

PAKISTAN LIGHT ENGINEERING SECTOR

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LIGHT ENGINEERING SECTOR

Overview

The state of the engineering industry describes the status of industrialization of a country since it portrays the capability to add value to the primary products and of indigenous production of plants and machinery. The developed countries have assigned high priority to the engineering industry in their own country.

The range of light engineering goods covers electrical goods, transport equipment, domestic appliances, telecommunication equipment etc. There are about 2,500 registered units and a much larger number in the unorganized sector, with fixed assets of over Rs 100 billion. A number of small industrial units are operating in Karachi, Lahore, Gujarat, Gujranwala and Sialkot.

Engineering goods have already made a breakthrough in the export market. In addition to exports of conventional surgical instruments, cutlery goods and other light engineering product, Pakistan still is far behind in export of engineering goods as compared to Newly Industrialized Counties i.e. Korea and Malaysia and thus offers huge potential for manufacture of engineering products

It is recognized that capital machinery, light engineering goods and engineering consultancy services offer great opportunities for export mainly in the Middle Eastern, African and neighboring countries.

The country has a limited capability to design, test and experiment on new machines. The small and medium-sized units do not have the finances to risk innovative efforts, while the large ones are preoccupied with their production and have no time to spare for testing innovations.

There are a number of large industrial units which have successfully duplicated certain models of machines or adopted the patent or design of a few products or have acquired the rights on permanent basis on expiry of the validity period. These are the slow speed engines, sewing machines, cycles, electric fans and motors, dry electrical cells and pumps, to name a few. These efforts have been effective in import substitution of commodities.

ENGINEERING VISION – 2010

The Government has formulated a “Engineering Vision 2010” to build an economically strong Pakistan through an invigorated and integrated engineering industry. In the light of Engineering Vision, the Government has developed a growth strategy for the engineering industry for rapid industrialization. The targets to be achieved up to 2010 are:

- Increase the share of manufacturing sector from existing level to 25% and the share of engineering goods to 30%.
- A growth led strategy of value added quality production to be adopted for exports and local consumption.

The Government is aiming at the following measures to accomplish the above targets:

- Investment needed: US\$ 10 to 12 billion.
- Engineering goods exports to be increased to 12% of total exports.

Exports of engineering goods will increase to US\$ 2.13 billion in low road and to US\$ 5 billion by the year 2012

SURGICAL INSTRUMENT INDUSTRY

Overview

Surgical instrument manufacturing industry originated in the early 1940s in and around the city of Sialkot. The sector manufactures a wide range of medical, surgical and veterinary instruments exporting 80-90 % of its production.

Pakistan has a history spanning over a century of skilled craftsmanship in manufacturing surgical instruments. This has over the last few decades combined with modern equipment and manufacturing technology to produce surgical instruments of the highest quality which are exported to over 140 countries around the world.

INDUSTRY AT A GLANCE

Total number of units	Approx. 1600
Installed Capacity	200 Million Pieces
Total Capital Investment	Rs. 12.0 billion
No. of worker	100,000-150,000
No. of people involved (Direct/indirect)	350,000-450,000
Export (2005-06)	US \$ 160.07 Million
World market of surgical instrument (2004)	US \$ 51.35 billion
Production	100 million Nos.
Source of Machinery	Germany,UK,USA,China

Pakistan Surgical Industry Structure

LARGE: High Sales Segment	
No of Firms	30
Annual Revenues	Rs 60 – 100 million
Investment in Equipment	Rs 50 - 100 million
MEDIUM: Medium Sales Segment	
No of Firms	50
Annual Revenues	Rs 10-60 million
Investment in Equipment	Rs 10-25 million
SMALL: Low Sales Segment	
No of Firms	150
Annual Revenues	Rs 1-10 million
Investment in Equipment	Rs 1-5million
VENDOR Segment	
No of Firms	2000
Annual Revenues	Rs 1-1.5 million
TRADERS	

Besides all the above there are about 800 – 1000 traders who do not have their own production facility

Range of Instruments being Manufactured

The industry makes specialized instruments used in the various braches of modern surgery. Production can be made in accordance with British, German, American or any international standards/ specification. The advanced countries of Europe and America are the leading buyers of Pakistan's surgical instruments.

A broad range of surgical instruments are being manufactured:

- ◆ Diagnostic
- ◆ General
- ◆ Plaster
- ◆ Tracheotomy
- ◆ Dermatology
- ◆ Rhino logy
- ◆ Sterilization
- ◆ Obstetrics
- ◆ Anesthesia
- ◆ Instruments
- ◆ Bone Surgery
- ◆ Cardiovascular
- ◆ Ophthalmology
- ◆ Oral Instruments
- ◆ Urology
- ◆ Intestinal & Stomach Rectum
- ◆ Vaccination
- ◆ Suture
- ◆ Neurology
- ◆ Lung Surgery
- ◆ Otology
- ◆ Tonsil
- ◆ Gynecology

Manufacturing Standards

Surgical instruments manufacturers have been following strict international manufacturing standard conforming to WHO standards. Over 300 Companies have ISO-9002 Certification and about 250 have Certification of Good Manufacturing Practices.

Sialkot Material Testing Laboratory (SIMTEL)

A UNIDO assisted material testing laboratory has been set up in Sialkot in the year 2000 comprising of three laboratories:

- ◆ Spectro Lab
- ◆ Metallographic Lab
- ◆ Chemical Testing Lab

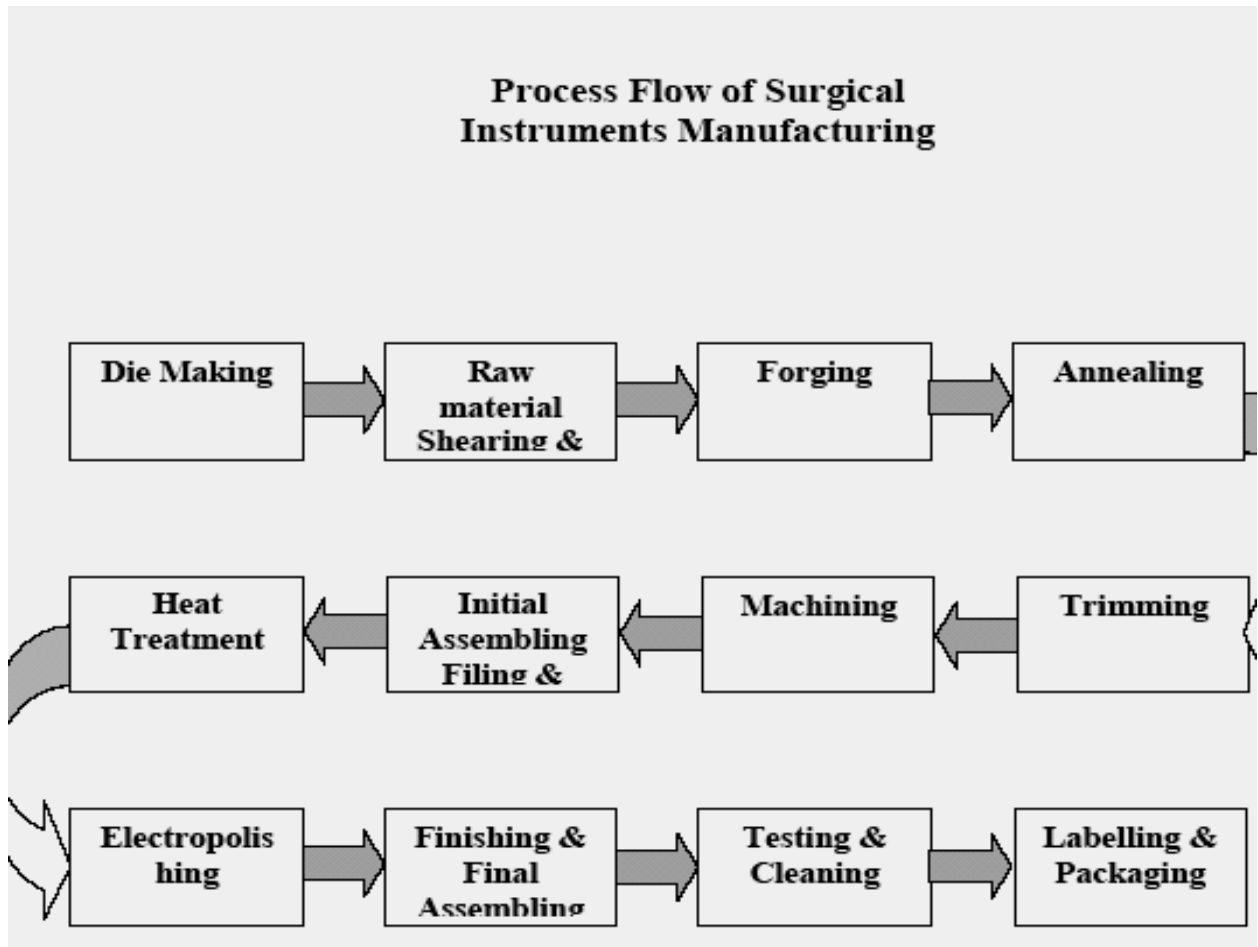
TARIFF STRUCTURE

MATERIAL	CUTOM DUTY	SALES TAX	INCOME TAX
Glass beads	15%	15%	6%
Steel non magnet	5 -25%	15%	6%
Emery	5%	0%	1%
Rubber Belts	20%	15%	6%
Grinding Wheels	5%	0 -15%	1-6%
Files	20%	15%	6%
Triklone chemical	%	15%	6%
Cutting oil	20%	15%	6%
Cutters (Milling)	5-10 %	15%	6%
Carbite Tips	5%	15%	6%
Forging	0-20%	0-15%	0-1%

MAJOR MANUFACTURING UNITS

S.NO.	Name of Units	Installed Capacity (Million Nos.)
1.	M /s T. S. K. Impex, Sialkot	20.0
2.	M /s Dr. Frigz Surgical & Co. (pvt) Limited	10.0
3.	M /s Bashir Jamil & Brothers (Pvt) Limited	10.0
4.	M /s We Brother , Sialkot	8.0
5.	M /s Hilbro Instruments (Pvt) Limited	6.0
6.	M /s Technimen Gama (Pvt) Limited	5.0
7.	M /s Asim Surgical Revit Makers	5.0
8.	M /s Tinopal Surgical (Pvt) Limited	3.5
9.	M /s A.D.Surgical (Pvt) Limited	2.0
10.	M /s Garish Surgical (Pvt) Limited	2.0
11.	M /s A-One Surgico	1.7
12.	M /s Weldon Industries	1.5
13.	M /s Medisporex (Pvt) Limited	1.2
14.	M /s Ghulam Rasool Surgical	1.2
15.	M /s Tata Services	1.1

MANUFACTURING PROCESS

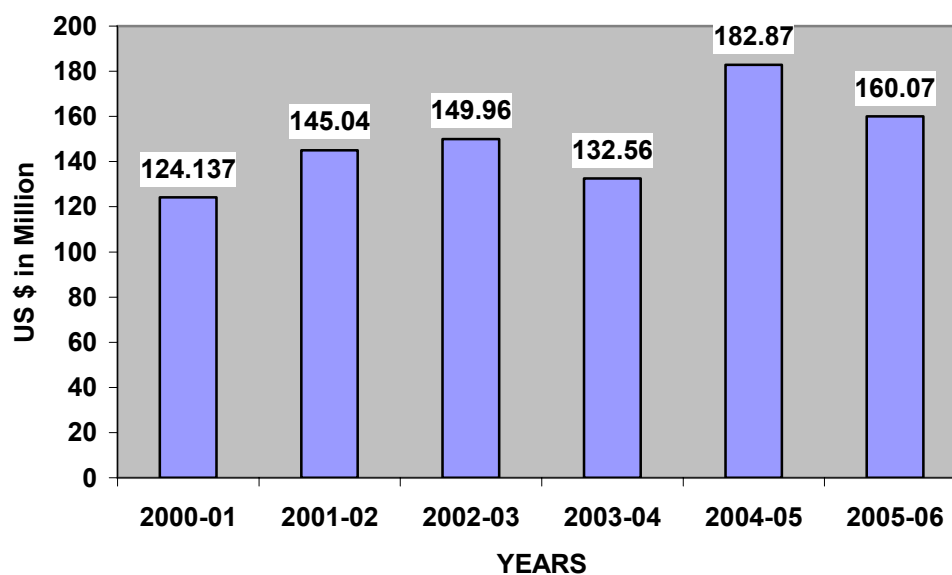


EXPORT OF SURGICAL INSTRUMENTS

YEAR	Value(US \$ in million)
2000-01	124.137
2001-02	145.04
2002-03	149.96
2003-04	132.56
2004-05	182.87
2005-06	160.07

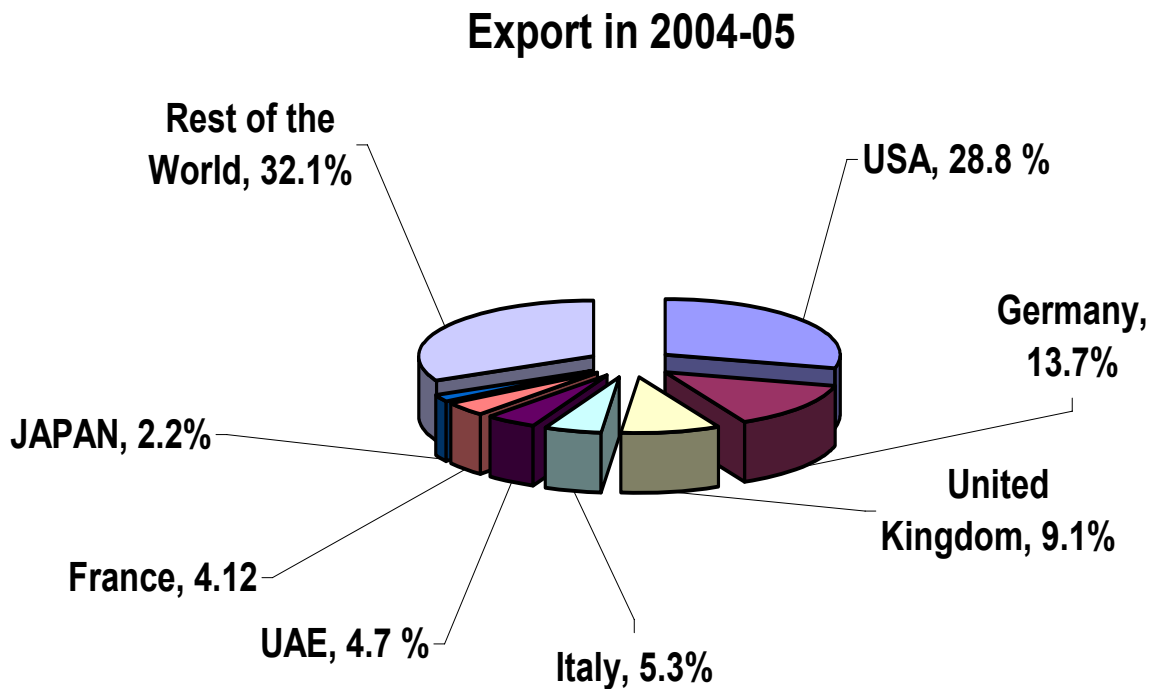
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EXPORT



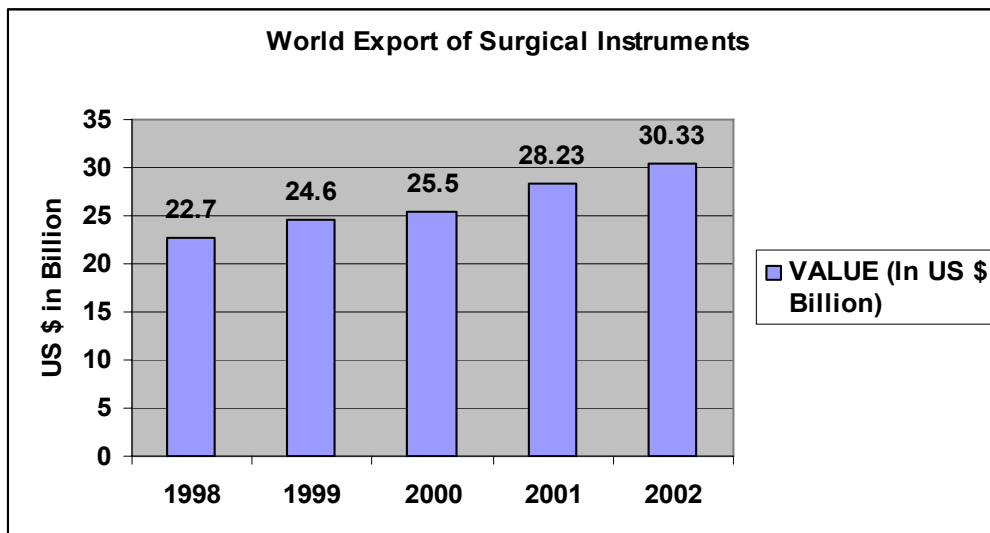
PAKISTAN'S EXPORT IN 2004-05

COUNTRY	SHARE (%)
USA	28.8%
Germany	13.7%
United Kingdom	9.1%
Italy	5.3%
UAE	4.7%
France	4.12%
Japan	2.2%
Rest of the World	32.1%



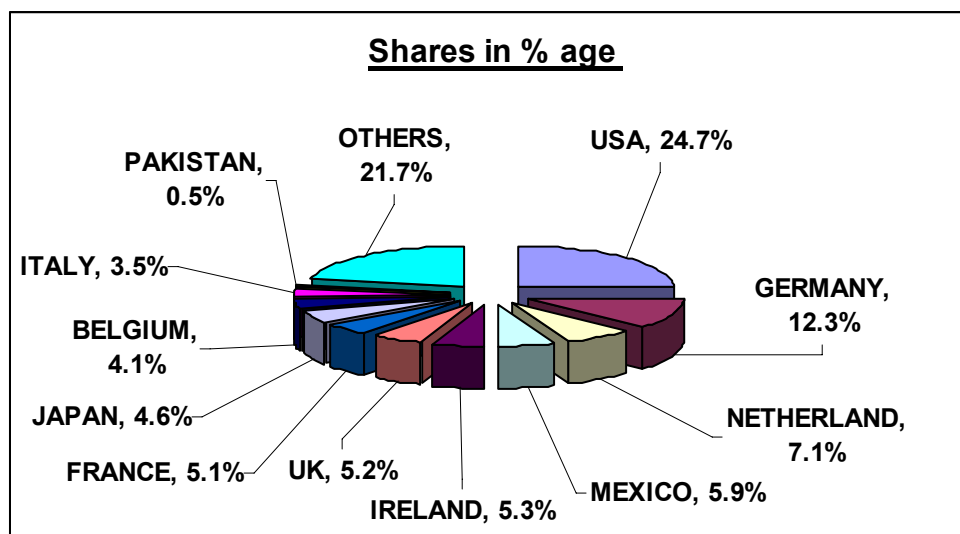
WORLD EXPORT OF SURGICAL INSTRUMENTS

YEAR	VALUE (In US \$ Billion)
1998	22.7
1999	24.6
2000	25.5
2001	28.23
2002	30.33



COUNTRIES SHARES IN WORLD EXPORT

COUNTRY	%AGE
USA	24.71
GERMANY	12.33
NETHERLAND	7.13
MEXICO	5.89
IRELAND	5.29
UK	5.23
FRANCE	5.07
JAPAN	4.57
BELGIUM	4.07
ITALY	3.45
PAKISTAN	0.49
OTHERS	21.74
TOTAL	100



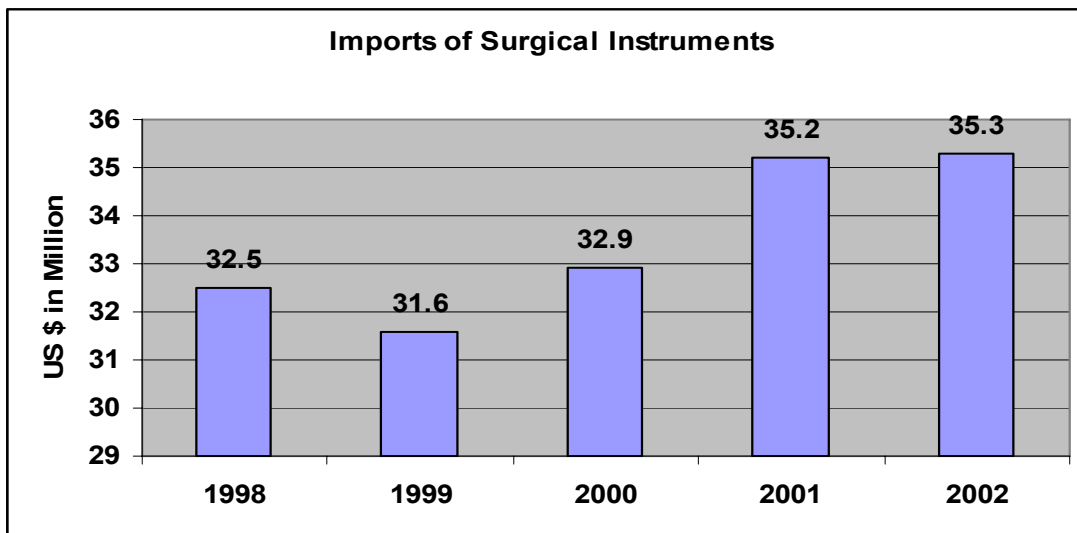
PAKISTAN'S SURGICAL EXPORT TO TOP 20 COUNTRIES

Value in 000 \$

S.#	Countries	2004-05	% share	2003-04	% share	2002-03	% share
1	USA	52,835	29.9	38,910	29.4	51,177	34.1
2	Germany	25,196	13.8	19,464	14.7	20,067	13.4
3	United Kingdom	16,808	9.2	9,738	7.4	11,890	7.9
4	Italy	9,653	5.3	6,565	4.9	6,219	4.2
5	UAE	8,677	4.7	6,992	5.3	6,480	4.3
6	France	7,541	4.1	7,412	5.59	5,870	3.9
7	South Korea	4,147	2.3	2,197	1.7	3,300	2.2
8	Japan	4,088	2.2	3,871	2.9	4,114	2.8
9	Mexico	4,016	2	2,346	1.8	3,906	2.6
10	Australia	2,979	1.6	1,702	1.3	2,202	1.5
11	Netherlands	2,893	1.6	3,561	2.7	2,541	1.7
12	Spain	2,588	1.4	2,021	1.5	2,400	1.6
13	Brazil	2,217	1.2	1,057	0.8	2,171	1.5
14	Canada	2,140	1.2	1,235	0.9	1,919	1.3
15	Belgium	2,101	1.2	1,589	1.2	2,006	1.3
16	Russia	2,029	1.1	1,879	1.4	604	0.4
17	Poland	1,944	1.1	697	0.53	845	0.56
18	Saudi Arabia	1,436	0.8	858	0.7	1,138	0.7
19	Singapore	1,347	0.7	1,089	0.9	1,582	1.1
20	Iran	1304	0.7	479	0.36	487	0.32
Total		155,939	85.3	113,662	85.74	130,918	87.3
Others		26,938	14.7	18,901	14.26	19,047	12.7
Total		182,877	100	132,563	100	149,965	100

IMPORTS OF SURGICAL INSTRUMENTS

YEARS	Value (Million US \$)
1998	32.5
1999	31.6
2000	32.9
2001	33.23
2002	36.37



MAJOR EXPORTERS OF SURGICAL GOODS

<p>M/s Tinopal Pvt Ltd P.O Box 518, S.I.E, Sialkot Tel: 052-3255354, 3255454 Fax: 052-3553354 E-mail: tinopal@brain.net.pk</p>	<p>M/s Surgicaon (pvt) Ltd P.O.Box 244, Khadim Ali Shah Road, Sialkot Tel: 052-3262531 Fax: 052-3262532 E-mail: jilani@surgicon.com.net</p>
<p>M/s QSA Sugical (Pvt) Ltd. P.O Box 1094, Daska Road, Sialkot, Tel: 052-3526387, 3526487, 3529587 Fax: 052-3526386, 3526486 E-mail: info@qsa-surgical.com</p>	<p>M/s Roal Cosmo Industries (Pvt) Ltd P.O.Box 712, Adda Daska Road, Sialkot Tel: 052-3560099, 3555699 Fax: 052-3557983 E-mail: Royal@royalcosmo.com</p>
<p>M/s Medical Developers (Pvt) Ltd. Wazirabad Road, Sialkot Tel: 052-3510109-3510740 Fax: 052-3210138-3210915 E-mail: info@medvices.com</p>	<p>M/s Medisprorex(Pvt)Ltd. P.O.Box – 600, 438, Khadim Ali Road, Sialkot Tel: 052-3554148-3553658 Fax: 052-3255718 E-mail: medis@brain.net.pk</p>
<p>Dr. Frigz Surgical (PVT) Ltd. Gohadpur Kulluwal Road, Sialkot Tel: 052-3262701-3262705 Fax: 052-3262704-3263315 E-mail : frigz@skt.comsats.net.pk</p>	<p>M/s Allen Surgical Co (Pvt) P.O.Box – 643, SIE, Sialkot Tel: 052-3552456- 3555456 Fax: 052-3551479 E-mail: allen@allenfuture.com</p>
<p>M/s Durrani & Co Naul Wazirabad Road Sialkot Tel: 052-3553612 Fax: 052-3553418 E-mail : durrani@skt.comsats.net.pk</p>	<p>M/s Surgicrafts P.O.Box – 15, Muhammad Pura, Sialkot Tel: 052-3587280 Fax: 052- 3588497 E-mail: surgi@skt.comsats.net.pk</p>
<p>M/s Elmad Instruments P.O.Box 1656, Roras Road, Noul More, Sialkot Tel: 052-3557728 Fax: 052-3557730</p>	<p>M/s Solatch Sons P.O.Box – 1193, Chirstian town, Sialkot Tel: 052-3264859 Fax: 052-3264785 E-mail: salatch@brain.net.pk</p>

E-mail : elmed@brain.net.pk	
M/s Arain & Brothers (Pvt) Ltd P.O.Box 432 , Wazirabad Road, Sialkot Tel: 052-326926-3264759 Fax: 052-3264571-3264026 E-mail : maarain@brain.net.pk	M/s Farico Enterprises Near Mazar Mulik Shah Walii Ugoki Road, Sialkot Tel: 052-3511997 Fax: 052-3513700 E-mail: farico@skt.comsats.net.pk
M/s Clif Trading Co (Pvt) Ltd P.O.Box 438, Khadim Ali Road, Sialkot Tel: 052-3563276, 255394 Fax: 052-3588851, 554718 E-mail: cliff@skt.com.net	M/s Eltec Instruments (Pvt) Ltd 10-Km wazirabad road, Sialkot Tel: 052-3512690 Fax: 052-3512694 E-mail: eltek@brain.net.pk
M/s Hilbtro (PVT) Ltd. 12 Km Daska Road, Sialkot. Tel: 052-3526276-8 Fax: 052-3556279-80 E-mail: hilbro@brain.net.pk	M/s Technimen (Pvt) Ltd P.O.Box – 241, Wazirabad, Sialkot Tel: 052-3263834-263836 Fax: 052-3263254 E-mail: tecnimen@gir.paknet.com.pk
M/s Towne Brothers P.O.Box 108, 52-B, SIE, Sialkot. Tel: 052-3553231 Fax: 052-3553217 E-mail: sales@towne.pk.com	M/s Hico Surgical (Pvt) Ltd P.O.Box – 2141, Noul, Wazirabad Road, Sialkot Tel: 052-3562222 Fax: 052-3553661 E-mail: info@hico.biz

ASSOCIATION

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E-mail: info@simap.org.pk

URL: www.simap.org.pk

ELECTRICAL FAN INDUSTRY

OVERVIEW

The fan industry is mainly clustered in the four major cities namely, Gujrat, Gujranwala, Lahore and Karachi. Fan industry is producing about seven (7) million fans per annum. Out of the total production, approximately 30 per cent fans consist of pedestals, 7 per cent brackets and the remaining 63 per cent are ceiling fans. The industry belongs to the light engineering industry category, and is one of the industries that existed at the time of independence.

Besides small and medium units, a few units are quite large and have integrated system i.e. from motor winding to high-pressure dies casting. These units are the main players in the export field. Sales are also fairly concentrated with five large firms in Gujrat and two in Gujranwala, accounting for 40% of total industry sales

The industry is producing a variety of products in different sizes and designs. The major products are: ceiling, pedestal, table, table-cum-pedestal fans, circumatic fans, wall bracket, exhaust fans and propellers. Most of the raw materials used by the fan industry are directly or indirectly imported from different countries. Some of the raw materials used in the manufacturing of a fan are: electric steel sheets, aluminum, enameled copper wire, ball bearing, steel rod and PVC

Global fan trade is classified on the basis of energy consumption. The fans that consume less than 125 watts of energy (SITC 74341) are generally referred to as domestic fans and the fans that consume over 125 watts (SITC 74343) are classified as industrial fans.

ELECTRICAL FAN INDUSTRY

Total capital investment	Rs. 5 Billion
Installed Capacity	7 million Fan / year
Current Capacity utilization	80%
Total Production	5.6 million Fan / year
Direct Employment	30,000 people
Indirect Employment	40,000 people
Annual Revenue	Rs. 5.25 Billion
Exports (2005-06)	US \$16.66 Million
Imports (US \$ Million)	0.16

LARGE SCALE UNITS	
UNITS	8
PROJECT COST	Rs. 250-350 Million
EMPLOYMENT	200-300
PRODUCTION	60,000-250,000
REVENUE GENERATED	Rs. 150-250 Million
MEDIUM SCALE UNITS	
UNITS	50
PROJECT COST	Rs. 10-20 Million
EMPLOYMENT	60-80
PRODUCTION	20,000-60,000
REVENUE GENERATED	Rs. 150-250 Million
SMALL SCALE UNITS	
UNITS	450
PROJECT COST	Rs. 0.5-1.0 Million
EMPLOYMENT	20-25
PRODUCTION	2,000-10,000
REVENUE GENERATED	Rs. 2.0-5.0 Million
VENDORS	
UNITS	1000
PROJECT COST	Rs. 0.45-1.0 Million
EMPLOYMENT	5-20

MAJOR ELECTRIC FAN COMPANIES

BRAND NAME	COMPANY
PAK FAN	M/S Wahid Industries Limited, G.T. Road, Gujarat
G.F.C. FAN	M /s General Fan Company(Pvt) Ltd, G.T. Road, Gujarat
YUNUS FAN	M/s Younas Metal Works , G.T.Road, Gujarat
ROYAL FAN	M/s Rafiq Engineering Industries (Pvt) Ltd, , G.T. Road, Gujarat
MATRO FAN	M/s Hi Tech Industries (Pvt) Ltd, , G.T. Road, Gujarat

World's Export of Other Fan (Industrial Fan) and Fan under 125 watt (Domestic Fan)

Major exporters of fans include Germany, China, Japan, USA and Taiwan exporting nearly 70% of the total international market of fans industry. Major importers are USA, Hong Kong, Germany, Japan and Canada which shared 57% of the total imports.

COUNTRY- WISE EXPORT SHARES OF OTHER FAN (INDUSTRIAL FAN):

COUNTRY	SHARES
PAKISTAN	0.02%
FRANCE	2%
NETHERLAND	3%
SWEEDEN	3%
KOREA	1%
CANADA	5%
UK	4%
ITALY	9%
USA	14%
JAPAN	19%
GERMANY	33%
TAIWAN	7%

COUNTRY- WISE EXPORT SHARES OF FAN UNDER 125 WATT (DOMESTIC FAN):

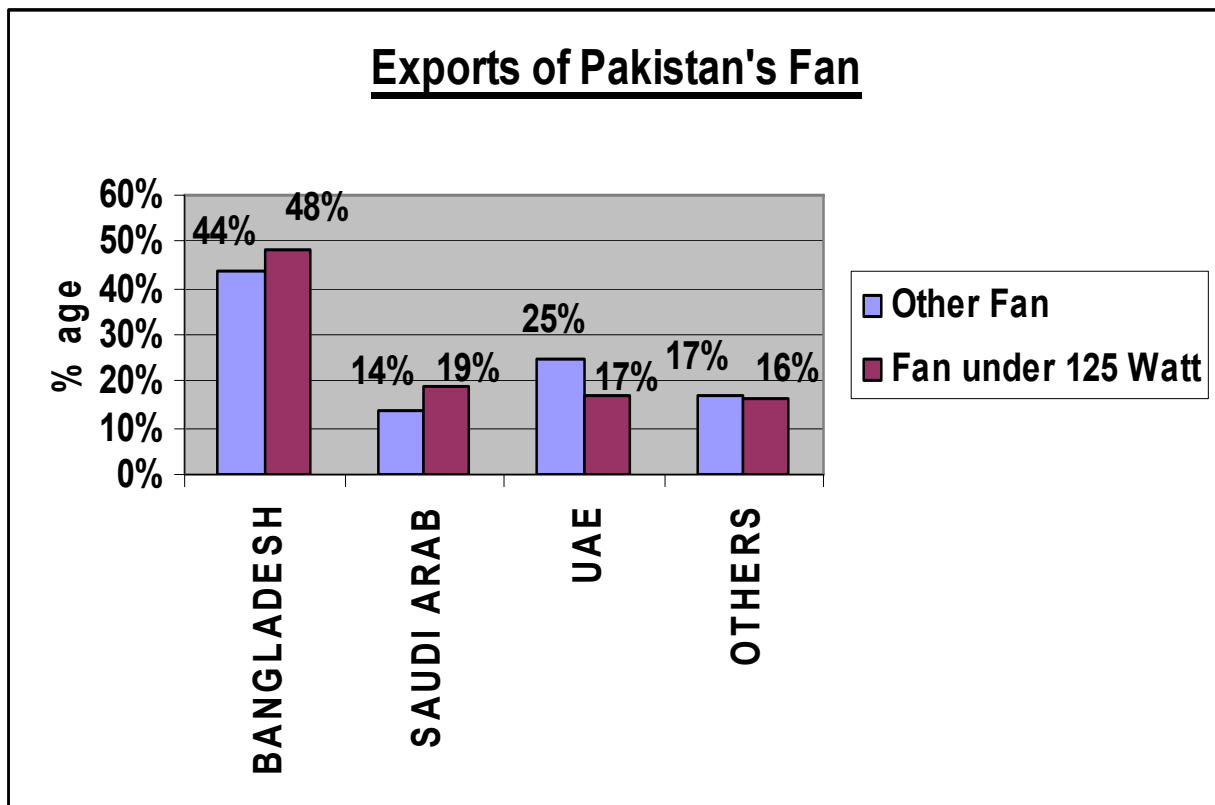
FAN UNDER 125 WATT (Domestic Fan)	
COUNTRY	SHARES
PAKISTAN	0.1%
SINGAPORE	1%
UK	1%
TAIWAN	20%
CHINA	44%
THAILAND	6%
GERMANY	5%
USA	3%
ITALY	2%
SPAIN	2%
JAPAN	2%
OTHER	13%

WORLD VS PAKISTAN EXPORT OF FANS IN 2003

	VALUE IN US \$	OTHER FAN	FAN UNDER 125 WATT
WORLD	US \$ 3.9 Billion	73%	27%
PAKISTAN	US \$ 30 Million	34%	66%

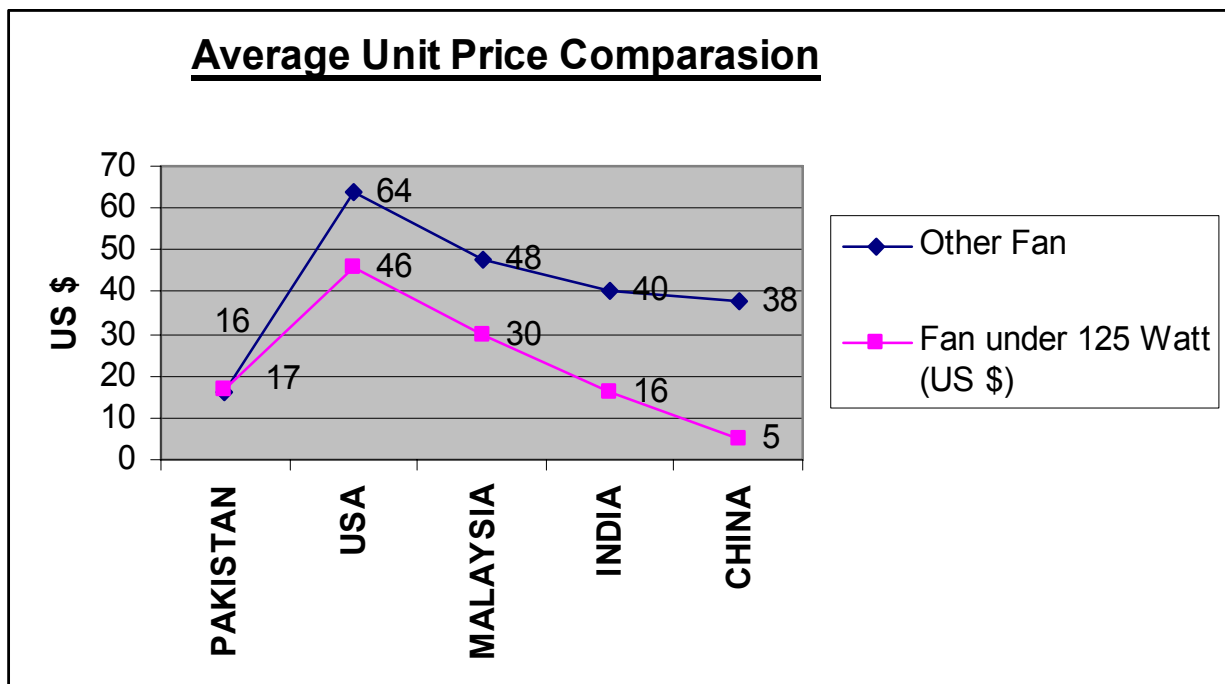
COUNTRIES TO EXPORTS OF PAKISTAN'S FANS

COUNTRY	Other Fan	Fan under 125 Watt
BANGLADESH	44%	48%
SAUDI ARAB	14%	19%
UAE	25%	17%
OTHERS	17%	16%

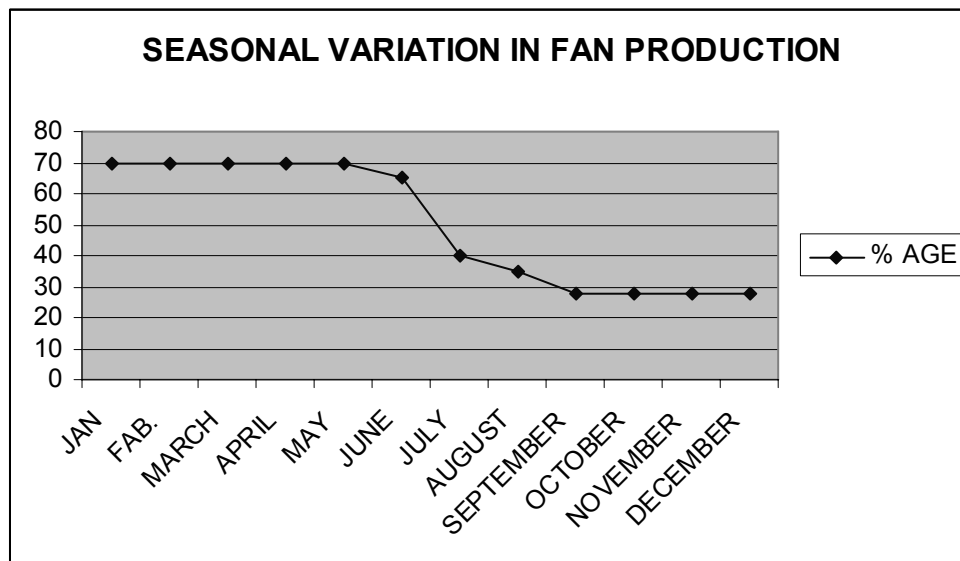


AVERAGE UNIT PRICE COMPARAISON

COUNTRY	Other Fan Unit Value (US \$)	Fan under 125 Watt (US \$)
PAKISTAN	16	17
USA	64	46
MALAYSIA	48	30
INDIA	40	16
CHINA	38	5



SEASONAL VARIATION IN FAN PRODUCTION



ASSOCIATION:

**PAKISTAN ELECTRIC FAN MANUFACTURERS
ASSOCIATION**

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P.O.Box 53 G.T.Road Gujrat**

Tel: 0092-53-3521429

Fax: 0092-53-3521427

CUTLERY INDUSTRY

SECTORAL OVERVIEW

Cutlery means the cutting implements such as knives, swords, razors, scissors, forks and spoons used for industrial, commercial, domestic purposes. It is broadly divided into two categories i.e. kitchen and table cutlery and non – kitchen and non – table cutlery. It is one of the important commodities of engineering sector in Pakistan. The total export of cutlery items was almost US \$33 Million . The main exporting countries are USA, France Germany and UAE and the main competitive countries are China, Germany, Korea and UK.

The cutlery items apart from tableware are almost 100% export oriented. The average capacities utilization in this sector amounts to only 30% to 40%. The main problem areas are the manual grinding, polishing and heat treatment of knife's blade, which are carried out in the very primitive style.

This sector is blessed with number of positive attributes like skilled labor, foreign exposure, training centers, and raw material and export friendly government policies. There is a wide untapped foreign market like Russia, Australia, Africa and South America. There is a big threat from China, which is gradually holding the entire global market. We must get rid of international manufacturing methodology, unethical business practices, environment of mistrust and price based competition within industry in order to become competitive at international market.

In the kitchen and table cutlery, the Knives, swords and Daggers are the main items which exporting to 89% of total export of cutlery whereas 11% export is made in non-kitchen and non table cutlery.

CUTLERY INDUSTRY AT GALANCE

No. of Units	300
Employments	About 25,000 people
Production	5,000 piece per day
Capacity utilization	40-50%
Export (2005-06)	32.92 US \$ in Million
Main Locality	Wazirabad, Nazimabad and Allahbad in Gujranwala district.
Nature	SME

POLICIES AND INCENTIVES

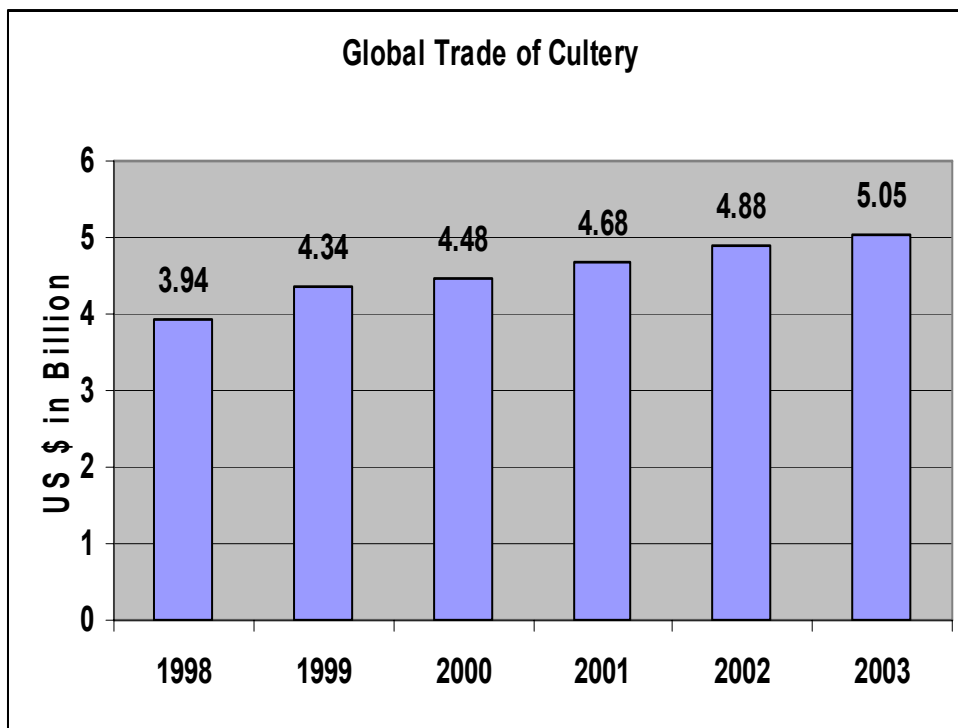
➤ **Rate of Tariffs on import of materials used in Cutlery is as follows:**

PCT CODES	DESCRIPTION	TARIFF
7219.1100	Flats of stainless steel	5%
7407.2100	Copper-Zinc base alloys (Brass)	10%
6804.1000	Self dressing Magnesite wheel	5%
2513.1900	Emery green	5%
9603.2900	Stain brush	25%
5602.2100	Felt mop	15%
3405.1090	Polishes, Creams (luster)	25%
2921.1900	Plastic sheets	20%
4413.0000	Densified wood	5%

Global Trade of Cutlery

(Value In Billion Us \$)

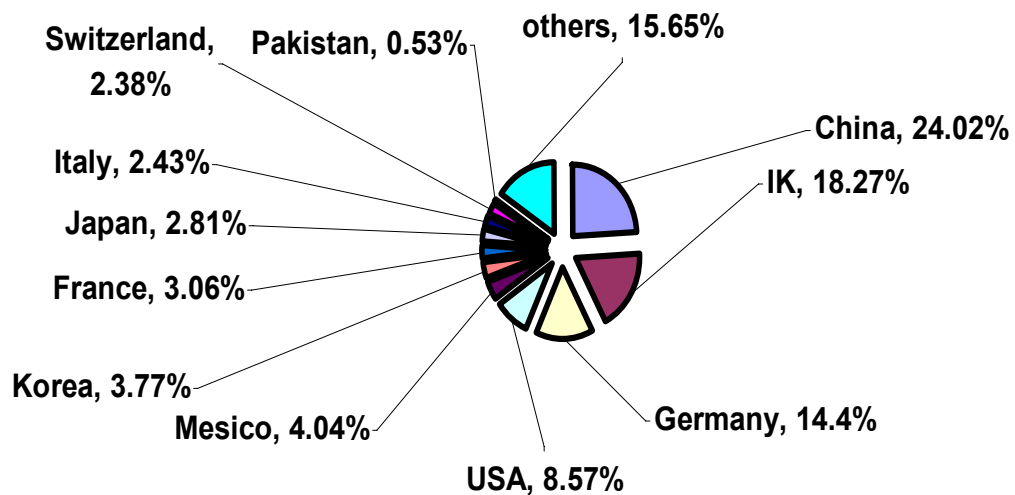
YEARS	VALUE
1998	3.94
1999	4.34
2000	4.48
2001	4.68
2002	4.88
2003	5.05



Shares in Global Trade of Cutlery

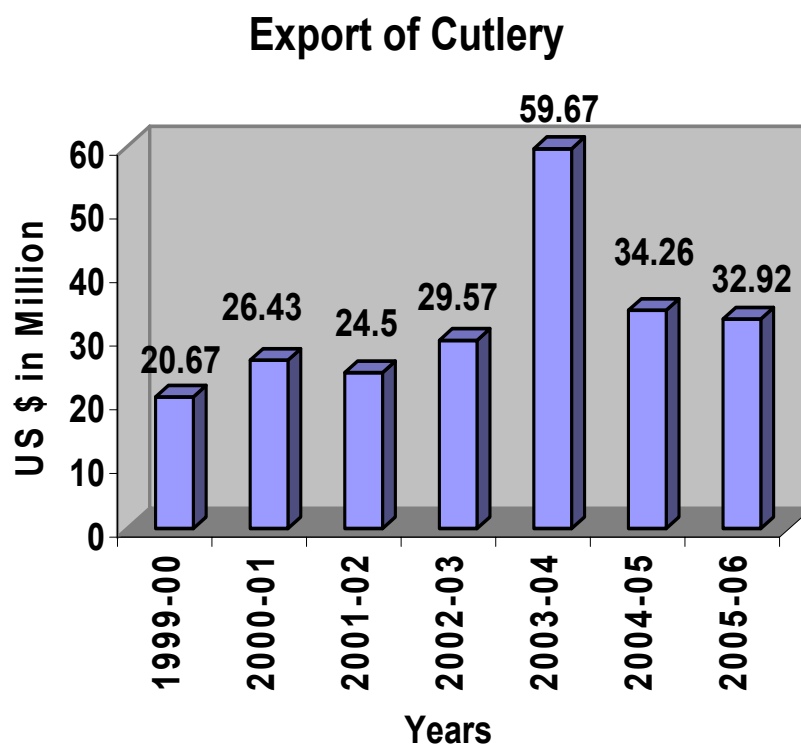
Countries	% Share
CHINA	24.02
UK	18.27
GERMANY	14.4
USA	8.57
MEXICO	4.07
KOREA	3.77
FRANCE	3.06
JAPAN	2.81
ITALY	2.43
SWITZERLAND	2.38
PAKISTAN	0.53
OTHERS	15.65

Shares in Export



EXPORT OF PAKISTANI CUTLERY

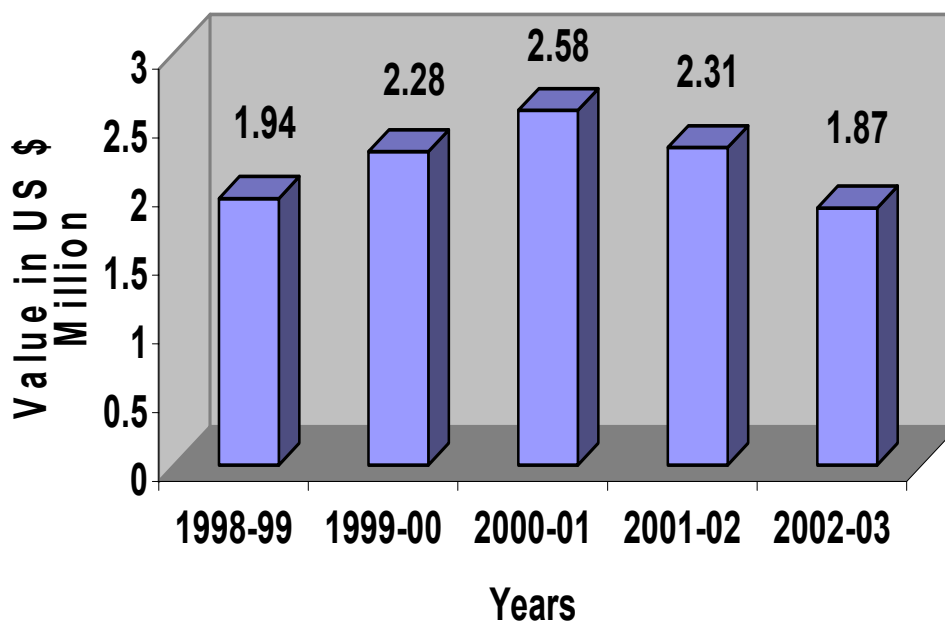
YEAR	VALUE(US \$ Million)
1999-00	20.67
2000-01	26.43
2001-02	24.50
2002-03	29.57
2003-04	29.67
2004-05	34.26
2005-06	32.92



IMPORTS OF CUTLERY

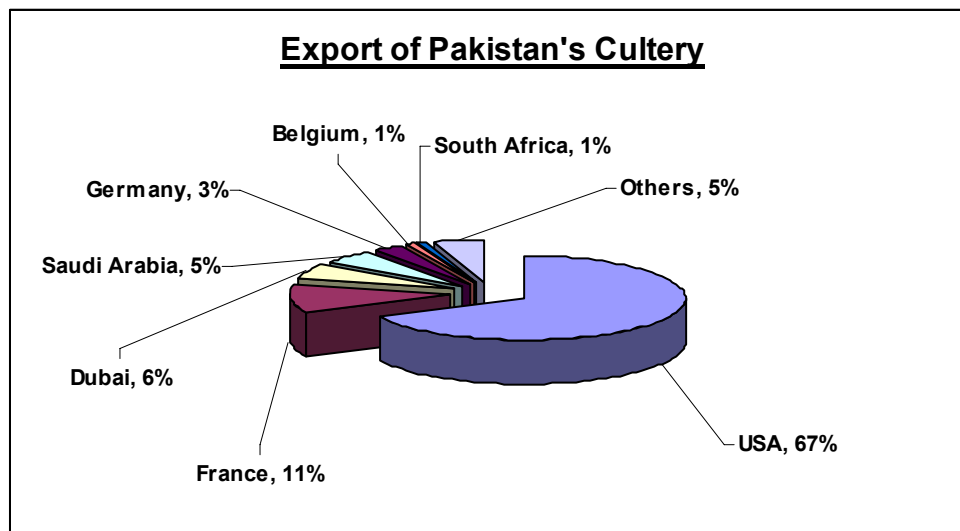
YEAR	VALUE(US \$ Million)
1998-99	1.94
1999-00	2.28
2000-01	2.58
2001-02	2.31
2002-03	1.872

Imports of Cutlery



Shares of Majors Countries importing Kitchen and Table Cutlery from Pakistan

COUNTRY	SHARE
USA	67%
France	11%
Dubai	6%
Saudi Arabia	5%
Germany	3%
Belgium	1%
South Africa	1%
Others	5%
Total	100%



Main exporting countries of Kitchen and Table Cutlery

COUNTRY	Share (%)
CHINA	27
GERMANY	10
KOREA	9
JAPAN	7
SWITZERLAND	7
ITALY	4
OTHERS	36

Main importing countries of Kitchen and Table Cutlery

COUNTRY	Share (%)
USA	32
GERMANY	10
HONG KONG	8
UK	6
FRANCE	5
CANADA	4
OTHERS	35

Main exporting countries of Non-Kitchen and Non-Table Cutlery

COUNTRY	Share (%)
UK	24
USA	17
GERMANY	17
CHINA	8
FRANCE	5
KOREA	4
ITALY	4
OTHERS	21

Main importing countries of Non-Kitchen and Non-Table Cutlery

COUNTRY	Share (%)
USA	13
UK	12
FRANCE	8
GERMANY	6
ITALY	6
JAPAN	5
OTHERS	50

ASSOCIATION

**PAKISTAN CUTLERY & STAINLESS UTENSILS
MANUFACTURERS & EXPORTERS ASSOCIATION**

P.O.Box 41, G.T. Road , Wazirabad, Pakistan.

Tel: 0092-556-602825

Fax: 0092-556-600740

AUTO PART INDUSTRY

OVERVIEW

Units	850
Investment	US \$ 436.6 Million
Employment	171,000 Peoples
Contribution to GDP	Rs. 154 Billion
Contribution to Revenue	Rs. 8.00 Billion
Export 2005-06	\$ 16.9 Million
Import Substitution	\$ 2,400 Million
Foreign Exchange Saving	\$ 1,252 Million

MOTOR VEHICLES ON ROAD IN 1991-92, 2000-01 & 2005-06

Vehicles	1991-92	2000-01	Unit
			2005-06 (July –March)
Cars	429,100	928,000	1,445,100
M.Cab (Taxi)	42,400	72,400	78,600
Jeep	31,600	18,300	62,500
Buses	45,000	86,600	103,300
Trucks	75,800	132,300	151,800
Tractors	275,300	579,400	812,100
Tankers	4,600	8,000	8,600
Ambulances	1,700	1,700	4,500
Vans	61,400	72,400	138,300
Pickups	30,200	68,400	92,100
Stn. Wagons	43,600	93,800	140,700
Motorcycles	971,800	2,218,900	3,624,000
Motor Rickshaws	42,400	72,400	78,600
Others	49,500	89,000	62,600
Total	2,095,500	4,471,000	6,845,600

PRODUCTION OF VEHICLES / AUTOMOTIVES

VEHICLES	PRODUCTION				
	2002-03	2003-04	2004-05	2005-06	2006-07 (April, 07)
Cars	62,073	98,461	126,403	160,058	130,841
LCVs	12,548	14,896	25,177	32,053	30,354
Buses	1,296	1,380	1,762	825	758
Trucks	1,929	2,022	3,204	4,518	3,655
Tractors	26,240	35,770	43,200	48,887	43,839
Motorcycles	175,169	303,383	416,189	520,124	379,899

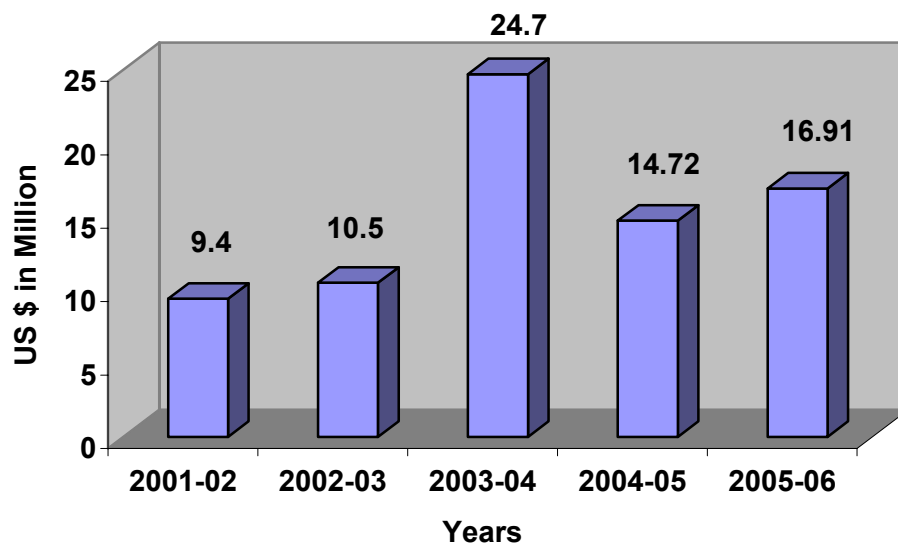
IMPORTS OF MOTOR VEHICLES

Vehicles	2002-03	2003-04	2004-05	2005-06 (July-Dec)
Cars	60,554	88,130	66,338	13,569
Buses	1,230	2429	411	264
Trucks	14,090	2,978	4,160	1,028
Tractors	15,854	14,633	11,127	6,336
Motorcycles	143,952	127,861	189,721	2,929

EXPORT OF AUTO PARTS

YEAR	VALUE(US \$ Million)
2001-02	9.4
2002-03	10.5
2003-04	24.7
2004-05	14.72
2005-06	16.91

Export of Auto Parts



AUTO PARTS COST BREAK UP

Cost Factor	Cars (Percentage)	LCVs (Percentage)	Tractor (Percentage)	Motorcycle (Percentage)
Raw Material and Parts	53	60	57	49
Overheads	15	19	14	13
Labor	5	3.5	10	9.5
Utilities	2	0.5	3.5	3.5
Sales & Marketing Advertising	1.5	1.5	1	2.5
Research & Development	0.5	0	0.5	0.5
Financial Cost	2	2	1	2
Profit	4	2	8	4
Government Levies	17	12	5	15

TARIFFS STRUCTURES

Custom Duty (%)

Particulars	CAR	LCV	Trucks	Buses		Tractor	Motorcycle
				Fully - CNG	Non-CNG		
Raw Materials	0	0	0	0	0	0	0
Sub-Components	5	5	5	0	5	0	5
Components	10	10	10	10	10	0	10
Sub- Assemblies	20	15 & 20	15	0	15	0	20
CKD	35	20 & 35	10 & 20	0	5	0-10	30
Completely Built Units (CBU)	50-75	60 & 50	30 & 60	20		10	90
Additional Duty on localized parts	15	30 & 15	25 & 30	35 & 30		35 & 25	20

VENDOR INDUSTRY

Components	Vendor in Pakistan	Collaboration
Shock absorbers	M/s.Honda Atlas Services	Showa, Japan
Radiator	M/s. Alwin Engg. Industries	U.E. Radiators, Japan
Car Air-conditioners	M/s. Sanpak	Sanden, Japan
Shock Absorber	M/s. Agriauto Industries	Kayaba, Japan
Radiator	M/s. Loads (PVT) LTD.	Toyo Radiator, Japan
Radio Cassette Player	M/s. Automate Industries	Panasonic Thailand
Car Air-conditioners	M/s. Thal Engineering	Denso, Japan
Lamps	M/s. Techno Pak	Koito, Japan
Spark Plugs	M/s. Shaigan Elec. & Engg	NGK, Japan
Air Conditioners	M/s. Thal Engineering	Denso, Japan
Glass	M/s. NGS Pakistan	NGS, Japan
Steering case set	M/s. Polymer & Precision	I.S. Seiseki, Japan
Brake Drum Assy.	M/s. Alson Autos Ltd.	Nissin Kogyo, Japan

PRODUCTION OF VEHICLES / AUTOMOTIVES

- CARS PRODUCTION IN 2005-06

Units	
1300 – 1600 cc (2000 cc Diesel)	
Honda - Civic	12,274
Honda – City	17,606
Suzuki – Baleno	2,939
Toyota – Corolla	31,094
1000 cc Car	
Suzuki - Cutlus	21,342
Suzuki - Alto	17,513
Hyndai - Santro	8,604
800 cc Car	
Diahatsu – Cuore	7,883
Suzuki - Mehran	35,433
<i>Total Cars productions</i>	
	<i>160,058</i>

- **TRUKS AND BUSES PRODUCTION IN 2005-06**

TRUKS	
Hino	1499
Nissan	1652
Dong Feng	4
Isuzu	897
Master	466
Total Truks	4,518
BUSES	
Hino	668
Nissan	48
Dong Feng	40
Master	6
Isuzu	63
Total Buses	825
<i>Total Trucks and Buses Production</i>	<i>5,343</i>

- **FARM TRACTORS PRODUCTION IN 2005-06**

Fiat	24,574
Massey Ferguson	24,313
<i>Total</i>	<i>48,887</i>

- **LCV PRODUCTION IN 2005-06**

JEEP	
Suzuki Jeep - Potohar	1,290
Sigma	1,182
VANS	
Suzuki -Bolan	10,429
Pick-up	
Suzuki – Ravi	5,418
Toyota – Hilux	2,575
Dong Feng	24
Hyundai - Shehzore	9,368
Master	1,767
<i>Total LCVs Productions</i>	<i>26,635</i>

- **MOTOR CYCLES PRODUCTION IN 2005-06**

Honda	360,561
Yamaha	74,423
Suzuki	16,954
Soharab	14,804
Sohrab (Tri-wheeler)	2,166
Qingqi	17,198
Fateh Hero	34,018
<i>Total Motorcycles Production</i>	<i>520,124</i>

ORIGINAL EQUIPMENT MANUFACTURER (OEMs)

Cars Commercial Vehicles

- Dewan Farooque Motors
- Honda Atlas Cars
- Indus Motors
- Pak Suzuki Motors
- Raja Motors
- Adam Motors

Motorcycles

- Atlas Honda
- Blue Star
- Dawood Yamaha
- Dewan Motorcycles
- Excel Industries
- Fateh Motors
- Memon Associate Foundry
- Metro Hi Tech
- Pak Hero Industries
- Pakistan Cycle Industrial Cooperative Society Ltd
- Saigols Qingqi Motors
- Super Asia Motors
- Suzuki Motor Cycles
- Unis Industries
- United Sale
- New Asia Automobiles
- H.K.F Engineering
- Suleman Auto Industries
- King Hero Motorcycles
- A.B. Engineering
- Zxmco Pakistan
- Eagle Industries
- Raja Autocars

Tractors

- Al-Ghazi Tractors
- G M Tractor
- Millat Tractors
- Raza Fecto Tractors
- Universal Tractors Pak

Trucks Buses

- Adam Motor
- Ghandhara Nissan Diesel
- HinoPak Motors
- Karakorum Motors
- Master Motors
- Sind Engineering
- Sigma Motors

ASSOCIATION:

Pakistan Association of Automotive Parts and Accessories Manufacturers (PAAPAM)

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