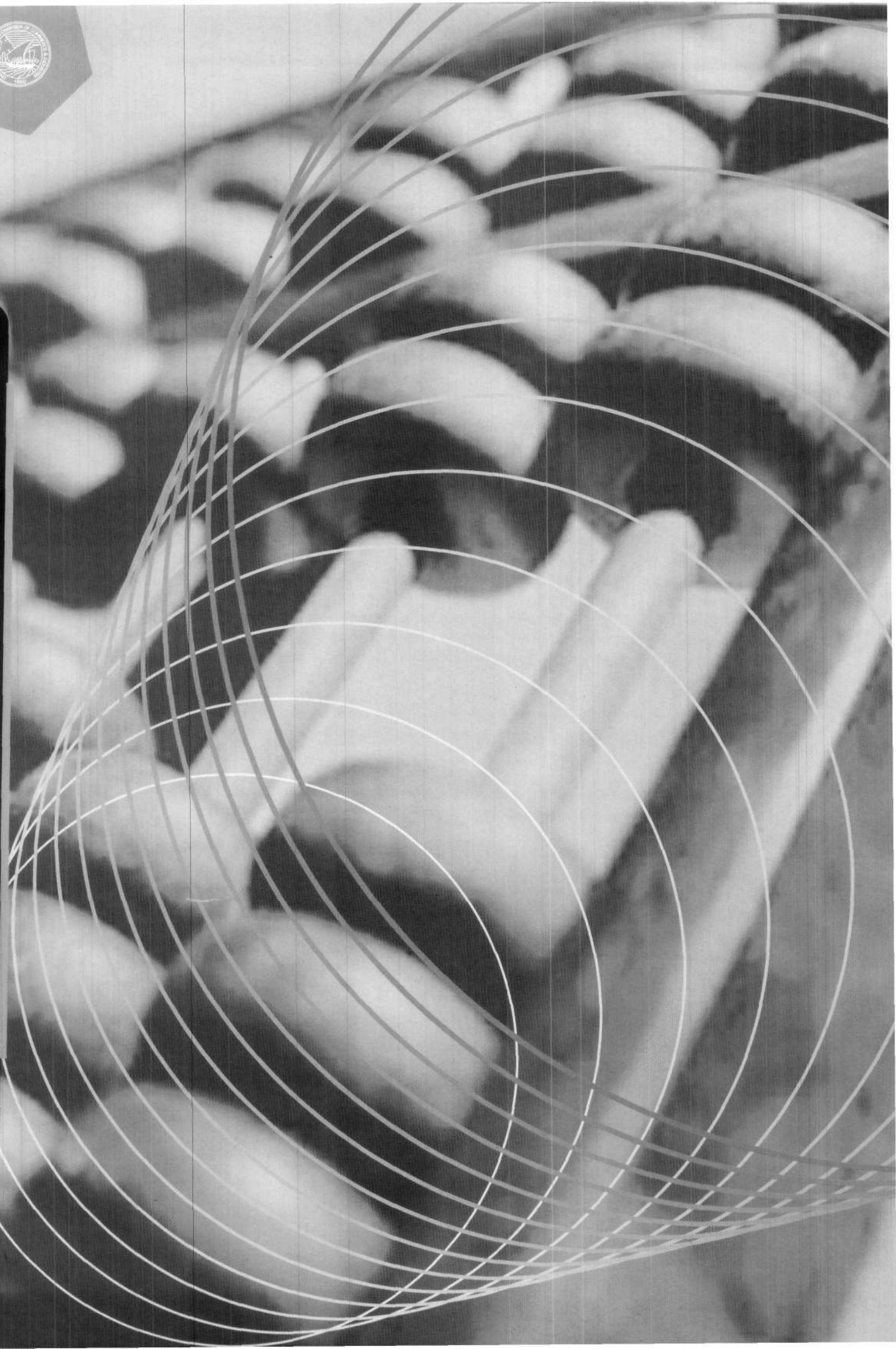
With kind regards,

**Salman Burney
President**





The Chamber's Standing Sub-committees



The Chamber's Standing Sub-committees

Chairmen and Co-chairmen of the Sub-committees

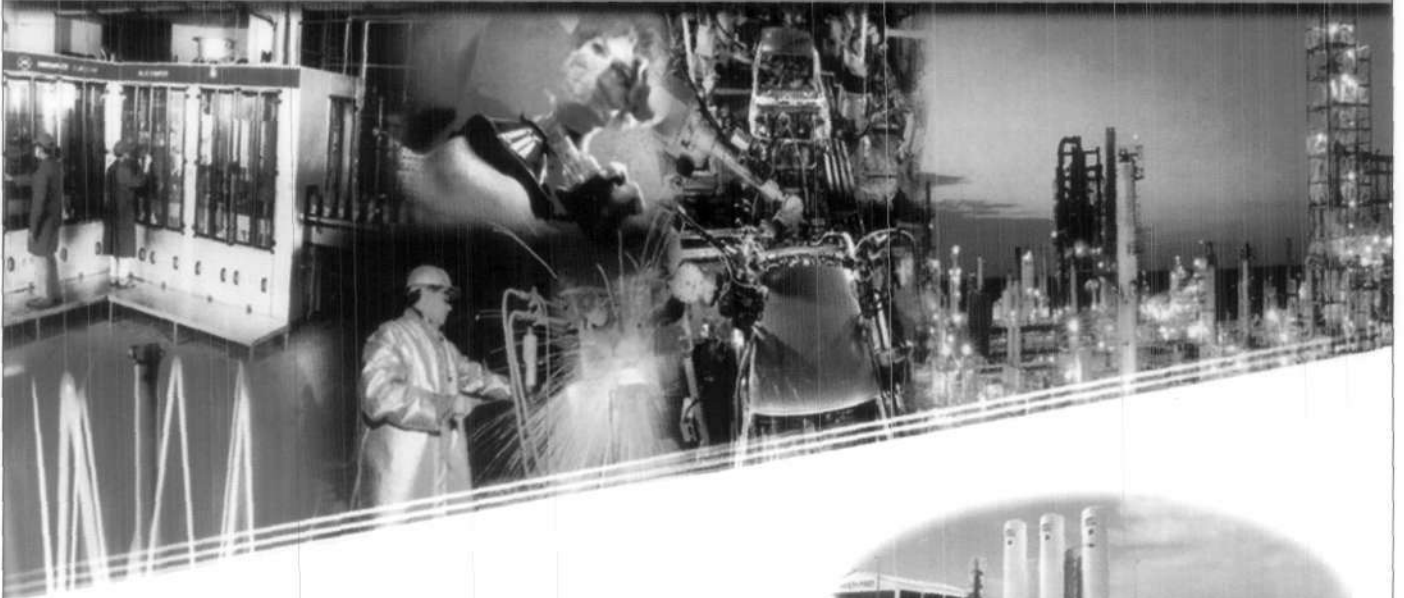
The following Sub-committees were formed. Details of the Chairmen and Co-chairmen are as under:

	Sub-committee	Chairman	Co-chairperson
1.	Banking, Leasing and Insurance	Zubyr Soomro	Shoaib Khan
2.	Corporate Social Responsibility	Asif Qadir	Shireen Khan
3.	Corporate Communications	Shahid Zaki	Zainab Sheikh
4.	Corporate Law, Labour and Employee Relations	S. H. A. Bukhari	
5.	Energy	Zaiviji Ismail	Saleem Piracha
6.	Industrial, Commercial and Environment	Waqar A. Malik	
7.	Intellectual Property Rights	Qaisar Shareef	Shahid Qureshi
8.	Investment, Infrastructure, Law & Order and Security	Hasan Ali Khan	Shabbir Hashmi (Investment & Infrastructure) Iftikhar Uddin (Law & Order and Security)
9.	IT & E-commerce and Telecommunications	Humayun Bashir	M. Naeem Saeed
10.	Pharmaceutical	Farid Khan	Tahir Iqbal
11.	Programmes and Events	Headed by Administration Sub-committee	
12.	Taxation	Zouhair Khaliq	Saad A. Khan

A detailed list of the members of each of the Chamber's Standing Sub-committees for the year can be seen on our website at www.oicci.org



Leadership in Industrial Gases



BOC Group

Serving 2 million customers in more than 50 countries – The BOC Group is one of the largest & certainly the most global of the world's leading gases companies.

It employs over 30,000 people & had annual sales of nearly £4.6 billion (in US\$ 8.70 billion) in 2005.

BOC Pakistan

For more than 47 years BOC's gases & expertise have contributed to advances in many industries & aspects of everyday life, including steel-making, refining, chemical processing, welding, cutting, food, glass production & health-care.

Committed to Safety, Quality & Service

www.boc.com

 **BOC**
Delivering Solutions Globally

Meetings of Standing Sub-committees

During the year under review, the Standing Sub-committees held their meetings on the following dates:

Banking, Leasing, Insurance and IT & E-commerce
4th January 2006.

Banking, Leasing and Insurance
(Separated from Banking, Leasing, Insurance and IT & E-commerce Sub-committee)
13th June and 5th October 2006.

Corporate Social Responsibility
14th February, 29th May, 15th June, 13th July, 20th September, 7th November and 2nd December, 2006.

Corporate Law, Labour and Employee Relations
9th June 2006.

Energy
16th May and 22nd August 2006.

Industrial, Commercial and Environment
23rd February, 5th June, 11th July, 30th August and 14th November.

Intellectual Property Rights
1st March, 31st May, 29th June, 25th July and 30th November 2006.

Investment, Infrastructure, Law & Order and Security
26th January, 20th February, 15th May, 29th June, 27th July, 25th August, 28th September, 30th November and 7th December 2006.

IT & E-commerce and Telecommunications
(Separated from Banking, Leasing, Insurance and IT & E-commerce Sub-committee)
19th June 2006.

Pharmaceutical
15th March, 22nd March, 25th April, 10th May, 15th May, 25th May, 27th May, 12th June, 6th July, 29th September and 12th December 2006.

Programmes and Events
9th January, 22nd March and 28th March 2006.

Taxation
10th February, 27th June and 6th December 2006.

The minutes of the above-mentioned meetings can be seen on our website at www.oicci.org



Corporate Social Responsibility

Chairman	Asif Qadir	Engro Asahi Polymer and Chemicals Limited
Co-chairperson	Shireen Khan	Parke Davis & Company Limited

Terms of Reference/Major Objectives

To encourage responsible business practices, as well as to ensure that the contribution of OICCI members towards the sustainable development throughout Pakistan is maximum in all spheres. The committee focuses on the key areas of education, health, environment as well as creating awareness about CSR both internally and externally.

The CSR Sub-committee worked to establish a system under which the CSR activities of the member organizations could be projected to a larger forum, as well as simultaneously creating awareness of the CSR issues themselves.

Achievements

In this regard, two areas were agreed to and developed. The first one was the inclusion of a page on CSR activities in the OICCI newsletter under the heading of "Touching Lives." The second was to bring together a CSR day in Islamabad to project the activities of the OICCI members and to recognize the innovative CSR activities that the members were doing in this field.

The newsletter page has been introduced and a format developed to encourage member companies to contribute their articles for this.

The CSR day in Islamabad was designed, but due to our inability to get any of the potential keynote speakers, this is being deferred to later in 2007. The concept includes a half day conference, with participation of the OICCI members, NGOs and a display area where some of the innovative and significant CSR activities would be displayed.

The Chairman of the Sub-committee, Mr Asif Qadir, would like to thank Ms Sana Tajammul for her active participation, as well as for spending extra time and effort in putting together the ground work for the CSR day.



Corporate Law, Labour and Employee Relations

Chairman

S. H. A. Bukhari

Mackinnon, Mackenzie and Company

Terms of Reference/Major Objectives

Take up issues that are of general applicability to the members and where inequity and principles of law are involved.

Keep abreast of all impending changes in policy and regulations.

Ensure that such impending changes do not compromise the interests of members, and interact with relevant authorities in bringing about the changes.

Achievements

1. During the year, two meetings were held. The committee also decided that the Sub-committee will meet if and when there is a specific issue or proposal to be addressed by OICCI.
2. This Sub-committee dealt with the following major issues on Corporate Law during the year 2006:

Legislative Issues:

Buy back of shares
Investment in associated companies
Transfer pricing/related party transactions
Substantial Holding/Acquisition of shares

Administrative Issues

Advance ruling mechanism
Electronic filing
One-window operation at Karachi

3. During the year, Chairman SECP Mr Razi-ur-Rehman Khan visited the Chamber. Mr Aamar Naseer of Unilever Pakistan made a presentation on key corporate law reforms. SECP Chairman Secretariat highly appreciated OICCI's initiative and invited OICCI delegates to further discuss the subject to facilitate all stakeholders.
4. As Chairman of this Sub-committee, I wish to thank all members of the Sub-committee for their support during the tenure.





makro

Wholesale Centre

Has it all!

If you want to buy bulk and are looking for guaranteed quality at competitive rates, Makro Wholesale Centre has the solution for all your needs. Shopping in an air conditioned environment with vast parking space, makes your purchasing experience a pleasure.

If you own a retail outlet, hotel, restaurant, catering service or represent any business organization, then avail these attractive features by getting registered at Makro and become a registered customer.

For registration please bring the following:

- a copy of your company's NTN certificate or your company's bank statement.
- a copy of your CNIC.

makro

Manghopir Centre Karachi.

22-D, Manghopir Road, Site(Valika Chorangi) Karachi
Tel: 021-2594014

Ravi Centre Lahore.

75 Ravi Road, Near Minar-e-Pakistan, Lahore
Tel: 042-7727857, 7727263, 7720006

www.makropakistan.com

Hoping for a pleasant and long-term business relationship with you-

makro

Energy

Chairperson	Fawzia Kazmi (till August 2006)	Shell Gas LPG (Pakistan) Limited
	Zaiviji Ismail (from September 2006)	Shell Pakistan Limited
Co-chairman	Saleem Piracha	Shell Pakistan Limited

Terms of Reference/Major Objectives

The OICCI Sub-committee on Energy comprises members from a very wide spectrum of energy companies doing business in Pakistan. The upstream and downstream sectors in the oil and gas industry are well represented, as is the power sector.

The Sub-committee's main objective is to engage key stakeholders on both issues and opportunities with a view towards resolution of key issues faced and fostering of the industry's growth potential. The Sub-committee also encourages the sharing of data available in the public domain in order to develop a better understanding of global, regional and national developments in the energy sector.

Achievements

The Sub-committee deliberated extensively on critical issues and challenges faced by the energy sector in Pakistan.

As part of its ongoing engagement with important stakeholders such as Mr Mukhtar Ahmed, Advisor to the Prime Minister on Energy, Mr Waqar Ahmed, Secretary Petroleum, and Mr Munir Ahmed, Chairman OGRA, the Sub-committee sent a letter in June 2006 to these stakeholders highlighting important energy issues and seeking their guidance on progressing these. These issues included the wellhead gas price cap, local pressure groups around E&P operations, key oil marketing issues such as PDC receivables, freight pool and margins, oil marketing and LPG license criteria and clarification of the roles of PPIB & NEPRA in the power sector. The process of engagement continues with positive developments emerging on certain key issues.

The Sub-committee also nominated its Co-chairman to make a presentation on Pakistan's Energy Needs to members of the Pakistan Administrative Staff College who visited OICCI on 7th September 2006. Since the visiting delegation consisted of senior government officials, this was an important engagement to apprise them of the ongoing energy sector issues in Pakistan.

The issues and challenges that have been highlighted by the Sub-committee to the government have a significant bearing on the efficiency and profitability of OICCI member companies. The Sub-committee should, therefore, continue active engagement with key government stakeholders, particularly the Energy Advisor, Secretary Petroleum and Chairman OGRA to progress these issues in the coming months.



Corporate Communications

Chairman	Shahid Zaki	Philips Electrical Industries of Pakistan Limited
Co-chairperson	Zainab Sheikh	GlaxoSmithKline Pakistan Limited

Terms of Reference/Major Objectives

The target that the Corporate Communications Sub-committee was aiming to achieve and execute was the vision of the OICCI, which is:

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

The idea is to synergize the brand power of the member organizations and reflect this synergy to elevate and position the brand OICCI as a platform and representation of existing and potential overseas investors.

It is important to continually keep abreast of issues that are faced by overseas investors, as well as keeping in continuous contact with key government functionaries. This is not only a consultative and participative process but a branding process as well, which can only be results oriented if an emphasis is made on the significant contributions that are made by the OICCI, not only with regards to the country's economy, but also within the field of corporate social responsibility.

The OICCI newsletter is one such tool, through which not only the members, but varied and diversified members of the government, NGOs, as well as the diplomatic corps remain informed of our activities. The newsletter also serves as a platform, where OICCI members can communicate their problems and achievements.

Achievements

The OICCI newsletter has been revamped, in order to keep abreast with the changing times and ever-shifting dynamics of the market. The newsletter is considered as a branding tool and is tailored and given a fresh look to promote OICCI as a contributing organization.

While the emphasis continued on ensuring that OICCI members remained in focus, with regards to their contributions to various facets of society, care was also taken to ensure that our major stakeholders were simultaneously kept informed of issues and contacts, in order to ensure that the OICCI is working towards an enabling environment in business and investment.

The first issue of the quarter focused on foreign direct investment within Pakistan, as well as the role played by the automotive sector within Pakistan. A new addition to the newsletter was a specific section devoted to OICCI members and their active and effective role within the sector of corporate social responsibility. Titled "OICCI-Impacting Human Lives," this section covered the role of the major MNCs within the social sector.

The next annual report, 2006, is also revamped, focusing once again on the contribution of the OICCI members in the economic and social sector. The emphasis is to present OICCI as a cutting edge organization, one which moves in sync with the changing times.



Intellectual Property Rights

Chairman	Qaisar Shareef	Procter & Gamble Pakistan (Pvt) Limited
Co-Chairman	Shahid Qureshi	GlaxoSmithKline Pakistan Limited

Terms of Reference/Major Objectives

The need for proper IPO compliance and enforcement continues to be a key request from overseas investors. The establishment of an Intellectual Property Office is a step in the right direction. The issue at hand, which is the IPR Sub-committee's main objective, is to improve the IPR environment in Pakistan. No concrete action with regard to IPR compliance and enforcement has been taken yet within Pakistan, thus the Sub-committee is focused on enforcing IPR laws, as well as generating a commitment amongst key government stakeholders for implementing and enforcing key IPR issues.

Achievements

Following are key activities undertaken by the IPR Sub-committee:

- A. An overall communication approach was agreed to build awareness of Intellectual Property Rights issues in the country and its affect on consumer safety and the business environment.

Agreed approach includes:

1. Creating awareness in terms of issuance of monthly calendar, press releases, articles, workshops, training sessions for judicial officers, local and other provinces. Conducted with the assistance of Justice (R) Dr Ghous Mohammad, serving judges of lower courts and high courts and EU Councilors during their visit to Pakistan.
2. Influencing government policy and legislation – a brief of key issues of IPR be handed over to OICCI members representing IPO board meetings for the enforcement of IPR Laws.
3. Improved Enforcement of Current Legislation – representation of OICCI should be ensured during the meetings with EU member states, USA and UK to influence government involvement of FIA for enforcement of Laws on IPR.

- B. IPR Seminar for judicial officers and judges was held in Karachi on August 5th, 2006. Amongst others, it was attended by:

- Mr Sabihuddin Ahmed, Chief Justice, Sindh High Court
- Chaudhry Iftikhar Ahmed, Provincial Law Minister, Sindh
- Justice (R) Dr Ghous Mohammad, Director General, Sindh Judicial Academy

This was an important event in building awareness of IPR issues among key stakeholders.

- C. Meetings were held with several key stakeholders to build awareness and support for IPR issues:

- Secretary Health, Government of Sindh
- Under Secretary of State, US Consulate
- Deputy Director FIA to discuss issues of enforcement



ICI Pakistan

– Your Company in Every Sense

Day to day and in so many ways, for over 60 years ICI Pakistan and its diverse range of products, has helped enrich your life in every sense!

A leader in the field of industrial chemicals and paints, ICI Pakistan manufactures and sells a range of quality products. From **Polyester Fibre** that brings a rich, smooth feel to your clothes to **Soda Ash**, an essential ingredient for soaps and detergents that gives them a fresh, crisp feel. From **Paints** that colour your world and please your eye, to **Life Sciences**, safeguarding your health with quality Pharmaceuticals and enhancing the wholesome flavor of your foods with its quality hybrid Seeds to **Chemicals** that add comfort to your life.



As a good corporate citizen, ICI Pakistan's commitment to the development of the country and the community remains a high priority. To discharge its responsibilities in this area the company has a very clear policy of serving the community it operates in. Pursuing further its initiatives to support health care and education, the Company provides significant financial support to various institutes of excellence in the country.

ICI Pakistan Limited is also the sole sponsor of the ICI Pakistan – British Council Management Centre. A source for providing training opportunities and facilities in the field of management education, fulfilling an important professional training need of the corporate sector in Karachi and that of the country.

The team at ICI Pakistan, a caring and committed corporate citizen, is dedicated to working towards improving the quality of life for all.



ICI Pakistan Limited

www.icipakistan.com

Pharmaceutical

Chairman:	Dr Farid Khan	Novartis Pharma (Pakistan) Limited
Co-chairman:	Mr M. Tahir Iqbal	Merck, Sharp and Dohme of Pakistan Limited
Executive Director:	Mr Riaz Hussain	Pharma Bureau

Terms of Reference/Major Objectives

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 marketing, sales and manufacture of drugs and medicines in particular.

Continue to pro-actively work with the Ministry of Health to implement the price adjustment policy for the Pharma Industry, which is long overdue considering the last price increase (3 – 4 %) was given in December 2001.

Actively progress the IPR issues with the MOH to bring about necessary amendments in the Drugs Act 1976, to make it compliant to TRIPS, of which the Government of Pakistan is a signatory. Actively work with the Ministry of Health for a transparent, fast track product registration system, especially for the New Chemical Entities (NCEs).

Persuade the Ministry of Health to honor Data Exclusivity, which is an integral part of the IPR issue.

Achievements

Price Adjustments

Despite follow-up across the board, price increase was not granted by the MOH. The Pharma Bureau finally met with the Minister and the Secretary Health informing them that we will be approaching the Prime Minister for a favorable decision on the price increase, after a lapse of over five years. Upon the suggestion of the MOH, an analysis is being done on the movement of raw material prices during these years.

Intellectual Property Rights (IPR)

Several meetings were held with the MOH and the IPO on Patent Protection and Data Exclusivity with the support of Attorney Mr Hasan Irfan Khan. With support from the PhRMA, Mr Alan Larson was engaged to press for relevant changes in the laws making them TRIPS compliant. Mr Larson came to Pakistan twice and met all the decision makers, including the President and the Prime Minister. A draft on DE for the changes in the Drugs Act was sent by Pharma Bureau to the MOH which is being reviewed by the PPMA. The pending applications in the 'mail box' were also taken up with the IPO, as there was an unexplained delay in the grant of patents.

Product Registrations

As a result of our discussions on different occasions, there has been a significant improvement in the registrations of products and in particular the New Chemical Entities. Since the appointment of the new DG Health late last year, some improvement is also seen in the fixation of prices of the NCEs.



Strong Representation of Pharma Bureau in the MOH Committees

The Pharma Bureau is strongly represented in the Central Licensing and Registration Board (CLRB) as well as the Price Recommendary Committee (PRC). Besides this, the Pharma Bureau has volunteered their talent and expertise in various fields from our member companies to the MOH.

Visit of Federal Health Secretary and his team to the OICCI

Mr Anwar Mahmood, Secretary Health and his team, visited the Chamber and met members of the Pharma Bureau. The details of his visit are mentioned as a separate article in this issue.

Ethical Marketing of Pharma Products Seminar

The Pharma Bureau organized the first ever seminar on Ethical Marketing of Pharma Products for Marketing and Medical personnel of our member companies. Over 130 participants, with representatives from the MOH and the media, had a chance to listen to presentations from Professor Azhar Farooqui of National Institute of Cardiovascular Diseases (NICVD), Mr Salman Burney, Dr Farid Khan, Dr Amir Jafri, Dr Iffat Yazdani and Dr Nadeem-ur-Rahman followed by lively discussions. A second meeting to discuss the revised IFPMA Code of Marketing Practices is scheduled for the first quarter 2007.

Member companies are increasingly using the Ethics Sub-committee of the Pharma Bureau in resolving complaints of violations of the Marketing Code.

Drug Regulatory Authority (DRA)

The efforts of the Pharma Bureau starting in 2001 finally yielded results. The MOH has now submitted a draft of the proposed DRA to the Cabinet Division.

Suggested Road Map for the Future

- 1) Vigorously pursue the price adjustments that are overdue by five years
- 2) Pursue with the MOH a predictable and transparent system for price adjustments for the Pharma Industry
- 3) Fast track product registration system for the NCEs
- 4) Make registration process IPR/DE friendly and compliant to the TRIPS
- 5) Merge Pharma Bureau's account with OICCI, effective 1st January 2007, as per recommendations given by legal attorneys and approved by the OICCI Managing Committee.



Investment, Infrastructure, Law & Order and Security

Chairman	Hasan Ali Khan	Continental Biscuits
Co-chairman (Investment & Infrastructure)	Shabbir Hashmi	Actis Assets
Co-chairman (Law & Order and Security)	Iftikhar-uddin	Shell Pakistan Limited

Terms of Reference/Major Objectives (Law & Order and Security)

The Law & Order and Security Sub-committee constituted members from all sectors. Key objectives of security related matters were:

Objectives

- Formulate standards for companies providing security services to member firms
- Create awareness on security environments and recommend precautionary measures
- Establish an Information Analysis Centre and update measures on security issues
- Systemize dissemination of information to members
- Regular meetings with Foreigners Security Cell (FSC)

Achievements

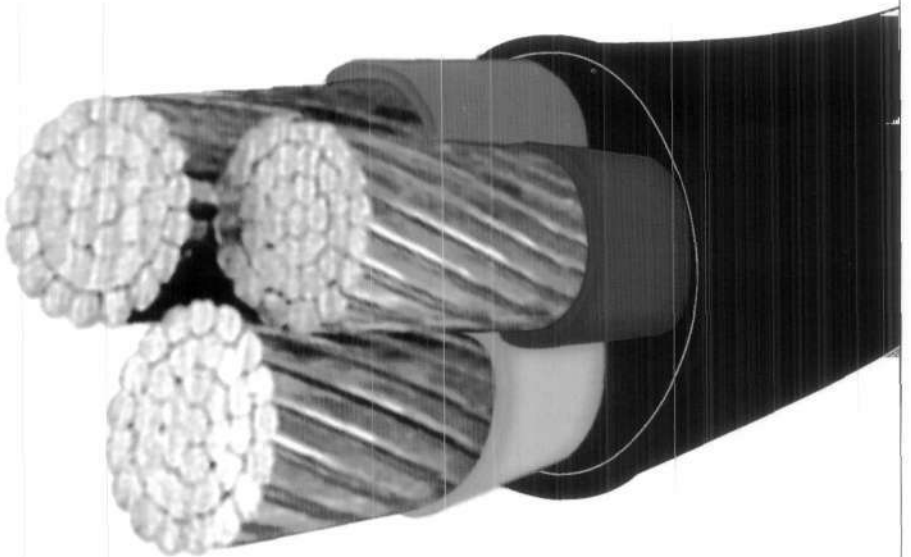
- Chairman, Co-chairman and Lt. Col. (R) Masood Siddiq have been included on the Committee of Private Security Companies to represent OICCI, which is chaired by Additional Home Secretary Sindh. A detailed presentation on Private Security Companies (including our recommendation) has been developed and sent to Mr Kamal Shah, Federal Secretary, Ministry of Interior.
- Security Awareness programmes for member companies were organized by OICCI to cover the fundamental aspects of security and security management. Lt. Col. (R) Masood Siddiq, Corporate Security Manager, ICI, and member of the Sub-committee conducted three programmes for Meezan Bank, Merck Sharp & Dohme and Continental Biscuits. Approximately 150 personnel of the above companies participated in these sessions.
- Information Analysis Control is being established. Security advice on various aspects being issued by the Chamber on specific incidents.
- Mr Naeem Shaikh, Superintendent Police, Foreign Security Cell, visited the Chamber. Various issues related to expatriates were discussed. Standing Operating Procedure on Foreigners was circulated for information of all members. Security for foreigners visiting the country being coordinated and assistance being provided.
- Chairman, Co-chairman and other members of the Sub-committee had frequent meetings with Senior Law Enforcement Agencies to take up issues facing member firms. These included I.G. Police Sindh, Home Secretary Sindh, CCPO and other senior police officials.





**Among high achievers.
Only because of you...**

As one of the top 25 companies on the Karachi Stock Exchange (KSE) list for 2004 we feel elated and pay our sincerest thanks to all our valued customers and shareholders, without whose trust this would just not have been possible.



Pakistan Cables Limited

P.O. BOX NO. 5050, B-21, S.I.T.E., KARACHI-75700, PAKISTAN. TELEPHONES : 2561170-75,
FAX : 92-21-2564614, E-MAIL : info@pakistancables.com WEBSITE : www.pakistancables.com

- f. Issue of stolen cellular phones for criminal activity was taken up with Chairman, Pakistan Telecommunication Authority and actions suggested are being implemented by the Government.
- g. Hotline Numbers dedicated for the support of OICCI by CPLC.
- h. Brig (R) Ghulam Mohtarem and senior officials of Law Enforcement Agencies visited the Chamber on 31st October 2006. Issues discussed at the meeting have been covered under Activities of Managing Committee.

Terms of Reference (Investment & Infrastructure)

1. The Investment & Infrastructure Sub-committee mainly concentrated on Ports & Shipping Infrastructure issues. Captain Rashid Jamil, Chief Operating Officer, Karachi International Container Terminal, gave a presentation on main issues facing the ports. The Sub-committee is working on 'How Pakistani Ports can be made Competitive in the Region.' Issues/recommendations will be presented to the Minister for Ports & Shipping when he visits the Chamber.

2. **Meeting with City Naib Nazim**

Mr Sheikh Imran-Ul-Haque, accompanied by Secretary General, visited Mrs Nasreen Jalil, City Naib Nazim, on 26th September 2006. Issues pertaining to Investment & Infrastructure raised by the member companies were also discussed. As a result of this meeting, Mr Muhammad Shahid, Deputy District Officer, was appointed as Liaison Officer between OICCI and City District Government.

3. **Visit of Mrs Nasreen Jalil, City Naib Nazim, City District Government**

Mrs Nasreen Jalil, City Naib Nazim, visited the Chamber on 7th November 2006 and met members of the Sub-committees on Law & Order and Security and Corporate Social Responsibility. Key issues faced by the Chamber and member companies were discussed. These issues can be seen under the Activities of the Managing Committee.



Taxation

Chairman	Zouhair Khaliq	Pakistan Mobile Communications
Co-chairman	Saad Amanullah Khan	Procter & Gamble Pakistan (Pvt) Limited

Terms of Reference/Major Objectives

The Sub-committee remained active during the period 2006, with meetings held regularly, which were well attended and progress reported in each Managing Committee meeting. The representation in the committee comprised a cross section of industrial sectors, which helped to enrich debates and discussions on topical issues. The Chamber's members were kept informed of any changes in the tax regime and tax circulars. It will be the endeavor of this committee to engage the CBR more proactively this year, well ahead of the National Budget, so that the policy and implementation issues affecting the members are highlighted at different forums in the CBR, in order to build an early consensus.

Achievements

The recommendations to the CBR (compiled by the last Taxation Committee) for the 2006/2007 National Budget were presented to this committee in March 2006. They included issues of Income Tax, Sales Tax, Excise Duty & Customs Duty, as well as procedural issues related to appeal process, audits and refunds. These proposals were well received by the CBR, however the results were mixed, with the major change being the significant reduction of the personal taxes from 30% to 20%, as well as the increase in the minimum tax bracket and the elimination of double taxation on excess prerequisites.

In order to ensure that the CBR was kept actively informed of issues arising with OICCI member companies, the committee members worked hard to collate the list of issues sent by member companies, to be reviewed and shared by member firms.

The Sub-committee is also working towards ensuring that the budget proposal changes not addressed in this budget are included in future budgets, which are now part of a three year rolling perspective plan.

I wish to conclude by recording my sincere thanks to all the committee members for their continued support and tireless constant work, especially with regards to the proposals. One person in particular I would like to commend for his tireless efforts in ensuring the smooth flow of policy and implementation issues, within the budget proposals, is the Co-chairman of the committee, Mr Saad Amanullah Khan, Deputy General Manager and Finance Director, Procter & Gamble Pakistan Limited.



**Merck Marker belongs to the
German Group Merck KGaA
in Darmstadt, Germany**



**Serving Pakistan for over 40 years
in the fields of medicine, chemicals
& diagnostics**

**Supporting Corporate Social
Responsibility Projects in the areas of
Health, Education,
Environment & Culture**

**Merck Marker (Pvt.) Ltd. - Pakistan
D-7, Shaheed-e-Millat Road, P.O. Box 13021 - Karachi-75350
UAN: 111-523-523 Phone: 0092-21-4559210-17 Fax: 0092-21-4559221**



Banking, Leasing and Insurance

Chairman Mr Zubyr Soomro Citibank N.A.

Co-chairman Mr Shoaib Khan IBM

Terms of Reference/Major Objectives

The key issues raised, which were the major objectives of this Sub-committee were:

- a) Clean limits for Consumer Lending
- b) Mandatory requirements of CNIC for all customers by State Bank
- c) State Bank's requirement of open-ended guarantees and undertakings
- d) Ring fencing of capital and export finance

Achievements

The committee met during the year on 4th January, 13th June and 5th October.

The following items were taken up by the committee:

- 1) It was decided that issues relating to the Banking Industry as a whole would be raised initially through the forum of the Pakistan Banks Association (PBA). The Chairman later emphasized that issues that were escalated should be those relating to the industry as a whole and not specific to a particular member only. He also suggested that instead of the OICCI raising issues solely through the PBA, it should pursue issues directly with the relevant authorities.
- 2) The Chairman and Secretary General, along with the Chamber President also called on the State Bank Governor on 30th September. She was invited to attend the Chamber and address the members, which she did on 8th December. A presentation was made on issues, relating both to policies and procedures, that were being faced by a majority of members. Some of the key points presented to the Governor included:
 - a) Issues regarding the proposed Draft Banking Act, particularly provisions related to onerous penalties
 - b) Clean lending limits for Consumer Banking and general security requirements, particularly for the SME sector
 - c) Remittances from multinationals to parents/associated companies
 - d) Quality of and suggestions for improvement to the SBP Inspection process
 - e) Overall response time for SBP approvals

Industrial, Commercial and Environment

Chairman

Waqar Ahmed Malik

ICI Pakistan Limited

Terms of Reference/Major Objectives

The vision is to transform OICCI into the leading point of contact for government and foreign investment, promoting sustainable development for Pakistan's industry and commerce.

The broad objective has been to proactively engage and support the government in formulating policy relevant to industry, commerce and environment, by providing:

- Strategic inputs
- Operational expertise

Specific objectives are:

- Contribute towards creating a level playing field for business in Pakistan, focusing on key cost areas.
- Recommend to the Government the need to simplify the regulatory framework to encourage compliance and transparency in reporting.
- Create awareness for environmental compliance.
- Build partnerships with key stakeholders to promote sustainable development.
- Work towards developing a knowledge base to serve as the primary resource for the government, policy makers and foreign investors.

Achievements:

- Survey of Cost of Doing Business in Pakistan – a study on this has been commissioned through Pakistan Institute of Development Economics (PIDE) on behalf of OICCI. The report is expected in Q1, 2007.
- Participation (representing OICCI) in the debate on economic policy on GEO Television.
- Proposal for 2007/2008 trade policy.
- Launching of Self Monitoring and Reporting Programme (SMART) on 8th March 2006 in Islamabad, a support extended to the Ministry in implementation of SMART tool for environment monitoring.
- Clean Development Mechanism Projects - Ministry of Environment approached for an orientation/awareness workshop, carbon dioxide emissions reduction and subsequent carbon credits.
- Implementation of NEQS (National Environmental Quality Standards) – Sub-committee members periodically review/rationalize these standards, followed by feedback to the Ministry for a reality check.
- List of imported anti-pollution equipment sent to the Ministry of Environment vide Chamber's letter dated 16th November 2006 for consideration to waive custom duties on imports.
- OICCI extended support in the Clean Air Workshop, organized by IUCN & ADB in Karachi.

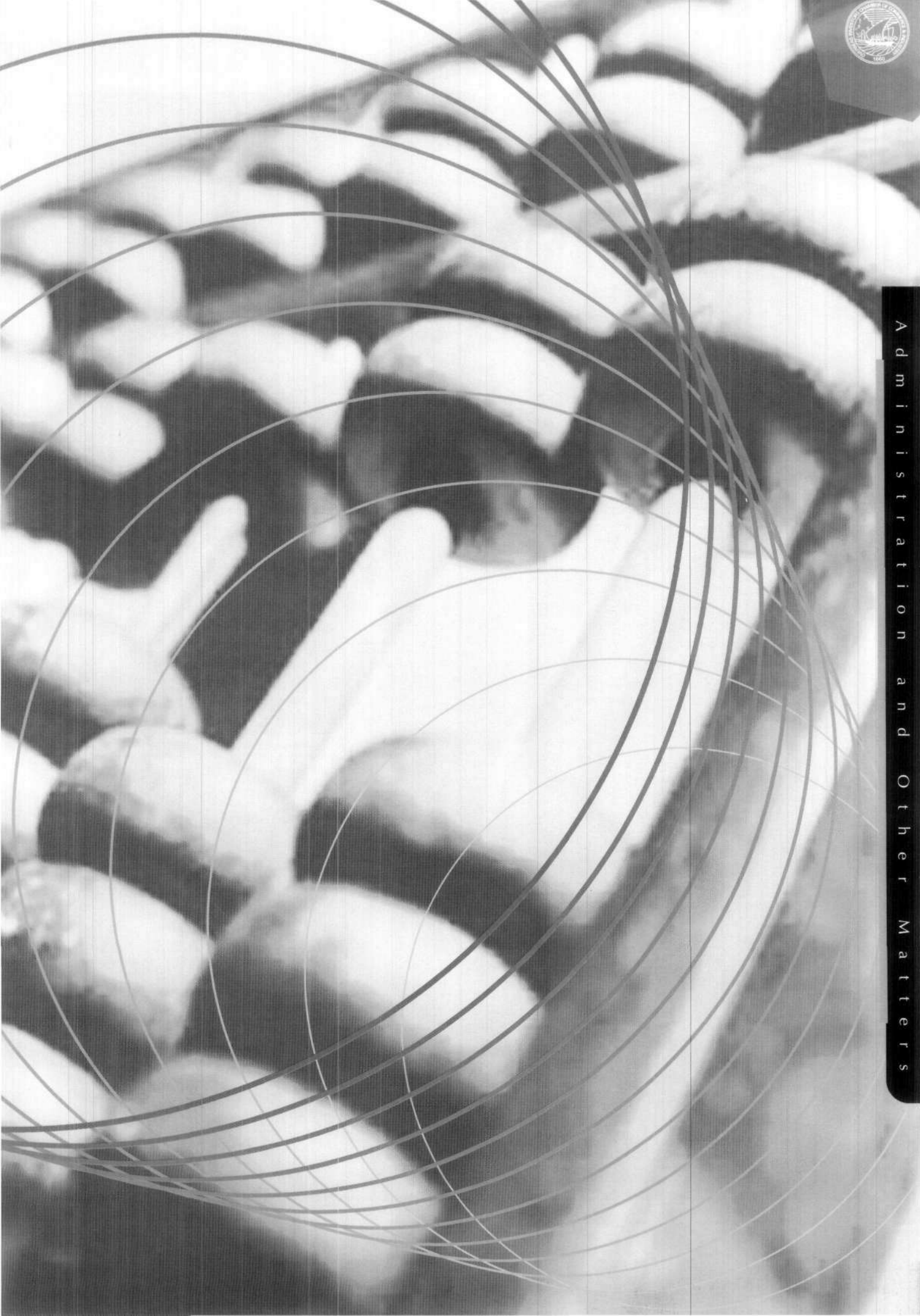


In terms for the future, the Committee envisions the following way forward:

- a. Provide KPI on a regular basis to member companies on business environment in Pakistan.
- b. Continue to engage policy makers on key issues.
- c. Complete the survey on Cost of Doing Business in Pakistan.



A d m i n i s t r a t i o n a n d O t h e r M a t t e r s



We Explore. We Produce.
And, Yes.
We even help make your tea.

Over 50 years ago, PPL - pioneers in the natural gas industry in Pakistan - took up the challenge to meet the growing energy demands of the nation. Using modern techniques and technologies, we have tapped into the country's natural energy resources - so vital to drive our economy.

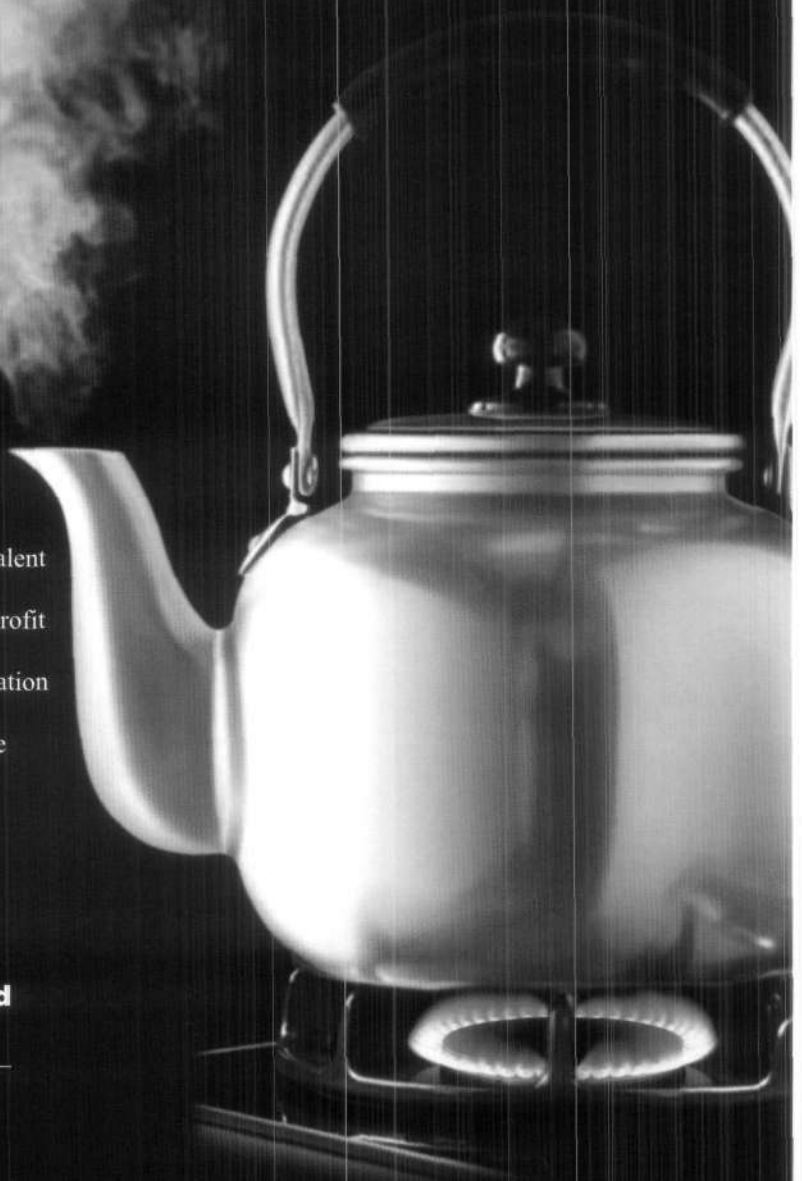
Today, PPL is proud to:

- Meet 26% of the natural gas demand of Pakistan.
- Excel in hydrocarbon production (equivalent to 184,000 barrels of crude per day).
- Have posted more than 55% growth in profit in 2005/06.
- Have embarked on an aggressive exploration programme.
- Be actively looking for prospects outside the country.



Pakistan Petroleum Limited
Generating Futures

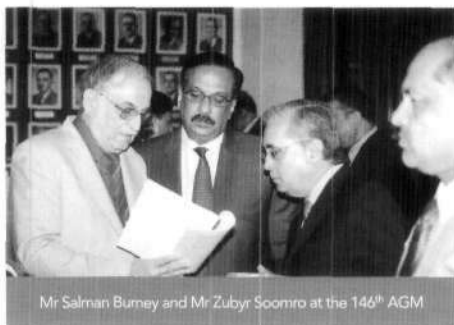
E-mail: info@ppl.com.pk
Website: www.ppl.com.pk



Administration and Other Matters

Annual General Meeting

The 146th Annual General Meeting of the Chamber was held on Monday, 10th April 2006 in the Chamber. Mr Sohail Wajahat Siddiqui presided over the meeting. Minutes are attached on page 69.



Mr Salman Burney and Mr Zubyr Soomro at the 146th AGM



Incoming President Mr Salman Burney, outgoing President Mr Wajahat Siddiqui

Administration Sub-committee

The following members were appointed to the Sub-committee:

Mr Salman Burney	President
Mr Zubyr Soomro	Vice President
Mr Parvez Ghias	Member

Measurement Department's Activities

In the year 2006, the Measurement Department earned revenue of Rs.3,626,250/- compared to Rs.4,511,550/- last year. Revenue of the previous four years is also listed:

2002	Rs.1,512,040
2003	Rs.2,789,839
2004	Rs.3,918,307
2005	Rs.4,511,550

Karachi Chamber Hospital Association

The Managing Committee for the year 2005-06 was elected at the 53rd Annual General Meeting held on 27th October 2005. Mr S. H. A. Bukhari of Mackinnon, Mackenzie and Company was nominated by the Chamber as the Chairman of the Association for the year November 2005 - October 2006. The secretarial services were provided by the Chamber. The Deputy Secretary of the Chamber acted as Secretary to the Association.

The new Managing Committee for the year November 2006 - October 2007 was elected at the 54th AGM held on 31st October 2006. Mr S. H. A Bukhari has again been nominated as Chairman by the Chamber for the year November 2006 - October 2007. A copy of the report for 2006 is available at the Chamber.



Merchants' Golf Cup Competition

Karachi Merchants' Golf Cup Competition was held on Sunday, 3rd December 2006 at the Arabian Sea Country Club. This tournament has been sponsored by the Overseas Investors' Chamber of Commerce and Industry since 1923. The Secretary General, in his address, welcomed the Chief Guest, Mr Saleem Majidullah.

Fifty-five entries were received and the competition was keenly contested. Mr Saleem Majidullah distributed the prizes to the following winners:

Merchant's Cup:	Winners	CDR (R) Parvez A. Khan Mr Hassan Subactageen of Fauji Oil Terminal & Distribution Company Limited
	Runners Up	Mr Yatake Arae Mr Nobuyobhi Tachiana of Indus Motor Company Limited
President's Cup	Winners	Mr Adil Masti Khan Mr Haroon Masti Khan of Arabian Sea Country Club & DHA respectively
	Runners Up	Brig (R) Mubarak Brig (R) Parvez of DHA Golf Club & KGC
Booby Prize		Dr Saif-ul-Malook Dr Iftikhar A. Jaffery of DHA



The Merchants' Cup being presented to the winners



The President's Cup being presented to the winners



Secretary General, Mr Achnan Afridi, presenting the OICCI Plaque to Chief Guest, former OICCI President, Mr Majidullah



Participants at the Golf Tournament

What Drives You




Keeping your engine Caltex clean

The unsurpassed cleaning power of Caltex with Techron® Petrol is here! Techron® is a unique ingredient in Caltex petrols that keeps your engine cleaner and freer of the deposits left behind by inferior petrols. A clean engine means more efficient combustion, greater performance, better fuel economy and fewer harmful emissions. Keep your engine Caltex clean by insisting on Caltex with Techron® Petrol - **AT NO EXTRA COST!**

Caltex with **TECHRON** Petrol

TECHRON

What Drives You  **CALTEX**

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 the household budget of various income groups, based on their respective expenditure pattern. This year also the survey was carried out during the last two weeks of September 2006. Those members who contributed towards the cost were provided a copy of the survey report.

Revamp of Chamber Offices

During the year under review, the revamp of the Chamber offices was completed. This exercise was undertaken after a gap of over 20 years and required extensive work. This ambitious project included the revamping of the Council Hall, an extensive overhaul of the reception area, the Secretary General's office as well as the office area. In keeping abreast with the changing times, the Chamber has strived towards a modern look, one which helps in raising the visibility of OICCI.

The OICCI's newly renovated Council Hall is now available for member company meetings. The Chamber is also in the process of developing a Business Center/Library for use by its members.



The newly renovated reception area



The Secretary General's revamped office



The OICCI's newly renovated Council Hall, which is now available for member company meetings



The OICCI's newly renovated Council Hall sitting area

Publication of Chamber's Newsletter

The fourth issue of the Chamber's newsletter was published in November 2006. The newsletter format has been modified, in order to enhance its focus on the priority areas for OICCI and its membership. Each newsletter will have a section on Corporate Social Responsibility as OICCI members are the leaders in this area. A different industry, in which OICCI members have a significant participation, will be discussed in each newsletter. The newsletter will also be used to inform the OICCI members about the key events that take place in the OICCI, as well as keeping them regularly updated regarding fairs/exhibits.

Minutes of the 146th Annual General Meeting

Minutes of the 146th Annual General Meeting of the Overseas Investors' Chamber of Commerce and Industry held in the Council Hall of the Chamber at the Chamber of Commerce Building, Talpur Road, Karachi on Monday, 10th April 2006 at 11 a.m.

Present in Person

Mr Sohail Wajahat H. Siddiqui
President
Siemens Pakistan Engineering Company Limited

Members

- | | |
|--|-----------------------|
| 1. Barrett Hodgson Pakistan (Private) Limited | Mr M. Feroz Alam |
| 2. Berger Paints Pakistan Limited | Mr Zahid Zaheer |
| 3. Bristol-Myers Squibb Pakistan (Private) Limited | Mr Bashir Ahmed |
| 4. Caltex Oil (Pakistan) Limited | Dr Pervaiz Ahmed |
| 5. Citibank N. A. | Mr Nadeem Jafarey |
| 6. Getz Pharma (Private) Limited | Mr Zubyr Soomro |
| 7. GlaxoSmithKline Pakistan Limited | Dr Khawar Mehdi |
| 8. Johnson and Johnson Pakistan (Private) Limited | Mr M. Salman Burney |
| 9. M-I Overseas Limited | Mr Farrukh Fayyaz |
| 10. Mackinnon, Mackenzie and Co. of Pakistan (Pvt) Ltd | Mr M. R. Monem |
| 11. Merck Marker (Private) Limited | Mr S. H. A. Bukhari |
| 12. Oman International Bank S.A.O.G. | Mr Juergen Koenig |
| 13. Orix Leasing Pakistan Limited | Major (R) Arif Sheikh |
| 14. P and O Containers Pakistan (Private) Limited | Mr Humayun Murad |
| 15. Philips Electrical Industries of Pakistan Limited | Mr S. H. A. Bukhari |
| 16. SGS Pakistan (Private) Limited | Mr Shahid Zaki |
| 17. Total Atlas Lubricants Pakistan (Private) Limited | Mr S. Farukh Mazhar |
| | Mr Sohail Farookhi |



Present by Proxy

1. ABB (Private) Limited
2. Actis Assets Limited
3. Albaraka Islamic Bank B.S.C. (E.C.)
4. American Express Bank Limited
5. BASF Pakistan (Private) Limited
6. BOC Pakistan Limited
7. Cadbury Pakistan Limited
8. Clariant Pakistan Limited
9. Continental Biscuits Limited
10. Dupont Pakistan Operations (Private) Limited
11. Engro Asahi Polymer and Chemicals Limited
12. Engro Chemical Pakistan Limited
13. Fauji Oil Terminal & Distribution Company Limited
14. Hinopak Motors Limited
15. ICI Pakistan Limited
16. Industrial Promotion Services (Pakistan) Limited
17. J and P Coats Pakistan (Private) Limited
18. Lakson Tobacco Company Limited
19. 3M Pakistan (Private) Limited
20. Merck Marker (Private) Limited
21. Mitsubishi Corporation
22. Nalco Pakistan (Private) Limited
23. New Jubilee Life Insurance Company Limited
24. NIB Bank Limited
25. Nimir Chemicals Pakistan Limited
26. Pak-Arab Refinery Limited
27. Pakistan Cables Limited
28. Pakistan Tobacco Company Limited
29. Pakistan Refinery Limited
30. Pharmatec Pakistan (Private) Limited
31. Premier-Kufpec Pakistan B.V.
32. Progas Pakistan Limited
33. Reckitt Benckiser Pakistan Limited
34. Roche Pakistan Limited
35. Sanofi Aventis Pakistan Limited
36. Shell Gas LPG (Pakistan) Limited
37. Shell Pakistan Limited
38. United Bank Limited
39. United Liner Agencies of Pakistan (Private) Limited



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

Mr Sohail Wajahat H. Siddiqui, President chaired the meeting. He addressed:

Ladies & Gentlemen,

I welcome you to the 146th Annual General Meeting of the Chamber. In addition to the members present in person, we have received 39 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 145th Annual General Meeting held on Tuesday, 19th April 2005 at 11 a.m. 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 pass the Audited Accounts for the year 2005. Copies are already with you and if there are any questions, I shall endeavor to reply to them.

As there were no questions, may I request a member to **propose** the adoption of the Accounts for the year ended 31st December 2005 and another member to **second** the Resolution.

Resolution

"That the Audited Accounts for the year ended 31st December 2005 be and are hereby adopted"

Proposed by Mr Juergen Koenig of Merck Marker (Private) Limited and **seconded** by Mr S. H. A. Bukhari of Mackinnon, Mackenzie and Company of Pakistan (Private) Limited.

The Resolution was carried unanimously.

The third item on the Agenda is to receive the Committee's Report on the Accounts and President's Review for the year 2005. The Committee's Report and President's Review have already been circulated to you. I will be pleased to answer any questions arising therefrom, and now invite discussions.

Since there are no questions forthcoming, may I **propose** that the Committee's Report on the Accounts and President's Review for the year 2005 as circulated to members be adopted.

Resolution

"That the Committee's Report on the Accounts and President's Review for the year 2005 as circulated to members, be and are hereby adopted"

Proposed by Chair and **seconded** by Mr Juergen Koenig of Merck Marker (Private) Limited.

The Resolution was carried unanimously.



We dedicate the millennium
to the new generation of Pakistanis...



and **empower** them to meet the challenges of the **future.**

At Citigroup, we believe that investing in education is the best way to build a future for our nation.

Citigroup has contributed to the development of youth in the field of education by providing support to the following institutions:

Old Grammarians' Society
Institute of Business Administration
Lahore University of Management Sciences
Aga Khan University
The Book Group
Save the Children
The Citizens Foundation
Cooperation for Advancement Rehabilitation and Education
Sanjan Nagar Public Education Trust

citigroup 

The fourth item on the agenda is to consider and if found fit approve the following Special Resolution proposed by the Managing Committee, notice of which has already been circulated.

I now invite comments on the Special Resolution

Since there are no comments, I request a member to **second** the Resolution.

Resolution

Quote:

"9 (C) The word "ballot" appearing at the end of sub-clause (c) be deleted and substituted by the words "the Committee"

(D) (ii) The words "ordinary Member" shall be deleted and replaced by the words "Members of the Committee"

The words "dates of opening and closing the ballot" appearing in line 3 of this sub-article be deleted and substituted by the words "date of meeting of the Committee"

(iii) This sub-clause be deleted in toto and be substituted by the following:

"The meeting of the Committee shall be held on any working day except Sundays and Bank Holidays"

(iv) This sub-clause be deleted in toto and be substituted by the following:

"Votes shall be by papers signed by the Committee Members which shall be sent to the Secretary General who will place them in the Committee meeting"

(v) This sub-clause be deleted in toto and be substituted by the following:

"Votes shall be received one day prior to the date of the Committee meeting. The votes shall be received by the Secretary General and presented to the Committee on the day of the meeting. The election will be decided by a majority vote of the Committee Members in favor of the applicant"

Unquote:

Proposed by Chair and **seconded** by Mr Bashir Ahmed of Berger Paints Pakistan Limited.

The Resolution was carried unanimously.

The fifth item on the Agenda is to consider appointment of Auditors for the year 2006. The present Auditors, Messrs. A. F. Ferguson & Company have offered themselves 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 2006 at a fee of Rs.23,000 per annum"



Proposed by Mr Zubyr Soomro of Citibank N. A. and **seconded** by Mr Syed Farukh Mazhar of SGS Pakistan (Private) Limited.

The Resolution was carried unanimously.

The sixth item on the Agenda is to record the elections of Vice President and eight members of the Managing Committee for the year 2006 - 2007, and to receive the Scrutineers Report on the elections.

Mr Nadeem Jafarey and Mr Juergen Koenig 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 envelopes and read the Scrutineers Reports on the result of the Ballot.

The results of the elections read as follows:

Vice President: Mr Zubyr Soomro

Members of the Managing Committee
(In alphabetical order)

01	Mr Humayun Bashir	IBM
02	Mr S. H. A. Bukhari	Mackinnon, Mackenzie and Co. of Pakistan (Pvt) Ltd
03	Mr Hans Dewaele	Procter & Gamble Pakistan (Pvt) Ltd
04	Mr Asif Ikram	Dupont Pakistan Operations (Pvt) Ltd
05	Mr Hasan Ali Khan	Continental Biscuits Ltd
06	Mr Waqar A. Malik	ICI Pakistan Limited
07	Mr Asif Qadir	Engro Asahi Polymer and Chemicals Ltd
08	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 Salman Burney 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.

S. Viqar Salahuddin
Secretary General

M. Salman Burney
President





OICCI Financial Statements for the year ended December 31st 2006

Auditors' Report to the Members

We have audited the annexed balance sheet of the Overseas' Investors Chamber of Commerce and Industry as at December 31, 2006 and the related income and expenditure account 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 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 the 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 account and are further in accordance with accounting policies consistently applied;
 - (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 and income and expenditure account together with the notes forming part thereof, 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, 2006 and of the surplus 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: 15 March 2007

Committee's Report on the Accounts for 2006

14th February 2007

The audited accounts of the Chamber for the year ended 31st December 2006 together with the Auditors' Report thereon, are attached.

The current year's working has resulted in excess of income over expenditure amounting to Rs.4,799,779 as compared to Rs.4,756,705 for last year. After providing for Income Tax for the current/prior years amounting to Rs.3,428,991, this surplus is reduced to Rs.1,370,788.

There was an overall increase of Rs.2,374,466 in the expenditure as compared to last year, which was mainly due to an increase in Legal, Professional, Entertainment, Promotional Expenses, Donation and others.


However, the income of the Chamber increased by Rs.2,417,540 compared to the previous year, which was due to increased revenue income of the Membership Subscription, Building Rental and other income.



M. Salman Burney
President



Adnan Afridi
Secretary General



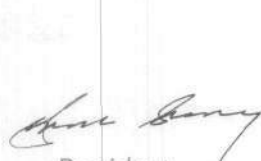
Member
Managing Committee



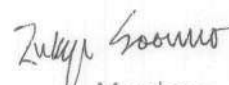
OICCI Balance Sheet as at December 31st 2006

	Note	2006 Rupees	2005 Rupees		Note	2006 Rupees	2005 Rupees
SURPLUS ACCOUNT				FIXED ASSETS	6	9,341,190	1,784,567
Balance as at January 1		48,450,147	44,293,442	CAPITAL WORK IN			
Surplus for the year		1,370,788	4,156,705	PROGRESS - Civil Works		2,271,500	4,487,078
		<u>49,820,935</u>	<u>48,450,147</u>				
DEFERRED LIABILITY				INVESTMENTS	7	22,463,487	22,661,841
Deferred taxation	3	898,656	-	LONG-TERM DEPOSITS		264,185	284,746
Provision for staff gratuity	4	1,437,901	1,071,787				
CURRENT LIABILITIES				CURRENT ASSETS			
Creditors		144,818	1,858,487	Stationery - at cost		36,356	155,734
Accrued liabilities		4,151,665	1,734,742	Sundry debtors - unsecured			
Subscription received in advance		-	3,982,000	considered good		217,206	406,370
Rentals received in advance		5,497,653	5,249,921	Accrued mark up		1,672,478	314,249
Other liabilities		1,420,530	5,997,196	Advances, short-term deposits,			
Taxation - payments less provisions		584,776	-	prepayments and other receivable	8	354,650	531,807
		<u>11,799,442</u>	<u>18,822,346</u>	Taxation - payments less provisions		-	1,100,642
COMMITMENTS	5			Cash and bank balances	9	<u>27,335,882</u>	<u>36,617,246</u>
		<u>63,956,934</u>	<u>68,344,280</u>			<u>29,616,572</u>	<u>39,126,048</u>
						<u>63,956,934</u>	<u>68,344,280</u>

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


President


Secretary General


Member



OICCI Income and Expenditure Account for the year ended December 31, 2006

	Note	2006 Rupees	2005 Rupees
INCOME			
Membership subscription and entrance fee		7,714,000	7,164,000
Fee for certification		3,626,250	4,511,550
Secretarial fee		60,000	60,000
Building Fund Contributions		741,400	705,800
Surplus on compilation of COLA index		155,500	45,500
Rent		4,495,664	4,281,585
Airconditioning charges		6,237,849	5,940,807
Return on investments		3,492,786	2,343,416
Exchange gain		1,288	39,179
Other income		341,521	168,175
Profit on disposal of fixed assets		811,294	-
		<u>27,677,552</u>	<u>25,260,012</u>
EXPENDITURE			
Salaries and allowances		9,697,336	9,550,467
Contribution to provident fund		466,743	442,976
Contribution to E.O.B.I.		35,100	27,300
Medical expenses		414,295	452,722
Provision for staff gratuity		983,000	1,314,000
Cost of staff uniforms		38,360	27,584
Entertainment and promotional expenses		2,594,256	779,257
Insurance		334,369	366,533
Electricity and gas [net of recoveries Rs.126,250 ; (2005: Rs.72,495)]		1,255,020	1,518,570
Municipal taxes and ground rent [net of recoveries Rs.10,351 ; (2005: Rs.20,703)]		307,673	289,902
Repairs and maintenance		480,280	560,891
Postage, telegram and telephone		460,641	379,633
Printing and stationery		870,584	475,712
Books and periodicals		35,259	45,748
Subscription		203,400	53,400
Travelling expenses		121,462	350,260
Lease rentals		486,144	675,482
General expenses [net of recoveries Rs.83,360 ; (2005: Rs.7,708)]		678,259	636,855
Motor car running and maintenance		396,846	368,407
Depreciation and amortization		522,962	218,621
Amortization of premium on WAPDA Bonds		198,354	198,354
Generator running expenses		127,372	176,035
Legal and professional		1,028,808	282,500
Ex-members' subscription fee considered irrecoverable written off		-	6,600
Fixed assets written off		-	116,383
Loss on disposal of fixed assets		-	91,860
Auditors' remuneration	10	123,000	224,110
Software expenses		43,900	195,175
Donation		800,000	500,000
Golf cup competition		174,350	177,970
		<u>22,877,773</u>	<u>20,503,307</u>
SURPLUS BEFORE TAXATION FOR THE YEAR		<u>4,799,779</u>	<u>4,756,705</u>
Taxation	11	(3,428,991)	(600,000)
SURPLUS AFTER TAXATION FOR THE YEAR		<u>1,370,788</u>	<u>4,156,705</u>

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


President


Secretary General


Member



OICCI Notes to the Financial Statements for the year ended December 31, 2006

1. The Company and its Operation

The company was registered as a non-profit organization under section 42 of the Companies Ordinance, 1984 as a guarantee limited company. The Chamber deals with matters relating to trade and commerce for the foreign investors in Pakistan.

On December 31, 2006, a new Trade Organization Agreement was promulgated as per which the licence granted to the Chamber under the repealed Ordinance - "Trade Organizations Ordinance, 1961," stands revoked and the Chamber is required to apply for grant of licence under the new Ordinance within ninety days of commencement. Accordingly, the Chamber is in the process of making application for grant of such licence.

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 the requirements of the Companies Ordinance, 1984.

(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 2006 is based on actuarial recommendation and the latest actuarial valuation was conducted at the balance sheet date (December 31, 2006).

Cumulative net unrecognized actuarial gains and losses at the end of the 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 recognized 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) Fixed assets

(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 recognized 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 capitalized 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 recognized as an expense as incurred.

(e) **Investments**
 These are stated at cost less provision for diminution in the value of investments.

(f) **Stationery**
 These are valued at cost using the first-in-first-out method.

(g) **Revenue recognition**
 Income is accounted for on an accrual basis except for certification fee and commission on sale of publications which are recognized on actual receipt.

(h) **Rates of exchange**
 Assets in foreign currencies are translated into rupees at the rates of exchange approximating to those prevailing on the balance sheet date.

Exchange gains and losses on translation are included in income currently.

(i) **Taxation**

i) **Current**

Provision for taxation is based on taxable income at the current rates of taxation, or half per cent 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 recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

3 DEFERRED TAXATION

Credit balance arising in respect of accelerated tax depreciation allowances
 Debit balance arising in respect of provision for staff gratuity

	2006	2005
	1,401,921	-
	(503,265)	-
	<u>898,656</u>	<u>-</u>

4 STAFF RETIREMENT BENEFIT OBLIGATIONS

The latest actuarial valuation of the defined benefit plan was conducted on December 31, 2006 using the projected unit credit method with the following significant assumptions:

	2006	2005
Expected rate of increase in salary level (per annum)	9%	8%
Expected return on plan assets (per annum)	10%	9%
Discount factor used (per annum)	10%	9%



Details of the defined benefit plan are as under:

Cost for the year

Current service cost	244	474
Interest cost	252	526
Expected return on assets	-	(173)
Amortization of transition obligation	487	487
(Income)/expense	983	1,314

Movement in Liability Recognized in the Balance Sheet

Opening balance	1,072	3,756
Charge for the year	983	1,314
Contributions/benefits paid	(617)	(3,998)
Closing balance	1,438	1,072

Balance Sheet Reconciliation

Present value of defined benefit obligations	3,533	3,330
Fair value of plan assets	(167)	(365)
Funded status	3,366	2,965
Unrecognized actuarial gain	(468)	54
Unrecognized transitional obligation	(1,460)	(1,947)
	1,438	1,072

Movement in present value of defined benefit obligation

Present value of defined benefit obligation as at January 1	3,330	6,190
Current service cost	244	474
Interest cost	252	526
Actuarial loss/(gain) on defined benefit obligation	511	(227)
Benefit paid out during the year	(804)	(3,560)
Benefit paid out during the year by Chamber on behalf of fund	-	(73)
Present value of defined benefit obligation as at December 31	3,533	3,330

Movement in plan assets

Fair value of plan assets as at January 1	365	-
Contribution made during the year	617	3,925
Benefits paid out during the year	(804)	(3,560)
Expected return on plan assets during the year	-	173
Actuarial gain/(loss) on plan assets	(11)	(173)
Fair value of plan assets as at December 31	167	365

Plan assets

Fair value of plan assets are comprised as follows:

	2006		2005	
	Rs. '000s	%	Rs. '000s	%
Equity	-	-	-	-
Debt	-	-	-	-
Other	167	100	365	100
	167	100	365	100

Funded gratuity scheme

Present value of defined benefit obligation	3,533	3,330
Fair value of plan assets	167	365
Deficit/(surplus)	3,366	2,965
Experience adjustments on obligation	(511)	277
Experience adjustments on plan assets	(7)	(173)

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, 2007 is Rs.1.395 million.



5. COMMITMENTS

Commitments for rentals payable under lease agreements in respect of vehicle are as follows:

	2006 Rupees	2005 Rupees
2006	-	447,495
2007	556,860	358,320
2008	556,860	149,300
2009	371,240	-
	<u>1,484,960</u>	<u>955,115</u>

6. FIXED ASSETS

	Cost as at January 1, 2006	Additions/ (disposals)/ (write-offs)*	Cost as at December 31, 2006	Accumulated depreciation/ amortization as at January 1, 2006	Depreciation/ amortization for the year/ (on disposals)/ (write-offs)*	Accumulated depreciation/ amortization as at December 31, 2006	Written down value as at December 31, 2006	Rate of depreciation/ useful life
	Rupees							
Leasehold Land	1,237,250	-	1,237,250	1,187,761	24,745	1,212,506	24,744	50 years
Building on Leasehold Land	457,958	5,473,505	5,931,463	240,631	113,817	354,448	5,577,015	2%
Airconditioning Plant	623,175	24,575	647,750	129,961	38,834	168,795	478,955	7.50%
Electrical Installations	252,322	823,775 (34,630)	1,041,467	205,364	64,756 (27,314)	242,806	798,661	7.50%
Office Furniture, Fittings and Equipment	1,617,956	1,705,536 (152,930)	3,170,562	640,377	243,675 (67,540)	816,512	2,354,050	5&15%
Motor Vehicles	-	60,900	60,900	-	9,135	9,135	51,765	15%
INTANGIBLE								
Computer Software	-	84,000	84,000	-	28,000	28,000	56,000	3 years
	4,188,661	8,172,291 (187,560)	12,173,392	2,404,094	522,962 (94,854)	2,832,202	9,341,190	
2005	4,268,292	701,050 (185,900) (594,781)*	4,188,661	2,751,911	218,621 (88,040) (478,398)*	2,404,094	1,784,567	



	2006 Rupees	2005 Rupees
7. Investments		
5 years WAPDA bonds [2,800 bonds; (2005: 2,800 bonds)] - note 7.1	14,263,023	14,461,377
Unit trust of Pakistan [1,129 units; (2005: 887 units)] [Market value as at December 31, 2006: Rs.8,317,320 (2005: Rs.7,205,988)]	5,002,464	5,002,464
Pakistan Income Fund [78,820 units; (2005: 71,669 units)] [Market value as at December 31, 2006: Rs.4,153,026 (2005: Rs.3,741,839)]	3,198,000	3,198,000
	<u>22,463,487</u>	<u>22,661,841</u>

7.1 On October 7, 2003, the Chamber purchased 2,800 WAPDA bonds having face value of Rs.14 million at a premium of Rs.908,618. This premium is being amortized over the maturity period of 5 years.

	2006 Rupees	2005 Rupees
Cost of WAPDA bonds	14,461,377	14,659,731
Less: Amortization of premium	(198,354)	(198,354)
	<u>14,263,023</u>	<u>14,461,377</u>
8. Advances, Short-term Deposits Prepayments and other Receivable		
Advances to suppliers - considered good	3,456	64,613
Short-term prepayments	301,194	340,994
Other receivable	50,000	126,200
	<u>354,650</u>	<u>531,807</u>
9. Cash and Bank Balances		
With banks		
- on deposit accounts		
- foreign currency [US\$ Nil; (2005: US\$31,093)]	-	1,859,067
- on 3 months term deposit accounts (rate of return 7.8% - 7.85% per annum)	-	23,000,000
- on 1 year term deposit account (rate of return 10.1% per annum)	24,000,000	-
- on current accounts	3,333,217	11,757,603
Cash in hand	2,665	576
	<u>27,335,882</u>	<u>36,617,246</u>
10. Auditors' Remuneration		
Audit fee	23,000	23,000
Tax services	100,000	201,110
	<u>123,000</u>	<u>224,110</u>
11. Taxation		
For the year		
Current Year	226,000	600,000
Deferred	898,656	-
	<u>1,124,656</u>	<u>600,000</u>
Prior years'	2,304,335	-
	<u>3,428,991</u>	<u>600,000</u>


President


Secretary General


Member

