BUSINESS RECORDER
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FPCCI VP calls for raising revenue thru concrete policies

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RECORDER REPORT

KARACHI: Federation of Pakistan Chambers of Commerce and Industry's vice president Tariq Haleem has proposed to the government to chalk out proper mechanism and concrete economic policies to increase the revenues and stabilize the economy on sound footing instead of taking the short-term decisions on ad-hoc basis by increasing the prices POL products, frequently.

"Increase in POL prices will have multiplier (bad) effects on trade, industry and economic activities as it will further spur cost-push inflation; increase cost of transportation of raw material and consumer goods; inflate cost of production, et cetera et cetera," he said.

FPCCI vice president urged the caretaker Prime Minister Nasirul Mulk to withdraw the recent price hike in POL products and keep it at the June 20, 2018 price level by slashing the various tax rates and levies on their imports. He said the price of HSD and other POL products contain 31% and 17% GST, respectively. He lamented that the prices of POL products have been increased within a short span of ten days without giving any reason. He said the HOBC price was Rs 87.7/ltr on June 20 which has now been increased to Rs 114.7/ltr; similarly, the price of Premium and HS Diesel increased from Rs 91.96/ltr and Rs. 105.31/ltr to Rs 99.5/ltr and Rs 119.31/ltr, respectively.

"The cash-starved caretaker government is resorting to an easy way to generate additional revenue," he said, asking the government to generate revenue, curtail its unnecessary expenses and take austerity measures instead of using POL prices as a tool.

Tariq Haleem said the high price of fuel in the country would further encourage its smuggling and engender its rise, as around 15%-20% petrol consumed in Pakistan is smuggled from neighboring countries causing not only loss to the government exchequer but also to the motorists using adulterated fuel.