

## DISTRICT NOWSHERA



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

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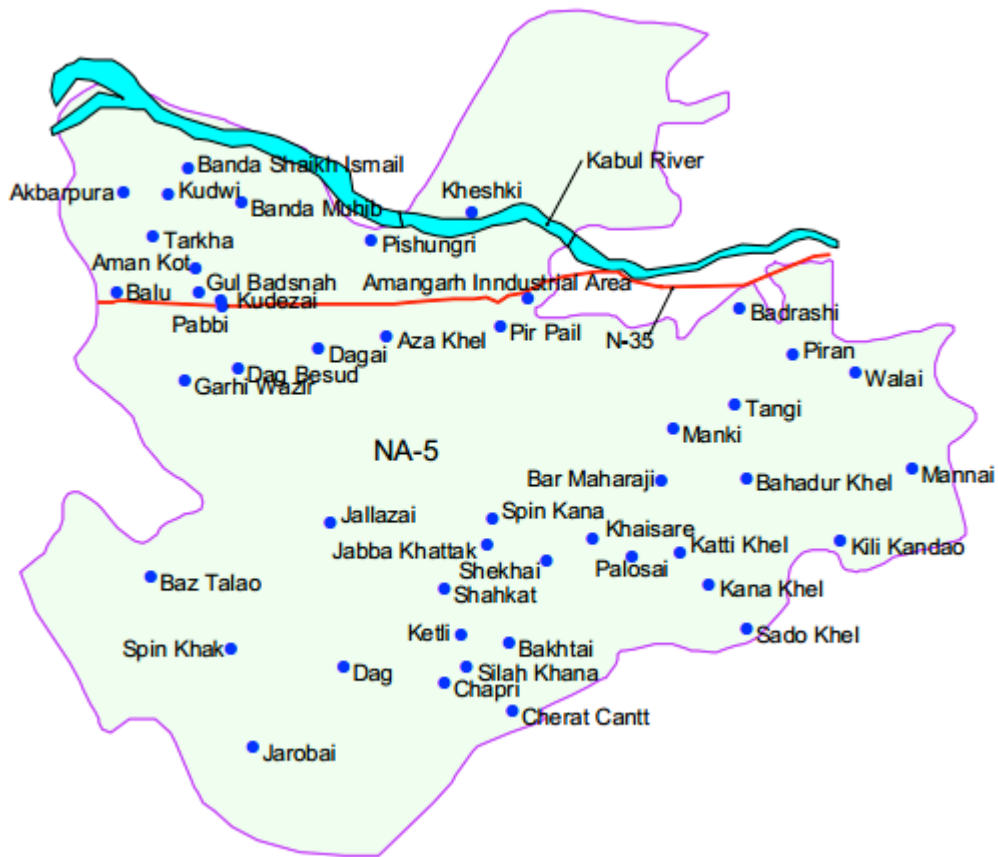
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### Map of District Nowshera



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## 1 Introduction and History

NOWSHERA (Pronounced “Nau Shaar” or “Nau Khaar” in Pashto, “Nu Shera” in Hindku and “Nowshera” in Urdu languages) is one of the most fertile, peaceful and strategically located central districts of the Khyber-Pakhtunkhwa Province of the Islamic Republic of Pakistan.

The district was a part of Afghanistan as Nowkhaar Province till it was annexed into British India via the Durand Line Agreement. The district was also part of the Peshawar Division until the reforms of the Government of Pakistan.

There are three military cantonments situated in Nowshera district, which are Cherat cantonment, Nowshera cantonment and Risalpur cantonment. Therefore, Nowshera is also one of the most prominent districts of Pakistan.

Earlier, Nowshera was a Tehsil (Administrative sub-division) of Peshawar district. Its status was upgraded to district level during. It is also one of the largest cities of the province and located on the Grand Trunk Road 27 miles due east of Peshawar at 34°0'55N 71°58'29E.

Nowshera cantonment and city are situated at opposite sides of the bank of Kabul River. To the North-East is Attock district of Punjab province. To the north are Swabi and Mardan districts. To the northwest is Charsadda District and in the west is Peshawar District. On south it touches the Kohat District boundary. Frontier Region (FR) boundary i.e. Darra Adam Khel also borders with Nizampur and Cherat areas of Nowhsera District.

Population density is estimated to be 500.2 persons per km. The annual population growth rate was 2.9% and the proportion of urban dwellers was 26%.

## 2 Social Environment

### 2.1 Demography

Total population of the district is estimated to be 1.394 million for the year 2013-2014 on the basis of the population during 1998 Census. Muslims comprise 99% of the population, and rests are Christian 0.5%, Ahmadi 0.3% and 0.1% are Hindu. The main Language is Pashto (91%) followed by Hindko (3.6%) and Urdu (1.3%) and the literacy rate is 42.5 percent<sup>1</sup>.

Nowshera was third district of Peshawar division, which was separated from Peshawar. The nearby passing river Indus adds to the significance of the district.

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<sup>1</sup> <http://www.srsp.org.pk/srsp-main/index.php/our-projects/livelihood-strengthening-programme/geographic-area-and-statistics>

## **2.2 Main Clans**

The major tribes of Nowshera district are Kaka Khel (Miangan), Khattaks of Akora, Nizampur, Manki Sharif, Shaidu, Babars of Pirpa, Parachas and Awans of main Nowshera city and Nowshera Kalan.

## **2.3 Education**

Nowshera district enjoys prominence over other districts and maintains a good reputation throughout Khyber Pakhtunkhwa on account of excellent educational institutions in Govt. sector as well as chains of private schools providing quality education to the locals as well as neighboring districts.

## **2.4 Hospitals**

There are several hospitals in Nowshera. Prominent are District Hospital, Combine Military Hospital (CMH) and Cantonment Hospital. Besides various public basic health units and rural health centers at various towns are also established. There are number of private medical centers that provide healthcare services as well.

## **2.5 Communication and Transportation**

Nowshera district is well connected with the rest of the Khyber Pakhtunkhwa province as well as other provinces of Pakistan, through networks of Railways and Roads. To travel by air, people either use Bacha Khan International Airport Peshawar or Benazir International Airport Islamabad which are located at a distance of around 1 hour and 2 hours drive respectively. The historical Grand Trunk Road also passes through Nowshera district, which makes it feasible for not only trading activities but also potential area for new industrial establishments.

The M1 motorway, connecting Punjab and Khyber-Pakhtunkhwa, is 155 km long, with 67 km in Punjab and the remaining 88 km in Khyber-Pakhtunkhwa. This highway has become a vital link to Afghanistan and Central Asia.

## **3 Economic Scenario**

Nowshera is situated on GT road and has access to Peshawar- Islamabad motorway making its location ideal for trade. People of Nowshera are educated and skilled in different field such as agriculture, horticulture, technical work and industry. Labor cost in Nowshera is low and non-skilled workers are easily available, which can lead to achieve cost effective production.

With a strong economy, safe business environment and a diverse workforce, Nowshera is poised for continued success in fostering new enterprise throughout the district thus making it a suitable location for new investments.

Export Promotion Zone (EPZ) Risalpur comprising 200 acres, (100 acres in phase 1 fully developed) has direct access to the central Asian markets. The zone is located at a distance of about 50 kilometers from Peshawar near Mardan interchange on Islamabad-Peshawar motorway section. The area has the potential of trading and warehousing business, mineral, fruits & vegetable processing, carpet and industry due to availability of respective raw material and cheap skilled labor.

Other notable industries includes Paper International Ltd Aman Garh, Nizampur Cement Company (AWT), Fauji Corn Complex at Jehangira, Nowshera Sheet Glass Industries at Adamzai, Pakistan Tobacco Company at Akora Khattak, Associated Industries Ltd. at Amangarh, Ferozsons pharmaceutical at Amangarh, Locomotive factory at Risalpur,

Similarly, a number of various industrial units situated at Pabbi, Risalpur, Amangarh, Akora Khattak, Jehangira and Chirat areas are also making progress from industrial point of view.

### 3.1 Summary of Industrial establishments of District Nowshera<sup>2</sup>

S.No	Particulars	Total No of units	Investment (million)	Employment
1	Total no of units in S.I.Z Risalpur Nowshera	32	459.986	526
2	Total No of units in EPZ Risalpur Nowshera	9	93.09	62
3	Total no of units outside S.I.Z Risalpur Nowshera	149	18,629.958	4,979
	Total	190	19,183.034	5,567

<sup>2</sup> Source; Directory of Industrial Establishments 2011, GoKP

### 3.2 Special Industrial Zone, Risalpur, Nowshera

1	Name	Special Industrial zone Risalpur Nowshera
2	Location	Nowshera Mardan road near locomotive factory Risalpur
3	Total area	108 acres
4	Total no of Plots	80
5	Size of Plots	0.5 acres and 1 acres
6	Total no of plots allotted	80
7	No of unit closed	2
8	Total no of units under construction	6
9	Total no of units in operation	32
10	Estimated distance /Time to Peshawar Islamabad	55kms/45min 139kms/2hrs

### 3.3 Units Established in Special Industrial Zone, Nowshera<sup>3</sup>

S No	Nature of Units	Total No of units	Investment (Rs in million)	Employment
1	Beverages	1	40.000	35
2	Carpet	1	47.268	35
3	Pharmacy	9	116,627	104
4	Matches	2	40.532	49
5	Soap	1	0.550	7
6	Marble	20	37.792	195
7	Electronic Goods	1	51.000	149
8	Mineral products	1	15.000	22
9	Biscuits	1	6.7000	Closed
10	Wood & wood products	1	89.364	25
11	Paper packages	1	15.000	8
12	Rubber and plastic	3	32.558	57
13	Engineering	1	27.000	15
14	Auto Rakish	1	10.165	12
<b>Total</b>		<b>44</b>	<b>529.56</b>	<b>713</b>

<sup>3</sup> Source; Directory of Industrial Establishments 2011, GoKP

### 3.4 Export Processing Zone, Risalpur, Nowshera<sup>4</sup>

1	Location	Nowshera Mardan road near locomotive factory Risaplur	
2	Total area	92 Acres	
3	Total no of plots	137	
4	Total no of plots allotted	10	
5	Total no of plots not allotted	127	
6	Total no of units in operation	02	
7	No of units closed	07	
8	Plot allotted but construction not yet started	01	
9	Infrastructure Facilities	Available	
	i	Road	Yes
	ii	Sui Gas	Yes
	iii	Telephone	Yes
	iv	Electricity supply	11 KV line from Bara Banda but no grid station
	v	Water supply	Yes
	vi	Railway station	Risalpur railway at 3 KMs
	vii	Islamabad- Peshawar Motorway	2 KMs (North)
10	Estimated Distance/Time to	(i) Peshawar: 55Kms/ 45 min (ii) Islamabad: 139 Kms/ 2hrs	
11	Incentive package		
		<ul style="list-style-type: none"> <li>• 100% ownership right</li> <li>• 100% repatriation of capital and profit</li> <li>• No limit for investment</li> <li>• Duty free imports of machinery equipment and material</li> <li>• No sales tax on input goods including electricity &amp; gas bills</li> <li>• Obsolete/ old machinery can be sold in domestic market of Pakistan after payment of applicable dues and taxes</li> <li>• Freedom from national imports restriction</li> <li>• Foreign exchange control regulation of Pakistan not applicable</li> <li>• Defective goods/ waste can be sold in domestic market after payment of applicable dues</li> <li>• Duty free vehicle allowed under certain condition. After 5 years of use vehicle can be disposed off in domestic market on payment of duty on depreciated value</li> <li>• Domestic market of Pakistan available on same conditions as per</li> </ul>	

<sup>4</sup> <http://www.epza.gov.pk/risalpur.html>



	<p>import from other countries</p> <ul style="list-style-type: none"> <li>• Units operating in EPZ can undertake sub contracting of tariff areas subject to payment of duties and taxes on value addition only</li> <li>• Only EPZ is authorized to collect presumptive tax at the time of exports of good which would be final tax liability</li> <li>• EPZ units allowed supplying goods to custom manufacturing bonds</li> <li>• Production oriented labor laws to solely regulate by the authority</li> </ul>
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### 3.5 Unit Established in Export Promotion Zone (EPZ), Nowshera<sup>5</sup>

S No	Nature of Units	Total No of units	Investment (Rs in million)	Employment
1	Lubricants/ petroleum	1	29.400	5
2	Rubber & plastic	2	11.990	12
3	Engineering	3	16.600	0
4	Auto rickshaw	2	17.520	0
5	Paper & Packages	1	17.580	20
	Total	9	93.09	62

<sup>5</sup> <http://www.epza.gov.pk/risalpur.html>

### 3.6 Units Established outside Special Industrial Zone, Nowshera<sup>6</sup>

S.No	Nature Of units	Total No of Units	Investment (Rs in million)	Employment
1	Vegetable ghee & oil	1	511.768	164
2	Flour	13	119.650	74
3	Dall	1	0.900	10
4	Cold storage	4	16.204	42
5	Ice	14	8.670	85
6	Food /Biscuits	1	1.635	8
7	Cigarette	2	300.000	660
8	Textile (mills sector)	2	447.763	125
9	Furniture	1	13.500	28
10	Paper& Paper Board	1	200.000	Closed
11	Chemicals	1	0.500	10
12	Pharmacy	2	494.162	114
13	Poultry Farm	1	3.850	10
14	Cement	2	13,339.710	1,127
15	Cement based	37	48.350	284
16	Ceramics	1	230.746	175
17	Glass	1	168.041	150
18	Marble	62	71.446	478
19	Engineering	1	2,284.000	680
20	Electronics goods	6	181.462	401
21	Metal & metal products	3	8.170	6
<b>Total</b>		<b>157</b>	<b>18450.527</b>	<b>4,631</b>

<sup>6</sup> Source; Directory of Industrial Establishments 2011, GoKP

## 4 Economic potential

### 4.1 Marble City Risalpur & Marble Processing Cluster Jehangira-Khairabad

Marble City Risalpur is a special industrial zone for marble processing which is spread over 185 acre of land and would establish over 100 marble processing units. Warehouse and Common Training Facility Centers (CFTCs) would also be a part of Marble City.

Another Marble processing cluster, having around 100 units, is situated on main G T Road Jehangira-Khairabad. Almost 70% units in the cluster are operational and actively contributing to the economy.

**Investment Opportunities** includes setting up of marble processing industries, allied engineering services and Ball Mills etc. As already mentioned, a number of marble processing industries are established in district Nowshera, producing marble waste in the process of block squaring and cutting processes. This waste can be properly utilized through a Ball Mills converting this waste into powder of different mesh, which is used mainly in paint industries.

### 4.2 Agriculture & Horticulture

Like industries Nowshera is also famous and re-known for Agriculture and Horticulture produce. Total agricultural area is 52,540 hectares. The main source of income of the region is agriculture. Mostly population of district is related directly and indirectly to these sectors. Commonly grown vegetables consist of tomato, potato, onion, pumpkin, and brinjal. Also fruits including mangoes, persimmon, plum, guava, watermelon, and especially citrus fruit including oranges and lemon are the fruits widely produced in Nowshera. Mostly the flower produced in Nowshera is Mari gold and it is the main source of income for the people related to this business.

There is an attractive opportunity for investors to come and invest in agriculture/horticulture sectors because of its production in huge quantity as well as easily accessible to roads and markets. The investors have an opportunity to supply the products into local markets and export to international markets as well. The investors can establish cold storages for the products also. Investor can also invest in fruits processing i.e juice, jam, jelly etc.

### 4.3 Fabrics trade

Cloth/fabric trade is also one of the most important economic activities in Nowshera, thousands of people are related to this sector directly. There are almost 19 big cloth/fabric centers consists of thousands of shops, mainly whole sellers. Dealers import the fabrics from china, Malaysia, Dubai, Singapore. And then supply it to the local markets of Lahore, Faisalabad, Jehlum, Rawalpindi, to Jacobabad. Nowshera is considered as one of the biggest fabrics business point of the country. The dealers can supply the fabrics into other markets and the shopkeeper's deals directly with customers and single buyers.

**An investment opportunity includes** huge potential for investors to come and invest in Cloth/fabric trade as whole sellers as well as retail shops.

### 4.4 Poultry Farming

Nowshera is big district and consist of rural, semi urban and urban areas and climate as well as environment of the district is also ideal for poultry farming. A large number of poultry farms (conventional) have already been established to meet the requirements of the population by providing white meat. A number of controlled environment poultry farms are also established, but still there is great potential and good opportunity for investors to invest in this sector. Detailed Pre-feasibility reports are available on SMEDA web<sup>7</sup> site for reference.

### 4.5 Hand Embroidery work of Ziarat Kaka Sahib

More than thousand females rely directly and indirectly on this handicrafts business. For hundreds of years, the females of the area are making handicrafts. Their embroideries are wonderful and are famous for their extremely good quality and perfection but due to lack of direct access to the markets, they don't get the good returns. Products made by these females include;

- Embroided Dresses for females and children.
- Embroided Chaadar for females
- Bed Covers
- Cushions (small and large size)
- Purses having thilla, lace, mirror and shade work on it.
- Decoration Items like wall hangings, baskets etc.

This sector has a great potential of investment in the above mentioned trade/products. Embroidery work is gaining popularity in local area and there are large numbers of

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<sup>7</sup> <http://www.smeda.org>

female skilled workers available in the region at low cost. There is a great demand of embroidery products inside and outside the country like Asian, Middle East and European countries. There is still a big gap between demand and supply of these products. Investor can start a handicrafts stitching units as well as trading opportunities.

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