

Pakistan's Tomato Sector



Turning a National Liability into a Profitable Asset



An Investment Proposal for a State-of-the-Art Tomato Paste Processing Facility

A Costly Contradiction: Pakistan Imports What It Grows



US\$ 8–10 Million

Annual foreign exchange spent on importing tomato paste, despite local production capacity.

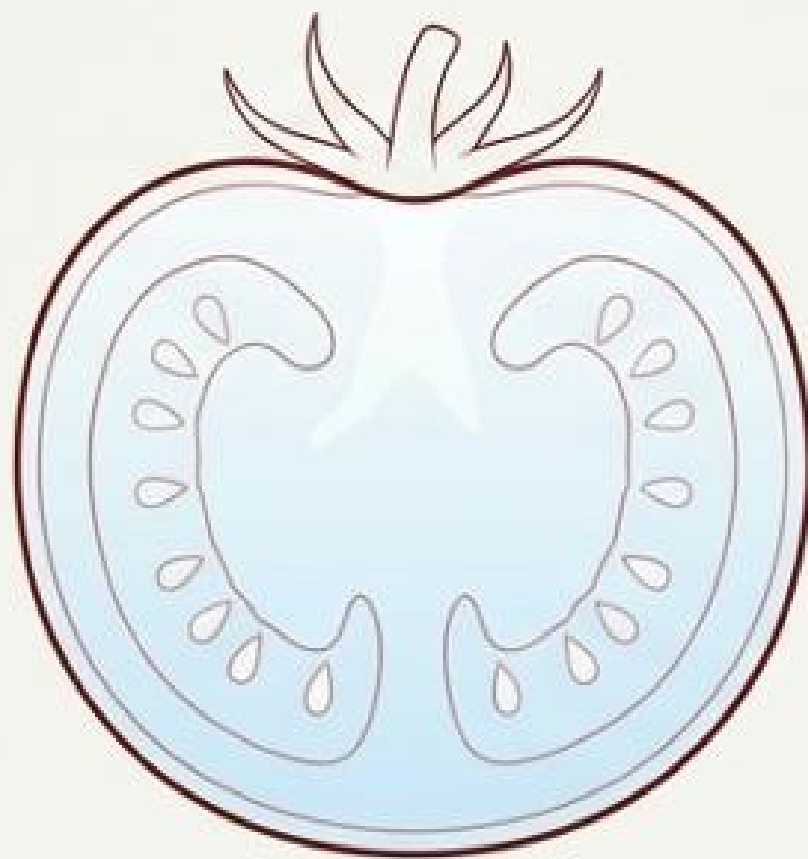
Source: Pakistan Business Council, tomatonews.com



This import dependency represents a significant, solvable economic inefficiency.

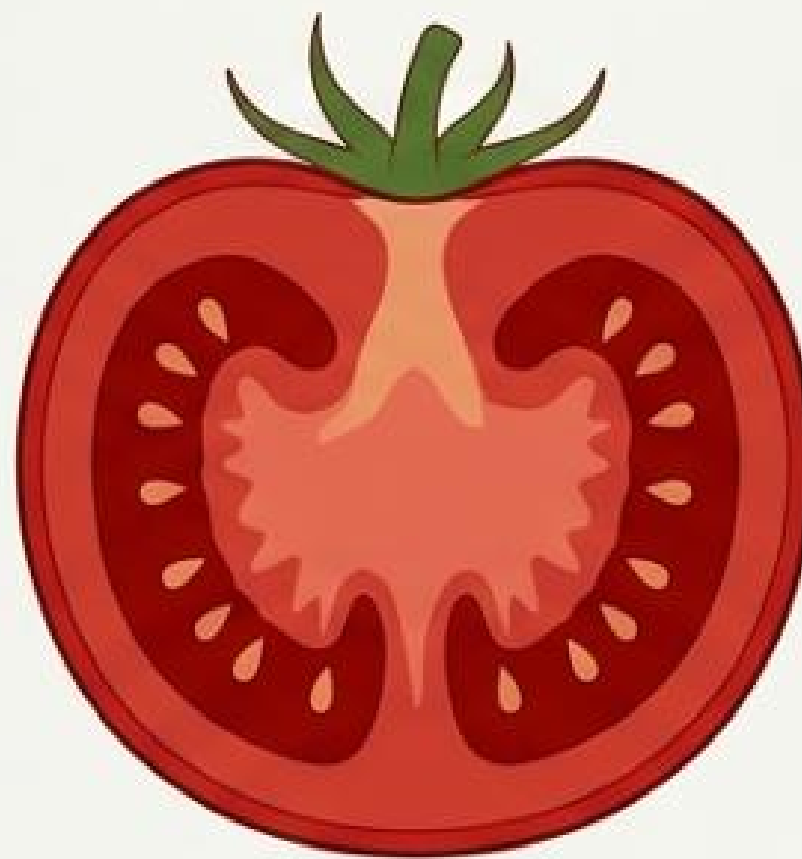
The Root of the Problem: A Gap in Processing-Grade Tomatoes

Table Variety
(Low Solids)



High water content, unsuitable for efficient paste production.

Processing Variety
(High Solids / High Brix)



Concentrated flavor and color; ~8 kg of tomatoes yield 1 kg of paste.

Source: Invest Pakistan

Most local varieties have **low solids**, making large-scale processing uneconomical. This has led to **over 12,000 MT of local production capacity sitting idle.**

Source: Pakistan Business Council

The Solution: A State-of-the-Art Processing and Packaging Hub



- Establish a greenfield tomato paste facility in a prime agricultural region of Pakistan.
- Integrate the entire value chain, from farm to finished product.
- Target both the domestic import substitution market and high-potential export markets.
- Achieve international quality standards (HACCP, ISO 22000) from day one.

Securing the Supply Chain: From Contract Farming to Cold Chain

Challenges



Inconsistent raw material quality
(low-brix varieties).



Supply seasonality and post-
harvest losses.

Our Solutions



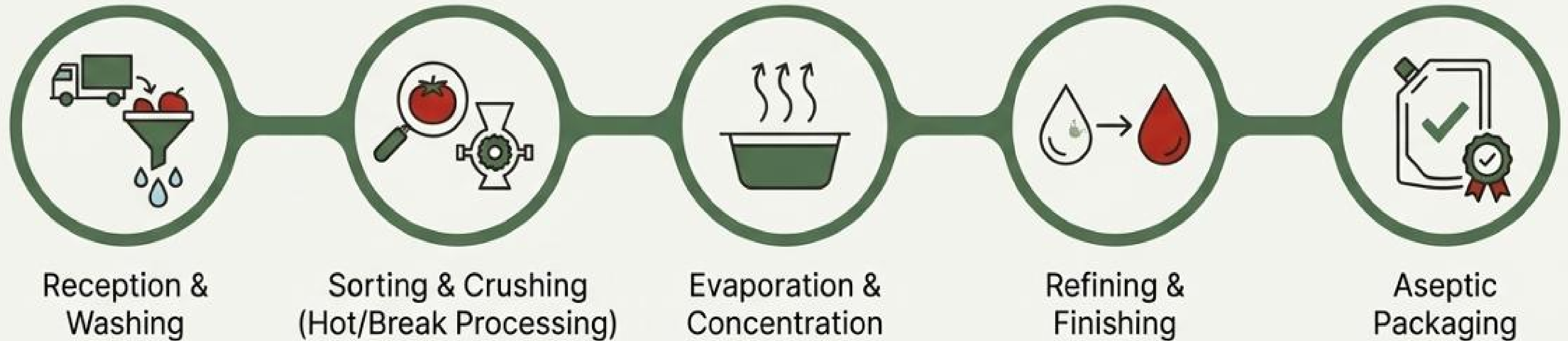
Contract Farming Programs:
Partnering with farmers to
cultivate specified high-yield,
high-brix seed varieties.

Source: rdfoundation.org.pk



Integrated Cold-Chain Logistics:
Implementing efficient transport
and storage to minimize spoilage
and ensure peak quality from
farm to factory.

Engineered for Quality and Efficiency



Key Technical Specifications

Target Paste Solids: 30-36% Brix (Industrial Grade)

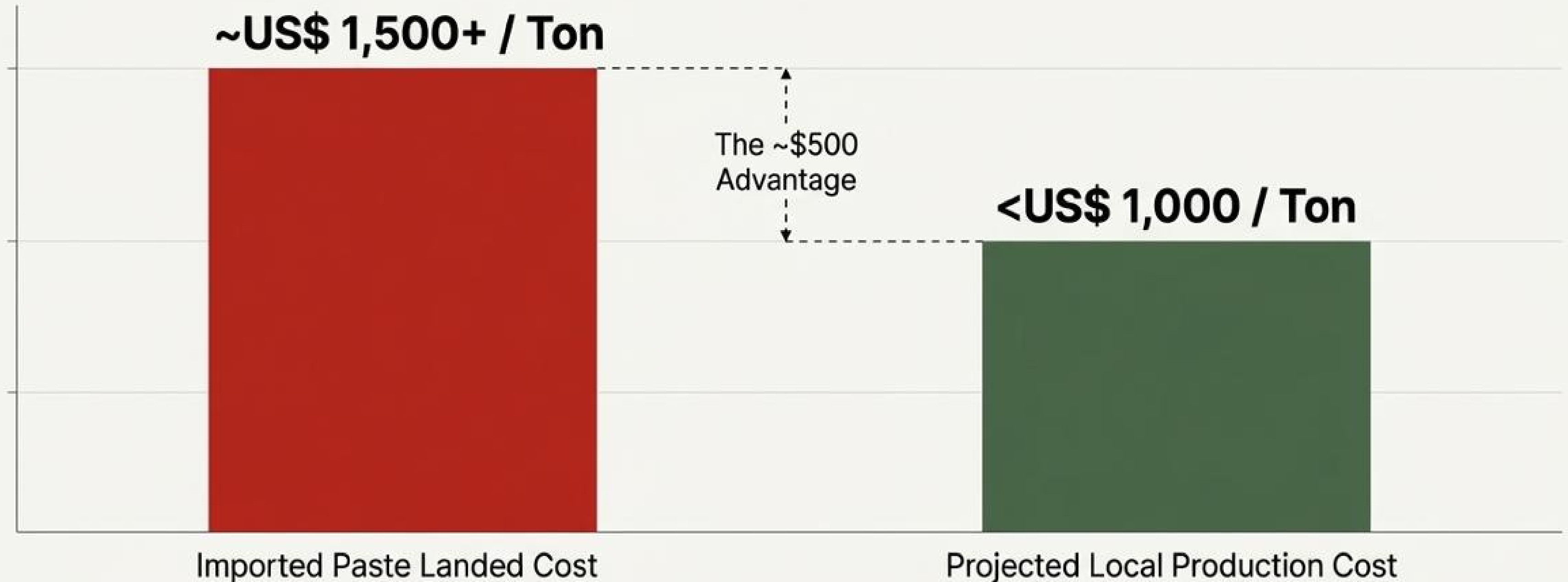
Technology: Advanced continuous/batch processing for optimal quality control.

Packaging Flexibility

Equipped for multiple formats to serve diverse market segments:

- Bulk Aseptic Pouches (Industrial)
- Cans (Standard Trade)
- Retail Jars & Tubes (Consumer)

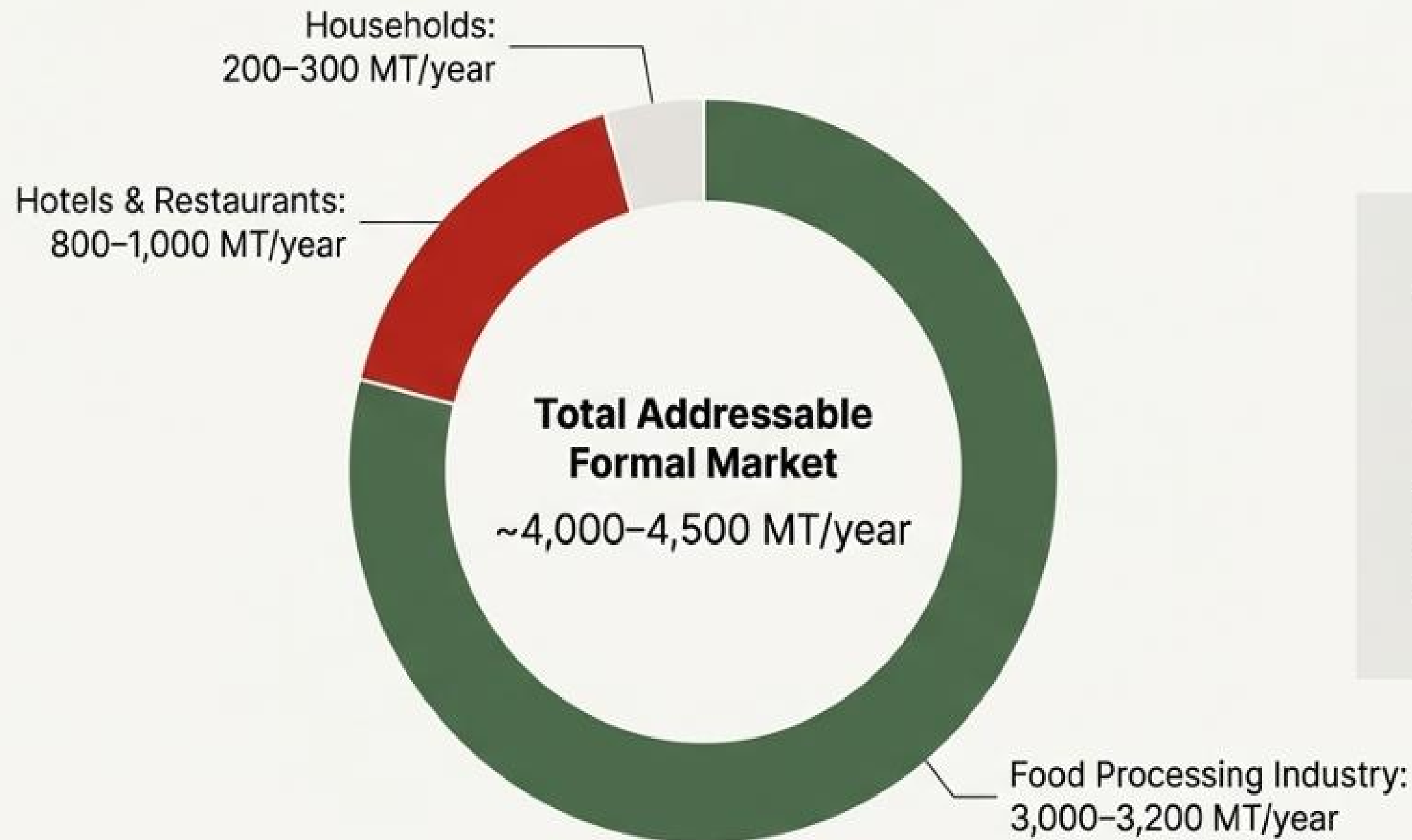
The \$500/Ton Advantage: The Core of the Investment Thesis



Source: Pakistan Business Council

Key Insight: This significant cost advantage creates a powerful competitive moat, enabling rapid market penetration for import substitution and profitable export pricing.

Capturing a Ready Market: The Domestic Opportunity



Growth Trajectory

~15% Annually

Market demand is projected to grow at this rate, driven by the expansion of the processed food sector.

Beyond Borders: Tapping into a \$11+ Billion Global Market

Global Market Context

- **Global Market Size:** ~US\$ 9–11+ Billion with a steady CAGR projected through 2032.
Source: Future Market Report
- **Key Demand Driver:** Rising global consumption of processed foods, sauces, and convenience products.

Competitive Edge

Our cost structure allows for competitive pricing in international markets while meeting global quality standards (Halal, ISO 22000).



Phased Capacity and Investment

Option 1: Medium Facility

- Capacity: **5–10 tons/hour** (fresh tomatoes)
- Annual Output (est.): **3,000–6,000 MT** (paste)
- Estimated Investment: **US\$ 10–15 Million**

Option 2: Large Facility

- Capacity: **10–20 tons/hour** (fresh tomatoes)
- Annual Output (est.): **6,000–12,000 MT** (paste)
- Estimated Investment: **US\$ 20–30+ Million**

Note: Investment is for a greenfield project with options for PPP/Joint Venture structures.

Strategic Location: At the Heart of Pakistan's Tomato Belt

Prime Locations for Facility Development:

Sindh Province:

- **Key Districts:** Badin, Thatta, Sujawal
- **Rationale:** Strong, established tomato production base.

Source: rdfoundation.org.pk

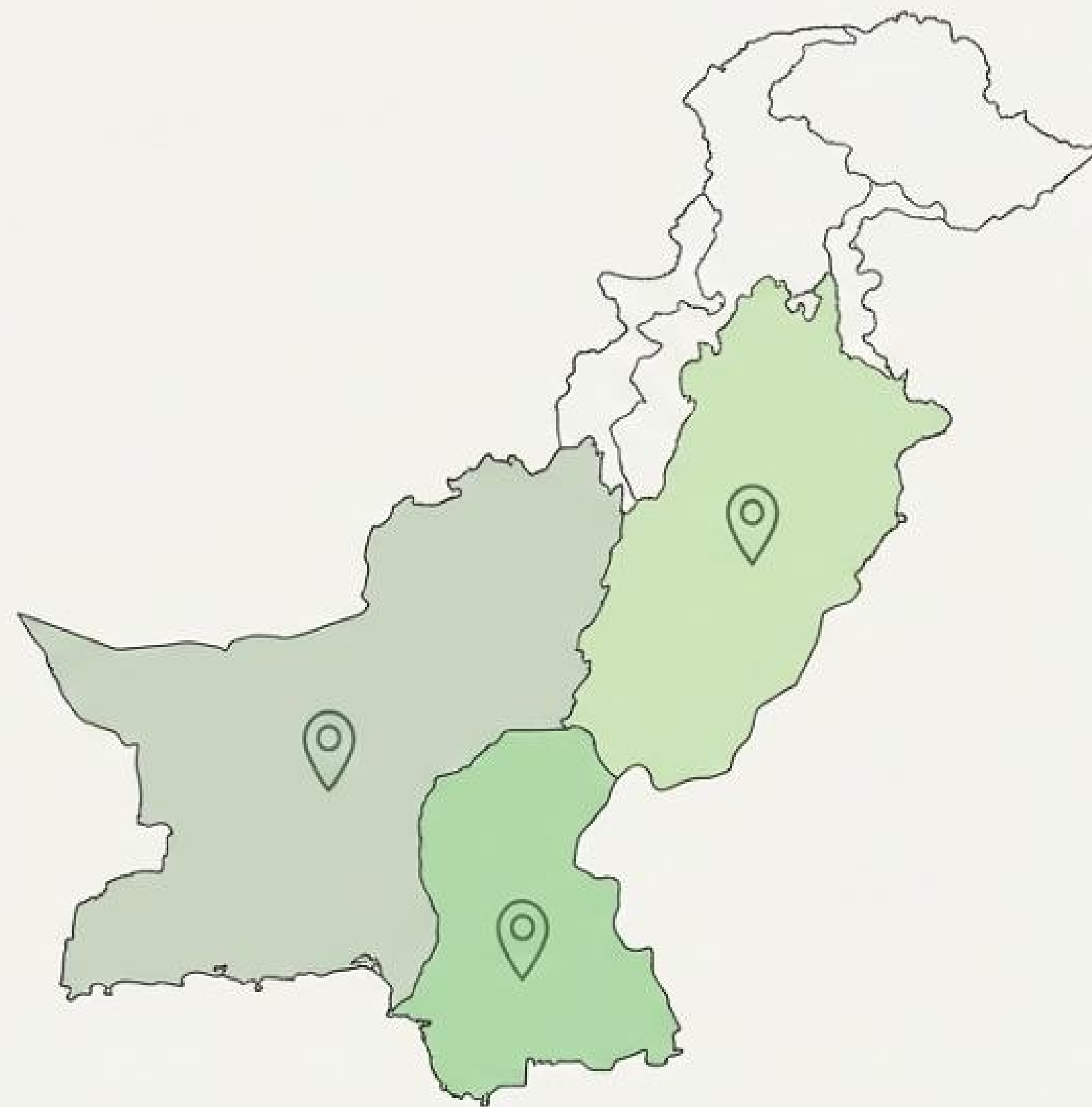
Punjab Province:

- **Key Districts:** Multan, Sahiwal
- **Rationale:** Excellent access to supply chains and national logistics networks.

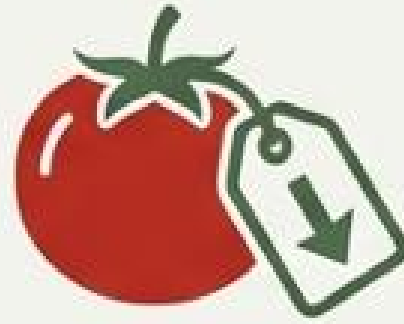
Balochistan Province:

- **Key Districts:** Killa Saifullah
- **Rationale:** An emerging production hub with significant growth potential.

Source: Business Recorder



The Pakistan Advantage: A Foundation for Success



- ✓ **Competitive Raw Material:** Access to farm gate tomato prices that are low relative to global benchmarks.

Source: Pakistan Business Council



- ✓ **Growing Domestic Demand:** A rapidly expanding local market for processed foods.



- ✓ **National Economic Priority:** Project aligns with government goals for import substitution, saving US\$ 8-10M+ in foreign exchange annually.

Source: tomatonews.com



- ✓ **Supportive Policy Environment:** Government support and promotion for horticulture and food processing sectors.

A Trifecta of Value: For Investors, the Economy, and the Community



A WIN FOR INVESTORS

A bankable and scalable project with a high expected IRR, tapping into a structurally advantaged market.



A WIN FOR THE NATIONAL ECONOMY

Enhances food security, saves critical foreign exchange, and builds domestic industrial capacity.



A WIN FOR THE AGRICULTURAL SECTOR

Boosts farmer incomes through stable off-take agreements and the introduction of higher-value crops.

From Import Dependency to Export Powerhouse



“Investing in Pakistan’s **tomato processing sector** is more than an opportunity; it is a **strategic imperative**. By leveraging a strong raw material base with modern technology, this venture will **capture a captive domestic market and build a competitive platform for global exports**. This project is **bankable, scalable, and aligned with Pakistan's long-term economic goals**.

Company Name	Core Business / Relevant Capability	Why They're a Potential Partner
Mitchell's Fruit Farms Ltd	Tomato paste & sauce processing	Established food processor with tomato products & strong brand presence
Hi-Tech Foods (Owner of Shan Foods / National Foods)	Food processing & spices	Large processing infrastructure; potential to diversify into tomato paste products
Nishat Chunian Group – Foods Division	Agro processing & canning	Experience in processed food (fruit & vegetable) products
Iqbal International (Food Division)	Food processing & packaging	Distribution network & capability for value-added products
Pakistan Canning Company (Pvt) Ltd	Canned food production	Processing & canning infrastructure — suitable for tomato paste
Anglo Foods Ltd	Tomato & vegetable processing	Known for tomato products & sauces
Minoo International (Food Division)	Food processing & brand	Export-oriented processed food line
Royal Foods (Pvt) Ltd	Food processing & packaging	Processing capability, packaging expertise
Shan Foods Ltd – Allied Processing	Spice & food processing	Can support seasoning/packaging integration with paste products
Farooq Traders / Agro Processors	Contract processing & sourcing	SME focused on tomato products & vegetable processing

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