

Import of cars up to 1,800cc rises by 58pc

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KARACHI, March 3: The import of vehicles has increased during first eight months (July to Feb) of the current fiscal year. In all 7,258 vehicles in completely built-up (CBU) condition were imported as against 5,732 in the same period last year.

According to official figures despite the fact that the import of high-powered vehicles recorded decline but generally, other categories of vehicles registered an increase.

As a result of this the national exchequer has to spend more foreign exchange on import of vehicles, which stood at Rs5.396 billion compared to Rs4.413 billion last year.

Consequently, revenue collection in the form of customs duty also increased by 5 per cent from Rs2.553 billion to Rs2.677 billion because around 1,526 more vehicles were imported during July-Feb of the current fiscal year.

The official details on import of vehicles revealed that a remarkable increase was recorded in the number of cars with engine power up to 1,800cc. In all, 3,230 cars in CBU conditions were imported during first eight months of current fiscal compared to 2,771 units in the same period last year, thereby showing 58 per cent rise in imports. But it is equally important to witness that import of high-powered vehicles such as jeeps with engine power over

1,800cc declined by 59 per cent to 159 units during July-Feb 2010 as against 962 CBU units imported in the same period last year. The fall in import of high engine powered vehicles (above 1,800cc) is because of increase in import duty from 90 per cent to 100 per cent along with 50 per cent regulatory duty. Besides, the government decision to reduce rate of depreciation from two to one per cent on vehicles above 1,800cc is yet another discouraging element for their import. Against this, import of buses, trucks, dumpers, vans and pickups recorded increase of 20 per cent at 3,869 units as compared to 1,999 vehicles imported in CBU condition in the same period last year.

The customs appraisalment (car group) lately has been keeping a watchful eye and vigilance on import of stolen vehicles from Europe and UK, and it has resulted in curtailing such illegal imports.

There was increase in international trafficking of stolen vehicles to Pakistan and many influential people even dared to ply stolen vehicles freely on roads without even changing their number plates, customs sources said.

With the decrease in the import of stolen vehicles the legitimate car import business and revenue collection in the form of customs duty have also improved because illegal import was giving tough competition to regular imports, sources said.