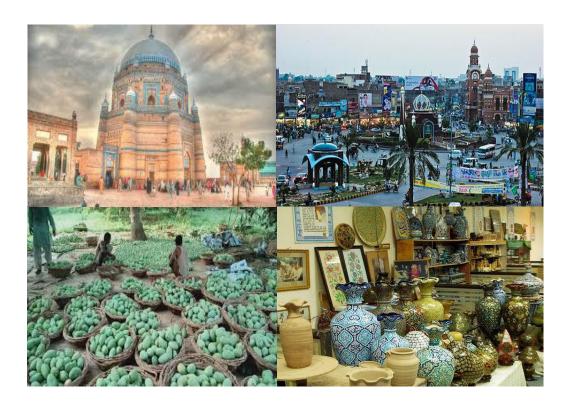


SME Business Facilitation Center (SMEBFC), Multan



District Economic Profile and Investment Opportunities (Multan)

(**December**, 2020)



SMEBFC-Multan OFFICE Room No. 09, 1st Floor, Trust Plaza, LMQ Road, Multan

Tel: (92 61) 6800822 www. smebfcmultan.com

SMEDA, HEAD OFFICE

4th Floor, Building No. 3, Aiwan-e-Iqbal Complex, Egerton Road, Lahore

Tel: (92 42) 111 111 456, Fax: (92 42) 36304926-

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helpdesk@smeda.org.pk www.smeda.org.pk

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1. Introduction:

Multan is a city and capital of Multan Division located in Punjab, Pakistan. It is located on the bank of the Chenab River. Multan is Pakistan's 7th largest city and is the major cultural and economic centre of Southern Punjab. City District Multan is one of the oldest cities in the Indian subcontinent. Its modern name comes from its Sanskrit name Mulasthan. It has seen a lot of warfare because of its location on a major invasion route between South Asia and Central Asia. It is also famous for its Sufi shrines¹. It is lying between 30.2°N and 71.45°E, Multan District is located at a bend created by five confluent rivers at an altitude of 215m (740 feet) above sea level. The Sutlei



separates it from Bahawalpur District and the Chenab from Muzaffargarh District. District Multan is surrounded by the District of Khanewal on the North and North East, Vehari District on East and District of Lodhran on the south. The River Chenab passes on its western side and across which lies the District of Muzaffargarh. Administratively City District of Multan is divided into following six towns²:

- 1. Bosan Town
- 2. Shah Ruken-e-Alam Town
- 3. Mumtazabad Town
- 4. Sher Shah Town
- 5. Shujabad Town
- 6. Jalalpur Pirwala Town

Multan is linked with other parts of the country by road, rail and air routes. N-5 passes though Multan linking it almost to the entire country while the main Peshawar-Karachi rail road passes through Multan District. It has an extreme climate. The extreme temperature of Multan in summer is 49°C and 1°C in winter. The average rainfall is 127 mm. The land of the district is plain and fertile.

This document provides information about district Multan in respect of population, manpower, production of agriculture crops, fruits, vegetables, livestock, infrastructural facilities such as technical/vocational training facilities, communication network, power/gas supply, telecommunication, industrial estates, dry ports and major industrial units. Multan has a growing consumer market, abundant manpower / labor force and cheap raw material. The document identifies various potential investment opportunities in the district and also lists out various business support institutes / organizations working in this region.

² http://www.mda.gop.pk/aboutmultan_menu.php



¹ http://en.wikipedia.org/wiki/Multan#See_also, https://www.ecp.gov.pk

2. Geographic and Demographic Situation:

2.1. Geographical Situation:

2.1.1. Total Area³:

District Multan is spread over an area of 3,721 Square Kilometers and comprises of the following Tehsils:

- 1. Multan Cantonment
- 2. Multan Sadar
- 3. Shujabad
- 4. Jalalpur Pirwala

2.1.2. Area under Cultivation⁴:

Total cultivated area of District Multan is 302,198 Hectare. This includes the land under crops, orchards as well as current fallow.

2.1.3. Geographical Indications⁵:

Following are the important geographical indications of the district:

- Mango (Chonsa, Anwar Ratol & Dosahri)
- Multani Sohan Halwa
- Kashi Gari (Blue Pottery)
- Multani Khussa
- Camel Skin Lamps

2.2. Demographic Situation:

2.2.1. Urban Population⁶:

The total estimated urban population of Multan district is 2,058,290 persons out of which 1,061,406 are male and 996,779 are female. The average annual growth rate is 1.94 %.

2.2.2. Rural Population⁷:

The total estimated rural population of Multan district is 2,686,819 persons out of which 1,376,006 are male and 1,310,725 female. The average annual growth rate is 2.47 %.

2.2.3. Total Households⁸:

The total estimated number of the households units of Multan District is 760,858 out of which, 330,874 units exist in urban areas and 429,984 units in rural areas and the average household's size is 6.5 persons.

⁸ Population Census Wing, Pakistan Bureau of Statistics



³ Population Census Wing, Pakistan Bureau of Statistics

⁴ Punjab Development Statistics, 2019

⁵ Industries, Commerce & Investment Department, Punjab

⁶ Population Census Wing, Pakistan Bureau of Statistics

⁷ Population Census Wing, Pakistan Bureau of Statistics

3. Human Resource Availability:

This section discusses the statistics related to labour force, skilled labour, semi-skilled labour and unskilled labour.

3.1. Total Labour Force⁹:

The labour force comprises all those who work for gain, whether as employees, employers, or as self-employed, and it includes the unemployed who are seeking work. The total estimated working age population of District Multan is 2,200,000 out of which total estimated labour force is 1,380,000. The labour force participation rate is $34.5\%^{10}$. About 47% of this labour is involved in agriculture, 16.3% in industry and the remaining 36.6% in other services. The unemployment rate in the district is 3.36%.

3.2. Skilled Labour¹¹:

As regards availability of skilled human resource, there are 18 technical / commercial / vocational institutions (10 for men, 8 for women) imparting training in various trades e.g. commerce, hand / machine embroidery, carpet weaving, textile spinning, textile weaving, carpentry, mechanical, civil, chemical, electrical, electronics, welding, plumber, computer operators, beautician, cooking & baking, agricultural sciences, laboratory analyst, dress designing & making, fashion designing, tunnel farming, refrigeration & air-conditioning and engineering etc. Total 15,817 technicians/artisans/workers are graduated during 2009 to 2016 from technical / commercial / vocational institutions of district Multan. The current statistics is that in all about 7,485 skilled workers are trained every year in different trades.

3.3. Semi-Skilled Labour:

The estimated semi-skilled labour in the district is round about 450,000. Some semi-skilled labour jobs in the district are retail salespersons, security guard, drivers, nurse's assistant, fisherman, waiters etc.

3.4. Unskilled Labour¹²:

Only 47 % of the total population of district Multan completed the primary education. Therefore, the ratio of unskilled labour is more than skilled labour in the district. The estimated unskilled labour in the district is round about 550,000. This provides an opportunity to setup a labor intensive small and medium sized business.

4. Infrastructural Facilities:

4.1. Communication System:

The District has well established communication network. The detail is as following:

4.1.1. Telecommunication Services:

¹² Labour Force Survey, 2015



S M E D A

⁹ Pakistan Bureau of Statistics

¹⁰ Labour Force Survey, 2015

¹¹ http://www.tevta.gop.pk/

There are 32 telephone exchanges operating in the district, ranging in capacities from 50 lines to 32,000 lines. There are a number of Cellular companies operating in the district including Mobilink, Zong, U phone, Telenor and Warid.

4.1.2. Post Office Services:

There are 26 Government post offices. Beside these many private national and international courier services are also providing their services in the district.

4.2. Road, Rail and Air Network:

4.2.1. Road Network:

The total metalled road length is 3,024.40 Kilometers. The District is linked with Khanewal, Lodhran, Vehari and Muzaffargarh districts through metalled road. The details are given below in the table.

Table 1: Metalled Roads Length¹³

(Kilometers)

National Highways	Motorways	Provincial Highways	Total
578	56	2390.40	3024.40

4.2.2. Rail Network:

There are thirteen (13) railway stations in the district. The main Peshawar-Karachi railway line passes through Multan district. It is linked with Khanewal, Lodhran and Muzaffargarh districts through railway network.

4.2.3. Air Network:

There is an international Airport located at Multan City; the airport caters both International & Domestic flights. It is situated 4 km west of the city.

4.3. Utilities:

4.3.1. Electricity supply:

There are 13 grid stations in the district ranging in capacity from 66 KV to 132 KV.

4.3.2. Natural Gas:

Natural gas is available in all the Tehsils of Multan district.

4.3.3. Water¹⁴ and Sanitation:

Water and Sanitation Agency (WASA) is primarily responsible for water and sanitation. It is facilitating 60% of the population by producing and supplying at least 31.5 million gallons of drinking water daily. People themselves by their own means are producing at least 12-million-gallon water per day. In this way, WASA has to collect, lift and dispose 43.5 million gallons of sewage daily through its sewer network and Disposal Stations.

¹⁴ http://multan.pk/wasa/



¹³ Punjab Development Statistics, 2019, National Highway Authority, Lahore

4.4. Social Infrastructure Availability:

4.4.1. Educational Institutions:

The details of the educational institutes are as following:

Table 2: Education Institutions in District Multan (2018-19)¹⁵

(Numbers)

Primary & Middle Schools	High Schools	Higher Secondary Schools	Intermediate & Degree Colleges	Post Graduate Colleges	Technical Institutes	Universities
1,217	174	62	57	10	36	13

4.4.2. Health Institutions:

The information of health institutes is given in the table below:

Table 3: Health Institutions in District Multan (2018-19)¹⁶

(Numbers)

Hospit	als	Dispens	spensaries R.H. Cs B.H. Cs Total		s Total	S.H. Centers		M.C.H Centers			
No.	Beds	No	Beds	No.	Beds	No.	Beds	No.	Beds	No.	Beds
16	2,276	52	0	11	160	88	164	11	60	18	0

4.4.3. Police Stations, Banks and Civil Courts¹⁷:

There are 32 police stations, 40 civil courts and 201 different bank branches in the district.

4.5. Industrial Estates¹⁸:

There is one Industrial Estate in the district. In 1960's approval was obtained by the Provincial Government to establish an Industrial Estate in the south of Punjab and 1,410 acres of land was acquired for this purpose. However, Government of Punjab decided to develop it into two phases. Phase-I comprising of 743 acres was developed & completed in 1980's whereas, 667 acres were planned to be developed subsequently as phase-II. All plots in phase-I were leased out for a period of 99 years to industrialists and some Govt. Institutions. Phase-II is located adjacent to Phase-I at a distance of approximately 17 km south west of Multan City. Phase-II spreads over an area of 667 Acres having 349 plots. Majority of plots are of sizes between ½ acre to 2 acres. However, there are some bigger plots to accommodate large industrialists as well

Multan industrial estate Phase-I & Phase-II comprises of Pesticides, Solvent Oil Extraction Plants, Steel/Fabrication, Ginning Factories, Wheat Value Added, Food Processing, Packaging, Paper & Board, Cold Storage, Wood Products, Dyeing & Printing, and Chemicals industries.

4.6. Dry Port:

Multan Dry Port Trust handles imports and exports of various items. The export items are cotton yarn, grey fabrics, shoes/leather products, textile made ups, garments, bed sheets, etc. The import items are high speed

¹⁸ https://pie.com.pk/multan-industrial-estate



¹⁵ Puniab Education Statistics, 2019

¹⁶ Punjab Development Statistics, 2019

¹⁷ Punjab Development Statistics, 2019

diesel oil, CKD kits for tractors, RBD palm oil, textile machinery / parts, chemicals, auto spare parts, vehicles, toys etc.

5. Agriculture and Livestock:

5.1. Agriculture Sector:

District Multan is playing a vital role in the agricultural sector of Punjab. A sizeable portion of population is engaged in agriculture sector especially in horticulture activities. Detail of the major crops, fruits and vegetables grown in this region is as followings:

5.1.1. Main Crops:

Wheat, Cotton and Sugarcane are the main crops grown in the district. Area and production of these crops during the period 2019-20 is given below:

Table 4: Main Crops of District Multan¹⁹

(Thousands)

Wheat		Co	otton	Sugarcane		
Area (Acres)	Production (Tones)	Area (Acres)	Production (Bales)	Area (Acres)	Production (Tones)	
471	612	347	495.14	11	234.85	

Besides, Rice, Maize, Jawar, Tobacco, Bajra, Moong, Mash, Masoor and Oil Seed such as Rape / Mustard and Sun Flower are also grown in minor quantities in the district.

5.1.2. Main Fruits:

Mango, Guava, Dates, Pomegranates and Citrus are main fruits grown in the district. Area and production of these fruits during the period 2019-20 is given below:

Table 5: Main Fruits of District Multan²⁰

(Thousands)

Ma	ngo	Pome	granate	Da	ites		Guava
Area	Productio	Area	Productio	Area	Productio	Area	Production
in	n	(Acre)	n	in	n	in	(Tones)
Acres	(Tones)		(Tones)	Acres	(Tones)	Acres	
75,000	397,507	1,060	2,551	240	694	475	1,106

Besides Jaman, Pears, Phalsa and Banana are also grown in minor quantity in the district.

5.1.3. Main Vegetables:

Potato, Onion, Carrot, Chilies, and Cauliflower are main vegetables grown in the district. The Area and production of these vegetables during the period of 2019-20 are given below in table:

Table 6: Main Vegetables of District Multan²¹

(Thousands)

		(210000000000)
Onion	Potato	Chilies

¹⁹ Directorate of Agriculture, Crop Reporting Service, Punjab

²¹ Directorate of Agriculture, Crop Reporting Service, Punjab



²⁰ Directorate of Agriculture, Crop Reporting Service, Punjab

Area (Acres)	Production (Tones)	Area (Acres)	Production (Tones)	Area (Acres)	Production (Tones)
6,000	28,394	6,050	67,673	3,280	2,326

Besides, Peas, Bitter Gourd, Ladyfinger, Tinda, Turnip, Garlic, Tomato etc. are also grown in the district in minor quantities.

5.2. Livestock:

Livestock is the second important economic activity in the district. Livestock is an important source of livelihood for the majority of the rural population. Livestock is marketed to other provinces. It is an important source of meat, milk, wool, hides and skins. Animals are also used to reach those areas where no transportation is available. The available livestock of Multan District is 1,345,700²². The major livestock species include goats, buffalos and sheep. The summary of the livestock statistics of district Multan is given below in the table:

Table 7: Livestock Statistics 23

(Numbers)

Cattle	Buffaloes	Sheep	Bullocks	Goats	Camels	Horses	Asses	Mules
342,000	262,000	63,000	6,190	432,000	1,161	1,524	8,526	589

5.2.1. Poultry Industry²⁴:

The poultry industry in the district is flourishing. At domestic level, poultry birds are raised to meet the domestic needs for eggs and meat. There are 1,160, broiler and 118-layer poultry farms in the district Multan having rearing capacity of 27,740 and 1,210 thousand birds respectively. There are also 4 breeding farms with rearing capacity of 468,000d birds.

6. Industry:

Multan is a commercial and industrial centre. Lying on the Grand Trunk (GT) road, it is well connected with the rest of the country through rail, road and air including other industrial hubs such as Lahore, Karachi, Quetta and Faisalabad. Industries include fertilizer, cosmetics, glass manufacturing, cotton production and processing, large textile units, flour mills, oil mills and large-scale power generation projects. It is famous for its handicrafts (carpets & ceramics) and cottage industries, cotton and mangoes. These units comprise of small industries mostly labor intensive in nature.

Table 8: Number of Registered Factories and Employment Level²⁵

No. of F	actories	Estimated Employment		
2017	2018	2017	2018	
456	481	32,602	33,079	

6.1 Small and Medium Enterprises:

The small and medium enterprises comprise of agriculture, livestock, small and medium sized manufacturing, auto & electric repair, bakeries, merchants, whole sellers, shoes, tailors and other shops.

²⁵ Punjab Development Statistics, 2019



²² Punjab Development Statistics, 2019

²³ Pakistan Bureau of Statistics, Bureau of Statics, Punjab

²⁴ Directorate of Poultry Research Institute, Punjab, Rawalpindi

Multan city is the main hub of trading in the district and major market for daily used items whether locally produced or coming from other parts of the country. These items are supplied to the rest of the district from here.

6.2. Cotton Ginning Factories:

In Punjab Province, the Multan division ranks at the top in the production of cotton. There is an abundant availability of raw material for cotton ginning factories in Multan District. There are 132 cotton ginning factories in District Multan²⁶that produce cottonseed, a by-product for oil mills. This is further processed into edible oil and cotton seed cake (used as animal feed). The ginners therefore operate as processors as well as traders concurrently, selling cottonseeds to oil mills through commission agents.

6.3. Cotton Textile Mills:

Cotton is the largest segment of textile production. Other fibers produced include synthetic fiber, filament yarn, art silk, wool, and jute²⁷. The Spinning Sector (output Yarn) is the back bone of the Pakistan's textile industry. ²⁸It comprises 523 textile units out of which 40 are composite units and 483 spinning units. More than 65% of textile units are in Punjab. Out of 523 textile units in Pakistan, 88 exist in District Multan which contributes a large share in cotton textile industry²⁹.

6.4. Rice Mills:

Pakistan is the world's 10th largest producer of rice. Exports make up more than 8% of world's total rice trade. The production of rice in the district Multan was 79.85thousandstonnes during the period of 2019-20. There are 75 number of rice mills in the district ³⁰ which fulfill the demand of local consumers as well as cover many other regions of the Punjab Province.

6.5. Flour Mills:

Pakistan is the largest country where wheat is the staple food of nearly entire population. Wheat Flour Mills of Pakistan have raised to the challenge of grinding up to half of 24 to 25 million tonnes of wheat harvested in the Pakistan every year. The largest concentration of Flour Mills is in the Punjab Province, which accounts for 66.78 percent of the total Flour Milling Industry in Pakistan. As wheat is the major crop of Multan district with the production of 612 thousand tonnes during the period of 2019-20. There are 52 Flour Mills working in the district³¹.

6.6. Cold Storage:

There are 24 Cold storage units in the district³² which refrigerate fruit, vegetables and meat.

6.7. Paper and Board Mills:

Paper and Board is an important industry of Pakistan and serves the domestic market. There are 15 Paper and Board Mills in the District Multan³³.

³³ https://multan.punjab.gov.pk/district_profile



²⁶https://multan.punjab.gov.pk/district_profile

²⁷Textile Industry of Pakistan - An Analysis | Ravi Magazine

²⁸ http://www.tco.com.pk/

²⁹ https://multan.punjab.gov.pk/district_profile

³⁰ https://multan.punjab.gov.pk/district_profile

³¹ https://multan.punjab.gov.pk/district_profile

³² https://multan.punjab.gov.pk/district_profile

6.8. Agriculture Products Factories:

The main agricultural products are cotton, wheat, rice, sugarcane, fruits, and vegetables, in addition to milk, beef, mutton, and eggs. There are 14 agricultural product factories working in the district³⁴.

6.9. Soap & Detergent:

The soap and detergent industry include companies primarily engaged in manufacturing soap, synthetic organic detergents, inorganic alkaline detergents, and crude and refined glycerin from vegetable oils and animal fats. There are 13 Soap and Detergent factories in District Multan³⁵.

6.10. Tannery Industry³⁶:

Tanning industry is an export-oriented industry of Pakistan. The industry comprises of 6 sub-sectors such as; tanning, leather garments, leather gloves, leather footwear, leather shoe uppers, and leather goods. Tanning industry stands the second largest after textile. There are 10 units working in the District Multan³⁷.

6.11. Pharmaceutical³⁸:

Today Pakistan has about 759 pharmaceutical manufacturing units including those operated by 25 multinationals present in the country. The Pakistan Pharmaceutical Industry meets around 70% of the country's demand of finished medicine. District Multan has also 8 pharmaceutical units³⁹.

7. Services Sector:

During the last decade the trend of Retail Stores and Supermarkets have been seen in the district Multan which includes large supermarket setups in city Multan as well as small setup consisting of General stores and Departmental stores scattered all over the district in great numbers. Retail and wholesale sector grew very rapidly in the district.

Due to the dominance of agriculture, the services are also allied to this sector, like, the fertilizer and pesticides supply, and farm machinery rental services. Other services include, banking, education, health, transportation, construction, grain trading, small restaurants, and auto allied repair and maintenance services etc.

8. Potential Opportunities for Investment:

The suggested potential sectors for investment may be as following:

- Dairy Farm
- Cotton Ginning
- Poultry Farm
- Ice Plant
- Cold Storages
- Food Processing

³⁹ https://multan.punjab.gov.pk/district_profile



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³⁴ https://multan.punjab.gov.pk/district_profile

³⁵ https://multan.punjab.gov.pk/district_profile

³⁶ https://www.pakistantanners.org/

³⁷ https://multan.punjab.gov.pk/district_profile

³⁸ http://www.ppma.org.pk

- Green House Farms and Tunnel Farms
- Tannery
- Meat Processing Unit
- Animal Poultry Feed Mill
- Fruit Juice Processing Unit (Mango & Guava)
- Milk Pasteurizing Unit
- Parboiled Rice Plant
- Potato Chips Manufacturing Unit
- Seed Processing Unit (Wheat, Cotton & Rice)
- Light Engineering
- Soap and Washing Powder Unit
- Agriculture Waste / by products raw material Unit
- Cutlery and Utensils
- Dyes and Pigments
- Fiber Glass Products
- Insecticides/Pesticides
- Leather Garments and Footwear
- Leather Footwear
- Lint Cleaners for Ginning Factories
- Pharmaceutical
- Plastics Products
- Power generation
- Solvent Oil Extraction

The above referred economic investment prospects are indicative; therefore, it is advised that detailed feasibility of industrial projects must be carried out before making final decision for investment.

9. Business Support Institutions:

There are many Public and Private business support institutions in the district which are as following:

- Multan Chamber of Commerce and Industries
- Regional Business Center Multan-SMEDA
- Women Chamber of Commerce and Industries, Multan Division
- Financial Institutions
- Punjab Small Industries Corporation (PSIC) Regional Office, Multan
- National Productivity Organization (NPO) Sub Office
- Training Technical and Vocational Education Training Authority (TEVTA) Training Institutes
- Punjab Food Authority (PFA) Divisional Office, Multan
- Multan Electric Power Company (MEPCO)
- Securities and Exchange Commission of Pakistan- Company Registration Office
- e-Rozgar PITB, Multan
- e-Khidmat Markaz, Government of Punjab, Multan
- National Industrial Relations Commission, Multan
- Cluster Development Centre for Promotion and Development of Light Engineering Industries, Multan
- Social Welfare Department, Multan
- National Database Registration Authority (NADRA), Multan





• Educational Institutions

10. Useful Web Links:

- https://multan.punjab.gov.pk
- http://www.pbs.gov.pk
- https://www.sbp.org.pk
- https://pie.com.pk/
- http://www.crs.agripunjab.gov.pk
- https://poultry.punjab.gov.pk
- http://www.bos.gop.pk
- https://www.ecp.gov.pk
- http://www.pbs.gov.pk
- http://nha.gov.pk
- http://www.tevta.gop.pk
- http://www.mda.gop.pk
- http://www.smeda.org.pk
- https://icid.punjab.gov.pk
- http://www.nirc.gov.pk
- http://www.mcci.org.pk
- http://wccimultan.org
- https://food.punjab.gov.pk
- http://www.livestockpunjab.gov.pk
- https://www.plddb.pk
- https://pie.com.pk/multan-industrial-estate
- https://www.ffp-pakistan.org











SME Business Facilitation Center (SMEBFC) - Multan A PSDP Project of SMEDA, MoIP, Government of Pakistan

For Growth and Development of SMEs of South Punjab Region

SMEBFC Multan, a PSDP Project of SMEDA, MoIP, Government of Pakistan, is a One-stop Facility for the development of SMEs of South Punjab Region.

The Center offers following services to the existing SMEs and potential Entrepreneurs:

- Identification of Region specific potential projects for investment.
- Information related to business registrations, marketing, technology & production and HR.
- Advice regarding Taxation, Regulatory Procedures and Compliance Requirements.
- Support in Market linkages and Business match-making.
- Information and Guidance in obtaining finance from banks and available financing opportunities.
- Customized Training Programs for Improved Business Efficiencies.
- Support and market access to private sector Business Development Service Providers (BDSPs) for service delivery to SMEs.

If you wish to expand or start your own Business,

Please visit or contact below for more information:

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Room no. 9, 1st Floor, Trust Plaza, LMQ Road, Multan +92 61 6800822 www.smebfcmultan.com



