



BOARD OF INVESTMENT & TRADE GOVERNMENT OF BALOCHISTAN



Dated: 14th May, 2025

H.E Consul General
Dr Bakheet Al Rumathi,
Consul General of U.A.E,
Karachi.

Dear Excellency,

As the Chairman of the Board of Investment, Government of Balochistan, it is my pleasure to extend a warm welcome to you and the esteemed business community of the United Arab Emirates.

Balochistan, with its vast natural resources, strategic location, and untapped potential, offers numerous investment opportunities in various sectors. Our government is committed to creating a conducive business environment, ensuring transparency, and providing necessary support to investors.

We would like to highlight several key projects that offer promising investment prospects:

- 1. Gwadar Port and Free Zone:** A critical component of the China-Pakistan Economic Corridor (CPEC), offering opportunities in trade, logistics, and industrial development.
- 2. Mining and Minerals:** Balochistan is rich in mineral resources, including copper, gold, and coal, presenting opportunities for extraction and processing.
- 3. Energy:** Potential for investment in renewable energy projects, such as solar and wind power, as well as exploration and production of oil and gas.
- 4. Tourism:** Balochistan's unique cultural heritage and natural beauty offer opportunities for investment in tourism infrastructure, hospitality, and related services.
- 5. Infrastructure Development:** Opportunities for investment in roads, transportation, and other infrastructure projects.

To facilitate investment, our government has implemented various incentives, including:

- 1. Tax holidays and exemptions**
- 2. Streamlined regulatory processes**
- 3. Investment protection guarantees**

We believe that the UAE's business community can play a significant role in Balochistan's economic development. We would be delighted to discuss potential investment opportunities and explore ways to collaborate.

For further contact, please reach out to us at:

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GOVERNMENT OF BALOCHISTAN



I would appreciate the opportunity to schedule a meeting to discuss these opportunities in more detail.

Please find attached a brief overview of our investment opportunities and policies.

Thank you for considering our proposal. We look forward to fostering a strong partnership with the UAE business community.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bilal Khan Kakar", written over a horizontal line.

Bilal Khan Kakar
Chairman, Board of Investment and Trade
Government of Balochistan



Investment Proposal: 8

Establishment of a Cement Manufacturing Plant in Balochistan

1. Executive Summary

Balochistan, Pakistan's largest province covering nearly 44% of the country's landmass, is endowed with vast and untapped natural resources. Among its greatest assets are extensive deposits of limestone, clay, and gypsum—the core raw materials essential for the production of cement. These reserves are spread across various districts such as Khuzdar, Lasbela, Loralai, and Dera Bugti, making Balochistan a strategic location for establishing a vertically integrated cement manufacturing facility.

Despite the rich availability of raw materials and its pivotal location along major trade and infrastructure corridors, Balochistan's contribution to the national cement production capacity remains limited. The province has witnessed growing demand for construction materials due to the ongoing expansion of infrastructure under the China-Pakistan Economic Corridor (CPEC), Gwadar Port development, housing schemes, and regional trade with Afghanistan and Iran. This has created a compelling need for localized cement production to reduce logistics costs, ensure timely supply, and promote regional economic development.

This investment proposal seeks to capitalize on this opportunity through the development of a state-of-the-art, dry-process cement plant with an initial production capacity of 1.0 million tons per annum (MTPA). The plant will incorporate energy-efficient technology and an integrated captive power solution, making it both cost-competitive and environmentally responsible.

Potential project locations have been identified based on proximity to raw materials, industrial zones, and connectivity to key markets. These include Hub (Lasbela District), known for its industrial infrastructure and access to Karachi Port; Khuzdar, rich in limestone and located on the CPEC western route; and Loralai-Zhob, with strong local market potential and workforce availability.

The total investment required for the project is estimated at USD 70 million, with projected internal rate of return (IRR) of 18% and a payback period of approximately 6.5 years. In addition to meeting regional demand, the project offers robust potential for exports to neighboring countries, leveraging Balochistan's geographic advantage and trade linkages.

Backed by strong policy support from the Government of Balochistan—including tax incentives, infrastructure facilitation, and industrial land availability—this project aligns with the province's broader agenda for industrialization and economic upliftment. It also promises to generate over 500 direct and indirect employment opportunities, stimulate the local economy, and serve as a catalyst for ancillary industries.

2. Project Highlights

Feature	Details
Project Name	Balochistan Cement Industries (BCI)
Proposed Capacity	1.0 Million Tons Per Annum (MTPA)
Total Investment	USD 70 million
Expected IRR	18%
Payback Period	6.5 years
Target Markets	Balochistan, Sindh, South Punjab, Afghanistan, Iran
Estimated Construction Period	24 months
Employment Potential	500+ (direct & indirect)
Technology	Dry Process Rotary Kiln with Energy-Efficient Preheater & Precalciner

3. Potential Locations in Balochistan

- Hub (Lasbela District)**
 - Close to Karachi port, suitable for imports/exports
 - Proximity to infrastructure and existing cement cluster
 - Access to labor and utilities
- Khuzdar District**
 - Rich in high-grade limestone
 - Strategic location along CPEC Western Route
 - Potential for backward integration with mining
- Dera Bugti or Barkhan (Sulaiman Range Belt)**
 - Unexplored limestone belt
 - Suitable for establishing a new industrial zone
 - Access to Sui Gas for captive power
- Loralai-Zhob Belt**
 - Existing limestone and clay reserves
 - Access to local markets and low-cost labor
 - Scope for cluster-based cement & construction material industries

4. Market Rationale

- **Domestic Demand:** Cement consumption in Pakistan stood at 49 million tons in FY2023, with a growth trajectory aligned with housing, infrastructure, and export demand.
- **Export Potential:** Proximity to Afghanistan and Iran offers a strong export opportunity with minimal logistics cost.
- **Strategic Location:** CPEC projects and Gwadar port developments are driving regional construction activity.
- **Policy Support:** Incentives under Balochistan's Industrial Policy and SEZ benefits (tax holidays, duty exemptions).

5. Raw Material Availability

Material	Source	Availability
Limestone	Khuzdar, Hub, Loralai	Abundant
Clay	Lasbela, Pishin	Easily Available
Gypsum	Dera Bugti, Sibi	Locally Available
Coal (fuel)	Dukki, Chamalang	Local + Imported (if needed)
Water	Groundwater / treated industrial reuse	Available in proposed zones

6. Financial Overview (in USD)

Component	Amount (Million USD)
Land Acquisition & Site Development	5.0
Plant & Machinery (Turnkey EPC)	42.0
Civil Works & Infrastructure	8.0
Power Generation (Captive or Grid Setup)	6.0
Working Capital & Inventory	5.0
Contingencies & Pre-Op Expenses	4.0
Total Project Cost	70.0

7. Expected Revenue & Returns

Year	Revenue (USD)	Net Profit (USD)
Year 1 (Commissioning)	12 million	Break-even
Year 2	30 million	5 million
Year 3	35 million	7.2 million
Year 4	40 million	9.8 million
Year 5 onwards	45 million+	11-13 million/year

8. Regulatory & Environmental Considerations

- **NOC from EPA Balochistan**
- **Mining lease (if integrated)**
- **Power supply agreements (captive or grid)**
- **Environmental Impact Assessment (EIA)**
- **SECP registration and tax compliance**

9. Call for Action

The establishment of a 1 MTPA cement manufacturing plant in Balochistan offers a high-return investment opportunity rooted in the province's resource potential, policy incentives, and regional demand. With the right strategic partner and government support, this project can become a cornerstone of Balochistan's industrial transformation.