

1. INTRODUCTION:

Kainaat Group of Companies (KGC) presents this proposal to do transportation and logistics services. KGC has been in construction, logistics and transportation services for the last 10 years now. We have the experience, capability and resources to offer the best services in transport and logistics industry. Over these years, KGC has built one of the best networks joining forces with other local and international companies to respond to the needs and requirements of our clients. Since 2003, KGC, Millennium Company Ltd and Usman Enterprise have been delivering transportation services to various clients including, but not limited to, US Army and US Government Agencies; international corporations such as Supreme. We are currently doing works with these clients. Enclosed to this proposal are some of the goods delivery sheets signed by representatives of the US Government in various FOBs in the South.



2. PROPOSAL PROGRAM:

This proposal is submitted with KGC being the main party, joined with Millennium Company Ltd and Usman Enterprise as partners. Responsibilities are divided based on geographical division of areas covered by each of the teaming companies. Usman Enterprise, a Pakistani Transportation and Trucking Company, is doing the custom and tax clearance at Port Qasim in Karachi – Pakistan, arrange the trucks, Cranes and other required items to handle the incoming goods, load them on the trucks and put them on the road to transport till border points with Afghanistan. We are currently using two border points: Turkham border point in the Eastern part of Afghanistan and Chaman border point in the Southern part of Afghanistan. From the border points, KGC and Millennium personnel take on the tasks, and process the documentations with the concerned authorities of Afghanistan and Pakistan to clear the goods. Some of these goods come inside Afghanistan with the trucks and some are emptied at the border and put on the trucks at this side of the border (Afghanistan). All the paper works (tax exemption and other related documents are processed by KGC personnel.

MECO and Usman Enterprise are both PRIVATELY OWNED COMPANIES registered under partnership in Afghanistan and in Pakistan with their registered office in Karachi.

These Companies have the following sister concerns:

- 1- M/s. Bilal Associates, Kabul Afghanistan - Custom Agents/Broker in Afghanistan.
- 2- Inland Dry Port Carriers (Pvt) Ltd. – Licensed Bonded Carrier to operate and transport cargo from Port to Inland Custom Depot and vice versa.

- 3- Usman Terminal – Off Dock Container Depot in Karachi.
- 4- M/s. Clique Logistics (Pvt.) Ltd. – Integrated 3rd Party Logistics Provider.

KGC and its partners i.e. MECO and Usman Enterprise have been delivering logistics and transportation services to the clients with support of all the mentioned parties above. This network has rendered our services one of the best in Afghanistan and in the region. We are bracing for more contracts for 2011 in order to continue the process of covering more clients to meet their business demands.



Total / combined assets of all three companies currently on the move doing transportation services for our clients are detailed below:

-
- a) **Trailer Trucks:** 550 No. (150 out of these are 20ft trucks)
 - b) **Cranes:** 12 No. (Various tonnage)
 - c) **Truck Parks:** 8 points (three points in Pakistan, and five points in Afghanistan. Each point comprises of an area of 40'000sqm).
 - d) **Containers:** 1200 No. (Half 40ft and half 20ft)
 - e) **Cash:** US\$12millions is exclusively sided for operational support.
-

I will enclose pictures of some of the above assets in this proposal.

Our offices and representatives are already spread over a wide range of regional and geographical areas, forming one of the best networks ever existed to deliver transportation and logistics services in support of ongoing international campaign in the war against terrorism. With Headquarters in Kabul, KGC has its offices and vehicle parks in Kandahar, Hilmand province, Hirat province, Kabul, Mazar-e-Sharif in Afghanistan and offices cum vehicle parks in Port Qasim, Karachi, Quetta city – Balochistan, Peshawar city – Pakistan; a logistics and warehouse offices / cum facilities in Dubai – UAE; representative offices in Istanbul – Turkey, India and Uzbekistan. The above mentioned are some of the main facilities KGC draw support for its transport and logistics operations in the region and in the country (Afghanistan).

We understand the expressed desire of the contractors to meet their contractual obligations. We also understand and support their desire to select strategic logistics partners who have the local and regional capability, resource and network spread that will allow them to continually improve the delivery process and leverage on the many varied services and support that such providers can offer to add value to their services.

In response to these requirements, KGC has long since been able to offer what most other third-party logistics providers have not been able to do. We have competitive edge over our competitors in many fronts including, but not limited to, process of paper works, connections at Karachi Port Qasim authorities, speed in custom clearance in Afghanistan and most of all, KGC has one of the largest and well managed asset. Our asset includes more than 550 trucks, Cranes, forklifts, vehicle parks, required cash and all other required facilities. KGC offers true integrated local and regional end-to-end transportation management from a single accountable source with the proven operating performance to give contractors the confidence needed to work with us. KGC will strive to enhance delivery performance by leveraging our broad range of services, assets and partnerships to add value to your delivery process results. We will accept accountability of Customers' logistics needs so that they can focus on their core competencies.

KGC is well positioned to achieve the value propositions based on the following:



2.1. Established Truck Network: KGC can leverage a well-established and comprehensive delivery and pick up network in Pakistan and Afghanistan that provides a reliable and sustained transportation model that would allow carriers to respond quickly to varied demand by their customers.

2.2. Process Orientation: KGC brings a strong emphasis on process management into the design and implementation of our logistics solution for the prime customers like USTRANSCOM, SDDC and Supreme Prime Vendor. Our process management

techniques include the development of detailed flowcharts for each process. These charts depict the work to be done with the corresponding accountable parties and associated performance measures for each process. Continuous improvement is facilitated by the active use of KPI metrics.

2.3. Proven Information Technology: KGC and its partners i.e. MECO and Usman Enterprise will provide the necessary information system platform to provide visibility on each shipment through the use of our web-based systems. Such visibility will accelerate decision making for the customers.

We would like to highlight a few areas of our proposal that we feel will help Customers achieve the specified objectives.

3. Comprehensive Network and Infrastructure local and regional.

With over 30 years in transportation and logistics, MECO and Usman Enterprise, the two main partners of KGC have established strong local and regional networks and operations to meet all transportation, logistics requirement. Our combined network in Pakistan and Afghanistan coupled with the comprehensive network with our truckers and sub contractors will provide a flexible transportation and distribution model that would allow Contractors to respond quickly to meet changing customer demands.

4. Continuous Improvement Culture

KGC's strong process and measurement orientation is reflected in our focus to measure everything we do in terms of process, quality and performance indicators. KGC also has a continuous improvement culture which is exercised through best practice replication, benchmarking of best industry practices, which is part of the Service Integrity team's function. We believe in proposing solutions that would be highly effective in practice. Thus our operational efficiency coupled with optimized solutions would create a robust, yet adaptive Logistics network. To achieve this, we believe in keeping a strict control over our processes and it is in relation to this that we have already designed the process flows for our entire scope of services.

Over these last 10 years of transportation and logistics services in this volatile region, KGC and its partners have gained the required knowledge and know-how to respond to the challenges in term of security and safety of the consignments; plus to improving our services to meet expectations of our esteemed clients and customers.