



## Press Release

The All Pakistan Textile Mills Association (APTMA) issued the following Press Release

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### **APTMA and PCGA Sign Landmark MoU to Launch Cotton Sales and Purchase Contract A major step towards cotton revival, quality-based trading, transparency, fair premiums, and stronger confidence across Pakistan's cotton value chain**

**Lahore, 20 June 2026:** The All Pakistan Textile Mills Association (APTMA) and the Pakistan Cotton Ginners Association (PCGA) today signed a landmark Memorandum of Understanding at APTMA House, Lahore, for the formal launch and implementation of the Cotton Sales and Purchase Contract.

The MoU was signed by Mr. Kamran Arshad, Chairman APTMA, and Mr. Sham Lal Manglani, Chairman PCGA, in the presence of senior leadership from both the textile and ginning sectors.

From APTMA, the ceremony was attended by prominent Executive members and industry representatives including Mr. Khwaja Anees, Mahmood Group, Mr. Haroon Elahi, Nagina Group, Mr. M. Ali, Rasham Textile, Mr. Raza Baqir, Secretary General APTMA, and Dr. Muhammad Javed, Cotton Advisor APTMA.

From PCGA, the ceremony was attended by Mr. Sham Lal Manglani, Chairman PCGA, Ch. Waheed Arshad, Ex-Chairman PCGA, Mr. Sohail Haral, Ex-Chairman PCGA, Mr. Mahesh Kumar, Ex-Chairman PCGA, Mr. Salman Maqbool, Maqbool Group, Mr. M. Ashfaq Ramay, Vice Chairman PCGA, and Mr. Abdullah Salman, Maqbool Group.

The signing ceremony was held in a highly constructive environment, where both APTMA and PCGA leadership discussed the urgent need to restore confidence in domestic cotton, improve cotton quality, promote fair trading practices, and develop a transparent mechanism for sale and purchase of cotton between ginners and textile mills.

Speaking on the occasion, Chairman APTMA Mr. Kamran Arshad termed the MoU a milestone for the revival of cotton in Pakistan. He said that Pakistan's cotton crop has witnessed a historic decline, forcing the textile industry to import millions of bales every year at a cost of billions of rupees. He stated that this situation is not sustainable for the national economy, textile exports, farmers, ginners, or the domestic cotton value chain.

Mr. Kamran Arshad said that APTMA has taken a proactive role for the revival of cotton by engaging all major stakeholders, including PCGA, farmers, Green Pakistan Initiative, FPCCI, research institutions, seed sector, and other relevant partners through the proposed establishment of the Pakistan Cotton Board. He emphasized that the revival of cotton requires a coordinated national effort, practical field-level interventions, quality improvement, better seed, modern ginning, transparent marketing, and direct linkages between growers, ginners, and textile mills.

He further stated that the Cotton Sales and Purchase Contract will bring transparency, discipline, and clarity in cotton transactions. He said the contract will benefit both ginners and textile mills by clearly defining quality parameters, sampling procedures, weighment, delivery terms, payment arrangements, insurance responsibilities, bale marking, packing requirements, and dispute resolution mechanisms. He added that after the launch of this contract, the cotton value chain will move towards a more transparent and quality-focused trading system.

Chairman APTMA said that quality cotton must receive its due premium and poor-quality cotton must no longer be treated at par with better cotton. He said that quality-based pricing will encourage growers and ginners to focus on clean picking, better storage, improved ginning, contamination control, proper moisture management, and reliable bale identification. This, he added, will ultimately improve the confidence of textile mills in domestic cotton and help reduce dependence on imported cotton.

Chairman PCGA Mr. Sham Lal Manglani appreciated APTMA for taking this important and long-awaited initiative. He said that the MoU and the Cotton Sales and Purchase Contract will benefit the whole cotton

value chain, starting from farmers and ginners to textile mills and exporters. He thanked Chairman APTMA Mr. Kamran Arshad and the APTMA leadership for their visionary approach, continuous hard work, and commitment to the revival of Pakistan's cotton economy.

Mr. Sham Lal Manglani said that ginners have always supported reforms that bring fairness, transparency, and confidence in the cotton trade. He stated that the standardized contract will help protect the legitimate interests of ginners by ensuring agreed quality specifications, neutral weighment, transparent sampling, timely payments, and proper dispute settlement. He added that ginners who invest in quality improvement, better handling, and contamination control should receive recognition and premium value in the market.

He further said that PCGA is fully committed to working with APTMA for the successful implementation of the contract. He emphasized that a strong and transparent relationship between ginners and textile mills is essential for restoring Pakistan's cotton strength and improving the competitiveness of the textile sector. Ch. Waheed Arshad, Ex-Chairman PCGA, appreciated APTMA for inviting PCGA and taking the initiative to bring both organizations on one platform. He said that the MoU will help remove long-standing gaps between buyers and sellers by creating a mutually agreed and documented system for cotton trade. He termed the initiative a positive step towards trust-building, quality improvement, and reduction of disputes in cotton transactions.

Mr. Sohail Haral, Ex-Chairman PCGA, also thanked APTMA for hosting the signing ceremony and appreciated the practical approach behind the contract. He said that the cotton sector needs such collaborative initiatives where all stakeholders sit together and resolve issues through consultation, mutual respect, and shared responsibility. He added that the success of this contract will depend on its smooth implementation and continuous engagement between APTMA and PCGA.

Mr. Salman Maqbool, Maqbool Group, appreciated the signing of the MoU between APTMA and PCGA and termed the Cotton Sales and Purchase Contract a practical and much-needed reform for Pakistan's cotton trade. He said that Pakistan must learn from successful cotton-producing countries such as Brazil and India, where cotton marketing systems are increasingly based on quality parameters, transparent documentation, proper bale identification, grading, sampling, and dispute resolution mechanisms. He emphasized that the contract will help build confidence between ginners and textile mills by clearly defining quality specifications, moisture tolerance, neutral weighment, payment timelines, and delivery terms. He further stated that, with consistent implementation, regular review, and capacity building of concerned staff, this contract can become an effective national mechanism for promoting quality-based cotton trading, fair premiums, reduced disputes, and improved transparency across the entire cotton value chain.

Speaking in support of the initiative, Mr. Khwaja Anees Mehmood, Mahmood Group, said that Pakistan's textile industry cannot remain competitive without reliable, clean, and quality domestic cotton. He appreciated the MoU as a practical reform that will help bring quality cotton back into the formal and transparent marketing system. He said that textile mills are ready to support quality-based premiums where cotton is supplied according to agreed specifications.

Mr. Haroon Elahi, Nagina Group, said that the Cotton Sales and Purchase Contract will create better understanding between ginners and textile mills by clearly defining the responsibilities of both buyers and sellers. He said that transparent contract enforcement, neutral weighment, proper sampling, and documented quality parameters will help reduce disputes and improve the overall efficiency of the cotton trade.

Mr. M. Ali, Rasham Textile, stated that the contract will help the textile sector procure domestic cotton with greater confidence. He said that Pakistan must improve cotton quality from farm to gin and from gin to mill. He appreciated the joint effort of APTMA and PCGA and said that this collaboration is an important step towards strengthening domestic cotton utilization and supporting the national economy.

Dr. Muhammad Javed, Cotton Advisor APTMA, briefed the participants about the key features of the Cotton Sales and Purchase Contract and the broader cotton revival efforts being pursued by APTMA. He explained that the contract provides a professional framework for quality specifications, staple length, grade,

moisture, micronaire, sampling, weighment, marking, packing, tare, delivery, insurance, payment terms, and arbitration-based dispute resolution. He said that such a standardized mechanism is essential for promoting transparency, reducing disputes, and linking cotton price with quality.

Dr. Javed also briefed the participants about APTMA's efforts for the proposed establishment of the Pakistan Cotton Board, which is aimed at bringing all cotton stakeholders together under a coordinated national platform for research, seed improvement, production technology, quality enhancement, ginning modernization, traceability, and cotton revival. He said that the MoU with PCGA is an important value-chain initiative that supports the broader agenda of reviving cotton production in Pakistan.

During the meeting, both APTMA and PCGA agreed that the implementation of the Cotton Sales and Purchase Contract will require continued coordination, awareness, and capacity building. It was proposed that a joint committee of APTMA and PCGA will hold monthly review meetings to monitor implementation, resolve practical issues, and improve contract adoption across the cotton trade.

Both organizations also proposed to conduct capacity-building workshops for relevant staff, ginners, mill representatives, procurement teams, quality personnel, and other concerned stakeholders to ensure smooth and effective implementation of the contract. These workshops will focus on quality parameters, sampling protocols, moisture management, bale marking, documentation, weighment procedures, dispute avoidance, and premium-based cotton trading.

APTMA and PCGA agreed that the Cotton Sales and Purchase Contract will help create a transparent and reliable cotton trading environment in Pakistan. The contract is expected to promote better quality cotton, fair premiums, improved documentation, neutral weighment, clear delivery and payment terms, and a mutually agreed dispute resolution mechanism. These measures will support the entire cotton value chain and encourage stakeholders to invest in quality improvement.

Both organizations emphasized that cotton revival is a national priority and that no single institution can achieve it alone. They agreed that farmers, ginners, textile mills, research institutions, seed companies, government bodies, and national initiatives such as the Green Pakistan Initiative must work together to restore Pakistan's cotton production and quality.

The ceremony concluded with a shared commitment by APTMA and PCGA to work jointly for the successful implementation of the Cotton Sales and Purchase Contract and for the broader revival of Pakistan's cotton sector.

Both APTMA and PCGA expressed confidence that this MoU will serve as a strong foundation for transparent cotton trade, quality-based pricing, dispute reduction, and improved confidence between ginners and textile mills, ultimately benefiting farmers, ginners, textile mills, exporters, and Pakistan's economy.

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*Forwarded for favor of publication in your esteemed newspaper/transmission.*

**Kamran Arshad**  
Chairman APTMA