



## BOARD OF DIRECTORS

### Chairman/CEO

Mr. Rizwan Ahmed

### Directors

- |    |                         |               |
|----|-------------------------|---------------|
| 1. | MR. ADNAN AFRIDI        | Independent   |
| 2. | MR. KHALIQ-UR-RAHMAN    | Independent   |
| 3. | MR. IRFAN QAISER SHEIKH | Independent   |
| 4. | DR. SHAKEEL AHMAD KHAN  | Non-Executive |
| 5. | MR. ZAHOOR AHMED        | Non-Executive |
| 6. | MR. MUHAMMAD ASHRAF     | Non-Executive |

### Secretary

MR. QAZAFI RIND



**ANNUAL REPORT OF TRADING CORPORATION OF PAKISTAN (PVT) LTD  
FOR THE YEAR 2014-2015**

The Board of Directors has pleasure in presenting the TCP's Annual Report and the Audited Statement of Accounts for the financial year 2014 - 2015 ended on 30<sup>th</sup> June, 2015.

**CHANGES IN BOARD OF DIRECTORS**

Following changes in the Board of Directors took place during the financial year 2014-15 (from 01-07-2014 to 30-06-2015)

- |                               |  |
|-------------------------------|--|
| 1. Khawaja Asem Khurshid      | Relinquished the charge of the office as Director, TCP on 28-10-2014.                                      |
| 2. Mr. Mohammad Aftab Manzoor | Relinquished the charge of the office as Director, TCP on 07-11-2014.                                      |
| 3. Mr. Muhammad Irfan Tarar   | Relinquished the charge of the office as Director, TCP on 28-10-2014.                                      |
| 4. Mr. Waqar Ahmed Shah       | Assumed the charge of the office as Director, TCP on 28-10-2014 and relinquished the charge on 13-02-2015. |
| 5. Mr. Muhammad Ashraf        | Assumed the charge of the office as Director, TCP on 13-02-2015.   |



## 2. MANAGEMENT:

The Management of the Corporation is vested in a Board of Directors appointed by the Federal Government. The Board comprises a Chairman who is the Chief Executive of the Corporation and Directors who look after the finance, import, export and other affairs of the Corporation. Besides, one Joint Secretary of the Ministry of Commerce, Government of Pakistan, Islamabad is also included in the Board of Directors of TCP as ex-officio Director.

### 2.1 Executive Directors:

(i)	Mr. Khaqan Murtaza	Director
(ii)	Mr. Manzoor Ali Shaikh	Director
(iii)	Mr. Rafique Ahmed Buriro	Director (Finance)

### 2.2 Divisional Heads:

i.	Mr. Mujahid Hussain Zaidi	General Manager	Port Operation Division/additional Charge of GA & HR Division
ii.	Mr. Mukhtar Ahmed Qureshi	General Manager	PR Cell
iii.	Mr. Ejaz Ahmed	General Manager	Imports Division
iv.	Mr. Farman Ali Chohan	General Manager	Dispatch Operation Division
v.	Mr. Muhammad Munir	General Manager	Godowns Division
vi.	Mr. Abdul Ghafoor	General Manager	Cotton & Rice Division
vii.	Mr. Naimatullah Shaikh	General Manager	Security Division
viii.	Mr. Muhammad Ramzan	Dy General Manager	Incharge Finance Division
ix.	Mr. Hamid Hasan	Dy General Manager	Incharge Accounts Division
x.	Mr. Amir Afzal	Dy General Manager	Incharge Legal Division
xi.	Mr. Ghulam Abbas	Ex- Dy. General Manager	EM&C Division
xii.	Mr. Zafarullah Zangejo	Dy General Manager	Real Estate Management Division
xiii.	Mr. Manzoor Ali Sahto	Dy General Manager	Incharge Pipri Godown
xiv.	Mr. Barkat Ali Jokhio	Dy General Manager	Incharge Korangi Godown
xv.	Mr. Muhammad Qazafi Rind	Manager	Company Secretary/additional charge of GM (IAD)
xvi.	Mr. Ibrar Ahmed Siddiqui	Manager	Incharge Landhi Godown
xvii.	Mr. Ali Qayyum Raja	Manager	R.O. Islamabad
xviii.	Mr. Fahad Raza	Manager	R.O. Lahore
xix.	Mr. Israr Hussain	Deputy Manager	R.O. Gwadar
xx.	Mr. Muzaffar Hussain	Dy General Manager	S.R.O. Multan/Multan Godown



### 3. GENERAL

3.1 The Trading Corporation of Pakistan Limited (TCP) was set up as a private limited company in July, 1967, registered under Companies Act 1913 (now Companies Ordinance 1984). The shares of corporation are owned by the Ministry of Commerce, Government of Pakistan. It was the first move by the Government to introduce state trading in the country, to achieve the following objectives:-

- i) Achieve economy of scale by handling bulk transactions; secure advantages of price, freight and port-handling expenses, and prevent leakage of foreign exchange through such malpractices as over/underinvoicing, etc.
- ii) Stabilize market conditions and neutralize effect of high market prices resulting from unwarranted escalation by private importers and, *ipso facto*, act as a check on disparity between import prices and scarcity prices.
- iii) Intervene in the market to forestall shortages of essential commodities and provide the same to the common man at affordable prices. Its price support initiatives are meant to ensure that growers receive fair price for their agricultural products.

3.2 In January, 1995, the Federal Cabinet assigned the following new role to TCP.

#### A. Imports

- i) Import of essential commodities in emergent conditions, as in the past;
- ii) Import of Soybean Oil in future PL-480 Programme and CC Credit;
- iii) Import of Palm Oil from Malaysia under Malaysian credit;
- iv) Import of Industrial raw materials and other selected bulk items;
- v) Utilization of Credit Facilities.

#### B. Exports

- i) Export of selected items of public sector corporations, agencies, etc;
- ii) Channelizing exports through TCP 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;
- iii) 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;
- iv) To perform innovative role of undertaking export of non-traditional items to non-traditional markets on experimental basis;
- v) To undertake and develop export of fresh fruits/vegetables and minerals in collaboration with and on partnership basis with the private sector.

3.3 TCP acts only on the directions of the Federal Government to implement policy decisions in the larger public interest.



#### 4. TCP'S CAPITAL

The initial paid-up capital of the Corporation subscribed by the Government in 1967 was Rs.2.5 Million, which was subsequently raised to Rs. 5 Million in 1969-70 and to Rs.7.5 Million in 1970-71 out of Corporation's own resources. In 1977-78, TCP increased its paid up capital from Rs.10.00 Million to Rs.50.00 Million and further increased it to Rs. 100.00 Million in 1978-79 by issuing bonus shares. In 2005-2006, the authorized capital was enhanced to Rs.1000 Million, whereas the subscribed and paid up capital increased from Rs.100.00 Million to Rs.685.805 Million. In 2009-10, the paid up capital was increased to Rs. 1,000 Million through issue of bonus shares due to rise in the volume of trade under Government's directive.

#### 5. DIVIDEND

The Board of Directors in its meeting held on October 29, 2014, duly endorsed by the shareholders, declared dividend of Rs. 100 million equal to 10% of the paid-up capital of the Corporation.

#### 6. ACTIVITIES OF THE CORPORATION

##### 6.1 IMPORT OF UREA

As per directives of the Economic Coordination Committee (ECC)/Government, during the Financial Year 2014-15 TCP imported a quantity of 647,398.95 MT Urea through different ports i.e. Karachi Port Terminal, Port Qasim Authority and Gwadar Port.

##### 6.1.1 Import through SABIC

Out of total quantity, 271,102 MT valuing US\$ 86,025,773.00 (equivalent to Pak Rs.8,700.008 Million) was imported through Saudi Basic Industries Corporation (SABIC) against a credit facility provided by the Saudi Fund Development (SFD).

##### 6.1.2 Import against International Tender

In pursuance of Government's directives, TCP Imported 376,296.95 MT Urea valuing US\$ 119,509,155.14 (equivalent to Pak Rs. 12,028.790 Million) through international tenders.

##### 6.1.3 Deliveries of Urea

During the Financial year 2014-15, TCP issued 26 delivery orders for a quantity of 651,478.500 MTs to M/s. National Fertilizer Marketing Limited (NFML) which is the agency designated by Government of Pakistan for marketing, sale and distribution of imported urea.

##### 6.2 PURCHASE OF SUGAR FROM DOMESTIC SUGAR MILLS

In pursuance of the Government's directives, during the Financial Year 2014-15, TCP did not procure Sugar from local sugar mills.



### 6.2.1 Deliveries of Sugar

Under specific instructions of the Economic Co-ordination Committee/Government, during Financial Year 2014-15 TCP issued 12 delivery orders for a quantity of 28,999 MTs to M/s. Utility Stores Corporation (USC) amounting Rs.1,785.885 million.

### 6.3 PURCHASE OF LINT COTTON FROM LOCAL COTTON GINNING FACTORIES

In pursuance of Government directives, during the financial year 2014-15 TCP purchased 95699 cotton bales from 256 cotton ginning factories and made payment of Rs.2,505.722/- million against the purchased quantity.

### 7. INSPECTION OF BROWN & WHITE RICE EXPORT TO EUROPEAN UNION (EU)

During the financial year 2014-15 TCP inspected 178,861 MT Brown Basmati Rice and earned an amount Rs.9.866 Million as inspection fee.

### 8. RENTING OF GODOWNS

TCP earned an amount of Rs.129,426 Million by renting its Godowns situated at Pipri, Landhi and Korangi to public and private sector.

### 9. STEPS TAKEN FOR RESOLUTION OF TCP'S REAL ESTATE PROBLEMS

#### 9.1 TRANSFER OF OWNERSHIP OF PROPERTIES IN THE NAME OF TCP:

*Change of title of ownership of various properties in possession of TCP, was initiated to ensure TCP's ownership of properties lying pending for the last so many years. Many meetings have been held with the relevant stakeholders /organizations and Government officials regarding change of title of the properties in the name of TCP.*

#### 9.2 PROPERTIES WHOSE TITLE HAS BEEN CHANGED IN THE NAME OF TCP;

- *Cotton Godown of defunct Cotton Export Corporation at Multan measuring 10 acres the title has been changed in the name of TCP.*
- *Plot of Industrial Estate Multan measuring 15 acres belonging to Cotton Export Corporation has also been changed in the name of TCP.*
- *Two (2) shops measuring 216.93 sq.ft. at Al-Syed Centre, Quaidabad, Landhi, Karachi belonging to defunct RECP, the title of both the shops have been transferred in the name of TCP.*

#### 9.3 RECOVERY OF RENT FROM OCCUPANTS;

*Recovery of Rs.724,400/- on account of rent from occupants of the Residential Colonies of Landhi & Pipri Godowns and long outstanding rent from Pakistan Cotton Standard Institute (PCSI) Multan has been made.*



**9.4 REPAIR, REHABILITATION & VALIDATION OF WORKS AT PIPRI GODOWN;**

*Repair and rehabilitation works at pipri godown are underway. The works were stopped to get already executed works validated from pak PWD. Since the PWD has validated the said works therefore the rehabithitation works are likely to be resumed in near future.*

**10. MANAGEMENT - STAFF RELATIONSHIP:**

The relationship between the Management, TCP Officers Association and TCP Employees Union continued to remain 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.

**11. AUDITORS**

M/s. Deloitte Yousuf Adil Chartered Accountants were appointed as Auditors to conduct the audit of accounts of TCP for the Financial year 2014-2015.

**12.** Comparative statements of financial results and stocks positions are given at Annexes I and II respectively.