

Suzuki Alto set to make a comeback

KARACHI: Pak Suzuki Motor Company Ltd (PSMCL) is expected to start commercial production of Alto 660cc from next week following the discontinuation of the 800cc Suzuki Mehran VX and VXR.

Talking to Dawn, sources said the company has already given parts -supply schedules to vendors and many of the orders have already been -delivered.

According to sources, PSMCL is likely to display the new 660cc car at the Pakistan Auto Parts Show which will be held from April 12-14 in Karachi.

New 660cc model to replace iconic Mehran which has been phased out

So far there is no clarity about the actual content of localised parts in the new Alto. However, some vendors said initial assembly would start with at least 50 per cent local parts and then gradually rise with soaring production in coming years. However, this also means that the new car price will remain under pressure in case the rupee's slide against the dollar -continues.

Amid claims of achieving higher localisation, car prices in Pakistan have gone up multiple times since January 2018 due to exchange rate depreciation.

With the introduction of new Alto a number of vendors who were solely dependent on Mehran will need to adapt after losing a flourishing business that spanned 30 years.

The iconic Mehran was the first option of many people graduating from two-wheelers to four-wheelers. The small car played a big role in developing country's vendor base owing to 70pc local parts.

Sources in the PSMCL said the company has accommodated almost 80pc of Mehran vendors for making Alto 660cc parts and accessories and these vendors will gradually expand their business with rising localisation and sales of new vehicle.

PSMCL had stopped booking of Suzuki Mehran (all versions) from April 1 following discontinuation of its production. The company informed its authorised dealers that all pending orders received till April 4 would be served within commitment.

Honda prices surge

The auto market will also witness introduction of Honda Civic's 'facelift' model in the second week of this month with price hike of Rs100,000.

A dealer attributed the increase in price to minor cosmetic changes in model and impact of exchange rate parity.

Honda Atlas Cars Limited (HACL) has already surged price of Honda Civic by Rs325,000-340,000 following 10pc imposition of federal excise duty (FED) on vehicles above 1,700cc.

The new price of Civic 1.8L VTI CVT and VT SR CVT is Rs3.134 million and Rs3.299mn versus Rs2.809m and Rs2.959m respectively.

From April 1, HACL has raised prices of Honda City models and BR-V by Rs50,000-85,000

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