

54TH ANNUAL REPORT 2020-21

BOARD OF DIRECTORS

CHAIRMAN/CEO

DR. RIAZ AHMED MEMON

DIRECTORS

- | | | |
|----|--|-------------------------------|
| 1. | DR. IMRANULLAH KHAN(REPRESENTATIVE OF MoF) | NON-EXECUTIVE |
| 2. | MR. MUHAMMAD WAQAS AZEEM (REPRESENTATIVE OF MoC) | NON-EXECUTIVE |
| 3. | MR. IMTIAZ ALI GOPANG(REPRESENTATIVE OF MoNFS&R) | NON-EXECUTIVE |
| 4. | MS. BUSHRA NAZ MALIK | NON-INDEPENDENT/NON-EXECUTIVE |
| 5. | MS. JAVARIA TAREEN | INDEPENDENT |
| 6. | MS. TASNEEM YUSUF | INDEPENDENT |

BOARD AUDIT & RISK MANAGEMENT COMMITTEE

- | | | |
|----|--|-------------|
| 1. | MS. TASNEEM YUSUF (INDEPENDENT DIRECTOR) | CHAIRPERSON |
| 2. | REPRESENTATIVE OF MINISTRY OF FINANCE | MEMBER |
| 3. | MS. BUSHRA NAZ MALIK | MEMBER |

BOARD HUMAN RESOURCE COMMITTEE

- | | | |
|----|---|-------------|
| 1. | MS. JAVARIA TAREEN (INDEPENDENT DIRECTOR) | CHAIRPERSON |
| 2. | REPRESENTATIVE OF NATIONAL FOOD SECURITY & RESEARCH | MEMBER |
| 3. | MS. BUSHRA NAZ MALIK | MEMBER |

BOARD PROCUREMENT COMMITTEE

- | | | |
|----|---|----------|
| 1. | REPRESENTATIVE OF MINISTRY OF COMMERCE | CHAIRMAN |
| 2. | MS. JAVARIA TAREEN (INDEPENDENT DIRECTOR) | MEMBER |
| 3. | REPRESENTATIVE OF NATIONAL FOOD SECURITY & RESEARCH | MEMBER |

COMPANY SECRETARY

MR. SHER MUHAMMAD MAHAR

REGISTERED OFFICE

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

ANNUAL REPORT OF TRADING CORPORATION OF PAKISTAN (PVT) LTD
FOR THE YEAR 2020-21

The Board of Directors has the pleasure in presenting the TCP's Annual Report and the Audited Statement of Accounts for the financial year 2020 - 21 ended on 30th June 2021.

1. CHANGES IN BOARD OF DIRECTORS

There was no change in the Board of Directors during the year 2020-21

2. BOARD OF DIRECTORS:

2.1 The Board of Directors is nominated by the Federal Government. The Board comprises a Chairman who is the Chief Executive of the Corporation including Independent Directors and representatives of the Ministry of Commerce, Ministry of Finance and Ministry of National Food Security & Research, Government of Pakistan.

2.2 Executive Directors.

- a. Mr. Miran Mohiyuddin Soomro Executive Director (Admin/Operations)
Executive Director (Finance) as **Additional Charge** w.e.f 30-01-2020 to 14-10-2020.
- b. Syed Shakeel Ahmed Executive Director (Finance) w.e.f 15-10-2020.

2.3 Divisional Heads/Incharges of Regional Offices/Sub Regional Offices/Godowns/Secretary Division.

i)	Mr. Rashid Hussain	General Manager	Human Resource Division
ii)	Mr. Qadeer Ahmed	General Manager	Market Assessment & Trade Division
iii)	Mr. Muhammad Asif	Deputy General Manager	Legal Division
iv)	Mr. Farman Ali Chohan	General Manager	Administration & Coordination Division
v)	Mr. Hans Hussain Soomro	Chief Internal Auditors	Internal Audit & Inspection Division
vi)	Mr. Muzaffar Hussain	General Manager	Local Commodity Procurement And Quality Assurance Division
vii)	Mr. Sohail Abbas Rajani	Chief Financial Officer	Finance Division
viii)	Mr. Zafarullah Zangejo	Deputy General Manager	Accounts Division
ix)	Mr. Naimatullah Shaikh	General Manager	Real Estate Management & Security Division
x)	Mr. Khizar Hayat Shah	General Manager	Dispatch & Operation Division
xi)	Mr. Sher Muhammad Mahar	Deputy General Manager	Corporate Affairs/Secretary Division (Additional Charge)
xii)	Mr. Muhammad Zafar Iqbal	Manager	Pipri Godown
xiii)	Mr. Akhlaq Ahmed Samoo	Manager	Korangi Division

xiv)	Mr. Akhlaq Ahmed Samoo	Manager (Additional Charge)	Landhi Godown
xv)	Mr. Israr Ahmed	General Manager	Regional office Lahore
xvi)	Mr. Amjad Ali Baloch	Manager	Regional Office Islamabad
xvii)	Mr. Zulfiqar Ali Awan	Assistant Manager	Regional office Gwadar
xviii)	Mr. Muhammad Asad Maqbool	Deputy Manager (Additional Charge)	Sub-Regional office Multan

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 Act, 2017). The shares of the 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 so as to achieve the following objectives:-

- a. Achieve economy of scale by handling bulk transactions; secure advantages of price, freight and port-handling expenses etc.
- b. 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.
- c. To 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 under 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 trade related decisions in the larger public interest.

4. TCP'S CAPITAL:

4.1 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 to Rs. 100.00 Million in 1978-79 out of its own resources by issuing bonus shares. In 2005-2006, the authorized capital enhanced to Rs.1000 Million, whereas the subscribed and paid up capital increased from Rs.100.00 Million to Rs.685.805 Million and then, in 2009-10, paid up capital increased to Rs. 1,000 Million due to rise in the volume of trade under Government's directive.

5. **ACTIVITIES OF THE CORPORATION:**

5.1 **SUMMARY OF FINANCIALS:**

- a. During the Financial Year 2020-21, profit earned by TCP is as per the details given hereunder:

Total Profit before Taxation	Rs.2,078.644 Million
Tax amount	Rs.580.788 Million
Net Profit	Rs.1,517.441 Million

- b. Key operating and financing data for last eight years is attached as **Annexure-I**. The graphical representation of the "Commission Income" and the "Profit After Tax" for the last eight years is given at **Annexure-II**.
- c. Comparative statements of financial results for **last six years** and stocks positions is given at **Annexure "III"** and **"IV"** respectively.
- d. The reason for lower commission income during the period from 2014-15 to 2017-18 is mainly due to reduced operational activities assigned to TCP by the Federal Government.
- e. TCP has signed agreements, for the first time, with recipient agencies which prevented all possible accumulated arrears which had otherwise accrued over the past decades.

5.2 **DIVIDEND:**

- a. Dividend of **Rs. 200 million** has been paid to Federal Government during the year 2020-21.

Balance of General Reserve as on 30 th June 2020	Rs. <u>7,500</u> million
Transfer to General Reserves from un-appropriated profit	Rs. <u>Nil</u> million
Position of General Reserves as on 30 th June 2021	Rs. <u>7,500</u> million

5.3 **IMPORT OF WHEAT AND SUGAR ON THE DIRECTIVES OF FEDERAL GOVERNMENT:**

- a. On the directives of ECC/Federal Government, TCP has imported wheat and sugar as per below mentioned details:-

Sr. No.	Commodity	Quantity
1	Wheat	1,701,399.856 MT
2	Sugar	130,562.800 MT

5.4 **SALE PROCEEDS/DELIVERIES/INSURANCE:**

- a. TCP issued thirty (30) Delivery Orders amounting to Rs. 76,552.319 million in favor of M/s. Punjab, KPK, Sindh Food Department and PASSCO for sale of 1,697,319.295 MT import of wheat.
- b. TCP issued six (06) Delivery Orders amounting to Rs. 9,355.532 Million in favour of Punjab Food Department and USC for sale of 130,390.400 MT import of sugar.
- c. TCP issued Delivery Orders amounting to Rs. 12,384,143/- in favour of various parties for sale of Junk items and M/s. Fine Agro Chemical, Karachi for sale of 71.93 MT sweeping sugar.
- d. TCP paid an amount of Rs. 164.221 Million to M/s. NICL on account of Marine Insurance Premium in respect of import of wheat.
- e. TCP paid an amount of Rs. 23,619.00 Million to M/s. NICL on account of Marine Insurance premium in respect of import of sugar.

5.5 **RECOVERIES FROM RECIPIENT AGENCIES ON ACCOUNT OF WHEAT, SUGAR AND UREA:**

- a. TCP received an amount of Rs. 87,018.188 Million from the recipient agencies against sale of sugar and wheat during July 2020 to June 2021.
- b. TCP received an amount of Rs. 165.960 million from M/s. NFML towards sale proceeds of Urea.
- c. TCP has claimed and received an amount of Rs. 141.773 Million on account of Short Landing of imported wheat from various parties.
- d. TCP has claimed and received an amount of Rs. 18.712 Million on account of Short Landing of imported sugar from various parties.

5.6 **PRIME MINISTER'S PERFORMANCE DELIVERY UNIT (PMDU) COMPLAINTS 2020-21:**

- a. 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 (PMDU) has designed and introduced information & Communication Technology (ICT) based system i.e. Pakistan Citizen Portal.
- b. During the year 2020-21, twenty four (24) complaints were received on the dashboard of TCP from Pakistan Citizen Portal, out of which twenty one (21) complaints pertained to TCP, which were resolved/closed/dropped in the light of relevant rules/regulations and decided on merit for possible provision of relief to the citizens. The remaining complaints pertained to other different departments /authorities which were forwarded to them accordingly.

5.7 **CORPORATE GOVERNANCE:**

- a. 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.
- b. The financial statements, prepared by the management of TCP, fairly presents its state of affairs, the result of its operations, cash flows and changes in equity.
- c. Proper books of account have been maintained by the corporation.
- d. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- e. The Board recognizes its responsibility to establish and maintain sound system of internal control.
- f. Total (17) Board Meetings have been held during the year and meeting attended by each director is given below;

NAME OF BOARD MEMBERS	NO. OF MEETINGS ATTENDED
Mr. Riaz Ahmed Memon, Chairman	15
Mr. Muhammad Waqas Azeem, Ministry of Commerce	16
Mr. Imtiaz Ali Gopang, Ministry of National Food Security & Research	16
Dr. Imranullah Khan, Ministry of Finance	15
Ms. Bushra Naz Malik	17
Ms. Javaria Tareen	17
Ms. Tasneem Yusuf	17

- g. The pattern of shareholders is attached as **Annexure-V**.
- h. 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, as well as in terms with the best practice.

5.8 **RENT RECOVERED:**

- a. An amount of Rs. 3,279,881/- received against rent from Residential Colonies at TCP's Pipri and Landhi Godowns and an amount of Rs.237,463,064.63/- received against the rent of TCP's Pipri, Korangi and Landhi Godowns.

5.9 **INSPECTION FEES:**

- a. During the financial year 2020-21, TCP issued 1357 (**One Thousand Three Hundred Fifty Seven Only**) Authenticity Certificates for export of 399,970.00 MT Brown/Parboiled/White Rice exported to European Union Member Countries and earned an amount of **Rs.61,812,000/-** against inspection fee.

5.10 **LEGAL CASES:**

- a. Total twelve (12) no. of cases were decided in favour of TCP out of fourteen (14) no. of cases disposed of by various Courts of law.
- b. A decretal amount of **Rs.4,572,798/-** recovered from City District Government Karachi (CDGK) in Execution Application No.45/2007 filed by TCP against City District Government Karachi (CDGK) and deposited on 07.10.2020 in TCP's account.
- c. Legal Division succeeded to curtail expenditure in respect of legal & professional charges by saving an amount of Rs.3.087 Millions. Previously, during F.Y 2019-20, an amount of Rs.11.600 Million was incurred in this regard. Whereas, the expenditure was reduced to Rs. 8.513 Million during the F.Y 2020-21.

6. **AUDITORS:**

- 6.1 The retiring Auditors M/s. Baker Tilly Mehmood Idrees Qamar, Chartered Accountants have provided consent to the office of External Auditors for the year ending June 30, 2022 at a proposed total fee of Rs. 2,310,000/- (including Half Yearly Review and Review of Statement of Compliance). During the current financial year ended on June 30, 2021, the auditors' remuneration amounted to Rs. 2,200,000/- (including Half Yearly Review and Review of Statement of Compliance)
- 6.2 The Board approved the above recommendation of Board Audit & Risk Management Committee and recommended the same to the Annual General Meeting of the Corporation.
- 6.3 Management responses on the Audit Observations are attached as **Annexure-VI**.

7. **KEY PERFORMANCE INDICATORS (KPIs) FOR THE YEAR 2020-21**

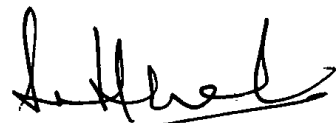
- 7.1 The Key Performance Indicators set for the FY 2020-21 in respect of various administrative Divisions of TCP are attached as **Annexure-VII**.

8. **MANAGEMENT – STAFF RELATIONSHIP:**

- 8.1 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.



DIRECTOR

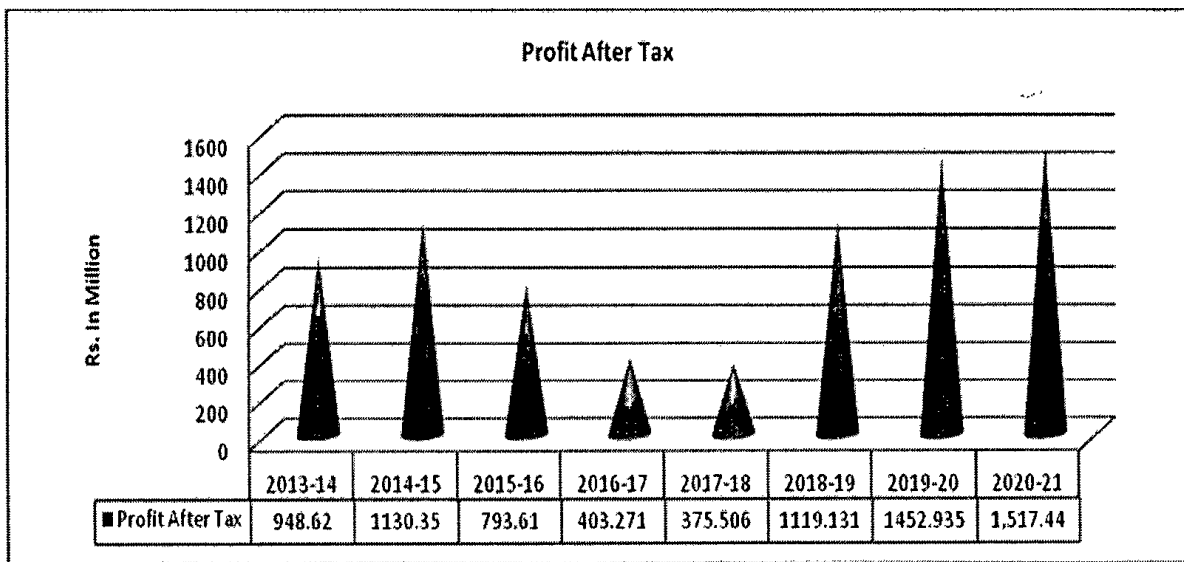
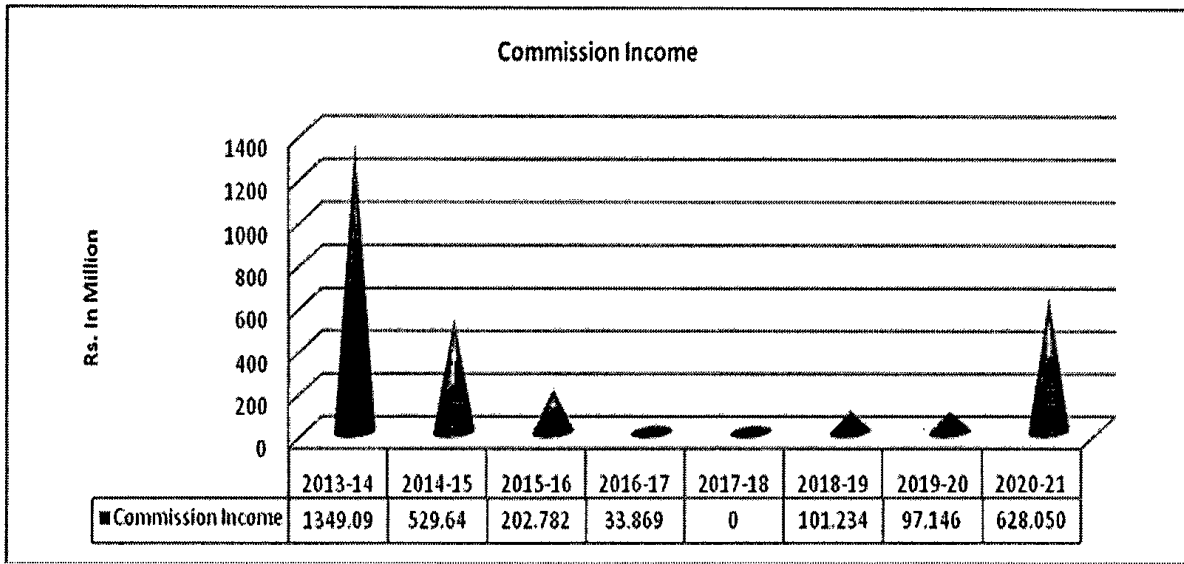


CHIEF EXECUTIVE, TCP

KEY OPERATING AND FINANCIAL DATA

"Rs. In (000)"

Operating Data	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Commission Income	628,050	97,146	101,234	-	33,869	202,782	529,645	1,349,089
Administrative Expenses	964,700	846,566	886,062	1,015,666	1,080,597	845,590	900,433	914,387
Other Income	2,415,294	2,734,102	2,246,100	1,536,169	1,534,289	1,790,577	2,037,026	1,583,556
Profit Before Tax	2,078,644	1,984,682	1,461,272	520,503	487,561	1,147,769	1,666,238	1,991,258
Profit After Tax	1,517,441	1,452,932	1,119,131	375,506	403,271	793,610	1,130,349	948,624
Financial Data								
Paidup 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
Fixed Assets	538,769	10,363,343	10,247,028	721,578	826,174	806,490	759,567	750,629
Long term Investment	9,991,495	9,806,574	9,643,072	65,827	125,980	126,795	114,092	102,746
Current Assets	151,876,382	140,511,496	131,160,521	125,566,129	126,149,582	121,857,842	118,797,238	136,896,404
Current Liabilities	146,409,137	136,537,696	128,318,941	114,104,808	114,992,924	110,973,997	106,050,945	125,206,602
Key Ratios								
Net Profit	50%	51%	47%	25%	25%	40%	44%	32%
Current ratio	1.04	1.03	1.02	1.10	1.10	1.10	1.12	1.09
Net Working Capital	5,467,245	3,973,800	2,858,178	11,461,321	11,156,658	10,883,845	12,746,293	11,689,802



**COMPARATIVE STATEMENT OF FINANCIAL RESULTS DURING THE YEAR
2014-15 TO 2020-21**

(Rupees in Million)

S. No.	PARTICULAR	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Paid-up capital	1000.000	1000.000	1000.000	1000.00	1000.00	1000.00	1000.00
2.	Total C&F value of imports	12,028.790	7,902.079	NIL	NIL	5,061.701	4,859.292	82936.640
3.	Total value of Exports	Nil	814.964	1810.631	Nil	Nil	Nil	Nil
4.	Profit/(Loss) before taxation	1,666.238	1144.746	487.561	520.503	1,461.272	1,984.682	2,078.644
5.	Profit/(Loss) after taxation	1,130.349	797.229	403.271	375.506	1,119.131	1,452.932	1,517.441

STATEMENT SHOWING STOCKS LYING AT TCP'S GODOWNS AS ON 30-06-2021**i) Stock Position at Pipri Godown:**

S. No.	COMMODITY	STOCK POSITION	REMARKS
1.	Sweeping Sugar (Imported in 2009)	207 MT*	207 MT as per book record, physically 15-20 MT (approx) is lying at Godown 30-A.
2.	Sweeping Sugar (Imported in 2010)	200 MT (sound)	As per book record, lying at Godown 20-A.
3.	Port sweeping	1258.000 MT	As per book record lying at Godown 2D,8D, 8-Mill
4.	Sweeping	26.000 MT	As per book record lying at Godown I-8I
5.	Sweeping	126.000 MT	As per book record lying at Godown 31-A, B, C
6.	Wheat, Husk & Dust (Imported in 2008-09)	41.00 MT	Godown Sweeping lying at Godown 5, E
7.	Wheat, Husk & Dust (Imported in 2020)	11.180 MT	Port Sweeping lying at Godown I,1
8.	PP Bags Sound	31.120 1500=29,620	KPT & Port Qasim (1500 PP bags delivered to KPT)

ii) Stock Position at Korangi Godown:

S. No.	COMMODITY	STOCK POSITION	REMARKS
1.	Wheat (Boosa)	600 Bags	lying at Godown KG 43

PATTERN OF SHAREHOLDING AS AT 30.06.2021

No. of Shareholders	Shareholdings	Total Shares Held
2	1 to 5	2
1	99999995 to 100000000	99,999,998
3	TOTAL	100,000,000

Categories of Shareholders

Directors	Shareholdings	Percentage
Chairman, TCP	1	0.000001
Director Finance	1	0.000001
	2	0.000002

Associated Undertakings

and Related Parties

-

-

NIT AND ICP

-

-

Banks, Development Financial Institutions

NBFI

-

-

Insurance Companies

-

-

Modaraba and Mutual Funds

-

-

Shareholders Holding 10%	Shareholdings	Percentage
Federal Government of Pakistan	99,999,998	99.99

General Public

a. Local	-	-	-
b. Foreign	-	-	-

TRADING CORPORATION OF PAKISTAN (PVT) LIMITED

AUDITOR'S QUALIFICATIONS AND MANAGEMENT REPLIES
ON TCP'S ANNUAL ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2021

Sr. No.	Qualification	Management Reply																																	
a.	As disclosed in note 11.2 to the financial statements, trade debts includes receivables of Rs.10,791.86 million from various government institutions. In the absence of sufficient and appropriate underlying evidences, responses to the confirmation requests sent by us and no movement / recoveries for more than six years, we were unable to satisfy ourselves as to its completeness, aging and recoverability out of which we were unable to satisfy ourselves as to the existence of other receivable amounting to Rs. 99.41 million.	The amount of Rs. 10,791.86 Million is primarily related to the wheat supplied to Provincial Governments against which they have not made payment. These operations were carried out during the years 2004-05, 2007-08 and 2008-09. <i>Observations</i> of the auditors are correct with respect to confirmations, however, for the recoverability, TCP has been following up aggressively with the Provincial Governments. There are more than 85 letters issued and multiple meetings held with these agencies. However, this exercise is now going on in more depth with the start of subsidy audit during the year 2018-19. The audit involves accumulation of information, compilation and summarization starting from bank statement level where all payments, collection and transfers are reflected from the year 2003-2004. Field Subsidy audit for Cotton, Rice, Urea and Wheat is completed. For Sugar, 80%% work is completed but has been progressing slowly during 2021 initially due to Covid-19 and recently due to operations. Based on the results of subsidy audit, if required, books will be updated so that recoverability of amounts can be ascertained to the satisfaction of statutory auditors.																																	
b.	As disclosed in note 13.1 to the financial statements, other receivables include Rs.10,457.67million (including accrued mark-up and other charges of Rs.8,078.12 million till June 30, 2021) from sugar mills on account of sugar not supplied by them under the contractual terms. The Company had initiated legal action and also referred the matter to National Accountability Bureau (NAB). 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.	The main observation of the auditors relates to recoverability of total amount of Rs. 10,457.67 Million from 9 sugar mills which include markup and other charges. Until 31-03-2020, 3 sugar mills were classified in stock in trade and 6 were classified in Prepayment and Other receivables. However, based on discussions with auditors, the 3 sugar mills have been reclassified to Prepayments and Other receivables also, therefore, the two qualifications have been merged into one by the statutory auditors due to similarity of the nature. The recoverability of the amounts depends on the ultimate outcome of Legal proceedings as the cases are pending in High Court and NAB. Earlier, NAB had directed the Sugar Mills representatives to meet TCP officials to settle the matter amicably. However, the concluded without any result due to the fact that Sugar Mills refused to pay markup on pending and late payments as incurred in Commodity Finance Operations accounts. The detailed legal status is enclosed. The names and principal amounts outstanding for 9 sugar mills are as follows: <table border="1" data-bbox="662 1512 1444 1908"> <thead> <tr> <th align="center">Sr. No</th> <th align="center">Name of Sugar Mill</th> <th align="center">Rs. In Million</th> </tr> </thead> <tbody> <tr> <td align="center">1</td> <td>Abdullah Shah Ghazi Sugar Mill</td> <td align="right">1,644.53</td> </tr> <tr> <td align="center">2</td> <td>Haq Bahu Sugar Mill</td> <td align="right">2,006.95</td> </tr> <tr> <td align="center">3</td> <td>Macca Sugar Mill</td> <td align="right">824.07</td> </tr> <tr> <td align="center">4</td> <td>Abdullah Sugar Mill, Depalpur</td> <td align="right">173.07</td> </tr> <tr> <td align="center">5</td> <td>Abdullah Sugar Mill, Ex-Yousuf</td> <td align="right">1,433.75</td> </tr> <tr> <td align="center">6</td> <td>Haseeb Waqas Sugar Mill</td> <td align="right">331.02</td> </tr> <tr> <td align="center">7</td> <td>Seri Sugar Mill</td> <td align="right">520.08</td> </tr> <tr> <td align="center">8</td> <td>T.M.K. Sugar Mill</td> <td align="right">1,766.07</td> </tr> <tr> <td align="center">9</td> <td>Tandlianwala Sugar Mill</td> <td align="right">1,757.72</td> </tr> <tr> <td align="center">Total</td> <td></td> <td align="right">10,457.67</td> </tr> </tbody> </table>	Sr. No	Name of Sugar Mill	Rs. In Million	1	Abdullah Shah Ghazi Sugar Mill	1,644.53	2	Haq Bahu Sugar Mill	2,006.95	3	Macca Sugar Mill	824.07	4	Abdullah Sugar Mill, Depalpur	173.07	5	Abdullah Sugar Mill, Ex-Yousuf	1,433.75	6	Haseeb Waqas Sugar Mill	331.02	7	Seri Sugar Mill	520.08	8	T.M.K. Sugar Mill	1,766.07	9	Tandlianwala Sugar Mill	1,757.72	Total		10,457.67
Sr. No	Name of Sugar Mill	Rs. In Million																																	
1	Abdullah Shah Ghazi Sugar Mill	1,644.53																																	
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9	Tandlianwala Sugar Mill	1,757.72																																	
Total		10,457.67																																	

c.	As stated in note no22.1.1 and 22.1.4 to 22.1.14, the Company has pending litigations and open tax assessments against the company aggregating to Rs. 10,204.53 million. The ultimate outcome of these litigations cannot presently be determined, and no provision that may result, has been made in the financial statements.	The legal status of tax cases is included in the note of contingencies. The Legal status of other cases is enclosed as Annexure.
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HUMAN RESOURCE DIVISION:

FUNCTION	GOAL	KPI's for CFY
Structure and HR Policy Framework.	Review and Updating HR Structure and Policy development Frameworks.	<ol style="list-style-type: none"> Review of following rules, regulations and HR Structure on yearly basis in consultation with experts from private sector: <ol style="list-style-type: none"> TCP Recruitment Rules, 2005 (as amended 2021) TCP Employees (Efficiency & Discipline) Rules, 1975 TCP Employees Gratuity Fund Rules. Organizational Structure/Organogram (functional & administrative) Development of Job Description for all employees.
Performance Evaluation.	To improve efficiency and effectiveness of Employees.	<ol style="list-style-type: none"> Revision of Personal evaluation Reports to performance based reporting. Completion of annual Performance Evaluation of employees as per the applicable rules by May every year.
Recruitment.	Availability of adequate Human Resource.	<ol style="list-style-type: none"> Identification of vacancies in TCP that require specific expertise and their hiring along with /development of JDs for all posts. Filling up of vacant posts through direct recruitment and promotions as per TCP Employees Recruitment rules, 2005 (amended 2020) within 45 days from the occurrence of vacancy.
Trainings of Employees.	Capacity Building of the employees.	<ol style="list-style-type: none"> Assessing training needs for employees on quarterly basis in consultation with the Heads of Divisions. Quarterly Training Programme development for all officers and development of Annual Training Programme for Directors of TCP.

MARKET ASSESSMENT AND TRADE DIVISION AND DESPATCH & PORT OPERATIONS DIVISION:

FUNCTION	GOAL	KPI's for CFY
Commodity procurement and Handling.	Efficient Procurement and handling of commodity.	<p>Preparation of Procurement Policy Manual by the end of fiscal year 2021-22.</p> <p>Formation of Port and Dispatch Operations manual by the end of fiscal year 2021-22.</p>
Market Assessment.	Identification of potential markets for commodity trading.	Undertake market research and commodity trading analysis on quarterly basis.

LEGAL DIVISION:

FUNCTION	GOAL	KPI's for CFY
Legal support for TCP.	Legal Panel Review.	Assessing performance of retainer-ship based Legal Advisors and Panel Advocates and revising legal panel of TCP with an effective legal team within 06 months.

REAL ESTATE MANAGEMENT & SECURITY DIVISION:

FUNCTION	GOAL	KPI's for CFY
Real Estate Management.	To ensure proper, effective and efficient management of TCP's real estate assets viz. godowns and commercial office spaces.	<ul style="list-style-type: none"> a. Development of a utilization and marketing plan for Real Estate of TCP. b. Development of a digital archive of all property documents of TCP. c. Digital monitoring of timely rental payments through an IT based system.
Rental Income.	To enhance Rental Income from all properties owned by TCP.	<ul style="list-style-type: none"> a. Digitizing the rental records and income receivable status of all tenants of TCP within 6 months. b. Formulating a revised tenancy policy with the approval of BOD, within 03 months (by Feb 28, 2022). c. Minimize quantum of unoccupied spaces in godowns and commercial office spaces by renting out the available space. d. Preparing a detailed M&R estimate of all properties of TCP within 6 months along with feasibility reports for utilization of property.

ACCOUNTS DIVISION:

FUNCTION	GOAL	KPI's for CFY
Accounts Receivable	Timely recovery of long outstanding dues from recipient agencies (debtors) of the commodities.	<ul style="list-style-type: none"> a. Immediate conclusion of the Subsidy Audit by February 2022. b. Taking up the issue of accounts receivable with the respective stakeholders immediately after the conclusion of the Subsidy Audit.

FINANCE DIVISION:

FUNCTION	GOAL	KPI's for CFY
Investments.	To maximize Returns within Policy Framework.	To ensure periodic investments of quarterly savings and rollovers, in recognized commercial banks as per approved Investment Policy framework, at the best competitive rates offered over and above SBP policy rate.
Commodity Finance	To minimize Financing Cost for procurement of commodities.	To ensure periodic borrowings from commercial banks based on existing receivables and new ECC decisions at the best competitive rates offered at the pricing structure based on 3 months KIBOR.
Statutory / Internal/ Government Audits	To ensure statutory and regulatory compliance.	To complete all audits within the timelines provided by law and approved policies and respond to the queries of auditors within best practice framework.
Books of Accounts	To ensure proper and orderly bookkeeping and reporting of Accounts.	(a) To ensure timely recording of transactions keeping balance with operational activities and priorities and reporting on quarterly basis to BOD balancing the timelines with Annual and Half Yearly audits. (b) To resolve matter pertaining to Finance in relation to ERP in consultation with IT in the most efficient and timely manner
Taxation	To minimize tax payments and resolution of legal cases balancing long term and short-term priorities.	(a) Minimize tax payments (tax savings credits) within the requirements of law. (b) Efficient management of legal cases balancing the short term and long-term interests of the organization.
Budgeting	To ensure timely budgeting of the organization and its functions in line with objectives of the organization.	To ensure the preparation, finalization and uploading in ERP of the organizational budget up to the Head of Account level, before start of the Financial Year on July 1 st .

LOCAL COMMODITY PROCUREMENT AND QUALITY ASSURANCE DIVISION:

FUNCTION	GOAL	KPI's for CFY
Local Commodities Procurement	To ensure procurement and sale of locally produced commodities i.e., Lint Cotton, Rice and Sugar.	a) To formulate procurement manuals for procurement of locally produced commodities within three months (by Feb, 2022) in light of previous local procurement operations carried out by TCP based on ECC/Federal Government instructions. b) To formulate Terms and Conditions/Manual/SoPs for sale of locally procured commodities in the light of past sale experience based on the ECC/Federal Government instructions, within three months (by Feb, 2022).

Inspection of Basmati Rice and Issuance of Authenticity Certificates	To ensure proper inspection of Basmati Rice timely and issuance of Authenticity Certificates meant for increasing export of rice to European Union Countries (EU).	<ul style="list-style-type: none"> a) Review of existing Basmati Rice inspection manual/SoPs within three months (by Feb, 2022). b) To ensure timely inspection for issuance of Authenticity Certification as per SoPs/manual, within three days of receiving the application for inspection from exporters. c) Review/upgradation of existing software application system on quarterly basis with a view to make it user friendly.
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Internal Audit and Inspection Division:

FUNCTION	GOAL	KPI's for CFY
Internal Audit	To assists TCP in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management and internal controls.	<ul style="list-style-type: none"> 1. Formulate and Implement annual internal audit plan covering auditable components of the Organization based on risk assessment. 2. Reporting significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by the Board 3. Appropriate follow-up on audit findings and recommendations. 4. Review of Audit charter. 5. Assess the training needs of internal audit personnel and recommend it to audit committee.
Government Audit/ PAC and DAC matters	<p>To co-ordinate for meetings of Departmental Accounts Committee (DAC) and Public Accounts Committee (PAC).</p> <p>Liaison with the Government audit team as and when may be deputed by respective field audit office of the Auditor General of Pakistan (AGP).</p>	<ul style="list-style-type: none"> 1. Compilation and issuance of working paper containing replies (as obtained from concerned executive divisions with necessary vetting in internal audit) of DPs/Audit Paras after in-house meeting(s). 2. Follow up with concerned executive divisions for compliance with the directives of the DAC and PAC for resolving the audit observations. 1. Arranging auditable record from the concerned executive Divisions. 2. Arranging reply of Observation Memos (OMs) from concerned executive divisions with necessary input of audit received from audit teams.

Company Secretary:

FUNCTION	GOAL	KPI's for CFY
Statutory Compliance	Corporate compliance with SECP and Governmental Rules/Policies and Procedures.	<ul style="list-style-type: none"> 1. Ensure 100% compliance with corporate governance rules. 2. Review of Articles of Association.

Board Matters	<p>Compliance with BoD directives and ensuring trainings of the BoD members as required under corporate governance rules.</p> <p>Development of Policy manuals and Organogram (with JDs) for all tiers in TCP</p>	<ol style="list-style-type: none"> 1. To ensure that all proceedings of the Board are in order and compliance with laws and regulations. 2. Compliance with directives of the BoD. 3. Arranging refreshers for BoD members on annual basis on all updates in the regulatory framework for PSEs. <p>Development of TCP's Organogram and Policy manuals for:</p> <ol style="list-style-type: none"> 1- HR 2- Operations 3- Investment 4- Whistleblowing 5- Procurement 6- Real Estate Management 7- Internal Audit Manual 8- Claim settlement policy and procedures 9- RPT Policy 10- CSR Policy 11- Credit Policy 12- Health, Environmental and Safety Policy.
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ADMIN & COORDINATION DIVISION:

FUNCTION	GOAL	KPI's for CFY
Physical infrastructure	<p>To ensure adequate availability of physical infrastructure for carrying out functions of the Corporation.</p> <p>Digitization/archiving of record.</p> <p>e-file system in TCP.</p>	<ol style="list-style-type: none"> a) To carryout quarterly need assessment maintenance and upgradation of physical infrastructure including fixed assets and logistics. b) To execute contracts for maintenance and improvement/upgradation of physical infrastructure and fixed assets, within 30 days of the need assessment. <p>Digitization of all archives and record of TCP in FY 2022.</p> <p>Shifting to total e-filing system by end of FY 2022 in TCP.</p>
Availability of Technical infrastructure	<p>To ensure adequate automation of various processes for enhanced transparency and productivity.</p> <p>Digitization of all record, current and old.</p>	<ol style="list-style-type: none"> a) Switching over to paperless working environment by transforming at least two Divisions in a month to e-Office system, including training of staff. b) Scanning of old record (about 5000 files) by the June, 2022. c) Scanning of current/active files/record by June, 2022. d) Monthly reviews of ERP system and implementing necessary protocols for its effective working.
Supplies	<p>To meet administrative and logistic requirement/needs of Corporation.</p>	<p>To ensure annual procurement of supplies by February each year, at the best competitive prices, as per PPRA Rules.</p>
Co-ordination	<p>Data/information sharing with stakeholders to meet business objectives of Corporation.</p>	<p>Internal co-ordination with all Divisions to gather information/data requisitioned by Ministry or other organizations and timely transmission thereof, within stipulated time or one week of the receipt of requisition, whichever is earlier.</p>