

Brief on

Capital Goods Industry of Pakistan

1. Overview

Capital goods are tangible assets which are used in the production process to manufacture products and services. It includes buildings, machinery, equipment, vehicles, and tools.

The Capital Goods industry of Pakistan is concentrated both in organized and unorganized sectors. However, the significance of the sector lies in strong bonds and services it provides, particularly to the large manufacturing sector (boilers, plants, industrial equipment, etc). Major production clusters are in Faisalabad, Gujranwala, Lahore and Karachi and are also involved in exporting products to Middle East, U.S.A, Africa, and China.



2. Major Categories

Extremely diversified products range of Capital Goods is being manufactured in Pakistan.

- Boilers.
- Transmission Towers.
- Plants (petrochemical, sugar, cement, water treatment, etc).
- Equipment of Plants & Processing (pharmaceutical, chemical & food processing, boilers, sugar, cement, petrochemical, etc).
- Machinery (agricultural, construction, textile, lathe, CNCs, NC, drilling, etc).
- Tanks & Reservoirs.

3. Trade Analysis

The table given below represents the trade comparison of Pakistan and Global Capital Goods:

Pakistan Vs. Global Trade Statistics (2019)			
Pakistan (US \$ Billion)		Global (US \$ Billion)	
Exports	Imports	Exports	Imports
0.089	1.9	503.09	512.27

Source: Trade Map

4. Associations

- Engineering Components & Machinery Manufacturers Association (ECMMA).
- All Pakistan Boiler Manufacturers Association.
- Pakistan Agricultural Machinery & Implements Manufacturers Association.
- Welding Electrodes Manufacturers Association of Pakistan (WEMAP).

5. Major Clusters

- Lahore.
- Karachi.
- Gujranwala.
- Gujrat.
- Texila.
- Faisalabad.

6. Major Local Players

Private

- ABS Engineering (Pvt) Limited
- ADOS Pakistan Limited
- Al-Ameen Industries
- Brothers Engineering (Pvt) Limited
- Descon Engg Works
- ABS Engineering (Pvt) Limited
- ADOS Pakistan Limited
- Petrosin Ravi Industries Ltd.
- Qadbros Engg (Pvt) Limited
- Jalal Engineering
- KSB Pumps (Pvt) Limited
- Metal Formings (Pvt) Limited
- DDFC (Pvt) Limited

Public

- Heavy Mechanical Complex (HMC)
- Pakistan Engg. Company (PECO)
- Karachi Shipyard & Engineering Works
- Pakistan Machine Tool Factory (PMTF)

7. Potential Available in Capital Goods Sector

- Joint Ventures
- Investments
- FTA's/PTA's