

## District Economic Profile Sargodha

2024



### ***Turn Potential into Profit***



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## 1. Introduction to SMEDA.

The Small and Medium Enterprises Development Authority (SMEDA) was established in October 1998 with an objective to provide fresh impetus to the economy through development of Small and Medium Enterprises (SMEs).

With a mission "to assist in employment generation and value addition to the national income, through development of the SME sector, by helping increase the number, scale and competitiveness of SMEs", SMEDA has carried out 'sartorial research' to identify policy, access to finance, business development services, strategic initiatives and institutional collaboration and networking initiatives.

Preparation and dissemination of prefeasibility studies in key areas of investment has been a successful hallmark of SME facilitation by SMEDA.

Concurrent to the prefeasibility studies, a broad spectrum of business development services is also offered to the SMEs by SMEDA. These services include identification of experts and consultants and delivery of need based capacity building programs of different types in addition to business guidance through help desk services.

## 2. Disclaimer.

This information memorandum is to introduce the subject matter and provide a general idea and information on the said matter. Although, the material included in this document is based on data/information gathered from various reliable sources; however, it is based upon certain assumptions, which may differ from case to case. The information has been provided on as is where is basis without any warranties or assertions as to the correctness or soundness thereof. Although, due care and diligence has been taken to compile this document, the contained information may vary due to any change in any of the concerned factors, and the actual results may differ substantially from the presented information. SMEDA, its employees or agents do not assume any liability for any financial or other loss resulting from this memorandum in consequence of undertaking this activity. The contained information does not preclude any further professional advice. The prospective user of this memorandum is encouraged to carry out additional diligence and gather any information which is necessary for making an informed decision; including taking professional advice from a qualified consultant/technical expert before taking any decision to act upon the information.

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### 3. Purpose of Document

The objective of this District Economic Profile study is primarily to facilitate potential entrepreneurs and investors to invest in multiple sectors of business present in particular district. The District Economic Profile may form the basis of an important investment decision and in order to serve this objective, the document/study covers various important aspects.

The purpose of this document is to facilitate potential investors in particular district by providing them with a general understanding of the business with the intention of supporting potential investors in crucial investment decisions.

Apart from carefully studying the whole document one must consider critical aspects provided later on, which form basis of any Investment Decision.

### 4. Introduction

The general population of Sargodha has extraordinary sustenance propensities. There are a few lodgings and eateries where individuals use to run and appreciate sustenance with their families. One of the renowned eateries is Karana Bar Restaurant. One of the acclaimed sustenance center points in Sargodha is Khayam Chowk. Samosas and pakoras of Khayam Chowk are extremely celebrated among individuals of Sargodha. Another pattern that individuals of Sargodha have is that they go to consistent eateries as well as they are an extraordinary admirer of nourishment of truck driver inns. They use to go to these truck driver inns which are out of Sargodha City with their families and appreciate the nourishment which is exceptionally fiery.

The pattern of education in Sargodha is likewise great. Individuals belonging to Sargodha likewise give incredible consideration towards education of their youngsters. They send their youngsters to schools and universities with this reality that schools and schools are for the most part arranged in urban Sargodha which is 2 to 3 kms away. There are number of schools and universities in Sargodha.

It has additionally one restorative school called, "Sargodha Medical College" which has given 99.9% normal outcome in initial three years of its development beginning from 2009 to 2011 and has wound up noticeably fourth Medical Institute in Punjab and seventh in Pakistan because of its nature of instruction.

Sargodha is likewise extremely renowned for its shining and rich green orange plantations. It is the biggest kinno creating locale of the world and is called "California of Pakistan". The nature of Kinno produced here is well known all around the globe and it is having a vital impact in improving economy of Pakistan. It has one waterway which originates from stream Jhelum. This trench is the fundamental wellspring of farming in this region.

Sargodha has likewise one industrial plant named as "Sultan Textile Mill". This factory is a noteworthy wellspring of pay for destitute individuals of Sargodha. Sargodha has additionally many rice preparing plants and squeezes industrial facilities which help individuals of Sargodha to gain their jobs. Rice processing plants incorporate plant of well-known rice handling gathering of Pakistani called, "Omni Rice Mills Pvt. Ltd. In juices industrial facilities division, there are two noteworthy gatherings who are makers of juices are running their processing plants in Sargodha area. One is "Settle" and second is "Shezan". These processing plants are unquestionably insufficient for populace of Sargodha. Larger part of individuals earn their living through agribusinesses and instructed individuals likewise do jobs and earn livelihoods, to procure living for their families.

Sargodhian culture is an incredible blend of country and urban culture. Individuals of Sargodha still take after ordinary country esteems which are considered as a stunner of Pakistani culture yet they have modernized their living style with the assistance of innovation. As the rate of training is high, so rate of individuals who make their choice in Sargodha area is high. Area of Sargodha has 6 seats of National Assembly and 12 seats of Punjab Provincial Assembly.

Sargodha is exceptionally well known in Punjab for its celebrations. Sargodha has "Mela Maweshian" every year. It is so much prominent that Sargodha Cricket Stadium is known as Mela Maweshian Ground. Sargodha has given Pakistan some incredible players of Kabbadi and cricket.

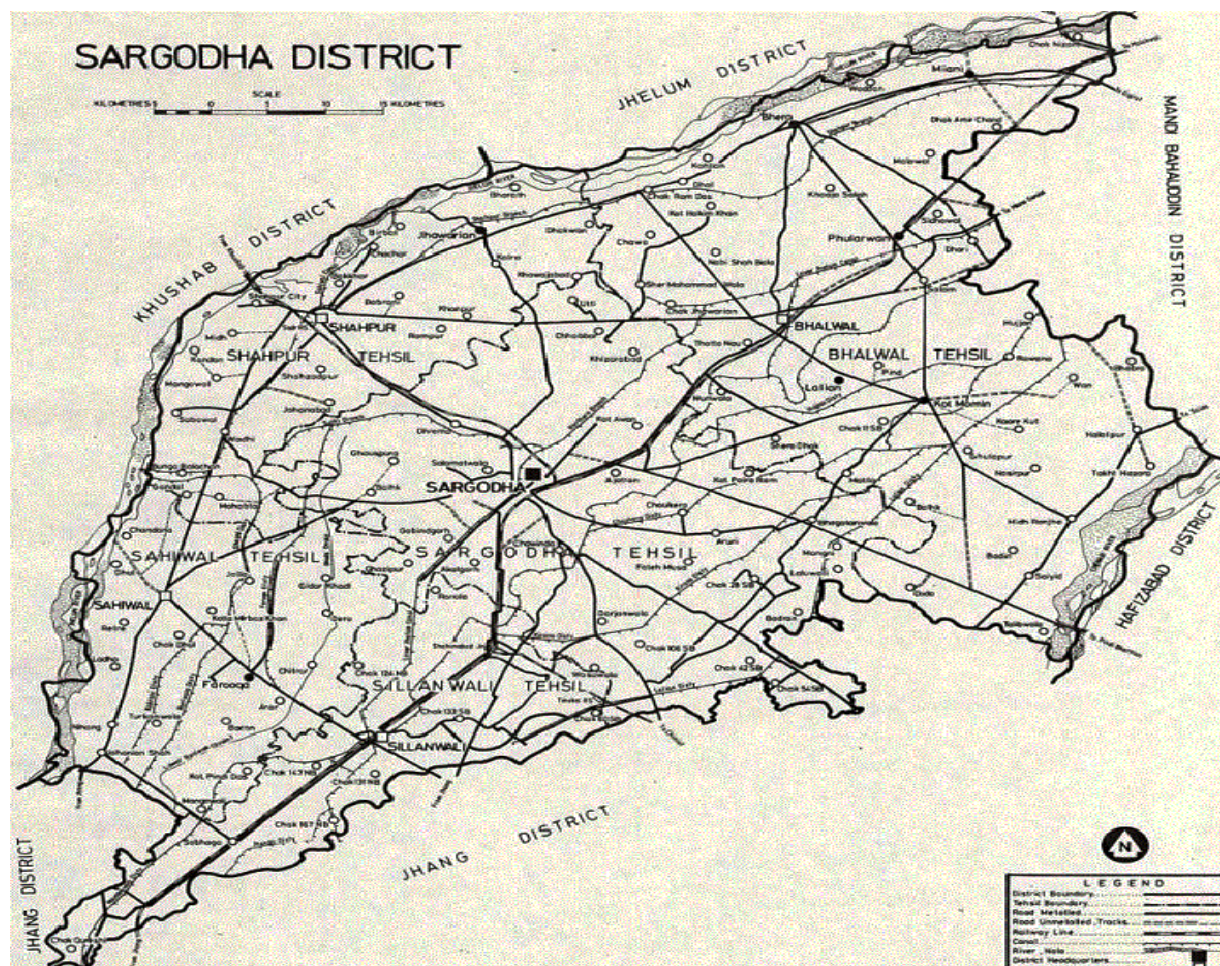
**Table No: 1**

Name of District	Sargodha
District Headquarter	Sargodha
Population	8,181,499 persons
Area	5,854 km <sup>2</sup>
Population Density	1,640 persons per km <sup>2</sup>
Population Growth Rate	1.7%
Male Population	50.6%
Female Population	49.4%
Urban Population	56.2%
Rural Population	43.8%
Muslims are overwhelming religion	98.22%
Christians	1.90%
Tehsil Autonomous Towns	<ul style="list-style-type: none"> <li>• sargodha</li> <li>• Bhalwal</li> <li>• Sahiwaal</li> <li>• Kot momin</li> <li>• Silanwali</li> <li>• Shahpur</li> </ul>



	• Bhera
Literacy Rate	63%
Male Literacy Rate	74%
Female Literacy Rate	53%

## 4.1 District MAP.



## 4.2 District History.

Sargodha was established by the British as a canal-colony in 1903, and was initially spelled Sargodha. Sargodha was badly affected by an outbreak of the bubonic plague in 1903, and experienced a milder outbreak in 1904. Although it was a small town in the beginning, the British Royal Air Force built an airport here due to its strategic location. This city was founded by Lady Trooper by the supervision of Sir Charles Montgomery Rivaz KCSI (1845 – 7 October 1926), a colonial administrator in British India and Lieutenant-Governor of the Punjab from



1902 to 1907. Being the District Headquarters since 1940, Sargodha was moved up to the status of Divisional Headquarters in the year 1960.

The expression "Sargodha" has its starting points in the words "sar" signifying "lake" and "godha" signifying "sadhu". The term "Sargodha" has its origin in the words "Sar" (from "sarowar") meaning "pond" and "Godha" meaning "Sadhu", which means "Pond of Godha". There are a few speculations about the inception of this name. One hypothesis is that it is gotten from the Sanskrit "svargadhama" signifying "wonderful habitation". On the off chance that it was in this way, at that point it would have offered ascend to "Sargdham" in Punjabi. The most trusted hypothesis is that there was a lake in a center of town where a Hindu occupant "Godha" used to live. In Punjabi, "sar" is utilized for lake, so it is named as "Sargodha" which signifies "Lake of Godha". This is likewise minimal opposing because request of words does not reflect Punjabi use. i.e. Amritsar, "The pool of nectar".

It is one of the arranged urban communities of a district. It is just 1 hour and 33 minutes from Faisalabad which is a center of Textile Industry of Pakistan. Sargodha has run of the mill Punjabi culture. Individuals of Sargodha are exceptionally tranquil and tolerant. It is a very religion partner assorted city where dominant part is of Muslims, Christians are second in share and Hindus are third in number.

### 4.3 District Administrative Division

Administrative subdivisions of Sargodha district is divided into seven tehsils:

- Tehsil Council, Sargodha
- Tehsil Council, Sahiwal
- Tehsil Council, Bhalwal
- Tehsil Council, Kot Momin
- Tehsil Council, Sillanwali
- Tehsil Council, Shahpur Saddar
- Tehsil Council, Bhera

## 5. SOCIO-Economic Framework

The socio-economic frame-work of district Sargodha depends on multiple factors that are illustrated below.

## 5.1 Geography and Climate

### 5.1.1 Total Area with Overview of Climatic Condition

Sargodha is located 187 km (116 mi) northwest of Lahore and lies about 48 km (30 mi) from the M-2 Motorway, which connects Lahore and Islamabad. It is connected to the M-2 by several interchanges at different locations. The district has an area of 5,854 km.

Location of Sargodha with respect to five major cities of Pakistan is as follows:

- 187 km (116 mi) West of Lahore
- 241 km (150 mi) South of Islamabad
- 91 km (57 mi) Northwest of Faisalabad
- 223 km (139 mi) South of Rawalpindi
- 1,202 km (747 mi) North of Karachi

Sargodha is roughly 91 km (57 mi) from Faisalabad, due southeast. Directly east connected by the M-2 Motorway are Lahore and the route to Rawalpindi and Islamabad. Due east is the city of Jhang; toward the west are the city of Mianwali and the Chashma Barrage.

The city has a climate of extreme heat in the summers and moderate cold in the winters. The maximum temperature reaches 50°C (122°F) in the summer while the minimum temperature recorded is as low as freezing point in the winter.

### 5.1.2 Area under Cultivation and Economic Activity

The total cultivated area of District is 1,348,023 hectares, while in the rural parts of the district major portion of the population is engaged in agriculture, dairy, horticulture and livestock sectors. The principal crops are wheat, rice, sugarcane, fodder, and citrus. The combination of the climate and the prevailing soils makes the area suitable for growing fruits & vegetables.

**Table No: 3**

Description	Area
Total Geographical Area	5,854 sq.km
Total Cultivated Area	1,348,023 Hectares
Area under forest	98,168 Hectares
Cultivable waste	72,364 Hectares
Cropped Area (Kharif& Rabi)	8,54125 Hectares

Source: Land Utilization statistics 2020-21

### 5.1.3 Residential Area

It is one of the highly populated and urbanized districts in the province. Population of the district reported was 8,181,499. The total area of the district is 5,854 Sq Km with population density of 1,640 persons per Km. The increase in population followed by urbanization has led to

the development of many residential societies. However, trade and commerce activities are predominantly major source of earning in the urban area.

#### 5.1.4 Barren Area

The total barren land of the district is 2198 Sq. Km.

## 5.2 Resource Endowment

District Sargodha is one of the largest districts of Punjab with opportunities in different sectors in dividing trade & services, energy, livestock and agriculture.

### 5.2.1 Main Corps, Livestock, and other.

The combination of the climate and the prevailing soils makes the area suitable for growing major crops, fruits & vegetables.

### 5.2.2 Agriculture. (Fruits & Vegetables)

Sargodha is renowned for its shining and rich green orange plantations. It is the biggest kinno producing locale of the world and is called "California of Pakistan". The nature of Kinno produced here is well known all around the globe and it is having a vital impact in improving economy of Pakistan. It has one waterway which originates from stream Jhelum. This trench is the fundamental wellspring of farming in this region.

**Table No: 4**

Agriculture Products	
Main Crops	Sugarcane, wheat, rice, maize, cotton, groundnut, jowar, bajra, guarseed, sunflower, moong, maash, masoor, gram, rapeseed & mustard, barley, sesanum, sugarbeet, linseed, sunn hemp, and canola
Major Fruits	Citrus, guavas, mangoes, jaamun, pears, dates, pomegranates, phalsa almonds, ber, and mulberry
Major Vegetables	Spinach, Coriander, okra, bitter gourd, Squash, chilies, carrot, cauliflower, peas, tomatoes, and radish

Source: Government of Punjab Report 2020-21

**Agricultural Marketing:** Sargodha fruit / vegetable market is one of the largest agricultural markets in the Punjab. The optimum potential of improving marketing exists in improving coordination and collaboration between the public & private stakeholders and dissemination of accurate and timely marketing information to help farmers in informal decision making.

Sargodha is a good and exclusive market in the region for certain produce, and also well connected with the markets in other cities such as Faisalabad, Lahore, Multan, Mansehra, Hazro, Layyah, Chakwal and Attock.

The production of major crops in the district is given in the table below:

**Table No: 5**

Crops	Production (000 Tons)
Wheat	119.07
Sugarcane	78.80
Rice	27.37
Jawar	19.6
Bajra	24.2
Barley	2.43
Citrus	241.59

Source: Directorate of Crops Reporting Services 2020-21

### 5.2.3 Livestock

Livestock population in district Sargodha is mentioned in below table.

**Table No: 6**

Type	Numbers of Animals
Sheep	240,000
Goats	615,000
Buffalo	984,000
Cattle	661,000
Horses	9,715

Source: Published in Dawn, the Business and Finance Weekly, April 12th, 2021

Livestock and rangelands are important for the people of the district for subsistence, reducing poverty and enhancing livelihood. A large portion of rural population in the district is engaged in livestock-rearing.

### 5.2.4 Poultry

Poultry provides protein as well as income. Poultry is farmed on a commercial scale, though domestic poultry-keeping is also popular in the rural areas of the district. It is the main source of eggs and also white meat for the population in Sargodha District since much less fish is eaten. Poultry is, however, vulnerable to diseases and farm mismanagement. In case of domestic poultry keeping, eggs and meat are generally used for their own use while surplus eggs and birds are sold and women can use the income thus generated. Chicken and eggs produced under free-range system (desi) fetch higher prices as compared with farm-bred chicken and eggs.

### 5.2.5 Industry

Sargodha has grown from a small trading town to an industrial powerhouse. From heavy agriculture machinery to citrus processing plants, and the district is strewn with industry that includes 44 rice mills, 64 citrus grading and soap detergents units, 168 electric goods units and 37 leather footwear factories give the district its impressive industrial profile.

There are poultry feed mills, cold storages, agriculture implements, food-processing and beverage factories, and a large number of SMEs in the informal sector in the city

### 5.2.6 Service Sector

The Service Sector is strongly linked with other sectors of economy; it delivers important inputs and outputs to other sectors. The recent development that is taking place in terms of the development of the CPEC the service sector is expected to grow further.

Due to its cosmopolitan environment, there is substantial economic activity in the services sector of Sargodha. The service sector includes health, education, ICT, hotels & tourism etc. the table below give an overview of important economic activities of the district.

**Table No: 7**

Major Economic Activities	
Agriculture with its Allied Livestock Breeding, Fishing	31.0%
Manufacture	4.2%
Construction	35.8%
Wholesale/Retail, Hotel/Restaurant	7.8%
Transport, Storage, Communication	3.1%
Community, Social & Personal Services	9.3%
Activities Not Adequately Defined	6.7%
Others	2.1%

Source: Government of Punjab Reporting Services 2020-21

### 5.3 Infrastructure

Sargodha has primarily good network of roads, rail, airbase and telecommunications. Economically Sargodha is very important for citrus export due to its production of citrus and other fruits.

**Table No: 8**

Infrastructure	
Total Roads	5,742.3 km
National Highways	87.2 km
Motorways	71.0 km
Provincial Highways	5,391.2 km
Sugar Cess Roads	280.1
Railways	Sargodha station operates 26 trains to different cities of the country. There are 38 stations operating in district.
No. of Grid Stations	22 grid stations, ranging in capacity from 66 KV to 132 KV
No. of Telephone Exchanges	80 telephone exchanges, ranging in capacity from 200



	lines to 14,215 lines
Industrial Zones	1 Small Industrial Estate, and 406 small, medium, and large enterprises, out of which 50 units are now closed or sick
Household Size	6.4 persons per house
Houses with Piped Water Inside	10.9%
Houses with Electricity	75% (rounded up)
Major Industry	Cold storages
	Citrus grading & Soap Detergents
	Electric Goods
	Food Products
	Poultry Feed
	Leather footwear
	Rice mills
	Arms & Ammunition, Bakery Products, Beverages, Cement, Chemical, Baby Diapers, Explosives, Fruit Juices, Heavy Engineering, LPG Cylinders, Oil Refinery, Textile Weaving, Tobacco

Source: Government of Punjab reporting Services 2020-21

### 5.3.1 Communication System

The district has well established telecommunication network. PTCL & Private fiber optics companies are providing landline, broad band and wireless phone and internet services. There are 80 telephone exchanges operating in the district, each ranging in capacity from 200 lines to 14,215 lines.

There are a number of Cellular companies operating in the district including Mobilink, Zong, U phone, Telenor and Warid. Pakistan Post has its district headquarters in Sargodha city. There are 74 post offices in the district, with 13 in Bhalwal tehsil, 39 in Sargodha tehsil, 06 in Shahpur tehsil, 03 in Sillanwali tehsil, 07 in Sahiwal tehsil, and 06 in Kot Momin tehsil. Nearly all the courier services of Pakistan provide their services in the district. There are a number of National and International courier services available in the district (TCS, OCS, DHL FedEx etc).

### 5.3.2 Roads & Rail Network

The district is linked with Khushab and Chiniot districts through Pakistan Railways. There are railway stations at Sargodha, Shahpur, Sillanwali, Mangwana, Charnali, Pindi Rasool, Shaheenabad, and Sobhaga. In all, there are 38 railway stations in the district. There is an international airport at Sargodha and a Pakistan Air Force (PAF) air base called Mushaf Airbase in the district. This district is also linked with Mianwali, Faisalabad, Bhakkar, Jhang, and Mandi Bahauddin districts through black topped roads. Also, all tehsil headquarters are linked with each other and the district headquarters with black topped roads. The Sargodha district is linked with Khushab, Mandi Bahauddin, and Chiniot districts through the railway network.

### 5.3.3 Utilities (Electricity, Natural Gas, WASA)

The Faisalabad Electric Supply Corporation (FESCO) looks after supply of electricity in the district. There are 22 grid stations ranging in capacity from 66 KV to 132 KV in the district. Natural gas for domestic use is available in Sargodha city and the Cantonment area. In addition to the domestic usage electricity is the major requirement of agriculture and industrial sector. Gas is also available in major parts of the District especially in urban areas and industrial zones.

## 5.4 Social Infrastructure

### 5.4.1 Educational Institutes

According to Punjab Educational development statistics data 2018/19, Sargodha was ranked one of the top districts of Pakistan in terms of education and school infrastructure facilities. According to official 2018/19 Public Schools Census data, district Sargodha had a total of 1,300 primary, 368 middle, 294 secondary and 43 higher secondary schools. Out of these public sector schools, 979 are male schools while 1,025 are for girls.

There are a large number of public and private educational institutions for matriculation and intermediate level. Besides a number of higher education institutions including universities and vocational and commercial training institutes are based in Sargodha. In addition, there is 1 cadet college, called Cadet College Sargodha in the district. Also, a large number of privately owned educational institutions impart education at all levels.

### 5.4.2 Industrial Estate and parks

At present, there is 1 industrial estate established by the Punjab Small Industries Corporation (PSIC) in the district. There are a total of 406 different manufacturing industries scattered in various areas of the district. There are different types of industries operating in Sargodha. These units comprise of small industries mostly labor intensive in nature. Small Industrial Estate contains agriculture implements, electric factories, cold storages, furniture Industries, soap factories, dairy products, leather footwear products, cotton towel bags, and readymade garments. Whereas large industrial estates comprises flour Mills, Beverages, textile composite, Food Items, and rice mills.

### 5.4.3 Dry Ports and Air Ports

Currently there is no dry port in district but there is an international airport at Sargodha and a Pakistan Air Force (PAF) air base called Musharaff Airbase in the district.

## 5.5 Demography

The population of Sargodha was 8,181,499 in 2017 population census. 81% of the population is Punjabi, 11% is saraiki, and 8% is from other ethnic groups.

### 5.5.1 Total Households

The total number of housing units in Sargodha is 13, 82,721

### 5.5.2 Households size

The average size of households consists of 6 persons.

### 5.5.3 Urban Population

In 2017, population of Sargodha district was 8,181,499. Out of which, 4,190,749 were female and 3,990,750 were male. 5,004,708 (58.64%) lived in urban areas.

### 5.5.4 Rural Population

3,176,791(44.16%) lived in rural areas

### 5.5.5 Education and Literacy.

Sargodha stands good with the literacy rate with 72.45 % of its total population. The data shows that male literacy in Sargodha is 68.01 % while its female literacy rate is 46.19 %. Similarly, the literacy rate in rural areas of the city is 39.40 and the urban are at 64.48 percent<sup>1</sup>.

## 5.6 Human Resource Availability

### 5.6.1 Total Labor force

Sargodha has enough labor and manpower resources, due to its large population. About 44% of this labor is involved in agriculture, 20% in industry and the remaining 36% in other services.

## 6. Economic Potential

### 6.1 Main Sectors of District

Sargodha is the 11th largest city of Pakistan with a large industrial base..

#### 6.1.1 List of Sectors with bifurcation Manufacturing, Trading, Services, and Agriculture

The major sectors of the district with respect to manufacturing, trading / services and agriculture are as following:

#### Manufacturing

- Citrus processing
- Leather footwear
- Rice mills
- Flour mills
- Electric goods
- textile
- Soap and detergents

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<sup>1</sup>Source: Multiple indicator cluster survey Punjab

**Trade / Services**

- Hotels & restaurants
- Bakery and confectionary
- Furniture
- Education
- Construction industry

**Agriculture**

- Cold storage
- Agriculture implements
- Citrus grading
- Dairy and livestock products
- Beverages industry.

**6.1.2 SME Presence in District**

The small and medium enterprises comprise of agriculture, livestock, wholesalers, shoes makers, manufacturing units, auto & electric repair, bakeries, furniture makers, merchants, tailors, hotel & restaurants, and other shops. Sargodha 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.

**6.2 Main Clusters of District**

Climate of Sargodha remains hot and humid for more than eight months a year which provides opportunity and growth potential in multiple sectors like Ice plant, Cold Storage, Food Processing. Being rich in agriculture sector the economic and weather conditions provide opportunity in sector like vegetables and fruits (Kinnow) processing plants, Green houses and Tunnel Farms. Livestock sector is also one of major clusters of district as huge population depends on it District Sargodha having opportunity in sectors like Citrus processing plants, Tannery, Sausage making, Meat Processing and cattle sheep and goat farming.

**6.3 Main Products & Services**

The main products and services of district are illustrated below.

- Cold Storage
- Food Processing
- Agriculture commodities
- Livestock
- Citrus grading and processing
- Agriculture implements
- Dairy farms
- Poultry farms
- Rice mills
- Wheat

- Electric goods

## 7. Potential Sectors for Investment

Keeping in view of the economic potential, available resources and demand of local/national & international markets, the following are the suggested potential sectors for investment:

- Fruit Juice/Squashes/Jams/Jellies/Pickles
- Cattle/Sheep/Goats Fattening Farms
- Milk Pasteurizing Unit
- High Density Polypropylene Woven Bags
- Meat Processing Unit
- Ice Plants
- Dairy Products (Cheese, Butter, Yoghurt)
- Frozen Food Units
- Tourism
- Insecticides/Pesticides Manufacturing Unit
- Vegetables Processing Unit
- Leather Garments and Footwear
- Transport Services
- Packing Boxes
- Trading
- Handicrafts
- Surgical Cotton
- Canned Oranges packing's and export plants
- Warehouses
- Cold Storages

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

### 7.1 Domestic Commerce and Potential

There are a number of sectors that can be potential sectors in district with having very high growth and need professional working on district level to enhance its production, some of which are illustrated below.

#### 7.1.1 Ice Plants

Climate of Sargodha remains hot and humid for more than eight months a year, ice consumption both at domestic and industrial use is high. A growing market for ice plants is industries linked to food products i.e. citrus, fish, poultry, dairy, bakeries, restaurants etc. Their increasing demand for Ice has increased the demand of Ice plants in the district.



### **7.1.2 Cold Storages**

Keeping in view the shelf life of the perishable food items especially the oranges, it becomes essential to freeze and store these products. A large quantity of fresh citrus & vegetables from all over the country are brought to Sargodha. Similarly, the cold storage can be used for vegetables and other perishable items. In addition to local demand, a large quantity of citrus is also exported to Europe, Middle east and other Central Asian States through Karachi port and a cold storage facility will also assist the exporters of these items in this regard.

### **7.1.3 Citrus Processing Units**

Citrus & oranges are seasonal and perishable commodities. These cannot be retained for a long period. During the peak harvest season, when bulk supplies arrive and the market is glutted with oranges, the prices fall down substantially. These plants will utilize the low-grade fruits of the farming community which has a negligible price in the local market into valuable by-products which would further be used in Jam, Juices, Concentrates, Chutney, Candy etc. The by-products can be prepared and packed according to the market acceptable standard, thus improving quality, price and shelf life. The introduction of advances in citrus processing technology shall minimize the post-harvest losses, wastage of low-grade fruits and increase quantity, quality, shelf life and the availability of citrus throughout the year.

As a large producer of citrus there are many opportunities for investors to move into high end market in the processed and packaged food industry.

### **7.1.4 Fruits & Vegetable Dehydration Plants**

Dehydration offers an economical and satisfactory means to extend the shelf life of fruits and vegetables. The main advantages of dehydration over other methods of preservation being that the dehydrated products are light in weight and occupy much less space than the original, frozen or canned materials. They are cheap to pack compared to tinned materials and they are stable under ordinary storage conditions. The dehydrated vegetables can serve as a good stand-by either for daily dishes or for off season consumption.

### **7.1.5 Greenhouse Farms and Tunnel Farms**

Seasonal fruits and vegetables can be produced in off-season as well. Fruits and vegetables are the major source of income in Agriculture sector of the district Sargodha, major fruits include Oranges, Citrus, Guava, etc. The important Vegetables of the district include Tomato, Carrot, Cauliflower, Pumpkin and Potato etc.

Production of high-quality fruits and vegetables requires proper greenhouses where environment is controlled. This controlled environment gives the producer control over what kind of fruit and vegetables he wants to produce and under what conditions. Another important aspect of using a greenhouse is that high quality products can be produced all year round, irrespective of the weather that exists outside.

### **7.1.6 Agriculture Implements**

There are a number of agriculture machinery producers within Sargodha & adjoining areas in the district. The machinery producers facilitate the farmers in selecting the different agriculture machinery of their choices and enable them to streamline the supply of consistent products to the end users/exporters in a given time frame.

### **7.1.7 Fishing**

Fishing is carried out in ponds and canals of the district; some of this fish is a trade commodity and is supplied to other parts of Pakistan. Fishing is carried out in River Jhelum, River Chenab, Budhi Drain, Raniwah, Gondal Minor, Lower Jhelum Canal, and Talibwala Dhand, among others.

### **7.1.8 Meat Processing Cattle/Sheep/Goats Fattening**

Meat processing plant will not only bring value addition to the local resource but would also help in supply of safe meat for human consumption. Since nutrition is a serious limiting factor in the livestock industry with the result that many animals arrive at the market in less than optimal body condition with body weight on the lower end, there is a dire need to ensure feed availability round the year with proper protein contents for increasing livestock productivity rather than its numbers. Such a situation directs to adopt non-conventional feed preparation and feeding techniques. With the switching over to semi-intensive farming which would warrant stall/ supplementary feeding, non- conventional and economical feeding techniques the livestock farming will become a cost effective enterprise

### **7.1.9 Dairy Farms**

Urban commercial milk production has developed rapidly in recent years in response to growing urban milk demand in the district. Even with a large number of peri urban dairy farms there is a deficiency of milk which is met through; liquid milk brought from Sargodha and other areas of Punjab in iced form and frozen cans after adding chemicals for prolonging its shelf life, Packed UHT milk of different brands and local / imported dry whole milk powder. There is lucrative market of milk in Sargodha due to low production against heavy demand of fresh and liquid milk.

### **7.1.10 Poultry Farms**

As compared to beef and mutton broiler meat is the cheapest source of animal protein. The time required for raising broiler birds is less that for big animals. The consumption of white meat is increasing due to growing health consciousness in the masses. Poultry farming has got great scope for investment in the district. There are only a few private poultry farms in the district and most of the demand is met through transport of poultry products from other parts of county. Due to comparatively colder temperature this district provides the best areas for breeders' poultry farming in the province.

### **7.1.11 Rice Mills**

In addition to citrus processing, there is also a great demand of rice products in export industry. Latest trend is to use the, proven cost effectiveness, and durable rice processing machinery for producing quality of rice varieties. In addition to fulfill local demands these quality rice are also being exported in different regions of Central Asia and Europe.

### **7.1.12 Hospitals and Clinics**

Growing number of populations has increased demand of medical facilities, which has direct impact on public & private sector health care centers. No access to clean water and proper sanitation facilities has posed a major threat to the health of masses. Moreover, climate of the region causes major viral & allergic diseases throughout the year. This creates a great demand for hospitals and clinics.

## **7.2 Export Status and Potential**

Though Sargodha is the major city of the province still it did not develop as a major industrial city. Most of the people are inclined more towards trade than industry due to the fact that a number of problems are being faced by the industries. Sargodha trades in industrial goods manufactured in the district as well as agricultural produce. It exports kinoo (oranges) which are the best in Pakistan.

The trading activities in Sargodha have flourished not only because it is center of economic activity of the Punjab but also it is located on the trade route to Lahore, Faisalabad and other metropolitan cities of Punjab.

List of those businesses which have the market outside of Pakistan is stated below.

### **7.2.1 Citrus Processing**

Citrus processing adds value to the product, preserves it thus prolonging shelf life and generates effective demand for Citrus in international markets. Perishable farms produce are wasted or sold at throwaway prices during the peak season due to inadequate post-harvest storage facilities and lack of effective processing or preservation techniques, Citrus have a large number of end-users including use in the fruits industry, the juices industry, the confectionery industry, the jam & jellies industry, and other fruit products, are consumed directly.

### **7.2.2 Electric Goods Manufacturing**

Electric goods processing industry has been using modern techniques to come at par with other provinces of the country but still it requires more for better quality production. Currently the Electric goods industry relies mostly on locally made machines, with semi-automated accessories. Currently Government is making efforts and allocated land for industrial growth. New and modern techniques can be adopted to enhance quality of finished product, so that can be exported to the Middle East and European countries.

## 8. Major Issues & Policy Recommendations

Major Issues that SMEs face in the district are of different kind with different sectors, most common issues in the district are mentioned below.

### 8.1 Problems and issues

- Scarcity of water resources
- Inadequate Capacity of Cold storages and unavailability of cool chain
- Lack of access to finance and lending schemes
- Lack of value addition in the production of livestock and fruits
- Lack of high efficiency irrigation system
- Unavailability of skilled labor force
- Current market premises have inadequate facilities of stock water points, cold stores and farmers aid facilities, food testing laboratories and other such amenities
- Non-utilization of modern agriculture and harvesting practices
- Lack of best livestock farm management practices and facilities leading to low yield

### 8.2 Recommendations

- Traditional process of harvesting need to be changed and to adopt new techniques to produce better results.
- Modern machinery needs to be installed in dehydration of citrus to have maximized result and quality product.
- Local growers have to train to modern ways of harvesting oranges.
- Guidance to be given to factory owner to develop feasible infrastructure to keep finished and raw minerals while roads and traveling pathways of finished goods needs to be developed in a way to provide better and timely availability of product to customers.
- Training should be provided to factory owners and they should be equipped with modern technology and machinery.
- Availability of skilled labor, labor needs to be properly trained and guided about handling of raw mineral with new techniques.
- Facilitate current market to improve premises and environment by giving trainings to business community.
- Data and record keeping about know farms and vaccinations.
- Keeping in view about the market situation it is important to engage business persons and encourage them to invest in citrus export business.
- Helping farmers to avail access to finance by multiple donor agencies and banks.
- Training of farmers to adopt new techniques to increase livestock production and provide healthy atmosphere to animals.

## 9. Business Support Institutions.

District Sargodha is the 11th largest city of the Punjab, and enjoys the neighborhood of Lahore, Faisalabad, Sialkot and Sheikhupura, that brings economic movement in district despite of having problems business person want to invest and support local business men to enhance their economical scale. There are many Public and Private Business support institutions in the district which are as following:

- Regional Business Center Sargodha -SMEDA
- Punjab Food Authority (PFA) District Office, Sargodha
- Livestock and Dairy Development Department, District Office, Sargodha
- Population Welfare Department, District Office, Sargodha
- Agriculture Department, District Office, Sargodha
- National Database Registration Authority (NADRA), Sargodha Office
- Punjab Small Industries Corporation (PSIC) Regional Office, Sargodha
- Technical and Vocational Education Training Authority (TEVTA), Sargodha Training Institutes
- Faisalabad Electric supply Company (FESCO), Circle Sargodha
- Tehsil Municipal Administration (TMA), District Office, Sargodha

### 9.1 Local Bodies Chambers & Trade Association

Sargodha Chamber of Commerce & Industry and Punjab Small Industries corporation are working in district to support and enhance worth local businesses and also to attract investors in the district with the coordination with district administration. The Chamber of Commerce & Industry is affiliated with Federation of Pakistan Chambers of Commerce and Industry (FPCCI) in view of the above, the Sargodha Chamber of Commerce and Industry is one of the most active, popular and important Chamber of the province of Punjab representing the business community of the district. It was formed after being licensed by the Ministry of Commerce, Government of Pakistan, and being registered with the Securities Exchange Commission of Pakistan.

## 10. Useful Links

Table No: 9

Useful Link	
Small & Medium Enterprises Development Authority (SMEDA)	<a href="http://www.smeda.org.pk">www.smeda.org.pk</a>
Government of Pakistan	<a href="http://www.pakistan.gov.pk">www.pakistan.gov.pk</a>
Sargodha Chamber of commerce & Industry	<a href="http://www.scci.org.pk">www.scci.org.pk</a>
Government of Punjab	<a href="http://www.punjab.gov.pk">www.punjab.gov.pk</a>



Trade Development Authority of Pakistan (TDAP)	<a href="http://www.tdap.gov.pk">www.tdap.gov.pk</a>
Securities & Exchange Commission of Pakistan (SECP)	<a href="http://www.secp.gov.pk">www.secp.gov.pk</a>
State Bank of Pakistan (SBP)	<a href="http://www.sbp.org.pk">www.sbp.org.pk</a>
Punjab Small Industries Corporation	<a href="http://www.psic.gop.pk">www.psic.gop.pk</a>
Pakistan Horticulture Development and Export Company (PHDEC)	<a href="http://www.phdec.org.pk">www.phdec.org.pk</a>
Punjab Vocational Training Council (PVTC)	<a href="http://www.pvtc.gop.pk">www.pvtc.gop.pk</a>
Technical Education and Vocational Training Authority (TEVTA)	<a href="http://www.tevta.org">www.tevta.org</a>
Livestock & Dairy Development Department, Government of Punjab	<a href="http://www.livestockpunjab.gov.pk">www.livestockpunjab.gov.pk</a>
Punjab Industrial Estates (PIE)	<a href="http://www.pie.com.pk">www.pie.com.pk</a>
Citrus Research Institute Sargodha	