

GOVERNMENT OF PAKISTAN  
MINISTRY OF FINANCE, ECONOMIC AFFAIRS, STATICS AND REVENUE  
(REVENUE DIVISION)

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Islamabad, the 9<sup>th</sup> June 2007.

**NOTIFICATION**  
(CUSTOMS)

S.R.O 496 (I)/2007.- In exercise of the powers conferred by section 19 of the Customs Act, 1969 (IV of 1969), the Federal Government is pleased to direct that the following further amendments shall be made in its Notification No. S.R.O 656(I)/2006, dated the 22<sup>nd</sup> June, 2006, and shall be deemed to have so made on the 10<sup>th</sup> June 2007, namely:-

In the aforesaid Notification,-

- (1) in the preamble after word and comma “form,” the words “and direct materials” shall be inserted;
- (2) in conditions -
  - (i) after condition (i), the following shall be added:

“(ia) the input output ratio of the items to be manufactured and total annual requirements of materials shall be determined by the Engineering Development Board (EDB) or by any other organization as the Central Board of Revenue may authorize;”

“(ib) the manufacturer-cum-importer, at the time of import of approved items, shall make a declaration on the Goods Declaration (GD) to the effect that the items have been imported in accordance with his entitlement for the manufacture of specified items. The manufacturer shall also declare that the imported items shall be consumed for the purpose of manufacture of the items within a period of one year;”

- (ii) in condition (iii), after the word “lists”, occurring for the first time,

the words, letters, and figure “and determine the CKD kit of each vehicle in accordance with the terms set out in the First Schedule of the Customs Act, 1969, and update PACCS” shall be inserted;

(iii) in condition (vi) for the words “If the EDB does not verify the list of imported components released provisionally against ‘corporate guarantee’ or for any other” the words “For any” shall be substituted;

(iv) for condition (ix) the following shall be substituted, namely:-

(ix) the chief executive officer of the importing company or his duly authorized officer shall furnish all relevant information online to EDB as per “Form B’ (appended to this notification);

(v) for condition (x) the following shall be substituted, namely:-

“(x) For shifting of quota debiting from paper based registers to PACCS, following methodology shall be adopted, namely:-

(a) the EDB shall update PACCS regarding valid quotas issued under this notification;

(b) the clearance Collectorate maintaining quota registers shall update PACCS regarding already cleared quantities and quota debiting on paper registers shall stop thenceforth. This one-time exercise shall be undertaken immediately by the Customs Collectorates at the intimation from EDB;

(c) from then on the quota shall be debited on GD to GD basis. In case Goods Declaration is filed on PACCS, quota shall be debited automatically. In case GD is filed in non-PACCS environment, the Assistant Collector of the Customs Station shall update PACCS before allowing the GD out of charge of Customs;

(d) all new quotas shall be allocated online by EDB on PACCS only.” ;

(vi) after condition (xi) the following Explanation shall be added, namely:-

“Explanation.- The expression “direct materials” means the material used in the direct consumption during the assembly or duly approved by the EDB.”;

(3) In the Table;

(i) in serial No. 9 in column (1), in column (4), for the figure “30%” the figure “25%” shall be substituted; and

(ii) after serial No. 11, in column (1) and entries relating thereto in columns (2), (3) and (4), the following new serial number and entries relating thereto shall be added namely,-

12. Materials for direct use in -- 0%  
the manufacture of  
vehicles listed at Sr. No. 1  
to 10 above

(4) the Annexure B shall be substituted with the following, namely,-

**“ANNEXURE B**  
[See clause (iii)]

VERIFICATION OF LISTS AS PER CLAUSE (III) AND RECORDS PRESCRIBED.

FORM- A

(To be filled in by the authorized officer of Engineering Development Board)

Header information								
Name of importer	NTN/ STN of importer	Approval No.	Vehicle Name & Model	HS Code of vehicle in kit form	Batch ID	Quantity	Unit of Measurement	CD rate applicable

Detail of input goods (to be filled by the authorized officer of Engineering Development Board)						
Respective HS Code	Description	Part No.	UOM	Quantity Per Unit	Total Quantity	Customs Duty rate (applicable) + Additional Customs Duty rate
1	2	3	4	5	6	7

Signature \_\_\_\_\_  
Designation \_\_\_\_\_

**NOTE:-** In case of clearance through Customs Computerized System (PACCS), the above information shall be furnished on-line against a specific user I.D. and password obtained under section 155D of the Customs Act, 1969.

**FORM- B**  
(To be filled in by the Chief Executive of the importing company)

Name & address of the Importer	NTN/STN
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Vehicle Name & Model	HS Code of vehicle in kit form	Batch ID	Quantity	Unit of Measurement	CD Rate applicable
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S.No	Respective PCT Heading	Description	Specifications of imported inputs	Applicable rate of duty + Additional Customs duty rate	Quantity	Unit Value	Unit of measure	Total value in Pak Rupees

**CERTIFICATE.**

It is certified that the description and quantity mentioned above are commensurate with the inputs requirement and as per Form-A duly verified by EDB. It is further certified that the above items shall not be used for any other purpose.

Signature of Chief Executive  
Name of Chief Executive \_\_\_\_\_  
N.I.C No. \_\_\_\_\_

Explanation.- the expression "Chief Executive" means –

- (a) owner of the firm, in case of sole proprietorship;
- (b) partner of firm having major share, in case of partnership firm;
- (c) chief executive officer or the Managing Director in case of limited company (multinational organization); or
- (d) Principal Officer in case of a foreign company.

Verification of Import Lists
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**List 1**

<i>Vehicle Name &amp; Model:-</i>				<i>HS Code of Vehicle:-</i>			
S.No	Part Name	Part No	Quantity per vehicle	Total Quantity	UOM	Respective HS Code	Rate of Custom duty
1	2	3	4			5	6

**List 2**

S.No	Part Name	Part No	Quantity per Vehicle	Total Quantity	UOM	Respective HS Code	Rate of Custom duty +Rate Of Additional Custom Duty
1	2	3	4			5	6

Records to be maintained in respect of imported components							
							Quantity

S.No	Part Name	Part No	Respective HS Code	Rate of Customs duty + Additional Custom Duty	Quantity Per Vehicle	Opening Balance <i>As on</i>	Imported during The Year	Total available 7 + 8	Vehicles produced During the year (Units)	Consumed during the year	Closing Balance <i>As on</i> 9 - 11
1	2	3	4	5	6	7	8	9	10	11	12

**Record to be maintained in respect of locally procured components**

S.No	Part Name	Part No	Quantity Per Vehicle	Quantity			Total available 5 + 6	Vehicles Produces During the year	Consumed During the year	Closing Balance 8 - 10
				Opening balance	Locally purchased	Name of Vendor				
1	2	3	4	5	6	7	8	9	10	11

**Record to be maintained in respect of in house manufacture of components**

S.No	Part Name	Part No	Quantity Per vehicles	Quantity			Total available 5 + 6	Vehicles produced during the year	Consumed during the year	Closing Balance 7 - 9
				Opening Balance	Manufactured In-house					
1	2	3	4	5	6	7	8	9	10"	

[ C. No. 2(18 )II&Tar-III/2007]

**(MUSARRAT JABEEN)**  
Additional Secretary