PIDC

PAKISTAN INDUSTRIAL DEVELOPMENT CORPORATION

BUSINESS PLAN
(2026-2029)

Industrialisation • Investment • Innovation

BUSINESS PLAN AND STATEMENT OF CORPORATE INTENT

FY 2026–27 to FY 2028–29

Prepared pursuant to section 8 and Schedule III of the State-Owned Enterprises (Governance and Operations) Act, 2023, the SOE Ownership and Management Policy, 2023, and the CMU Guidelines for Business Plans and Statements of Corporate Intent.

State-Owned Enterprise	Pakistan Industrial Development Corporation (Private) Limited
Line Ministry	Ministry of Industries & Production
Planning period	FY 2026–27 to FY 2028–29
Approval forum	Board of Directors
Review cycle	Annual review with rolling three-year update

Board Approval

Board meeting	169th Board Meeting
Date of approval	16th June 2026

Contents

1. Executive Summary

PIDC is a wholly owned Federal Government company with a historically significant industrial-development mandate. Having moved beyond its earlier role of establishing and divesting industrial undertakings, PIDC is now positioned to become the Federal Government's specialised platform for industrial infrastructure, investment mobilisation, sector development and industrial policy support.

For the 2026–2029 planning period, PIDC will retain Special Economic Zone and industrial-estate development as its core commercial activity, while deliberately broadening its role into industrial facilitation, strategic project development, technology partnerships and sector intelligence. This expansion will be undertaken through commercially disciplined and partnership-based models rather than through unfunded balance-sheet exposure.

The plan gives priority to Karachi Industrial Park, Bin Qasim Industrial Park and Rachna Industrial Park; mobilisation of private co-developers and anchor investors; creation of an Industrial Research and Investment Cell; development of an Industrial Innovation and AI platform with leading universities; and rationalisation of subsidiaries and legacy assets. Public service obligations will be separately identified, costed and funded or compensated by Government.

The financial outlook remains positive. Based on management projections, PIDC is expected to remain profitable throughout the planning period, with profit after tax rising from Rs 1,429 million in FY 2026–27 to Rs 1,715 million in FY 2028–29. The balance sheet is projected to remain unleveraged, with total assets reaching approximately Rs 45.7 billion by FY 2028–29.

Strategic priorities for the planning period

- Deliver phased development and commercialisation of PIDC's industrial zones, particularly Karachi Industrial Park.
- Mobilise private and foreign capital through co-development, joint ventures, SPVs, long-term leases, REITs and other bankable structures.
- Develop a pipeline of strategic, export-oriented and import-substituting industrial facilitation projects without duplicating the statutory role of sector regulators.
- Build in-house capacity for industrial research, project preparation, transaction structuring and investor aftercare.
- Protect PIDC's financial sustainability through disciplined capital allocation, explicit treatment of public service obligations and prudent dividend decisions.
- Strengthen Board oversight, measurable performance reporting, risk management and compliance with the SOE governance framework.

2. Corporate Profile and Legal Context

2.1 Name and ownership

Pakistan Industrial Development Corporation (Private) Limited ("PIDC") is wholly owned by the Government of Pakistan and is assigned to the Ministry of Industries & Production as its line Ministry.

2.2 Establishment and evolution

PIDC was established on 19 April 1950 under the Pakistan Industrial Development Corporation Act, 1950 to promote industrial development in a country that had inherited a limited industrial base. It played a pioneering role by establishing industrial undertakings across multiple sectors, demonstrating commercial viability and enabling subsequent private-sector participation. Most of those undertakings were later divested, transferred or liquidated.

PIDC now operates as a company under the Companies Act, 2017 and is governed, inter alia, by the State-Owned Enterprises (Governance and Operations) Act, 2023 and the SOE Ownership and Management Policy, 2023. During 2005–2007, PIDC sponsored a number of specialised entities to support SMEs through technology access, skills development and common facility centres. Subsequent restructuring has resulted in the merger of National Industrial Parks Development & Management Company, Furniture Pakistan and the Industry Facilitation Centre into PIDC, strengthening its institutional platform and asset base.

2.3 Current business

- Development, operation and management of Special Economic Zones, industrial parks and industrial estates.
- Development and provision of industrial infrastructure, utilities coordination, common facilities and investor facilitation.
- Mobilisation of private, foreign and institutional capital for industrial projects and infrastructure.
- Management of investment properties, financial investments, dividends, rentals and other recurring income streams.
- Preparation and facilitation of strategic industrial projects, subject to commercial viability and Government policy.

2.4 Scope of this SCI

This Statement of Corporate Intent covers PIDC and the activities carried out through its controlled projects, branches and special-purpose arrangements. Separate legal entities in which PIDC has an ownership interest will remain subject to their own Boards and statutory obligations, while PIDC will exercise shareholder oversight consistent with law and Government policy.

3. Corporate Purpose, Vision and Mission

3.1 Corporate purpose

To serve as the Federal Government's specialised industrial development institution by de-risking industrial investment, developing competitive industrial infrastructure, catalysing priority manufacturing and supporting Pakistan's transition towards export-oriented, technology-driven and value-added industrial growth.

3.2 Vision

To be Pakistan's leading Federal industrial development institution, enabling globally competitive industrial infrastructure, strategic manufacturing, technology transfer and export-led industrialisation.

3.3 Mission

To develop and manage world-class industrial zones, mobilise domestic and foreign investment, facilitate strategic industries and provide industrial policy intelligence to Government, while operating with commercial discipline, transparency and measurable contribution to national industrial growth.

3.4 Operating principles

Principle	Application
Commercial discipline	Projects will be subject to technical, legal, financial and economic appraisal, with clear funding and exit arrangements.
Additionality	PIDC will intervene where it can address market failure, infrastructure gaps, coordination failure or strategic national need.
Private-sector orientation	PIDC will catalyse and crowd in private investment rather than displace commercially capable private firms.
Federal–provincial coordination	Projects will be developed in coordination with provincial authorities, regulators and utility providers.
Transparency and competition	Land, concessions, co-development opportunities and partnerships will follow approved, transparent and competitive processes, except where lawfully justified.
Measurable impact	Performance will be tracked through financial, operational, investment, employment, export and governance indicators.

4. Strategic Direction and Objectives

Objective 1 — Establish PIDC as the Federal industrial-zone developer

Develop, operate and expand federally sponsored SEZs and industrial estates, with particular focus on Karachi Industrial Park, Bin Qasim Industrial Park and Rachna Industrial Park. PIDC will provide an integrated platform for land development, infrastructure, utilities coordination, investor facilitation and zone management.

Objective 2 — Develop Karachi Industrial Park as the flagship Federal SEZ

Implement KIP in phased and commercially manageable blocks through Government-funded trunk infrastructure, PIDC-led master planning and project governance, and private co-developer or anchor-investor participation in internal infrastructure and industrial development.

Objective 3 — Expand into industrial facilitation and project development

Identify non-traditional export opportunities, import-substituting industries and strategic manufacturing projects; undertake pre-feasibility and feasibility work; and partner with credible private and foreign investors to help establish foundational or anchor projects.

Objective 4 — Establish an Industrial Research and Investment Cell

Create a focused internal team of economists, engineers, financial analysts and sector specialists to prepare sector opportunity papers, project concepts, investment cases, policy notes, investor pitches and joint-venture proposals, particularly for non-engineering sectors not covered by existing specialised institutions.

Objective 5 — Mobilise private and foreign capital

Use PIDC's land bank, investment properties, mandate and project pipeline to structure joint ventures, co-developer arrangements, PPPs, long-term leases, industrial infrastructure REITs, SPVs and partnerships with international industrial-development institutions.

Objective 6 — Strengthen financial sustainability

Preserve and enhance recurring income from rentals, dividends, interest, leases, project income and service charges; maintain positive operating cash flows; and avoid unfunded mandates and excessive balance-sheet risk.

Objective 7 — Improve governance, transparency and accountability

Align corporate planning, performance monitoring, internal controls, procurement, disclosure and Board reporting with the SOE Act, SOE Policy, Companies Act and applicable SECP and Government requirements.

Objective 8 — Rationalise subsidiaries and legacy assets

In coordination with the line Ministry and competent forums, evaluate merger, restructuring, strategic use or liquidation of wholly owned and legacy entities, including Sindh Engineering Limited and Republic Motors Limited, based on legal, commercial and public-interest considerations.

Objective 9 — Establish an Industrial Innovation and AI platform

Develop a collaborative platform initially with NUTECH, NED University and other leading institutions to strengthen industry–academia linkages, improve industrial productivity, support applied AI and automation, and provide shared innovation and problem-solving facilities for industry.

5. Business Goals and Performance Framework

5.1 Three-year business goals

Area	Business goal
Industrial zones	Advance KIP, BQIP and Rachna Industrial Park through approved development, infrastructure and commercialisation milestones.
Investment mobilisation	Secure credible domestic and foreign investment commitments for PIDC-managed projects and zones.
Co-development	Structure and competitively procure co-development blocks for KIP, consistent with applicable approvals and Government decisions.
Strategic industries	Develop a qualified pipeline of projects in batteries and storage, EV value chains, minerals value addition, technical textiles, agro-processing and other non-traditional sectors.
Financial sustainability	Remain profitable, preserve liquidity and avoid unfunded liabilities or imprudent leverage.
Research and project preparation	Operationalise the Industrial Research and Investment Cell and produce decision-grade sector and project outputs.
Innovation	Establish the institutional and operating framework for the Industrial Innovation and AI platform.
Governance	Implement annual business plans, SCI targets, risk registers, quarterly performance reviews and timely statutory reporting.
Investor facilitation	Provide coordinated single-window and aftercare support within PIDC-managed zones.
ESG and resilience	Integrate resource efficiency, environmental compliance and climate-resilient infrastructure into new developments.

5.2 Key performance indicators

KPI category	Measure	Frequency
Zone development	Acres master-planned, infrastructure completed, serviced, leased/allotted or concessioned; milestone delivery against approved project schedules.	Quarterly
KIP implementation	Master-plan, Block-A, trunk-infrastructure and co-developer transaction milestones.	Quarterly
Investment mobilisation	Value of investment commitments, executed agreements and realised investment.	Quarterly
Private capital leverage	Private capital mobilised relative to PIDC/Government capital committed.	Annual
Revenue and profitability	Revenue by source, operating profit, profit before tax, profit after tax and operating cash flow.	Quarterly
Investor conversion	Qualified leads, applications, approvals, executed agreements and operational enterprises.	Quarterly
Employment and exports	Estimated direct employment and export/import-substitution potential enabled by PIDC projects.	Annual

KPI category	Measure	Frequency
Research output	Sector studies, feasibility reports, policy notes, project concepts and investor pitches completed and acted upon.	Quarterly
Governance	Timeliness of audited accounts, business plan, SCI, procurement plan, risk register and compliance reporting.	Quarterly
Sustainability	New projects incorporating wastewater, energy efficiency, renewable options, resilient drainage and environmental monitoring.	Annual

6. Strategy and Operating Model

Pillar 1 — Industrial infrastructure development

Plan and develop industrial zones on the basis of market demand, logistics, sector clustering, utility availability and investor requirements. Karachi-based projects will leverage port proximity, industrial ecosystems and national transport corridors.

Pillar 2 — Co-development and partnerships for the Strategic KIP SEZ

Use co-developer and partnership models where private parties finance and deliver internal infrastructure or sector-specific facilities. PIDC will retain strategic control over master planning, land use, investor eligibility, development standards, timelines and compliance.

Pillar 3 — Sector-specific industrial promotion

Prioritise sectors with export potential, import substitution, technology transfer, local raw-material linkages, employment generation and realistic prospects of private investment without recurring subsidy dependence.

Pillar 4 — Financial and transaction structuring

Use long-term leases, concessions, SPVs, REITs, project finance, blended finance and JV equity only where risk allocation, returns, governance and exit arrangements are demonstrably sound.

Pillar 5 — Institutional strengthening

Build capability in project finance, transaction advisory, engineering supervision, contract management, investor relations, policy research, and monitoring and evaluation.

7. Financing, Capital Allocation and Dividend Policy

7.1 Financing intent

PIDC will avoid material balance-sheet borrowing unless it is linked to a bankable project with identifiable cash flows and an acceptable risk-adjusted return. Financing may include project-specific borrowing, Government-supported infrastructure funding, SPV-level debt, co-developer finance, development-finance institution funding, climate finance and capital-market structures.

7.2 Capital allocation hierarchy

- Statutory obligations, working capital and committed project requirements.
- Maintenance and completion of existing industrial infrastructure.
- Board-approved high-priority projects aligned with export-led growth.
- Strategic reserves and liquidity buffers.
- Dividend distribution, subject to law, Government policy and Board recommendation.

7.3 Dividend policy

PIDC will recommend dividends after considering profitability, distributable reserves, liquidity, approved capital expenditure, project commitments, debt obligations, working-capital requirements and the need to preserve financial resilience. Dividend decisions will comply with the Companies Act, applicable Government policy and shareholder directions. Retained earnings required for approved industrial-development projects will be clearly justified to the shareholder.

7.4 Accounting policies

Financial statements will be prepared in accordance with applicable International Financial Reporting Standards as adopted in Pakistan, the Companies Act, 2017, relevant SECP requirements, the SOE Act and Government reporting requirements. Appropriate accounting treatment will be applied to development properties, investment properties, financial investments, Government grants, subsidiaries, associates, joint arrangements and special-purpose vehicles.

8. Public Service Obligations

PIDC may be directed to undertake activities that have strategic or socio-economic value but do not meet normal commercial return thresholds. Such activities will be treated as public service obligations ("PSOs") and will not be allowed to obscure the commercial performance of PIDC.

8.1 Potential PSOs

- Concessional land or infrastructure for a formally approved strategic industry.
- Development of industrial infrastructure in less-developed regions.
- Subsidised common facilities, SME support, training or technology centres.
- Projects undertaken at Government direction for national security, resilience or regional-development objectives.

8.2 PSO governance

- The policy objective, beneficiaries and service standard will be defined in writing.
- The full direct and indirect cost, funding source and compensation mechanism will be identified before commitment.
- PSO assets, revenues, expenses and performance will be separately tracked and disclosed.
- Any under-compensation or contingent liability will be reported promptly to the Board, line Ministry and CMU.

9. Governance, Risk and Reporting

9.1 Governance commitments

- Maintain a rolling three-year business plan and SCI, updated annually.
- Approve annual financial and non-financial targets and assign management accountability.
- Submit quarterly performance reports to the Board and required reports to the line Ministry and CMU.
- Maintain timely audited financial statements and statutory filings.
- Ensure Board oversight of major capital projects, land transactions, partnerships, JVs and related-party matters.
- Maintain transparent procurement, contract management, internal audit and whistleblowing arrangements.
- Evaluate Board and management performance in accordance with the SOE governance framework.

9.2 Principal risks and mitigation

Risk	Primary mitigation
Land title and encumbrances	Complete legal due diligence, cadastral verification and clear possession before project commitment.
Utilities and external infrastructure	Secure documented utility plans, cost-sharing arrangements and delivery milestones at the planning stage.
Construction delay and cost escalation	Use realistic estimates, contingencies, milestone-linked contracts, independent supervision and change-control procedures.
Demand and colonisation risk	Phase development, obtain anchor commitments, validate pricing and avoid speculative overdevelopment.

Risk	Primary mitigation
Pricing or allotment interference	Use Board-approved commercial policies, documented valuation and compliance with applicable SEZ and public-sector requirements.
Investor or co-developer default	Apply pre-qualification, performance security, step-in rights, milestones and termination remedies.
Regulatory change	Maintain structured engagement with BOI, SEZ authorities, regulators, SIFC and provincial Governments.
Unfunded Government direction	Apply the PSO framework and seek explicit funding or compensation before commitment.
Liquidity and balance-sheet stress	Use phased development, ring-fenced SPVs and project-level finance; maintain liquidity thresholds.
Governance and integrity	Strengthen Board committees, internal controls, conflict-of-interest management, procurement transparency and internal audit.

10. Sustainability and Stakeholder Engagement

10.1 Sustainability and ESG intent

PIDC will progressively integrate environmental, social and governance considerations into project selection, design, procurement, construction and operation. New industrial developments will address wastewater treatment, drainage, solid-waste management, energy efficiency, renewable-energy options, occupational safety, worker facilities, green buffers and environmental compliance by zone enterprises.

PIDC will develop a proportionate sustainability-reporting roadmap aligned with applicable regulatory requirements and, where relevant, the principles of IFRS S1 and IFRS S2. Initial priority will be given to material risks and metrics for large projects such as KIP and BQIP.

10.2 Stakeholder engagement

PIDC will maintain structured engagement with the Ministry of Industries & Production, Finance Division/CMU, Board of Investment, SIFC, Planning Commission, provincial SEZ authorities, SECP, FBR, utility providers, regulators, industry associations, chambers, investors, co-developers, development-finance institutions, multilateral partners, universities and local communities.

11. Indicative Financial Plan

The following financial projections are based on management estimates available at the time of preparation. They will be updated through the annual budget process and do not constitute a guarantee of results. Amounts are in Rs million.

11.1 Profit and loss outlook

Rs million	FY25 Actual	FY26 Est.	FY27 Proj.	FY28 Proj.	FY29 Proj.
Revenue	3,524	3,094	3,034	3,193	3,649
Expenditure	(686)	(746)	(820)	(902)	(992)
Operating profit	2,838	2,348	2,214	2,291	2,657
Other income / (charges)	(28)	145	(5)	(6)	(6)
Profit before tax	2,810	2,493	2,209	2,285	2,650
Taxation	(987)	(1,040)	(780)	(807)	(935)
Profit after tax	1,824	1,453	1,429	1,479	1,715

11.2 Balance-sheet outlook

Rs million	FY25 Actual	FY26 Est.	FY27 Proj.	FY28 Proj.	FY29 Proj.
ASSETS					
Development properties	4,987	6,551	12,813	16,609	15,663
Long-term investments	7,434	8,148	8,527	8,934	9,362
Short-term investments incl. banks	12,658	13,558	12,214	10,169	11,702
Other assets	5,164	8,497	8,383	9,758	8,979
Total assets	**30,243**	**36,755**	**41,938**	**45,470**	**45,706**
EQUITY AND LIABILITIES					
Paid-up capital	906	906	906	906	906
Merger reserve	2,334	2,334	2,334	2,334	2,334
Accumulated profit / loss	21,922	23,980	25,697	27,476	29,625
Advances, deposits and trade payables	1,771	1,900	1,929	1,959	1,990
Other liabilities	207	155	203	170	221
Deferred Government grants	3,105	7,480	10,869	12,625	10,630
Total equity and liabilities	**30,243**	**36,755**	**41,938**	**45,470**	**45,706**

11.3 Financial interpretation

- PIDC remains profitable throughout the planning period.
- Profit after tax is projected to increase by approximately 20% between FY 2026–27 and FY 2028–29.
- Development properties rise substantially during the construction phase, reflecting the planned project pipeline.
- Short-term investments decline as internal funds are deployed into development projects, before partially recovering in FY 2028–29.
- The balance sheet remains predominantly equity- and grant-funded, with no material interest-bearing borrowing reflected in the projections.

12. Formal Statement of Corporate Intent

Pakistan Industrial Development Corporation shall operate as the Federal Government's specialised industrial development institution for planning, developing, managing and catalysing industrial infrastructure, Special Economic Zones, industrial estates and strategic manufacturing initiatives. PIDC shall pursue commercially disciplined,

transparent and partnership-based models to mobilise public and private investment, promote export-oriented and import-substituting industries, support technology transfer and provide evidence-based industrial policy and project-development support to Government.

During FY 2026–27 to FY 2028–29, PIDC shall prioritise the phased development and commercialisation of Karachi Industrial Park, Bin Qasim Industrial Park and Rachna Industrial Park; mobilisation of co-developers, anchor investors and strategic partners; establishment of an Industrial Research and Investment Cell and an Industrial Innovation and AI platform; fostering industry-academia linkages; and rationalization of subsidiaries and legacy assets. PIDC shall preserve financial sustainability, maintain robust governance and risk controls, and undertake public service obligations only where they are clearly identified, approved, costed and funded or compensated by Government.

Annex A — Three-Year Implementation Matrix

Initiative	Key deliverable	Lead responsibility	Timing
KIP master planning and phased development	Approved master plan; Block-A and trunk-infrastructure milestones; commercialisation plan.	Project Director	FY27–FY29
KIP co-developer transaction	Transaction structure, approvals, competitive process and executed agreement(s).	PIDC/Federal SEZA/BOI	FY27–FY28
BQIP completion and operations	Complete remaining infrastructure, establish sustainable operations and investor service model.	Project Director	FY27
Rachna Industrial Park commercial plan	Resolve pricing and commercial framework; accelerate investor uptake and utility rationalisation.	Marketing	FY27
Industrial Research and Investment Cell	Approve structure, recruit/redeploy core team and publish annual work programme.	CEO / HR	FY27
Strategic-project pipeline	Prepare and market bankable project concepts in selected priority sectors.	Research Cell / Business Development	FY27–FY29
Industrial Innovation and AI platform	Agree university partnerships, operating model, location, funding and initial programme.	Research & Analysis team / HR / Partner Universities	FY27–FY28

Initiative	Key deliverable	Lead responsibility	Timing
Subsidiary rationalisation	Complete legal, financial and strategic review and submit recommendations to competent forums.	BD Committee & Board	FY27–FY28
SOE governance and reporting	Annual SCI and business plan; quarterly KPI dashboard; risk register; compliance calendar.	Company Secretariat / Finance / Internal Audit	Ongoing
ESG roadmap	Establish material metrics and integrate ESG requirements into major projects and contracts.	Projects / ESG Committee	FY27–FY29

Annex B — Financial Assumptions and Notes

- FY 2024–25 figures are actual; FY 2025–26 figures are management estimates; FY 2026–27 to FY 2028–29 figures are projections.
- Development-property movements reflect expected project expenditure and the timing of project completion, sales, leases or reclassification.
- Long-term investment growth reflects expected returns and valuation/retention assumptions used by management.
- Deferred Government grants correspond to eligible project expenditure and the expected recognition profile.
- The projections should be sensitivity-tested annually for construction inflation, project delays, changes in interest rates, land monetisation, dividend decisions and tax treatment.
- Project-specific financing, guarantees or contingent liabilities not yet approved should not be incorporated into the corporate forecast until formally sanctioned.