



TRADING CORPORATION OF PAKISTAN (PRIVATE) LIMITED
Ministry of Commerce – Government of Pakistan



COMPANY INFORMATION

BOARD OF DIRECTORS (AS ON 30TH JUNE 2025)

CHAIRMAN & CHIEF EXECUTIVE OFFICER

1. SYED RAFEO BASHIR SHAH ¹

DIRECTORS

- | | | |
|----|----------------------------------|---------------|
| 1. | MR. SALMAN MUFTI ² | NON-EXECUTIVE |
| 2. | DR. IMRANULLAH KHAN | NON-EXECUTIVE |
| 3. | MR. IRFAN KHAN | NON-EXECUTIVE |
| 4. | MS. SAIRA IMDAD ALI ³ | NON-EXECUTIVE |
| 5. | MIR BALAGH SHER MARRI | INDEPENDENT |
| 6. | MR. AASIM AZIM SIDDIQUI | INDEPENDENT |
| 7. | MR. FUAD HAMID AHMED | INDEPENDENT |
| 8. | MS. TASNEEM YUSUF | INDEPENDENT |

AUDIT COMMITTEE

- | | | |
|----|---|-----------|
| 1. | MR. AASIM AZIM SIDDIQUI (INDEPENDENT DIRECTOR) | CHAIRMAN |
| 2. | MS. TASNEEM YUSUF (INDEPENDENT DIRECTOR) | MEMBER |
| 3. | DR. IMRAN ULLAH KHAN (REPRESENTATIVE OF FINANCE DIVISION) | MEMBER |
| 4. | MR. SALMAN MUFTI (REPRESENTATIVE OF MINISTRY OF COMMERCE) | MEMBER |
| 5. | MR. FUAD HAMID AHMED (INDEPENDENT DIRECTOR) | MEMBER |
| 6. | CHIEF INTERNAL AUDITOR | SECRETARY |

HR, ADMIN & IT COMMITTEE

- | | | |
|----|---|-----------|
| 1. | MIR BALAGH SHER MARRI (INDEPENDENT DIRECTOR) | CHAIRMAN |
| 2. | MR. FUAD HAMID AHMED (INDEPENDENT DIRECTOR) | MEMBER |
| 3. | MR. SALMAN MUFTI (REPRESENTATIVE OF MINISTRY OF COMMERCE) | MEMBER |
| 4. | MR. AASIM AZIM SIDDIQUI (INDEPENDENT DIRECTOR) | MEMBER |
| 5. | GENERAL MANAGER (HUMAN RESOURCE) | SECRETARY |

PROCUREMENT COMMITTEE

- | | | |
|----|---|-------------|
| 1. | MS. TASNEEM YUSUF (INDEPENDENT DIRECTOR) | CHAIRPERSON |
| 2. | MR. FUAD HAMID AHMED (INDEPENDENT DIRECTOR) | MEMBER |
| 3. | SYED RAFEO BASHIR SHAH (CHAIRMAN TCP) | MEMBER |
| 4. | MR. SALMAN MUFTI (REPRESENTATIVE OF MINISTRY OF COMMERCE) | MEMBER |
| 5. | DR. IMRANULLAH KHAN (REPRESENTATIVE OF FINANCE DIVISION) | MEMBER |

¹ Ministry of Commerce, vide its Notification No. 3(4)/2006-A0s-HR dated September 01, 2025 has notified that the Federal Government, in exercise of the powers conferred under Section 15 of the State-Owned Enterprises (Governance and Operations) Act, 2023, has appointed Mr. Aasim Azim Siddiqui as the Chairman of the Board of Directors of TCP.

² Mr. Salman Mufti was nominated on the Board of Directors of the Corporation by the Ministry of Commerce on May 14, 2025, replacing Mr. Shakeel Ahmed Mangnejo.

³ Ms. Saira Imdad Ali got transferred from the Ministry of Industries & Production vide Establishment Division's Notification No. 05/03/2018-E-1 dated September 20, 2024, and thereafter, she relinquished the charge of the post of Joint Secretary (PSD), Industries and Production Division w.e.f. October 04, 2024. Later on, Mr. Muhammad Khalifa assumed the charge of the post of Joint Secretary (PSD), Industries and Production Division w.e.f. July 30, 2025.



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| 6. | MIR BALAGH SHER MARRI (INDEPENDENT DIRECTOR) | MEMBER |
| 7. | GENERAL MANAGER (TRADE & RESEARCH) | SECRETARY |

FINANCE & INVESTMENT COMMITTEE

- | | | |
|----|---|-------------|
| 1. | MS. TASNEEM YUSUF (INDEPENDENT DIRECTOR) | CHAIRPERSON |
| 2. | MIR BALAGH SHER MARRI (INDEPENDENT DIRECTOR) | MEMBER |
| 3. | DR. IMRANULLAH KHAN (REPRESENTATIVE OF FINANCE DIVISION) | MEMBER |
| 4. | MR. SALMAN MUFTI (REPRESENTATIVE OF MINISTRY OF COMMERCE) | MEMBER |
| 5. | GENERAL MANAGER (FINANCE & ACCOUNTS) | SECRETARY |

CSR COMMITTEE

- | | | |
|----|--|-----------|
| 1. | MR. AASIM AZIM SIDDIQUI (INDEPENDENT DIRECTOR) | CHAIRMAN |
| 2. | DR. IMRANULLAH KHAN (REPRESENTATIVE OF FINANCE DIVISION) | MEMBER |
| 3. | SYED RAFEO BASHIR SHAH (CHAIRMAN TCP) | MEMBER |
| 4. | COMPANY SECRETARY | SECRETARY |

RISK MANAGEMENT & LITIGATION COMMITTEE

- | | | |
|----|--|--------------|
| 1. | SYED MIRAN MUHAMMAD SHAH ⁴ | CHAIRMAN |
| 2. | MIR BALAGH SHER MARRI (INDEPENDENT DIRECTOR) | MEMBER |
| 3. | MR. TASNEEM YUSUF (INDEPENDENT DIRECTOR) | MEMBER |
| 4. | SYED RAFEO BASHIR SHAH (CHAIRMAN TCP) | MEMBER |
| 5. | MR. FARRUKH MAJEED QURESHI | CO-OP MEMBER |
| 6. | GENERAL MANAGER (COMPLIANCE) | SECRETARY |

REAL ESTATE COMMITTEE

- | | | |
|----|--|-----------|
| 1. | MIR BALAGH SHER MARRI (INDEPENDENT DIRECTOR) | CHAIRMAN |
| 2. | MR. AASIM AZIM SIDDIQUI (INDEPENDENT DIRECTOR) | MEMBER |
| 3. | MR. FUAD HAMID AHMED (INDEPENDENT DIRECTOR) | MEMBER |
| 4. | SYED RAFEO BASHIR SHAH (CHAIRMAN TCP) | MEMBER |
| 5. | GENERAL MANAGER (REAL ESTATE) | SECRETARY |

COMPANY SECRETARY

MR. FARRUKH MAJEED QURESHI

REGISTERED OFFICE

4th & 5th Floor, Finance & Trade Centre
Main Shakra-e-Faisal, Karachi-75530
Phones: 021-99202947-49
Fax: 021-99202722, 99202731

⁴ Syed Miran Muhammad Shah tendered his resignation on February 15, 2025 upon his appointment as judge of Honorable High Court of Sindh vide notification dated January 27, 2025 by Ministry of Law, Government of Pakistan, after which he took oath as judge of the said Court on January 29, 2025.



58th DIRECTORS REPORT TO THE MEMBERS FOR THE YEAR 2024-25

The Board of Directors is pleased to present TCP's Annual Report and the Audited Statement of Accounts for the Financial Year 2024–25 ended on 30th June 2025.

1. DIRECTORS' PROFILES & CHANGES IN BOARD OF DIRECTORS:

Besides independent members from the private sector, the Board of Directors comprises of the representation from Ministry of Commerce, Ministry of Finance, Ministry of Industries & Production and Ministry of National Food Security & Research.

Brief profiles of the Directors on the Board of the Corporation are given as under:

1.1 SYED RAFEO BASHIR SHAH:

Syed Rafeo Bashir Shah is the Chairman & Chief Executive Officer of the Corporation. He is a BS-22 Officer from the Commerce & Trade Group. He holds a Master degree in International Law & Economics, from the World Trade Institute, University of Berne, Switzerland and a Bachelors of Electrical Engineering. He brings to the Corporation, an extensive experience of Trading and Commercial marketing of more than 20 years from his working in the erstwhile Export Promotion Bureau and the current Trade Development Authority of Pakistan. He has held various important positions in Trade Development Authority of Pakistan (TDAP), Ministry of Commerce, Finance Department Government of Sindh etc. and these have contributed to improvements in the Administration and institutional strengthening of TCP as well as i research and operations of the Trading Corporation of Pakistan Apart from his Directorship / Chairmanship at Trading Corporation of Pakistan since September 2021, he has previously held the Directorship and was the CEO of National Insurance Company Limited in 2017 & 2019. He has also served as member of the Security Exchange Commission of Pakistan's Policy Board in the year 2020.

Subsequent to the year 2024-25, Mr. Aasim Azim Siddiqui was appointed as the Chairman of the Board of TCP by the Federal Government in exercise of the powers conferred under Section 15 of the SOE Act, 2023, as communicated vide Ministry of Commerce's Notification dated September 01, 2025.

1.2 MR. AHSAN ALI MANGI / MR. SHAKEEL AHMED MANGNEJO / MR. SALMAN MUFTI:

Mr. Ahsan Ali Mangi has been a BS-21 civil servant, who holds a MS degree in Developmental Finance from Manchester University and a Bachelor degree in Law. Apart from his directorship of the Corporation, he has been on the Boards of Directors of National Bank of Pakistan from 2015 to 2018 and Pakistan Petroleum Limited during 2019 & 2020. Mr. Ahsan Ali Mangi remained on the Board of Directors of TCP until July 31, 2024.

Mr. Shakeel Ahmed Mangnejo, Special Secretary (BS-22), Ministry of Commerce, joined TCP's Board of Directors on July 31, 2024. Prior to his appointment as Special Secretary, Ministry of Commerce, Mr. Shakeel Ahmed Mangnejo has held various key positions in Government of Sindh like Chairman, Chief Minister's Inspection, Enquiries and Implementation Department, Secretary Home, Chairman Planning and Development Board, and others. He has also held key positions in the Federal Government and SOEs like Additional Secretary (Economic Affairs), Prime Minister's Office, Chairman EOBI, Chairman PNSC, Director General (Ports and Shipping) / Additional Secretary, Ministry of Maritime Affairs, Chief Executive of Pakistan Reinsurance Company Limited, and Director (Finance) at TCP. Mr. Shakeel Ahmed Mangnejo holds an MSc degree in Management from London School of Economics, a master's degree in Economics, a bachelor's degree in law and a civil engineering degree. Mr. Shakeel Ahmed Mangnejo remained on the Board of Directors of TCP until his successor was nominated by Ministry of Commerce i.e. on May 14, 2025.

Mr. Salman Mufti is a BS-21 civil servant, who holds a master's degree in International Development (Public Policy and Management) from University of Manchester and a Bachelor degree in Mechanical Engineering. He has been



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serving as the Managing Director of National Fertilizer Management Limited (NFML) and has also served on various key positions in both Federal and Provincial settings.

1.3 DR. IMRAN ULLAH KHAN:

Dr. Imran Ullah Khan is a BS-20 Civil Servant, currently serving at the Ministry of Finance. He holds PhD (International Development Studies) from National Graduate Institute for Policy Studies, Tokyo (Japan). He has served on various key positions in the civil service domain.

1.4 MS. SAIRA IMDAD ALI / MR. MUHAMMAD KHALIFA:

Ms. Saira Imdad Ali is a BS-20 civil servant, posted at the Ministry of Industries & Production as Joint Secretary. She holds an LLM degree from the University of Galway, Ireland. She has also served as the Director General at Trade Development Authority of Pakistan. She has also served on the Boards of Directors of RLM, LCDC and SYRDC.

Ms. Saira Imdad Ali got transferred from the Ministry of Industries & Production vide Establishment Division's Notification No. 05/03/2018-E-1 dated September 20, 2024, and thereafter, she relinquished the charge of the post of Joint Secretary (PSD), Industries and Production Division w.e.f. October 04, 2024. Later on, Mr. Muhammad Khalifa assumed the charge of the post of Joint Secretary (PSD), Industries and Production Division w.e.f. July 30, 2025.

Mr. Muhammad Khalifa joined as the new Joint Secretary (PSD) at Ministry of Industries and Production. Previously, Mr. Muhammad Khalifa has been posted in postal service in the capacity of Postmaster General, and has also served Benazir Income Support Programme, Ministry of Federal Education & Professional Training and various other important positions. He holds an MBA (Executive) and an MA (English) degree.

1.5 MR. AASIM AZIM SIDDIQUI:

Mr. Aasim Azim Siddiqui is a renowned businessman. He has been the Managing Director of Marine Group of Companies from 1994 to 2022 and the CEO of Pakistan Intermodal Limited from 2022 till date. He holds a Masters degree in Business Administration from Clark University, Worcester Massachusetts. He has also served on the Board of Directors of National Insurance Company Limited from 2018 to 2021. Subsequent to the year 2024-25, Mr. Aasim Azim Siddiqui was appointed as the Chairman of the Board of TCP by the Federal Government in exercise of the powers conferred under Section 15 of the SOE Act, 2023, as communicated vide Ministry of Commerce's Notification dated September 01, 2025.

1.6 MS. TASNEEM YUSUF:

Ms. Tasneem Yusuf is a chartered accountant from the Institute of Chartered Accountants of Pakistan and a fellow member of ACCA and a CPA. She has worked for Unilever Pakistan, Deloitte Middle East and Nasdaq Dubai. Since 2009, she has been associated with Munaf Yusuf & Co, where she presently heads the audit and assurance services department. She sits on the boards of Ismail Industries Limited, B.F. Modaraba, Faran Sugar Mills Limited and Reliance Insurance Company Limited.

1.7 SYED MIRAN MUHAMMAD SHAH / MS. AYESHA AZIZ:

Syed Miran Muhammad Shah is renowned legal practitioner and is currently enrolled as Advocate Supreme Court of Pakistan. He has also served as the Additional Advocate General, Government of Sindh in the year 2008. He holds an LLB degree and a Bachelor degree in Economics from University of Illinois (USA). Syed Miran Muhammad Shah tendered his resignation on February 15, 2025 upon his appointment as judge of Honorable High Court of Sindh vide notification dated January 27, 2025 by Ministry of Law, Government of Pakistan, after which he took oath as judge of the said Court on January 29, 2025.

Ms. Ayesha Aziz was appointed by the Federal Government as an independent director on the Board of Directors of TCP to fill up the casual vacancy arising out of resignation of one of the independent directors (Syed Miran



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Muhammad Shah), as communicated vide Ministry of Commerce's Notification dated September 01, 2025. She has more than 30 years of financial sector experience in leadership positions and is a qualified Chartered Financial Analyst (CFA). Her area of expertise is strategy and financial engineering and her functional roles have been in Investment Banking, Treasury, Credit and Planning. As founding Managing Director of Pak Brunei Investment Company, Ms. Aziz helped position the company as a leading investment bank with a focus on project finance, SME and distress asset financing. Over the course of her career, she oversaw the establishment of two new DFIs as well as non-banking finance companies for microfinance, asset management, Islamic finance, and SME leasing. Apart from Haleon Pakistan, Ms. Aziz also serves on the Board of Exim Bank Pakistan, Engro Polymer and Chemicals Limited, KSB Pumps Company Limited, Alfalah Asset Management Limited, Clovertex (Private) Limited, the Privatization Committee of Pakistan and an NGO called Empowering Communities for Change. She is the Managing Partner in White Clover Consulting which was established to develop and monetize green projects, apart from providing financial advisory services.

1.8 MIR BALAGH SHER MARRI:

Mir Balagh Sher Marri has served on the Boards of Directors of National Bank of Pakistan from 2015 to 2018 and Pakistan Petroleum Limited from 2019 to 2020. He holds a Master's degree in Political Sciences and an LLB degree.

1.9 MR. FUAD HAMID AHMED:

Mr. Fuad Hamid Ahmed has been associated with a renowned rice & grains exporter i.e. Garibsons (Private) Limited since 1988, as a director and the responsibilities include overseeing the entire manufacturing operations, procurement & dealings with international clients. He has been a member (Managing Committee) of the Rice Exporters Association of Pakistan, and was appointed as Chairman of the Wheat Traders Association of Pakistan (WTAP) in 2010. He has also represented his company in various delegations & food exhibitions to France, Germany, Canada, USA, Saudi Arabia, Russia, Africa, Philippines and Indonesia. He has been nominated as guest speaker from Pakistan for the various World Rice Conferences held from 2011 to 2019 at far-east destinations. He possesses a Bachelor of Science degree in Electrical Engineering from Columbia University, New York, USA. In recognition of his contribution, he was awarded Tamgha-e-Imtiaz on 23rd March 2023.

1.10 MR. MUHAMMAD AZAM KHAN / MR. IRFAN KHAN:

Mr. Muhammad Azam Khan has been the Food Security Commissioner-II at Ministry of Food Security and Research. He holds a master's degree in Botany. He remained on the Board of Directors of TCP until the joining of his successor on the Board of Directors of TCP i.e. on February 26, 2025.

Mr. Irfan Khan serves as the Joint Secretary (Plan / International Cooperation) at Ministry of Food Security and Research. Prior to his posting at Ministry of Food Security and Research, Mr. Irfan Khan has been posted at Ministry of Planning, Development & Special Initiatives, Ministry of Housing & Works, Benazir Income Support Programme, District Government (Bhakkar), and Ministry of Commerce. Mr. Irfan Khan holds a masters degree in Economics.

1.11 CHANGES IN THE BOARD OF DIRECTORS:

Following changes in the Board of Directors took place during the financial year 2024-25 (from 01-07-2024 to 30-06-2025).

- | | |
|-------------------------------|--|
| a. Mr. Ahsan Ali Mangi | Relinquished the charge of the office as Director, TCP on 31-07-2024. |
| b. Mr. Shakeel Ahmed Mangnejo | Assumed the charge of the office as Director, TCP on 31-07-2024. |
| c. Syed Miran Muhammad Shah | Resigned from the charge of the office as Director, TCP on 15-02-2025. |
| d. Mr. Muhammad Azam Khan | Relinquished the charge of the office as Director, TCP on 26-02-2025. |
| e. Mr. Irfan Khan | Assumed the charge of the office as Director, TCP on 26-02-2025. |



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- f. Mr. Shakeel Ahmed Mangnejo Relinquished the charge of the office as Director, TCP on 14-05-2025.
- g. Mr. Salman Mufti Assumed the charge of the office as Director, TCP on 14-05-2025.

Subsequent to the financial year 2024-25, following changes in the Board of Directors took place:

- a. Mr. Muhammad Khalifa Assumed the charge as Joint Secretary (PSD) at Ministry of Industries and Production on 07-08-2025, and since Ministry of Industries and Production has nominated Joint Secretary (PSD) on the Board of Directors of TCP, he is deemed to have been nominated / appointed on the Board w.e.f. 07-08-2025.
- a. Mr. Aasim Azim Siddiqui Appointed as the Chairman of the Board of Directors vide Ministry of Commerce's Notification dated 01-09-2025.
- b. Ms. Ayesha Aziz Appointed as an Independent Director on the Board of Directors vide Ministry of Commerce's Notification dated 01-09-2025.

2. MANAGEMENT:

2.1 CHAIRMAN AND THE BOARD OF DIRECTORS:

The Board of Directors provides strategic guidance and direction to the management of the Corporation. The Board comprises the Chairman who is directly appointed by the Federal Government and also acted as the Chief Executive Officer of the Corporation until the Federal Government appointed Mr. Aasim Azim Siddiqui as the Chairman of the Board of Directors of TCP, as communicated vide Ministry of Commerce's Notification dated September 01, 2025.

The Chairman & Chief Executive Officer of the Corporation has been Syed Rafeo Bashir Shah, who is BS-22 civil servant from the Commerce & Trade Group. A brief profile of Syed Rafeo Bashir Shah has been given in the foregoing section of this report. Mr. Aasim Azim Siddiqui was appointed by the Federal Government as the Chairman of the Board of Directors of TCP, as communicated vide Ministry of Commerce's Notification dated September 01, 2025. A brief profile of Mr. Aasim Azim Siddiqui has been given in the foregoing section of this report.

2.2 EXECUTIVE DIRECTORS:

- a. Mr. Kadir Bux, Executive Director (Administration, Additional Charge of Executive Director (Finance) w.e.f. 23-01-2025.
- b. Mr. Majid Mohsin Panwar Executive Director (REMS) w.e.f. 02-07-2025
Relinquished the charge on 08-08-2025
- c. Engr. Riyaz Ahmed Memon, Executive Director (Operations) – Additional Charge of Executive Director (REMS) w.e.f. 22-08-2025

2.3 DIVISIONAL HEADS/INCHARGES OF REGIONAL OFFICES/SUB REGIONAL OFFICES

Details of Divisional Heads / Incharges of Regional Offices / Sub-Regional Offices are Given at **Annexure-I**.

3. TCP AT A GLANCE: INCORPORATION, OBJECTIVES AND PAID-UP SHARE CAPITAL:

The Trading Corporation of Pakistan Limited (referred to as "TCP," "the Corporation," or "the Company" in this report) was established as a private limited company in July 1967 under the now-repealed Companies Act of 1913 (currently the Companies Act of 2017). The shares of the Corporation are owned by the Ministry of Commerce, Government of Pakistan.



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Initially, the Corporation's paid-up capital, subscribed by the Government in 1967, was Rs. 2.5 million. This amount was increased to Rs. 5 million in 1969-70 and further raised to Rs. 7.5 million in 1970-71 using the Corporation's own resources. In the fiscal year 1977-78, TCP raised its paid-up capital from Rs. 10 million to Rs. 50 million and subsequently increased it to Rs. 100 million in 1978-79 through the issuance of bonus shares from its own funds. By 2005-06, the authorized capital had grown to Rs. 1,000 million, while the subscribed and paid-up capital expanded from Rs. 100 million to Rs. 685.805 million. In 2009-10, the paid-up capital reached Rs. 1,000 million, driven by an increase in trade volume as directed by the Government. The formation of TCP marked the Government's first organized effort to institutionalize state trading mechanisms in Pakistan, with the following objectives outlined below:

- a. To achieve economies of scale through the handling of bulk commercial transactions, thereby securing strategic advantages in respect of procurement prices, international freight, port-handling charges, and related transactional costs.
- b. To stabilize domestic market conditions by mitigating artificial or unwarranted price escalations attributable to speculative conduct of private importers, and consequently, to serve as a regulatory check against disparities between actual import prices and scarcity-driven market prices.
- c. To intervene in the domestic market in order to forestall shortages of essential commodities, and to ensure their availability to the general public at reasonable and affordable prices. Further, through its price support interventions, TCP endeavors to guarantee that agricultural producers and growers receive a fair and equitable return for their produce.

The Federal Cabinet assigned new role to TCP back in January 1995, categorized into import and export operations.

On the import operations' front, TCP was entrusted with the responsibility to carry out imports of essential commodities in emergent conditions, Soyabean Oil under PL-480 Programme and CC Credit, Palm Oil from Malaysia under Malaysian credit, industrial raw materials and other selected bulk items, and to utilize credit facilities.

For export operations, TCP was assigned to carry out export of selected items of public sector corporations, agencies, etc., channelizing exports to various markets under credit line given by the Government to expand business in areas such as Commonwealth of Independent States (CIS)/Central Asian Republics (CAR)/Malaysia, African countries, etc., and export of Pakistani products to new/non-traditional markets by way of giving concessions/incentives offered by Government to prospective buyers for capturing new markets. Additionally, TCP was entrusted to perform innovative role of undertaking export of non-traditional items to non-traditional markets on experimental basis, and to undertake and develop export of fresh fruits/vegetables and minerals in collaboration with and on partnership basis with the private sector.

During the year 2024-25, alterations in the Memorandum and Articles of Association of TCP were approved and adopted, due to the following reasons:

- a. Memorandum of Association of the Company has not been altered / updated ever since the incorporation of the Company in the year 1967. Even the TCP's revised mandate given by the Federal Cabinet back in 1995 was not reflected in the Memorandum of Association of TCP. Therefore, the Board of Directors of the Company felt expedient to simplify its memorandum of association and to modify it in order to reflect the existing and future business of TCP, while remaining within the legal framework of allowable activities / businesses, which the TCP is authorized / eligible to perform and carry on; and
- b. At the time of incorporation of TCP, the applicable company law was the repealed Companies Act, 1913. However, the company law was updated twice thereafter through the enactment of the repealed Companies Ordinance, 1984 and now the Companies Act, 2017. Thus, owing to promulgation of the Companies Act, 2017 and the State-Owned Enterprises (Governance & Operations) Act, 2023, the Board of Directors of M/s. Trading Corporation of Pakistan (Private) Limited (TCP) felt expedient to alter the articles of association in order to cater for the segregation of the office of the Chairman and the Chief Executive Officer, and also to modify in such a manner that the provisions of the State-Owned Enterprises (Governance & Operations) Act,



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2023 and the policy made thereunder are catered for, while adhering also to the other related but non-conflicting provisions of the Companies Act, 2017.

These alterations are in line with the objectives of enhancing the company's operational flexibility, improving governance structures, and ensuring compliance with the latest provisions of the Companies Act, 2017, and other applicable regulations. The alterations have been approved by a resolution of the shareholders at a duly convened Extraordinary General Meeting of the Company held on January 03, 2025, wherein the shareholders have passed a special resolution, authorizing the alteration of the Memorandum of Association and Articles of Association in accordance with the provisions of the Companies Act, 2017. Subsequent to the shareholders approval, the necessary compliance with the requirements as laid down in the Companies Act, 2017 relating to filing and reporting of the alterations in the Memorandum and Articles of Association of TCP, as the case may be, was made.

As per the altered Memorandum of Association of TCP, the new principal line of business reads as under:

"The principle line of business of the Corporation shall be to carry out the business of imports and exports of goods, commodities and merchandise from and to all the countries in the world, to act as agents, selling agents, buying agents, commission agents, indentor, indenting agents, stockists, and distributors for any persons, firms, companies, corporation and government(s) (including without prejudice to the said generality and in particular for importers, exporters, buyers, sellers, merchants, property owners, and others), providing and procuring local and international warehousing services, acquiring/selling, developing and managing its immovable properties, participating in the generation of alternate and renewable energy including the use of solar panels for its immovable properties and managing and making investments for and on behalf of the Corporation which include (but are not limited to) Government securities, saving accounts and other relevant securities, unless restricted by the Federal or Provincial Government(s) or any government body so having authority to impose such restriction, and generally to undertake and carry out agencies and agency work of any kind whatsoever, and transact all manner of agency, commission, distributing and business."

4. CURRENT OPERATIONAL AND FINANCIAL MODEL OF THE CORPORATION:

TCP has been importing essential commodities or local procurement on behalf of the relevant line ministries and institutions / agencies under their control. More specifically, TCP has been procuring fertilizer and sugar for Ministry of Industries and Production (MoIP) and its affiliated agencies, such as the National Fertilizer Marketing Limited (NFML) and Utility Stores Corporation (USC). Likewise, TCP has been procuring wheat and cotton for Ministry of National Food Security & Research (MNFSR) and its associated agency, the Pakistan Agricultural Storage and Services Corporation (PASSCO).

These commodities, once procured, have also been handed over to the provincial governments, in accordance with directives issued by the respective line ministries or Federal Government. The process of procurement commences with formal approvals from the relevant ministry, the Economic Coordination Committee (ECC), and the Cabinet, through summaries submitted by the concerned ministries. And, once the approval is in place, the Ministry of Finance (MoF) allocates a Cash Credit Limit (CCL) to TCP, in order for TCP to arrange the required financing facility from commercial banks for local procurement payments and / or arranging foreign exchange to establish Letters of Credit (LCs) in favor of international foreign suppliers for imports. The recipient agencies receive the cargo or supplies on behalf of the aforementioned respective ministries, and settle the amounts in accordance with the approved arrangements.

5. INITIATIVES UNDERTAKEN BY TCP DURING 2024-25:

Until recently, TCP's trading operations were largely confined to imports of select commodities on the directives of the Federal Government. With the approval of its Board of Directors, TCP has now formulated a revised operational and business plan.

The plan prioritizes (i) retirement of TCP's outstanding debts, and (ii) diversification beyond dependence on Government imports. In this regard, TCP, through Pakistan's Foreign Missions, has engaged various countries for Government-to-Government (G2G) trade in agro-based commodities.



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Given Pakistan's surplus rice production, initial efforts were focused on exports to South/Southeast Asia and Africa. A milestone was achieved with the signing of an MoU with the Directorate General of Food, Government of Bangladesh, for annual export of 200,000 MT of rice over five years. Under this arrangement, 52,500 MT of White Rice (IRRI-6) was exported in March 2025, with further shipments planned during 2025-26.

Negotiations are also underway with the Government of the Philippines for annual export of 1 million MT of rice over five years. Draft MoUs have been exchanged, and the agreement is expected to be signed in the next financial year. Similarly, discussions with the Government of Gambia are progressing for export of rice on a G2G basis.

At the request of the Government of Sri Lanka, TCP is advancing negotiations for export of pharmaceutical products from Pakistan. The MoU is at an advanced stage and is also expected to be concluded in the coming year.

Significant opportunities also exist in African markets, including Mauritius, Kenya, Gambia, and the Comoros. Discussions with Gambia are most advanced, with arrangements for export of 145,000 MT of rice already in progress. Approval from the Ministry of Commerce is being sought to finalize the MoU.

While TCP has undertaken both G2G and Government-to-Business (G2B) transactions, G2B deals often involve intermediaries, resulting in higher costs. To address this, TCP has engaged with M/s SPIMEX (Saint Petersburg International Mercantile Exchange), a semi-government entity in Russia directly linked to major producers of agricultural and industrial commodities.

A proposed MoU with SPIMEX will enable TCP to procure commodities without intermediaries, access real-time market information, and explore supply opportunities for countries such as Bangladesh, Sri Lanka, and Maldives. Ministry of Commerce's approval has been sought, and the MoU is expected to be signed in the next financial year.

6. ACTIVITIES & PERFORMANCE OF THE CORPORATION:

6.1 REVENUE STREAM:

The Corporation's revenue stream during the Financial Years 2023-24 and 2024-25, is given as under:

PKR in '000

Income Stream	2024-25	2023-24	Increase/ (Decrease)
Income from Core Business Activities:			
Commission income	8,705	481,352	(472,647)
Rice inspection fee	37,254	57,902	(20,378)
Income from Other Business Activities:			
Income from investment	4,173,899	4,818,307	(644,408)
Rental income from godowns given on rent	654,149	499,359	154,790
Miscellaneous / Other Income	23,518	8,952	14,566
Total	4,897,525	5,865,872	(968,347)

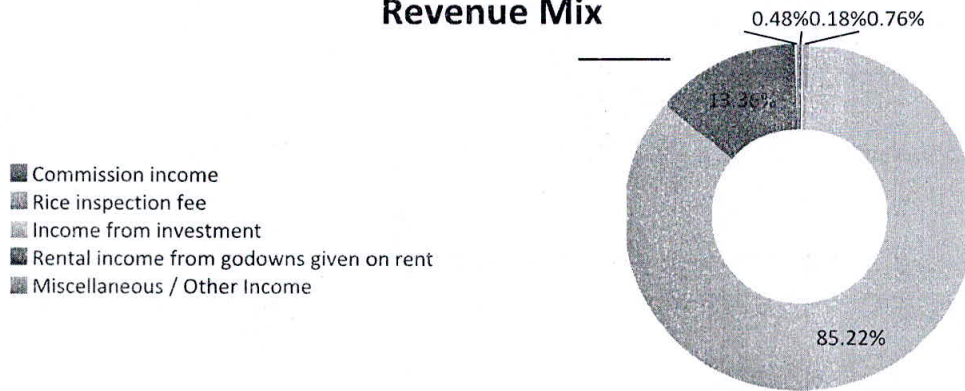
The following pictorial representation depicts revenue mix for different income streams for the year 2024-25:



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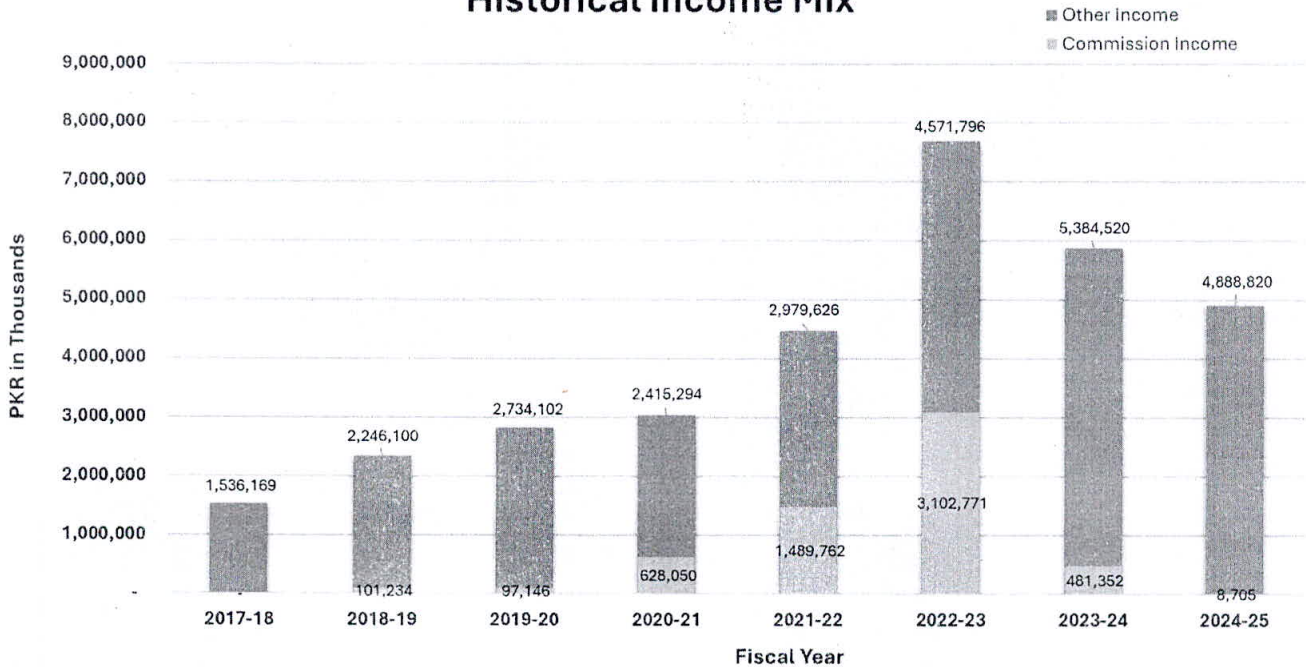


Revenue Mix

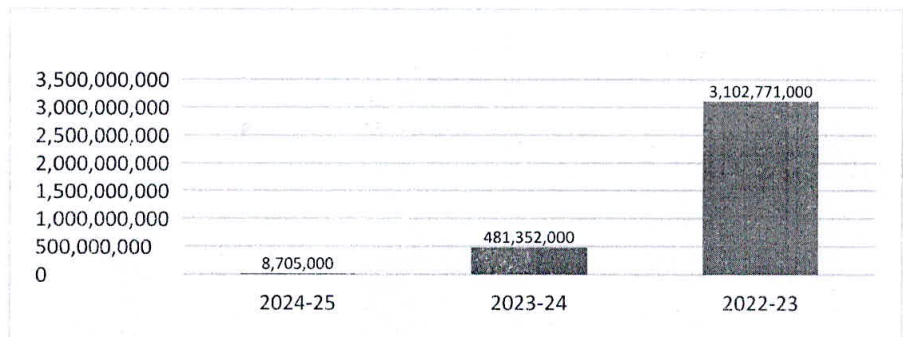


Historically, TCP has generated the following revenue, classified into two categories i.e. Commission Income and Other Income:

Historical Income Mix



Pursuant to the directives of the ECC / Federal Cabinet, TCP exported a total quantity of 52,500 MT of Rice to Government of Bangladesh on G2G basis. Commission Income decreased due to export operation of rice only, whereas during the preceding year urea and wheat was imported.

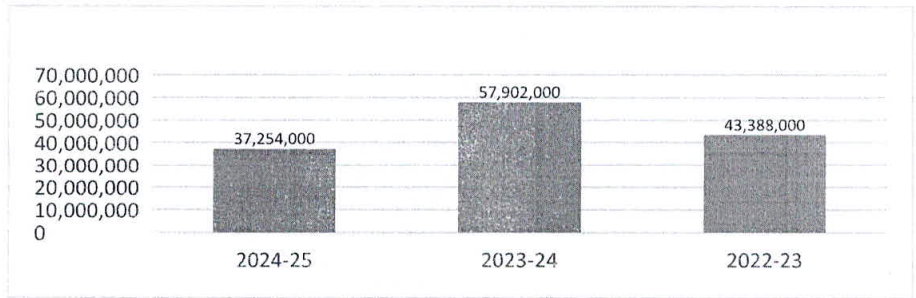




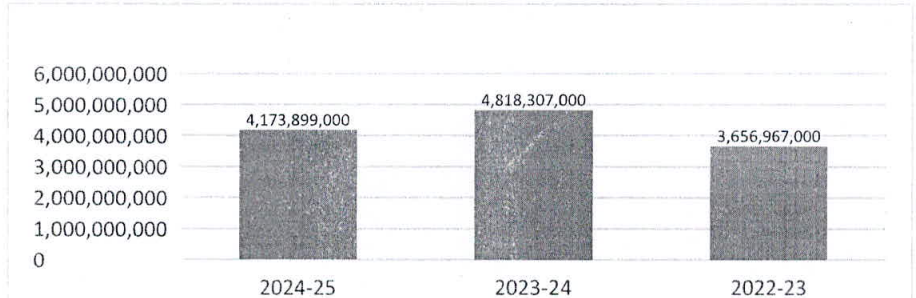
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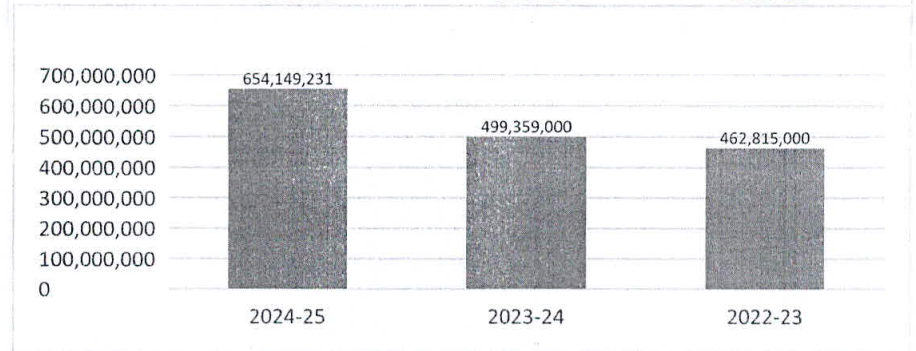
Rice Inspection Fee decreased due to decrease in international export of rice during the outgoing year to European Union Member Countries through TCP. During the financial year 2024-25, TCP issued 999 Authenticity Certificates for export of 227,993.786 MT Brown / Parboiled Rice exported to European Union Member Countries and Sri Lanka under PSFTA.



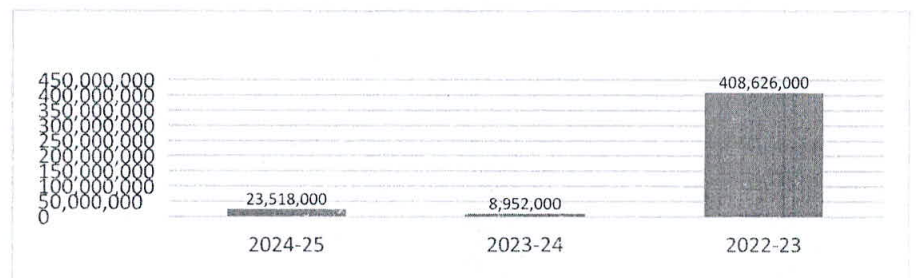
Income from Investments has decreased by ~13% during outgoing year. In the year 2024-25, SBP lowered policy discount rate from 22% to 12% which led to steep decline in yields of government securities.



Increase in Rental Income was due to revision of rental agreements and increase in number of new tenants, especially addition of Food Department, Government of Sindh which took several godown spaces on rent. During the financial year 2023-24, Rental Income of Rs. 654,149,231/- was earned from TCP's Godowns located at Pipri, Landhi and Korangi, Residential Colonies located at Pipri & Landhi, TCP 8th Floor at FTC building and Multan (PCSI).



Miscellaneous / other Income is increased due to charge of exchange gain in current period last time it was charged as exchange loss.



6.2 PROFITABILITY:

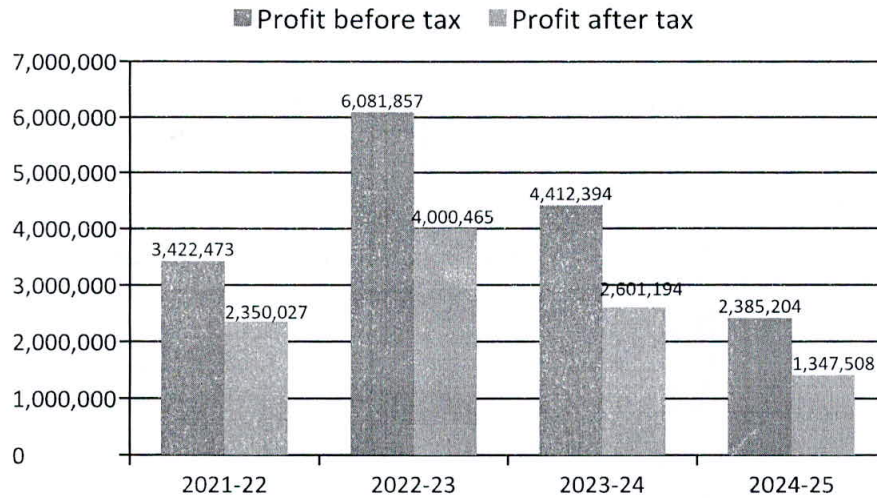
During the Financial Year 2024-25, profit earned by TCP is as under:

Profit before Taxation	Rs.2,385.204 million
Tax amount	Rs.1,037.696 million
Profit after Taxation	Rs.1,347.508 million
Earnings Per Share (EPS)	Rs. 13.475 per Share

A graphical representation of Profit before and after taxation (PKR in thousands) can be seen as under:



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The key operating and financial data for the last six years i.e. from 2017-18 to 2024-25 is provided at [Annexure-II](#). And, comparative statement of financial results during the years 2017-18 to 2024-25 is given at [Annexure-III](#).

6.3 DIVIDEND:

Dividend for F.Y. 2024-25 shall be Rs. 200 million i.e. Rs.2/- per share @ 20 percent of the par value (2023-24: Rs.200 million i.e. Rs.2/- per share @ 20 percent of the par value).

6.4 ACCUMULATION OF DEBT AND EFFORTS FOR RECOVERIES:

TCP undertakes imports and local procurement of commodities on behalf of line ministries following the approval of summaries submitted to the ECC and endorsed by the Federal Cabinet, in order to maintain strategic reserves and ensure market stabilization. Ministry of Finance (MoF) allocates Cash Credit Limits (CCLs), backed by the sovereign guarantees of the Government of Pakistan, to TCP in accordance with the approved arrangement. TCP arranges financing facility from commercial banks for local procurement payments and also arranges foreign exchange for the establishment of Letters of Credit (LCs) in favor of international suppliers, on the basis of these guarantees. The commodities, once procured, are delivered / supplied to the recipient entities designated by the respective ministries.

Until 2018, no formal agreements were in place between the recipient agencies and TCP. However, from 2018 and onwards, written agreements have been executed with respective agencies for transfer / handing over of the procured commodities to nominated recipient agencies on the directives of the Federal Government. But, the proceeds are remitted to TCP after considerable delays, despite repeated requests for payment, and in various cases where subsidies were to be borne by the Federal Government, the amounts have remained unsettled.

As the procurements are financed through commercial bank loans at prevailing markup rates and persistent non-clearance of dues by the respective agencies and ministries has resulted in compounding effect on financial cost every quarter which led to substantial buildup of receivables on the financial statement of TCP. These receivables are significantly compounded by the continuous accrual of markup due to commercial bank financing utilized to carry out fresh government-mandated supply operations, severely affecting financial viability and sustainability. Except for minor incidental charges, none of the recipient agencies have disputed the principal outstanding amounts. Nevertheless, most agencies maintain that the liability for accrued markup should rest with the Federal Government rather than the recipient agencies.

The accumulated debt position is disclosed in the annexed Audited Financial Statements for the year ended June 30, 2025. As of September 30, 2025, delayed payments on procurements executed on behalf of the Federal Government and its agencies amounted to PKR 325.606 billion, comprising PKR 88.281 billion in principle and PKR 237.325 billion in markup, as detailed in [Annexure-IV](#).



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Recoveries on Account of Urea: TCP received an amount of Rs.5,000.00 million from Ministry of Commerce on 23rd June 2025 on account of Federal Government's share on import of Urea during the year 2022-23.

Summarized Recovery Efforts in year 2023-24:

In an effort to expedite recoveries, a meeting was held on 01.12.2023 at the Finance Division, Islamabad, during the preceding year, where provincial governments and agencies were directed to remit agreed amounts within two weeks and complete the reconciliation exercise within three weeks. Despite all-out efforts by TCP management, including multiple reconciliation meetings with the Utility Stores Corporation (USC), and the Governments of Balochistan, AJK, and Gilgit-Baltistan, no material progress was made in recovering old receivables. TCP management issued D.O. letters on 07.12.2023 to all provincial Chief Secretaries regarding wheat-related receivables and sent multiple follow-up letters to provincial governments and federal agencies, urging compliance with Ministry of Finance directives to ensure timely recoveries and prevent further accumulation of mark-up. Additionally, TCP provided the requested data and information to provincial governments and federal agencies to enable them to place summaries before the relevant forums for approval. Further, in a follow-up meeting held on 05.06.2024 at the Ministry of Finance, provincial agencies were once again directed to settle dues and complete reconciliation of outstanding amounts, which led to TCP's reconciliation visits to Khyber Pakhtunkhwa and Punjab. TCP has also been submitting monthly receivables updates to the Ministry of Commerce, for onward submission to the Ministry of Finance, in line with directives of TCP's Board Audit Committee. Moreover, TCP has consistently issued bi-monthly reminder letters to all debtor entities—including federal agencies and provincial governments—urging the expeditious settlement of agreed amounts and reconciliation of outstanding dues.

Further Efforts for Recoveries during current year:

- i. As a result of continuous efforts, Ministry of Finance vide its letter No. 5(4)CF-C/2023-P-001 dated 24.06.2025, fully acknowledged the growing outstanding receivables of TCP from the Federal Government and recognized the compounding impact of accrued markup on commercial loan based receivables on the balance sheet of TCP. Further, Ministry of Finance, despite significant fiscal constraints, has allocated Rs.15 billion for arrears related to Federal Share of urea import subsidies and another Rs.15 billion for USC sugar subsidy arrears in the budget estimates for FY 2025-26 aimed at partially clearing TCP's outstanding receivables. The Finance Division further committed to settle remaining liabilities in a phased manner subject to resource availability. The Finance Division also assured that they remain committed to resolving the matter of outstanding receivables and will make every effort to ensure appropriate allocations for settlement of outstanding TCP receivables.
- ii. TCP received an amount of Rs.5 billion from Ministry of Commerce on 23.06.2025 on account of Federal Government share on import of Urea during the year 2022-23.
- iii. The Sub-Committee of the National Assembly Standing Committee on Commerce in its meeting held on 26.05.2025 also recommended that Finance Division to expedite the payment process for the agreed amount to TCP and provide the Committee with a clear timeline or specific date for the release of payment. The Committee further directed concerned Ministries and departments to submit formal requests to finance division for release of funds and MoF was also recommended to consider proposals for enhancing budgeting amounts to be paid to the TCP.
- iv. Public Accounts Committee (PAC) in its meeting held on 12.03.2025 while reviewing ARPSE 2023-24 Audit Para compliance on non-settlement of borrowed funds and abnormal increase of markup noted that the representative of the Finance Division confirmed that the issue was reported in 2023 and the Finance Division was ready to pay all the outstanding amount at the Federal level. The Committee directed that PAO keeping in view the assurance of the representative of Finance Division, the matter may be pursued accordingly with the Finance Division and progress report be provided to PAC/Audit accordingly.
- v. On the directives of Finance Division, reconciliation meeting of TCP and NFML was held on 21.04.2025, 22.04.2025 & 23.04.2025 at TCP's Principal Office, Karachi for reconciliation of TCP's outstanding dues of Rs.125.167 billion, which includes the disputed amount of Rs. 165.592 million, markup upto April-2025 and subsidy amount. At the conclusion of the said reconciliation meeting following was agreed:
 - a. NFML agreed to pay an amount of Rs.99.176 million, for which necessary documents have been shared by TCP with NFML (out of Rs.165.592 million).
 - b. NFML also agreed for the payment of Rs.1,405.107 million (withheld by NFML on account of Embezzled Quantity) to TCP, upon recovery through NAB/FIA/Courts on urgent basis.



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- c. NFML agreed on the amount of Rs.123,596.799 million (i.e. payable by the Federal Government).
- vi. The Sub Committee of National Assembly’s Standing Committee on Commerce in its meeting held on 07.03.2025 directed Finance Division to take action to resolve the issue and in compliance with the recommendation of Committee, Finance Division held meetings with the debtors dated 24.03.2025, 25.03.2025 14.04.2025 & 15.04.2025 on the issue of long outstanding dues of TCP. During the meetings, Finance Division recommended for immediate release of amounts agreed between TCP and relevant agencies / concerned recipients and reconciliation of disputed amount on urgent basis.
- vii. As a result of continuous efforts, the Punjab Government placed the matter before Provincial Cabinet in its meeting held on 22.10.2024 and got approval for release of Rs. 27.570 billion (i.e. Rs.0.789 billion on account of supply of imported sugar during 2020-21 & 2021-22 plus Rs. 26.781 billion on account of supply of imported urea during 2021-22 & 2022-23).
- viii. In pursuance of directives of BAC and management of TCP, whereby it has been directed that a monthly report on outstanding receivable balances against each recipient agencies shall be shared, TCP is issuing letters / reminders to each debtor for early remittance of outstanding dues to TCP to avoid accumulation of mark-up.

6.5 COMMODITY OPERATIONS AND FINANCIAL VIABILITY:

The Trading Corporation of Pakistan (TCP), a key strategic entity under the Federal Government, manages commodity operations and old outstanding receivables toward Provincial Governments and Federal Government & its nominated agencies financed through Cash Credit Limits (CCLs) approved by the Ministry of Finance, Government of Pakistan, allocated by the State Bank of Pakistan. TCP obtains COF facility from banking sector through tendering process in compliance with PPRA Rules. As of 30th June 2025, TCP's outstanding debt towards commercial banks on account of COF stood at Rs. 319.561 billion, largely due to pending receivables from Federal Government and Provincial Government agencies. Despite these challenges, TCP maintains strong financial credibility and market trust.

In FY 2024–25, TCP floated four transparent tenders under PPRA rules to raise cumulative Rs. 1.393 trillion under the COF facility. The initiative received an overwhelming response from the banking sector, with offers totaling Rs. 4.399 trillion, over three times the required amount. A total of 22 top banks, including conventional institutions amounting to Rs.2.496 trillion and Islamic institutions (Islamic windows of conventional banks) amounting to Rs.1.903 trillion, participated, reflecting confidence in TCP’s financial strength and credibility. By year-end, TCP secured cumulative Rs. 1.243 trillion in financing on offered markup rate ranging between 4.12% (lowest) and 20.24% (higher).

Details of Commodity Operation Financing (COF)					
During Financial Year 2024-2025					
<i>(Amount in Billion)</i>					
S.No	Quarter	Cash Credit Limit (CCL) from the Ministry of Finance (MOF) through the Ministry of Commerce (MOC)	Offers received from Banks against Tender for Commodity Operation Financing (COF)	Financing Availed	Markup Rates (per annum)
1	Jul-Sep, 2024	346.8	539	296.757	19.83% - 20.24%
2	Oct-Dec, 2024	328.9	1,842.90	311.547	4.12% - 4.54%
3	Jan-Mar, 2025	358.8	825	315.463	10.55% - 12.33%
4	Apr-Jun, 2025	358.8	1,192.60	319.568	12.10% - 12.32%
Total		1,393.30	4,399.50	1,243.34	

Despite delays in repayments from recipient agencies stemming from delayed release of agreed amounts and disputes over incidental charges, delayed budgetary allocations and reconciliation issues, tcp has successfully carried out its financing arrangements with banking sector. Nevertheless, TCP has effectively managed its obligations through prudent financial management by consistently mobilizing large-scale financing on competitive terms underscores its strong market reputation and financial sustainability. TCP remains committed to its mandated role, while emphasizing that ultimate repayment liabilities rest with the Federal Government as per the commitment of Ministry of Finance. Timely settlement of these dues will not only ease the financial burden but also strengthen TCP’s capacity to



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implement its business diversification plan, focused on alternative revenue streams, operational efficiency, and alignment with the Government’s commodity management objectives.

6.6 FINANCIAL SUSTAINABILITY THROUGH PRUDENT INVESTMENTS :

The Trading Corporation of Pakistan (TCP), as a State-Owned Enterprise (SOE), has strategically positioned itself to reinforce its financial sustainability through prudent and risk-free investment strategies. Guided by the perpetual financial investment approach of the Board & Finance Investment Committee (BFIC) and duly approved by the Board of Directors, TCP successfully built an investment portfolio of Rs. 26.750 billion during FY 2024–25. This comprises Market Treasury Bills (MTBs) amounting to Rs. 20.150 billion and Pakistan Investment Bonds (PIBs) amounting to Rs. 6.600 billion, with maturities ranging from three months to two years.

These investments demonstrate TCP’s strong financial position and its ability to leverage both primary and secondary markets to maximize returns under a risk-free model. The strategy ensures steady income streams, safeguards liquidity risk, and strengthens TCP’s balance sheet. By pursuing this structured and sustainable approach, TCP has not only secured its financial health but also reaffirmed its standing as a resilient and financially viable SOE, fully equipped to deliver on its operational and policy-driven mandates in support of the Federal Government.

During the fiscal year 2024-25, State Bank of Pakistan (SBP) aggressively lowered its policy (discount) rate from a peak of 22% in June 2024 down to 12% by March 2025, through multiple rate cuts across six intervals, showing 45.45% drop. This rapid reduction significantly compressed yields on government securities such as Treasury Bills (T-Bills) and Pakistan Investment Bonds (PIBs), directly diminishing returns from primary and secondary markets. The steep drop in SBP’s policy rate throughout FY2024–25 led to significantly reduced yields on government securities, however Given the development in interest rate trend, TCP under the guidance of BF&IC, prudently realigned its investment strategy and approached towards longer tenor government securities to sustained market impact. By doing so, against decline in rate of returns by 45.45%, manage to drop overall investment income by only 13%.

Moreover, despite a sharp decline in the discount rate from 22% to 11%, TCP has successfully sustained its investment portfolio through prudent strategies, thereby mitigating the impact of the continued downward trend. **(Annexure – VIII)**

6.7 DISPOSAL OF LEGAL CASES & RECOVERIES:

As a result of rigorous efforts by the management under the oversight of the Risk Management & Litigation Committee of the Board, the Legal Team has been able to generate noticeable results, as at the beginning of the year 2024-25, a total of 335 cases were pending in various courts of law, out of which forty-four (44) cases were decided in favor of the Corporation from a total of sixty-nine (69) cases that were disposed of during the year under consideration. Furthermore, during the above mentioned period one-hundred-twenty-eight (128) cases were filed by TCP and twenty-three (23) cases were filed against TCP, which make up a total of one-hundred-fifty-One (151) new cases during the year.

Cases as at the Beginning of the Year 2024-25	335
New Cases Filed by the Corporation	128
New Cases Filed by Other Parties	23
Total Number of New Cases During the Year 2024-25	151
Cases Decided in Favor of the Corporation	44
Other Cases Disposed of During the Year 2024-25	25
Total Cases Disposed of During the Year 2024-25	69
Cases as at the End of the Year 2024-25	417

Category-wise detail of the forty-four (44) cases decided in favor of the Corporation is as under:



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No. of Civil matters	=	34
No. of Service matters	=	10

6.8 INFORMATION TECHNOLOGY:

TCP has successfully digitized the entire archives of documents that relates to as far as the 1980s onwards relating to TCP, RECP, as well as CEC. TCP has also developed and implemented a comprehensive, web-based Legal Division Information System (LDIS). This system has been specifically designed to streamline, manage, and monitor legal and case-related activities pertaining to the Corporation. It aims to enhance operational efficiency, ensure transparency, and facilitate timely access to case information for all relevant stakeholders. In addition to fully implementing the E-Office system in TCP and its regional offices and is headed towards a paperless environment by January 2026. TCP has also implemented the software to monitor import operations for live monitoring of the movement of vessel, cargo loading/unloading, arrival/dispatches position separate for each consignment / party / Delivery Order from seaports as well as from TCP's Godowns.

7. CORPORATE GOVERNANCE:

7.1 IMPLEMENTATION OF PRINCIPLES OF GOVERNANCE:

In order to improve public service delivery and to make grievances redressal mechanism more efficient and responsive

- i) The Board has complied with the relevant principles of corporate governance and has identified the rules that have not been complied with, the period in which such non-compliance continued, and reasons for such non-compliance.
- ii) The financial statements prepared by the management of the Corporation fairly presents its state of affairs, the result of its operations, cash flows and changes in equity.
- iii) Proper books of accounts have been maintained by the Corporation.
- iv) Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- v) The Board has recognized its responsibility to establish and maintain a sound system of internal control.
- vi) Total (10) Board Meetings have been held during the year and summary of the meetings attended by each director is given below:

Name of Board Member	Nature of Directorship	No. of Meetings Attended
Syed Rafeo Bashir Shah, Chairman and Chief Executive Officer	Executive	10
Mr. Ahsan Ali Mangi, Ministry of Commerce	Non-Executive	00
Mr. Shakeel Ahmed Mangnejo, Ministry of Commerce	Non-Executive	06
Mr. Salman Mufti, Ministry of Commerce	Non-Executive	00
Dr. Imran Ullah Khan, Ministry of Finance	Non-Executive	07
Mr. Azam Khan, Ministry of National Food Security & Research	Non-Executive	01
Mr. Irfan Khan, Ministry of National Food Security & Research	Non-Executive	02
Ms. Saira Imdad Ali, Ministry of Industries and Production	Non-Executive	03
Mir Balagh Sher Marri	Independent	10
Mr. Aasim Azim Siddiqui	Independent	06
Syed Miran Muhammad Shah	Independent	07
Mr. Fuad Hamid Ahmed	Independent	06
Ms. Tasneem Yusuf	Independent	09



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- vii) The pattern of shareholders is attached as **Annexure-V**.
- viii) The appointment of Chairman and other members of the board and the terms of their appointment along with the remuneration policy adopted are in the best interest of the Corporation; however, the Corporation does not comply with the provisions of Section 12(2) of the State-Owned Enterprises (Governance and Operations) Act, 2023, which requires that majority of the Board shall consist of independent directors and TCP's Board of Directors consists of five independent directors, four non-executive directors and one executive director / Chief Executive Officer. Moreover, until the close of the financial year 2024-25, the office of the Chairman and Chief Executive Officer were not segregated, as the Chairman, by virtue of the provisions of Clause 24(k) of the State-Owned Enterprises Ownership and Management Policy, 2023, was not appointed by the Federal Government from amongst the independent directors, which was done subsequent to the yearend, as notified vide Ministry of Commerce's Notification dated September 01, 2025. However, the necessary alterations in the Articles of Association of TCP segregating the office of the Chairman and Chief Executive Officer were made prior to the yearend.
- ix) During the year, the Audit Committee held eight (08) meetings, wherein it reviewed the previous year's annual financial statements as well as the quarterly and half-yearly statements, and recommended them to the Board. The Committee exercised close oversight of the Internal Audit function by reviewing reports, discussing significant observations, and monitoring management's corrective actions with emphasis on timely closure of high-risk issues. In its engagement with External Auditors, the Committee deliberated on statutory audit matters, going-concern assumptions, and audit qualifications, and actively pursued their resolution in coordination with management. The Audit Committee also reviewed compliance with applicable laws, regulations, and internal policies, assessed the effectiveness of the overall control environment, and provided guidance to management on strengthening risk management practices and governance processes across the organization. The Terms of Reference (ToRs) of the Committee are provided at **Annexure-VI**.
- x) In compliance with the State-Owned Enterprises (Governance and Operations) Act, 2023 and the State-Owned Enterprises Management Ownership and Management Policy, 2023, the Board has evaluated the performance of the Audit Committee, in its 411th meeting held on 6th October 2025, and has declared the performance as "Satisfactory".
- xi) The Board, in its 399th meeting held on 4th September 2024, has evaluated the performance of the senior management, covering all General Managers and Executive Directors. The Board was satisfied with the performance of the senior management and appreciated the achievements made.
- xii) The Board and the management of the Corporation are confident and hereby issue the statement that:
- i. Financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as are applicable;
 - ii. There are reasonable grounds that the Corporation shall be able to pay their debts as they become payable, given the fact that all liabilities of the Corporation are fully covered through sovereign guarantee of the Federal Government; and
 - iii. The financial statements and notes comply with the requirements of the SOE Law.
- xiii) The Board of Directors of the Corporation, as a matter of prudence, has reviewed the Corporation's compliance with the provisions of / requirements set out in the State-Owned Enterprises (Governance and Operations) Act, 2023 and the State-Owned Enterprises Ownership and Management Policy, 2023 except as stated hereinabove, and the Statement of Compliance, as reviewed and approved by the Board of the Corporation, has been made part of the Annual Report for the year ended 30th June 2024.

7.2 PRIME MINISTER'S PERFORMANCE DELIVERY UNIT (PMDU) COMPLAINTS:

In order to improve public service delivery and to make grievances redressal mechanism more efficient and responsive in all Ministries/Divisions and their attached department, the Prime Minister's Performance Delivery Unit



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(PMDU) has designed and introduced information & Communication Technology (ICT) based system i.e., Pakistan Citizen Portal. During the year 2024-25, three (3) complaints were received on the dashboard of TCP from Pakistan Citizen Portal, which were resolved/dropped in the light of relevant Rules/Regulations and decided on merit for possible provision of relief to the citizens.

7.3 RECRUITMENT, PROMOTIONS AND CAPACITY BUILDING INITIATIVES:

Various training programs, workshops, and professional development courses were conducted to build the technical and managerial competencies of our employees. Emphasis was placed on both in-house and external training opportunities to ensure continuous learning and alignment with industry best practices, details are at [Annexure-VII](#).

Internal career progression was encouraged through a structured promotion process. Employees demonstrating consistent performance and alignment with corporate values were promoted to higher responsibilities, fostering motivation and talent retention.

TCP ensured 100% payroll accuracy and timely disbursement of employees' monthly salary and other benefits.

7.4 MANAGEMENT – EMPLOYEES' RELATIONSHIP:

The relationship between the Management, TCP Officers Association and TCP Employees Union remained harmonious during the year. The Management is happy to record its appreciation for the hard work put in by the officers and employees of the Corporation at all levels.

The Management of TCP has signed an agreement with the Employees Union of TCP (CBA) biennially on the basis of the Charter of Demand submitted by the Employees Union in light of the relevant Labor Laws. The latest Charter of Demand has been submitted by the Employees Union (CBA) on 3rd August 2023 for the period of 1st July 2023 to 30th June 2025, on which negotiations between the Management and the Employees Union have been concluded for signing of the Agreement on the Charter of Demand for the period 2023-2025.

8. STATUTORY AUDITORS AND AUDITOR'S REPORT:

The Statutory Audit for FY 2024-25 has been conducted by M/s. Baker Tilly Mehmood Idrees Qamar, Chartered Accountants in accordance with the International Auditing Standards as applicable in Pakistan in line with the corporate legal framework.

In Auditors opinion based on audit, except for the possible effects of the matters observed as qualifications [Management responses on the Audit Observations are attached as [Annexure-VIII](#)].

- i) proper books of account have been kept by the Company as required by the Companies Act, 2017(XIX of 2017);
- ii) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flow together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017), and are in agreement with the books of account and returns;
- iii) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- iv) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The existing statutory auditors (i.e. M/s. Baker Tilly Mehmood Idrees Qamar, Chartered Accountants) have consented to act as statutory auditors for the subsequent year i.e. FY 2025-26.

9. FUTURE PLANNING FOR DIVERSIFICATION OF TCP OPERATIONS AND ACHIEVING COMPLIANCE:



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It is evident from review of the operations of TCP that in order to boost the Corporation's revenue while enhancing the overall efficiency, TCP's operations need to be streamlined and diversified. Currently, TCP relies heavily on Government-mandated procurements of a narrow set of commodities, with complex procurement procedures constraining its ability to quickly meet the demand at lower rates. To address these challenges, proposed amendments to specific provisions of the PPRA Rules have already been submitted to relevant authorities for consideration, aiming to simplify processes and improve TCP's agility. Key areas currently under focus are:

- (i) Pre-qualification of international commodity supplying companies;
- (ii) Exemptions/relaxation of PPRA Rules (Rule 8,9,13,35,38,40 & 42);
- (iii) Permission for intervention in the commodity market at no cost to the GoP, as well as commodities in the private sector for price stabilization;
- (iv) Pre-qualification, qualification and disqualification of suppliers and contractors; and
- (v) Prequalification requirements for procurement of common use items, services and commodities through framework agreement.

Moreover, TCP is exploring opportunities to establish long-term trade arrangements and liaise with reputable international commodity suppliers, thereby reducing its dependence on spot buying and limited, government-directed transactions. The Corporation is committed to adopting modern international trade norms, including streamlined supplier pre-qualification, framework agreements, and adopting processes aligned with global best practices.

Notably, during the year under review, TCP has facilitated a landmark direct trade agreement with Government of Bangladesh, exporting 50,000 MT of rice directly from Pakistan, marking a significant step in expanding TCP's export markets and demonstrating its capability and capacity to manage international trade channel expansion.

Collectively, these measures signal TCP's strategic pivot toward operational reform, trade diversification, and alignment with modern global standards, all essential for transforming the Corporation into a more agile, competitive, and revenue-generative entity.

9.1 ISSUES IN CURRENT OPERATIONAL AND FINANCIAL MODEL:

In accordance with the prevailing business model, TCP secured commercial loans on behalf of the Ministry of Industries and Production (for NFML and Utility Stores Corporation), the Ministry of National Food Security and Research (for PASSCO), as well as other federal and provincial agencies, under directives from the Federal Government. The Federal Government and the relevant agencies have been aware of the fact that TCP facilitated imports through Credit Ceiling Limits (CCLs) and commercial bank financing, with the clear understanding that the respective recipient agencies were responsible for the repayment of these loans. This model has never been contested by any Ministry or recipient agency.

However, over time, payment delays began to arise due to a range of issues, including disputes or refusals related to incidental charges, non-reconciliation of accounts, reluctance to bear subsidy costs or markup, and other financial obligations. Even in instances where the Federal Government was to bear the subsidy, budgetary allocations were not made, and consequently, payments were not made in a timely manner.

Given that these procurements were financed through commercial bank loans at prevailing market interest rates, any delay in repayment resulted in the accrual of additional markup on the principal amount, leading to a compounding effect on the outstanding balance (including principal and markup build-ups). Consequently, TCP has been compelled to service these loans by obtaining further commercial borrowings at prevailing rates, creating a cycle of debt rollover. This has led to a significant build-up of circular debt, with TCP forced to borrow simply to repay existing loans, as outstanding dues from recipient agencies and the Federal Government remain unpaid. As a result, much of TCP's financing capacity, which should be available for operational purposes, is now consumed by debt servicing.

Moreover, the Finance Division, in its communications regarding Cash Credit Limits, has indicated that the responsibility for loan settlement rests with TCP. This position has been strongly contested by TCP at every level. TCP has consistently emphasized that such liabilities are incurred on behalf of specific Ministries requiring commodity imports, and therefore the responsibility for repayment of both the principal and accrued mark-up lies with those Ministries. During the year on continues follow up from TCP side, The Ministry of Finance, through its



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letter No. 5(4)CF-C/2023-P-001 dated June 24, 2025, formally acknowledged the growing outstanding receivables of TCP from the Federal Government, as well as the compounding impact of accrued markup on commercial loan-based receivables reflected on TCP's balance sheet. In this context, the Ministry has allocated Rs. 15 billion towards arrears related to the Federal Government's share of urea import subsidies, and an additional Rs. 15 billion for arrears pertaining to the Utility Stores Corporation's sugar subsidy, within the budget estimates for FY 2025–26. These allocations are intended to partially offset TCP's outstanding receivables. Furthermore, the Ministry of Finance made a commitment in the aforementioned letter to settle the remaining liabilities in a phased manner. It also reaffirmed its commitment to resolving the matter of outstanding receivables and assured that all efforts will be made to ensure appropriate budgetary allocations for their eventual settlement.

9.2 PROPOSED FINANCIAL & OPERATIONAL MODEL FOR TCP:

In light of the 18th Constitutional Amendment, under which agriculture falls within the exclusive jurisdiction of Provincial Governments, the following framework has been proposed by TCP for facilitating international commodity imports (such as sugar, wheat, urea, etc.) where Provincial Governments and Federal Government intend to engage TCP's services:

A. Imports Initiated by Provincial Governments

- a. Provincial Governments may communicate their import requirements either directly to TCP or through the relevant line Ministry in the Federal Government;
- b. All such procurements shall be executed strictly against advance payments made by respective Provincial Governments to TCP;
- c. In these cases, the entire responsibility for planning, placement of orders, quantity allocation and financial arrangements shall rest squarely with the Provincial Governments, with no financial liability / obligation accruing to TCP and / or the Federal Government.

B. Imports for Strategic Reserves on Behalf of the Federal Government

For imports intended to build strategic reserves on behalf of the Federal Government:

- a. Such procurements shall only be undertaken upon explicit instruction from the Federal Cabinet, conveyed through a Summary initiated by the relevant line Ministry, with prior end-to-end planning and necessary budgetary allocations.
- b. In case of emergent procurements without advance budgetary allocation, the entire financial liability, including repayment of loans and accrued mark-up, shall rest with the requesting line Ministry. In such cases, TCP will secure Federal Government's Cash Credit Limits (CCLs) backed financing from commercial banks, establish the Letters of Credit (LCs), execute the import, and retire the LCs. Upon retirement of LCs, the liability including accrued markup will be transferred to the line Ministry or the recipient agency concerned.

The operational mechanism for such imports, as also discussed with TCP's consortium banks, is as follows:

- a. TCP shall establish LC(s) for commodity imports under a given terms and contract using its available CCLs
- b. Thereafter, upon presentation of shipping documents, the LC(s) will be retired from TCP's CCL limits.
- c. Simultaneously, the recipient agency will request the MoF/Finance Division to provide CCL limits, based on details provided by TCP.
- d. The CCL extended to the recipient agency by the Finance Division will be utilized to settle TCP's liability, ensuring immediate inflows against TCP's CCL utilization, which will then be adjusted accordingly.

The foregoing proposals are aimed at minimizing and limiting TCP's financial exposure while ensuring its continued ability to discharge Public Service Obligations in line with the SOE Act, 2023. Additionally, they also seek to streamline TCP's import operations, and making them more effective, efficient and financially sustainable.

In light of the foregoing, TCP has requested the Ministry of Commerce vide DO letter No. TCP(F&A)/2023-01 dated November 14, 2023 to move a Summary for Cabinet approval to formally adopt this revised operational and financial model. Approval of revised operational and financial model from Federal Government is still awaited.



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9.3 BUSINESS DIVERSIFICATION PLAN:

A business development plan was developed by the management, and thereafter, the same has been approved by the Board of Directors. It primarily focuses on alternate sources of revenue for TCP, while remaining within the realm of the TCP's Memorandum of Association as well as with the focus to efficiently cater to the requirements of the Government of Pakistan. This plan has been categorized into three stages which are as under: -

SHORT TERM PLANS (1-2 YEARS):

Commodity Supplies for Public and Private Sector

- Trade for the private sector (wheat/lentils/edible oil or any other item on demand) at no cost to the Government of Pakistan
- Considering the possibility for import of wheat, urea, edible oils, oil seeds, rice etc. for the Governments which are approaching TCP for supply of agri-commodities on G2G basis
- Export of rice on G2G basis to Governments of Bangladesh, Philippines, Indonesia and African countries
- Export of pharmaceutical products to Sri Lanka on G2G basis
- Recoveries of TCP's receivables against various public sector enterprises, and Federal and Provincial Governments
- Signing of MoUs between counterpart Government entities in targeted countries viz. inter alia, Bangladesh Sri Lanka, Philippines and Mauritius.
- Cooperation with other entities for information sharing and promoting import export cooperation.

MEDIUM TERM PLANS (2-5 YEARS):

Commodity Supplies for Public and Private Sector

- Trade for the private sector (wheat/lentils/fertilizer/edible oils or any other item on demand) at no cost to the Government of Pakistan
- Export from Pakistan and supplying Agricultural commodities on G2G basis to countries approaching Ministry of Commerce and / or TCP
- Export of commodities on G2G basis to other countries.
- Revitalizing of TCP's financial and operational plans
- Recoveries of TCP's receivables against various public sector entities, and Federal and Provincial Governments

LONG TERM PLANS (5 YEARS):

Commodity Supplies for Public and Private Sector

- Trade for the private sector (wheat/lentils/fertilizer/edible oil or any other item on demand) at no cost to the Government of Pakistan.
- Export from Pakistan and supplying Agricultural commodities on G2G basis
- Export of commodities on G2G basis to other countries covered under MoUs and beyond.

Real Estate Development

- Revitalizing of TCP's existing godowns and their allied infrastructure via PSDP schemes.
- Solarization of TCP's warehouses at Pipri / Landhi & Korangi to augment revenue streams.

9.4 STATEMENT OF CORPORATE INTENT:



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TCP's main intent has been market stabilization through trade of essential commodities. In order to enhance the support role of TCP and its business model in line with its Memorandum of Association, TCP intends to play a reinvigorated role in commodities trade (and its allied infrastructure development), optimal utilization of its real estate as well as gradually increase its footprint in alternate energy development. This would on the one hand ensure a proactive approach towards public & private section commodities trade as well as development of a facilitative ecosystem of storage, insurance and logistics including infrastructure, and on the other hand, enhance revenue streams for TCP as well as for the Government of Pakistan."

TCP has currently undertaken development and revision of its constitutional documents such as Memorandum & Articles of Association, and also other policy documents like HR/Accounts/Finance/Real Estate related Policy and procedure manuals as well as the development of a functional as well as administrative organogram for TCP.

Furthermore, as a step towards automation and paperless official business processes, TCP has transitioned to the E-Office system of the Government of Pakistan and is carrying out scanning and digitization of the complete record of the Corporation.

10. INTERNAL AUDIT:

10.1 FUNCTION AND MANDATE:

The Corporation maintains an independent Internal Audit Division as part of its governance and control framework. The Division provides objective assurance and advisory services designed to strengthen internal controls, risk management, and governance processes. Internal Audit operates under a Board-approved Charter and is guided by international professional standards.

10.2 INDEPENDENCE AND REPORTING:

To preserve independence, the Chief Internal Auditor (CIA) reports functionally to the Board Audit Committee (BAC) and administratively to the Chief Executive Officer. Internal Audit Division as authorized by Internal Audit Charter have unrestricted access to all records and systems to carry out their responsibilities.

The CIA also serves as Secretary to the BAC and coordinates its interactions with management and external auditors.

10.3 KEY ACTIVITIES DURING THE YEAR:

During the year, Internal Audit successfully executed assignments in accordance with the Annual Risk-Based Audit Plan and undertook additional responsibilities assigned by the BAC and management.

Seven (07) auditable units were reviewed, covering financial, operational, compliance, and IT areas. These audits focused on the adequacy of internal controls, safeguarding of assets, operational efficiency, and compliance with laws and regulations.

Internal Audit recommended enhancements in financial statement disclosures, implementation of system change request documentation, and maintenance of activity logs, contributing to stronger governance and improved transparency.

During the year, the Internal Audit Division coordinated the audit of the financial year 2023–2024 conducted by Government Auditors, including the timely provision of records and arranging meetings with different divisions. The Division also managed all matters relating to the Divisional Accounts Committee (DAC) and Public Accounts Committee (PAC), ensuring that responses were properly prepared, submitted within stipulated timelines, and that directives were adequately followed up with the divisions concerned. As a result of consistent team efforts 01 para has been settled at PAC level and 05 Paras have been recommended for settlement at DAC level. In addition, the Division undertook various miscellaneous assignments as and when directed by the Ministry of Commerce (MoC).



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11. PRESENTATION AT THE 58TH ANNUAL GENERAL MEETING

The Board of Directors of the Corporation lay this report along with the Annual Audited Financial Statements for the year ended June 30, 2025, before the members / shareholders of the Corporation at the 58th Annual General Meeting being held on Monday, October 27, 2025, for information and approval / adoption. *[Karachi, October 06, 2025]*



DIRECTOR



CHAIRMAN & CHIEF EXECUTIVE



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ANNEXURE-I

DETAILS OF DIVISIONAL HEADS / INCHARGES
OF REGIONAL OFFICES / SUB REGIONAL OFFICES

Sr. No.	Name of Division Head / Incharge	Designation	Division / Regional Office / Sub-Regional Office
i)	Mr. Muhammad Ali	Chief Financial Officer (Additional Charge)	Finance Division
ii)	Mr. Salim Ullah Khan	Chief Internal Auditor	Internal Audit Division
iii)	Mr. Farrukh Majeed Qureshi	Company Secretary	Secretary Division
iv)	Mr. Muhammad Ali	General Manager	Finance & Accounts Division
v)	Mr. Sheeraz Ali Shahzad	General Manager	Trade and Research Division
vi)	Mr. Sheeraz Ali Shahzad	General Manager	Dispatch & Operation Division
vii)	Mr. Radain Shah	General Manager	Real Estate Business Development Division
viii)	Syed Basit Qadir	General Manager	I.T. Division
ix)	Ms. Mariam Alvi	General Manager	Regional Office Lahore
x)	Mr. Sher Muhammad Mahar	General Manager	Legal Division
xi)	Mr. Ali Raza Altaf	Deputy General Manager Incharge	Administration & Coordination Division
xii)	Mr. Muhammad Asif	Deputy General Manager Incharge	Real Estate Operation Division
xiii)	Mr. Muhammad Asif	Deputy General Manager Incharge	Korangi Godown
xiv)	Mir Muhammad Raza	Deputy General Manager Incharge	Human Resource Division
xv)	Mr. Zafarullah Zangejo	Manager Incharge	Internal Control and Compliance Division
xvi)	Mr. Muhammad Samiullah Bhutta	Manager Incharge	Regional Office Islamabad
xvii)	Mr. Akhlaq Ahmed Samoo	Manager Incharge	Landhi Godown
xviii)	Mr. Akhlaq Ahmed Samoo	Manager Incharge (Additional Charge)	Pipri Godown
xix)	Mr. Muhammad Hasnain Naveed	Deputy Manager	Sub-Regional Office Multan
xx)	-----	-----	Regional Office Gwadar



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ANNEXURE-II

KEY OPERATING AND FINANCIAL DATA
DURING THE YEARS 2017-18 TO 2024-25

(Rupees in thousand)

Operating Data	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Commission Income	-	101,234	97,146	628,050	1,489,762	3,102,771	481,352	8,705
Administrative Expenses	1,015,666	886,062	846,566	964,700	1,046,915	1,590,384	1,449,717	2,509,804
Finance Cost	-	-	-	-	-	2,326	3,761	2,517
Other Income	1,536,169	2,246,100	2,734,102	2,415,294	2,979,626	4,571,796	5,384,520	4,888,820
Profit Before Tax	520,503	1,461,272	1,984,682	2,078,644	3,422,473	6,081,857	4,412,394	2,385,204
Profit After Tax	375,506	1,119,131	1,452,932	1,517,441	2,350,027	4,000,465	2,601,194	1,347,508
Paid-up Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Non-Current Assets	721,578	10,247,028	10,363,343	538,769	537,599	568,005	46,535,644	87,194,020
Long term Investment	65,827	9,643,072	9,806,574	9,991,495	10,201,408	10,439,414	10,709,509	16,703,189
Current Assets	125,566,129	131,160,521	140,511,496	151,876,382	206,788,543	281,037,773	312,071,318	339,980,805
Current Liabilities	114,104,808	128,318,941	136,537,696	146,755,712	199,509,695	270,364,849	299,284,114	331,944,130
Net Profit	25%	47%	51%	50%	53%	52%	44%	28%
Current ratio	1.10	1.02	1.03	1.04	1.04	1.04	1.04	1.02
Net Working Capital	11,461,321	2,858,178	3,973,800	5,467,245	7,278,848	10,672,924	12,787,204	8,036,675



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ANNEXURE-III

COMPARATIVE STATEMENT OF FINANCIAL RESULTS
DURING THE YEARS 2017-18 TO 2024-25

(Rupees in million)

S.No	Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
1	Paid-up capital	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
2	Total C&F value of imports	-	5,061.70	4,859.29	82,936.64	179,420.78	323,561.11	24,067.61	-
3	Total value of Exports	-	-	-	-	-	-	-	7,387.695
4	Profit/(Loss) before tax	520.50	1,461.27	1,984.68	2,078.64	3,422.47	6,081.86	4,412.39	2,385.204
5	Profit/(Loss) after tax	375.51	1,119.13	1,452.93	1,517.44	2,350.03	4,000.47	2,601.19	1,347.508



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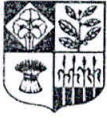


ANNEXURE-IV

DEBT AND LIABILITIES' POSITION AS ON 30TH SEPTEMBER 2025

(PKR in millions)

S. No.	Name of Debtor	Principal	Markup	TOTAL
		P	M	T=P+M
1	USC	24,334	85,680	110,013
2	NFML	48,814	77,971	126,785
3	MNFS&R (Cotton subsidy)	621	2,228	2,849
4	PASSCO	742	5,411	6,153
5	SINDH FOOD DEPARTMENT	544	9,043	9,586
6	PUNJAB FOOD DEPARTMENT	4,688	12,901	17,589
7	KPK FOOD DEPARTMENT	2,527	10,713	13,241
8	BALUCHISTAN FOOD DEPARTMENT	1,794	7,710	9,503
9	GOVERNMENT OF GILGIT BALTISTAN	1,284	5,441	6,725
10	GOVERNMENT OF AJK	231	2,036	2,268
11	DGP ARMY	255	1,449	1,704
12	PAKISTAN NAVY	43	189	232
13	MOIP (FORMERLY MINFAL ON SUGAR AC)	2,403	16,345	18,748
14	MoF (Rice Subsidy)	-	209	209
GRAND TOTAL		88,281	237,325	325,606



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ANNEXURE-V

PATTERN OF SHAREHOLDING AS ON 30.06.2025

1.1 Name of the Company

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2.1. Pattern of holding of the shares held by the shareholders as at

3 0 0 6 2 0 2 5

2.2. No of shareholders	Shareholdings	Total shares held
2	1 to 5	2
1	99,999,995 to 100,000,000	99,999,998
3	Total	100,000,000

2.3	Categories of shareholders	share held	Percentage
2.3.1	Directors, Chief Executive Officer, and their spouse and minor children.	2	0.000002
2.3.2	Associated Companies, undertakings, and related parties.	-	-
2.3.3	NIT and ICP	-	-
2.3.4	Banks Development Financial Institutions, Non-Banking Financial Institutions.	-	-
2.3.5	Insurance Companies	-	-
2.3.6	Modarabas and Mutual Funds	-	-
2.3.7	Shareholders holding 10%	FEDERAL GOVERNMENT OF PAKISTAN	99.99
2.3.8	General Public		
	a. Local	-	-
	b. Foreign	-	-
2.3.9	Others (to be specified)	-	-



TERMS OF REFERENCE (TORs) OF THE AUDIT COMMITTEE

The ToRs of the BAC shall be the following.

Composition of the Audit Committee:

- 1 The Board shall establish an audit committee, whose members shall be financially literate and majority of them, including its chairman, shall be Independent Non-Executive Directors.
- 2 The chairman of the Board as well as the chief executive of the Public Sector Company shall not be a member of the audit committee.
- 3 The audit committee shall appoint a secretary of the Committee, who shall circulate minutes of its meetings to all members, directors, and the chief financial officer, within fourteen days of the meeting.

Meetings of the Audit Committee:

- 1 The Committee shall meet at least once in every Quarter.
- 2 Audit Committee must meet prior to the approval of interim results by its Board of directors and after completion of external audit.
- 3 The Committee shall meet at least four times in a year, with authority to convene additional meetings as circumstances require. Two meetings shall coincide with consideration of the half- year and full-year results announcements. Meetings may be called by any member of the Committee through the Committee Secretary.
- 4 A quorum of meetings of the Committee shall be at least two members.
- 5 At least once a year, the audit committee shall meet the external auditors without the presence of the chief financial officer, the chief internal auditor and other executives being present, to ensure independent communication between the external auditors and the audit committee.
- 6 At least once a year, the audit committee shall meet chief internal auditor and other members of the internal audit function without the chief financial officer and the external auditors being present.

Responsibilities of Audit Committee / Terms of Reference:

- 1 Determination of appropriate measures to safeguard the Public Sector Company's assets.
- 2 Review of financial results.
- 3 Review of quarterly, half-yearly and annual financial statements of the Public Sector Company, prior to their approval by the Board including any major judgmental areas, significant adjustments, going concern issues (if any), any changes in accounting policies and compliance with applicable accounting standards.
- 4 Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary).
- 5 Review of management letter issued by external auditors and management's response thereto.
- 6 Ensuring coordination between the internal and external auditors of the Public Sector Company.
- 7 Review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Public Sector Company.
- 8 Consideration of major findings of internal investigations and management's response thereto.
- 9 Ascertaining that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective.
- 10 Review of the Public Sector Company's statement on internal control systems prior to endorsement by the Board.
- 11 Recommending or approving the hiring or removal of the chief internal auditor;
- 12 Review actions taken to resolve key issues identified by the Internal Audit Function.
- 13 Instituting special projects, value for money studies or other investigations on any matter specified by the Board, in consultation with the chief executive and to consider remittance of any matter to the external auditors or to any other external body.



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- 14 Investigating any deviation from or violation of the SOE's code of conduct or other systems of internal control.
- 15 Determination of compliance with relevant statutory requirements.
- 16 Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof.
- 17 Review and Recommendation of Related Party Transactions to the Board for Approval.
- 18 Overseeing whistle-blowing policy and protection mechanism; and
- 19 Consideration of any other issue or matter as may be assigned by the Board.
- 20 The audit committee shall be responsible for managing the relationship of Public Sector Company with the external auditors. In managing the Public Sector Company's relationship with the external auditors on behalf of the Board, the audit committee's responsibilities include;
 - a. Suggesting the appointment of the external auditor to the Board, the audit fee, and any questions of resignation or dismissal.
 - b. Considering the objectives and scope of any non-financial audit or consultancy work proposed to be undertaken by the external auditors and reviewing the remuneration for this work.
 - c. Discussing with the external auditors before the audit commences the scope of the audit and the extent of reliance on internal audit and other review agencies.
 - d. Discussing with the external auditors any significant issues from the review of the financial statements by the management, and any other work undertaken or overseen by the audit committee.
 - e. Reviewing and considering the external auditors' communication with management and management's response thereto; and
 - f. Reviewing progress on accepted recommendations from the external auditors.

Reporting and Performance Evaluation:

1. The Audit Committee will report to the Board and update on every meeting of the Audit Committee shall be presented before the Board.
2. The Committee reviews and assesses annually the adequacy of these Terms of Reference and confirms that all the responsibilities set out in the current Terms of Reference have been carried out.
3. Ensure the SOE's annual report describes the work of audit committee, including a copy of its terms of reference, with specific points that must be addressed for full disclosure and transparency.
4. Ensure that the Internal Audit function reports on recommended improvements in SOE management and activities covered by its purview.
5. Ensure that the Internal Audit function report is considered, and at least one summary is submitted to the full board.
6. Collaborate with the board to determine and delegate to the Chief Executive what his or her role will be in the internal audit selection, function, and reporting.



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ANNEXURE-VII

TRAINING & CAPACITY BUILDING ORGANIZED BY TCP DURING THE YEAR 2024

S.No	Particular
1	Online Mandatory Training for departmental promotions of officers of TCP w.e.f. 11 th to 25 th October, 2024 from M/s. Pakistan Institute of Trade & Development, Islamabad.
2	Online Mandatory Training for departmental promotion of official/staff of TCP w.e.f. 23 rd December, 2024 to 7 th January, 2025 from M/s. Pakistan Institute of Trade & Development, Islamabad.
3	Workshops on EPAD and PPRA Rules & Contract Management held from 15 th to 18 th January, 2025 organized by Instituted of Tender Management, attended by DGM Incharge (A&C Division).
4	Workshops on Managing Human Resource in Public Sector and Project Appraisal and Risk Management held in February, 2025 organized by PPMI, Islamabad attended by two (02) officers of TCP.
5	Directors Training Program (DTP) under the State-Owned Enterprises (Ownership and Management) Policy, 2023 organized from National School of Public Policy, Lahore.
6	Online Mandatory Training Program of officers of TCP from 14 th April to 5 th May, 2025 from M/s. Pakistan Institute of Trade & Development, Islamabad.
7	Capacity Building Program on Islamic Finance for Government Officials held in April, 2025 at NIBAF, Karachi attended by the Executive Director, Chief Financial Officer and DGM (Finance).
8	CFO Conference 2025 program held on 6 th May, 2025 at Institute of Chartered Accountant of Pakistan attended by Chief Financial Officer and Chief Internal Auditor, TCP.
9	Course of Information System Auditing held in June, 2025 from PAAA attended by the Executive Director and Manager (I.T.), TCP
10	National Regulatory Reforms Conference in June, 2025 at Islamabad attended by Executive Director, TCP.



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ANNEXURE-VIII

AUDITOR'S QUALIFICATIONS AND MANAGEMENT REPLIES
ON TCP'S ANNUAL ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2025

S. No.	Qualification	Management Reply																																	
a.	<p>As disclosed in note 15.1 to the financial statements, other receivables include Rs. 17,888.93 million (including accrued mark-up and other charges of Rs.15,509.38 million) till June 30, 2025 from sugar mills on account of sugar not supplied by them under the contractual terms. The Company had initiated legal action. In the absence of management objective evaluation of probable outcome of the said legal action, we are unable to satisfy ourselves as to the recoverability of receivables from sugar mills under the head prepayments and other receivables.</p>	<p>The main observation of the auditors relates to recoverability of total amount of Rs.17,888.93 million from Nine (9) sugar mills which include markup and other charges. The recoverability of the amounts depends on the ultimate outcome of Legal proceedings as the cases are pending in High Court. However, the sugar mills refused to pay outstanding payments including markup thereon. TCP is vigorously pursuing the cases at relevant forum and hopefully the cases shall be decided in favor of TCP, in accordance with the contractual terms. The details of outstanding recoveries as on 30-06-2025, against Nine (09) sugar mills are given as follows:</p> <table border="1"><thead><tr><th>Sr. No.</th><th>Name of Sugar Mill</th><th>Rs. In Million</th></tr></thead><tbody><tr><td>1</td><td>Abdullah Sugar Mill</td><td>302.00</td></tr><tr><td>2</td><td>Abdullah Sugar Mill (Ex-Yousuf)</td><td>2,574.99</td></tr><tr><td>3</td><td>Haseeb Waqas Sugar Mill</td><td>582.89</td></tr><tr><td>4</td><td>Seri Sugar Mill</td><td>707.64</td></tr><tr><td>5</td><td>TMK Sugar Mill</td><td>3,169.06</td></tr><tr><td>6</td><td>Tandlia Wala Sugar Mill</td><td>3,094.10</td></tr><tr><td>7</td><td>Abdullah Shah Gazi Sugar Mill</td><td>2,975.38</td></tr><tr><td>8</td><td>Haq Bahu Sugar Mill</td><td>3,182.89</td></tr><tr><td>9</td><td>Macca Sugar Mill</td><td>1,299.99</td></tr><tr><td colspan="2">Total</td><td>17,888.93</td></tr></tbody></table>	Sr. No.	Name of Sugar Mill	Rs. In Million	1	Abdullah Sugar Mill	302.00	2	Abdullah Sugar Mill (Ex-Yousuf)	2,574.99	3	Haseeb Waqas Sugar Mill	582.89	4	Seri Sugar Mill	707.64	5	TMK Sugar Mill	3,169.06	6	Tandlia Wala Sugar Mill	3,094.10	7	Abdullah Shah Gazi Sugar Mill	2,975.38	8	Haq Bahu Sugar Mill	3,182.89	9	Macca Sugar Mill	1,299.99	Total		17,888.93
Sr. No.	Name of Sugar Mill	Rs. In Million																																	
1	Abdullah Sugar Mill	302.00																																	
2	Abdullah Sugar Mill (Ex-Yousuf)	2,574.99																																	
3	Haseeb Waqas Sugar Mill	582.89																																	
4	Seri Sugar Mill	707.64																																	
5	TMK Sugar Mill	3,169.06																																	
6	Tandlia Wala Sugar Mill	3,094.10																																	
7	Abdullah Shah Gazi Sugar Mill	2,975.38																																	
8	Haq Bahu Sugar Mill	3,182.89																																	
9	Macca Sugar Mill	1,299.99																																	
Total		17,888.93																																	
b.	<p>As stated in note no 25.1.1 and 25.1.4 to 25.1.14, the Company has pending litigations and open tax assessments. We were unable to obtain sufficient appropriate audit evidence regarding the completeness of these and any other legal contingencies and their recognition / disclosure. The ultimate outcome cannot presently be determined, and no provision has been made.</p>	<p>The legal status of tax cases is included in the note No. 25 of contingencies.</p>																																	

Note: Last year's qualification in Audit Report 2023-24 regarding trade debts include receivables of Rs. 9,899.130 million from various government institutions has been removed by the auditors as these balances are supported by the Federal Government's acknowledgment and commitment to settle in stagger manner.



TRADING CORPORATION OF PAKISTAN (PRIVATE) LIMITED
Ministry of Commerce – Government of Pakistan



ANNEXURE-IX

DETAILS TCP INVESTMENT IN MTBs & PIBs
DURING YEAR 2024-2025

Sr. No.	Government Security	Face Value	Days to Maturity	Yield to Maturity / Profit Rate	Investment Amount
1	MTBs	250,000,000	3 Months	19.8384%	239,084,500
2	MTBs	250,000,000	6 Months	19.6839%	227,655,750
3	MTBs	3,500,000,000	3 Months	20.0000%	3,345,993,000
4	MTBs	500,000,000	6 Months	17.6184%	459,622,000
5	MTBs	500,000,000	12 Months	16.8277%	428,149,500
6	MTBs	1,000,000,000	6 Months	17.6000%	919,321,000
7	MTBs	1,000,000,000	12 Months	16.8000%	856,502,000
8	MTBs	500,000,000	6 Months	14.2330%	466,866,500
9	MTBs	500,000,000	12 Months	13.4976%	440,681,500
10	MTBs	5,500,000,000	12 Months	13.5001%	4,847,392,000
11	MTBs	500,000,000	6 Months	14.1546%	467,037,000
12	MTBs	500,000,000	12 Months	13.6409%	440,127,000
13	MTBs	1,800,000,000	12 Months	13.4000%	1,587,816,000
14	MTBs	500,000,000	3 Months	11.8517%	486,724,500
15	MTBs	500,000,000	12 Months	11.3787%	448,919,000
16	MTBs	500,000,000	12 Months	11.5520%	448,348,500
17	MTBs	500,000,000	3 Months	11.1344%	487,508,000
18	MTBs	500,000,000	6 Months	11.1128%	473,748,500
19	MTBs	350,000,000	6 Months	10.9521%	331,875,950
20	MTBs	350,000,000	12 Months	10.9220%	315,622,300
21	MTBs	150,000,000	1 Month	11.0003%	148,744,800
22	MTBs	500,000,000	3 Months	10.9530%	487,706,500
	Total	20,150,000,000			18,355,445,800

Sr. No.	Government Security	Face Value	Days to Maturity	Yield to Maturity / Profit Rate	Investment Amount
1	PIBs	500,000,000	2 Years	12.4656%	406,921,500
2	PIBs	1,000,000,000	2 Years	12.0500%	819,144,000
3	PIBs	1,000,000,000	2 Years	12.1000%	818,503,000
4	PIBs	500,000,000	2 Years	12.1500%	408,931,500
5	PIBs	500,000,000	2 Years	11.9138%	399,211,000
6	PIBs	500,000,000	2 Years	11.6888%	404,235,000
7	PIBs	1,000,000,000	2 Years	11.7900%	808,296,000
8	PIBs	600,000,000	2 Years	11.7900%	484,977,600
9	PIBs	1,000,000,000	2 Years	11.7050%	813,655,000
	Total	6,600,000,000			5,363,874,600
	Grand Total	26,750,000,000			23,719,320,400