

**GOVERNMENT OF PAKISTAN  
(REVENUE DIVISION)  
CENTRAL BOARD OF REVENUE**

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

**NOTIFICATION  
(CUSTOMS)**

S.R.O. **506(I)/2007**.— In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), the Central Board of Revenue is pleased to direct that the following further amendments shall be made in the Customs Rules, 2001, namely:—

In the aforesaid Rules,—

(a) In rule 296,—

(i) after clause (f), the following new clause shall be inserted, namely:

“(ff) “engineering goods” includes goods classified under Chapter 72 to Chapter 96 of the First Schedule of Customs Act, 1969 or as approved by the Engineering Development Board (EDB);”;

(ii) for clause (n), the following shall be substituted, namely:—

“(n) “utilization period” means the period commencing from the date of approval of DTRE application till the date of export of output goods under this sub-Chapter.”;

(b) in rule 297, in sub-rule (2), in clause (a), the words, brackets, letters and comma “polyester staple fiber (PSF),” shall be omitted;

(c) in rule 299, after sub-rule (2), the following new sub-rules shall be added, namely:

“(3) The Regulatory Collector may, upon receipt of an application under this sub-Chapter, refer such application to Input Output Coefficient Organization (IOCO) for determination of input-output ratios and wastages, except an application in respect of engineering goods, which shall be referred to EDB, before granting DTRE approval.

(4) IOCO or, as the case may be, EDB upon receipt of a reference from the Regulatory Collector, shall determine input-output ratios and wastages, as deemed appropriate, and forward their findings to the Regulatory Collector within a period of thirty days or such shorter period as may be specified by the Regulatory Collector in any specific case. If IOCO or, as the case may be, EDB fail to forward their findings to the Regulatory Collector within the prescribed period, the input-output ratios and wastages, as determined by the Regulatory Collector, shall become final:

Provided that the Regulatory Collector may grant provisional DTRE approval pending receipt of response from IOCO or EDB, as the case may be, in this behalf, and subject to adjustments accordingly on receipt of final determination by IOCO or EDB, as the case may be.”;

- (d) in rule 300, in sub-rule (3), for clause (a), the following shall be inserted, namely:—

“(a) verify the manufacturing facility of DTRE applicant through inspection and determine the production capacity of such facility by physical survey, in addition to verifying the business turnover from the sales tax profile or other available records of such DTRE applicant to ensure that quantity of the input goods applied for commensurates with the actual production and business capacity of such applicant; and”;

- (e) after rule 302, the following new rule shall be inserted, namely:

**“302A. Drawal of samples.-** Samples of imported input goods and output goods meant for export shall be drawn at the time of import and export, respectively in the presence of Assistant Collector or Deputy Collector, incharge of concerned Customs station, which shall be signed by such Assistant Collector or Deputy Collector and DTRE approval number and date shall be endorsed thereon. The Assistant Collector or Deputy Collector incharge of concerned Customs station, shall inform the Regulatory Collector about the cases where description or other material particulars in respect of imported input goods or output goods meant for export are different from that declared in Appendix-I and may proceed against the DTRE user in accordance with law.”;

- (f) in rule 305, for the words “eighteen months from the date of their acquisition” the words “twenty-four months from the date of approval of DTRE application” shall be substituted; and
- (g) the existing rule 307H shall be made sub-rule (1) of that rule and thereafter the following sub-rule shall be added, namely:—

“(2) Utilization period in the case of approvals of DTRE granted upto 8<sup>th</sup> June, 2007, shall remain the same as was in force on and prior to the said date.”.

[C.No.4(17)DTRE/2007.]

**(M. Junaid Jalil Khan)**  
**Secretary (Duty Remission & Drawback)**