

**VERSION-93**

*(As amended vide CGO No. 7/2018 dated 6<sup>th</sup> December, 2018)*

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

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Islamabad, 15<sup>th</sup> June, 2002

**CUSTOMS GENERAL ORDER No. 12 OF 2002**

Considering the need to simplify and streamline the customs procedures and having regard to changes in trade patterns and technology, the Central Board of Revenue scrutinized the existing Customs General Orders issued over the last three decades. As a result of this exercise about 500 CGO's were found to be redundant and the remaining nearly 200 have been recast into an easily assimilable single document for compliance by all concerned:

**CHAPTER - I**

**DEFINITIONS**

**1. Definitions.--**The following definitions shall be applicable wherever relevant:--

- (i) **Raw materials:--**means goods which are not machined or made to size and some process has to be carried out to make components, therefrom. These goods are used by weight or volume for the manufacture of components i.e. tubes, rods, sheets, ingots, billets etc. in length but not cut to size.
- (ii) **Sub-components:--**means casting and forgings not necessarily with runners and risers), with no other processes carried out on them e.g. engine blocks, forged gear blanks etc. Items like tubes, rods, and sheets etc. cut to size or shape but not further processed will also be treated as sub-components.
- (iii) **Component:--**means a complete machined part of a system, not normally useful by itself and not amenable to further dis-assembly.
- (iv) **Sub-assembly:--**means a set of components assembled together designed for incorporation with other components or sub-assemblies to the final assembly of a finished product. Several sub-assemblies have to be assembled together to form a final product.
- (v) **Job-lot: --**Job-lot is a collection of odds and ends for sale as one lot. Normally these are goods of inferior quality. To cater to the needs of different customers a supplier varies specifications, colour schemes etc. It is a normal practice to produce slightly more than the order placed so that alters rejection, damage etc. there is still enough quantity left to meet the demand of the customer. After selling the goods to a few buyers, the supplier has an assortment of goods with slight modification or differences. These when put into a lot are called "Job-lot" and are generally sold at low prices.
- (vi) **Stock-lot:--**The goods of this description are different from goods of job-lot in the sense that these are not different in sizes, specifications or colour etc. These are the goods which are kept in stock unsold because of change in tastes, market conditions or slight depreciation in quality because of age etc."

**NOTE:** (a) It is evident from the above that goods imported in job-lot should be the collection of odds and ends with slight modifications or differences in sizes, specifications or colour etc. while the pre- condition for stock-lot goods is that these should be slightly depreciated in quality because of age and change of tastes etc.

- (b) in order to curb malpractices, the following parameters for determination of normal value of goods imported as job-lot /stock-lot are laid down:
- (i) The value of job-lot goods shall be assessed after allowing a maximum of 30% depreciation in prices of prime quality comparable standard goods;
  - (ii) The normal value of stock-lot goods be taken after allowing a maximum of 20% depreciation in prices of comparable prime quality' goods;
  - (iii) In such consignments some importers get goods damaged, which have manufacturing defects or are rejected and claim these to be either job-lot or stock-lot, whatever suits, the situations. Such goods are factory rejects and should not be treated as job-lot/stock-lot. These are clearly banned;
  - (iv) Where the importer claims the imported goods as mixture of the two, job-lot and stock-lots, the import value be appraised; as per sub-para (ii) above; and
  - (v) Normal value of goods cut to specific size for direct use but imported to create an impression of job-lot/stock-lot consignments shall be appraised at par with the value of comparable prime quality goods.
- (vii) **Shredded, waste and scrap:**--Iron or steel waste and scrap prepared by means of fragmentation (shredding) of various iron and steel scrap material including motor vehicles followed by separation (which may be magnetic) with a view to obtaining a high density product that is fairly clean and includes turnings, shavings, chips, milling waste, saw dust, fillings, trimmings and stampings etc.
- (viii) **Bundled scrap:**--Waste and scrap generally of motor vehicles compressed into bales, blocks or briquettes used for the recovery of metal by re-melting.
- NOTE:** -- It is clarified that if the goods imported conform to either of the above definitions, the same may be treated as shredded or bundled waste/scrap, irrespective of the fact whether these fall under PCT heading 7204.4100 or 7204.4900.
- (ix) Rubber scrap falling under heading 40.04 P.C.T Comprises of: --
- (a) Old and used tyres without ring or bead.
  - (b) Old and used tyres without tread.
  - (c) Old and used tyres with threads/fabric visible at least 8 across the width (Mexico tariff classifies it under 40.04).
  - (d) Tyre parings.
  - (e) Totally dried tyres.
  - (f) Old and used pneumatic tyre without the layer of tread rubber and having a burst.
- (x) **Iron and steel scrap:**--In determining whether a certain consignment is classifiable under item 73.03 or under respective headings, the following broad principles should be kept in view:-
- (i) Articles which are not useable for industrial, construction or other purposes, without recovery of metal in the first instance by the processes of either "remelting" or "forging" as defined in the Explanatory Notes shall be treated as scrap classifiable under 73.03.
  - (ii) Articles which with repair or renovation, without first being recovered as metal, can be re-used for their original purposes or can be adapted for other uses, would not be classified as "scrap". Such goods shall be classified under their respective headings.

- (iii) The real test for classification under 73.03 or other heads is whether the article can be adapted to the original or other uses without recovery of metal. For this purpose, the original shape of article is not of material consideration unless the article is in a useable shape. For example, if a pipe with a number of holes cannot be retrieved and re-used as pipe and has to be melted or forged for recovery of metal, it shall be classified as 'scrap' and not as 'pipe'. But another pipe with a few repairable holes can be classified as 'pipes'.
- (iv) In case of mixed lots where ninety per cent or more of the consignment is undisputedly classified as 'scrap' the whole consignment shall be assessed under item 73.03. Where the content of 'scrap' is less than ninety per cent, identifiable goods, other than scrap, shall be classified and assessed to duty under respective heads.

<sup>1</sup>[(xi) **Classification of Machinery:**--Various representations have been received in the Board from various industries concerning complaints over the assessment/classification of plant and machinery in disregard to the provisions of the relevant Chapter/Section Notes.

- (i) it is an established practice that all components of machinery when imported in disassembled form either collectively or separately are classified in the heading pertaining to that machinery subject to exclusions provided in the Chapter XVI of Harmonized System. It is felt that in case of partial shipments this discretion remained dormant due to presence of standing concessions to individual headings subject to entitlement of industry. In this backdrop, and in view of withdrawal of concessionary notifications pertaining to plant and machinery, it has now become imperative to draw attention of the concerned field formations to the following provisions:-
  - (a) In terms of Rule 2(a) of General Rules for interpretation, complete or finished articles presented unassembled or disassembled are to be classified in the same heading as the assembled articles. When the goods are so presented, it is usually for reasons such as requirements or convenience of packing, handling or transport. This rule also applies to incomplete or unfinished articles presented unassembled or disassembled provided they retain the essential character of the finished article. However unassembled components of an article which are in excess of the number required for that article when complete are to be classified separately.
  - (b) It is not unusual in case of project imports to import plant and machinery in unassembled/disassembled form by way of partial shipments from different sources. It is not only incorrect but undesirable to classify individual shipments separately with disregard to intent and purpose of whole machinery. It is therefore advisable that the components of machinery whether presented together or separately, be classified under one heading appropriate to the machinery unless specifically excluded under Chapter Notes.
- (ii) While following the above principal, it is prudent to confirm the following aspects:-
  - (a) At the time of arrival of partial shipment, the importer shall furnish complete details of the whole plant, machinery, equipment and

1 . In Chapter No.1 new serial no "(xi)" was added vide CGO No. 13 of 2002 dated 4<sup>th</sup> July, 2002

component parts required for the plant, duly supported by contract, letter of credit, layout plan and drawings.

- (b) That the Specification/quantity of components, s meant to form a specific machine. This may be confirmed through the relevant contract, drawings. Lay-out plan etc. Any item not forming part of that machine or the quantity found in excess of the standard requirement of that machinery shall be classified separately in their own appropriate heading.
- (iii) The Collectorates are advised to determine classification of machinery as stipulated in Paras (i) (a) and (i) (b), above.]

## **CHAPTER - II**

### **CLASSIFICATION**

**2. Methodology for Rulings:-**In order to implement the recommendations of the World Customs Organization regarding the introduction of the programme for binding pre-entry classification information and improvement of Tariff Classification Work and related infrastructure. It has been decided to introduce the following procedure:-

- (i) Routine classification issues will continue to be decided by the respective Collectorates at their own level. Complicated classification disputes will be referred to the classification centre established at the Collectorate of Customs (Appraisement), Karachi with effect from October 01, 2001. In addition to deciding the classification disputes, the centre will also issue binding pre-entry classification rulings on the specific request of an importer.
- (ii) Classification Centre will perform the following function:-
  - (a) to determine pre-entry classification;
  - (b) to examine and settle classification disputes/references/queries referred either by various Customs stations or by the traders;
  - (c) to compile and print classification rulings on yearly basis;
  - (d) to monitor and ensure that uniform and accurate classification to monitor and ensure that uniform and accurate decisions are made at all customs stations;
  - (e) to devise appropriate software/programme to monitor the quality of classification work through networked computer system;
  - (f) to create and preserve a database containing all classification matters and the related documents/ publications/information;
  - (g) to maintain contacts and exchange information regarding classification matters with other customs administrations in the world;
  - (h) to groom and train officers and staff, in the field on HS classifications and classification misdeclarations, in co-ordination with the Directorate General of Training and Research, (Customs, Sales Tax and Central Excise); and
  - (i) to identify items/goods prone to misclassification.
- (iii) The classification centre shall be run and managed by a classification committee to be constituted by the Collector of Customs, Appraisement. The said committee shall be headed by an Additional Collector and consist of as many members as may be nominated by the Collector appraisement. The said committee may co-opt representatives of other Collectorates and trade bodies as and when required on case

to case basis. The committee may also call specialists and experts for expert opinion in determining classification of an item. The committee will meet at least once in a month but may hold as many meetings as required to dispose of the work.

- (iv) Regarding pre-entry classification, the importer, prior to making actual import, may request in writing for a binding pre-entry classification ruling to the classification centre. The said request shall be accompanied by the following:-
- (a) full description of goods along with necessary details required for determining classification, including trade name, generic name, etc.;
  - (b) technical literature/certificate showing structure composition, laboratory test reports etc.;
  - (c) trade sample, photograph, drawings, if any;
  - (d) correspondence or preliminary import documents, proforma invoice etc. along with proposed HS classification; and
  - (e) any other relevant information.
- (v) On receipt of the above request, the centre will seek opinion from the relevant group of Appraisement Collectorate, Custom House, Karachi as soon as possible but not later than fifteen (15) days of the receipt of the request. Thereafter, the case will be presented in the meeting of the classification committee where the importer or his representative shall also be invited for discussion. The committee may also direct the importer to supply any other information or document as it may deem necessary before making its decision.
- (vi) The classification determined by the committee shall be subject to approval by Collector of Customs Appraisement. The Collector may agree with the findings of the committee, change the classification or refer back the case to the committee for de novo consideration. After approval by the collector, the ruling shall be communicated in writing to the importer and all Customs Collectorates as soon as possible.
- (vii) The classification thus communicated will be binding, in accordance with the terms set out therein, on the Customs authorities in respect of the tariff classification of goods for a period of one year from the date of issue subject to paragraphs viii & ix hereinafter following.
- (viii) The classification ruling will be treated as annulled if it is found subsequently that the same was obtained by providing incorrect, false, misleading or incomplete information by the applicant.
- (ix) The ruling shall cease to be valid where:-
- (a) it becomes incompatible with new fiscal tariff measures or judicial decisions; and
  - (b) where the holder of such information is notified in writing of its withdrawal, revocation or amendment on account of further details/information having surfaced casting doubts about the correctness of the ruling.
- (x) In cases where the classification committee is unable to resolve the dispute, the same will be referred to the Board through the Collector of Customs Appraisement for its decision or onward submission to the World Customs Organization, Brussels for a ruling on the subject.

**NOTE:** --The Collectorate of Customs Appraisement, Karachi will provide computer, internet, office equipment, furniture, space, personnel and other technical material, financial and human resources as may be required for the smooth running of the classification centre. The classification ruling so issued by the centre will be widely circulated in the form of a public notice amongst the trade, industry and customs

organizations in the country.

**3. Classifications:** --The items as described in column 2 below shall be classified as per the rulings appearing in column 3 of the following table:-

**Table**

<b>S #</b>	<b>It Item description</b>	<b>Ruling</b>
1.	Electronic white boards with accessories.	90.10
2.	Machinery of measuring hides and skins.	90.31
3.	Low sodium cooking and table salt under the harmonized system.	3824.9090
4.	Cyanoacrylate Adhesive Elfy (20kg. packing).	3906.9
5.	Roller coating printing ink R-976ES.	32.15
6.	"Transparancies" imported with hooks for use in teaching and training.	49.01
7.	Armoured security vehicle.	87.02 to 87.05
8.	Flavoured milk.	2202.901
9.	Polyurethane resins and products of headings 39.01 to 39.13 where the solvent accounts for more than 50 by weight.	3208.9000
10.	Milk "morinaga" chill-mil follow up formula:-- if put up for retail sale if not put up for retail sale.	1901.1090 1901.1030
11.	Lubricating oil with certain additives to improve the viscosity, inhibit rust etc. (depending upon the mode of packing).	2710.0081 or 2710.0082
12.	Poultry Vitamins (I) Rovimix A 500 type P (vitamin A), Rovimix E 50 Adsorbate (vitamin E), and (iii) Rovimix D 3 50 (vitamin D3) which In addition to vitamins also contain inorganic substances namely silica and calcium carbonate in a matrix of gelatin , dextrin, carbohydrates, etc. for purposes of preservation or transport.  Vitamin B 12 1% Feed grade and (ii) Rovimix H2 (vitamin H2) i.e. D-Biotin the essential character of which has been altered by the addition of other substances.	29.36  2309.9000
13.	Blank passport booklet (both ordinary and machine readable), being printed documents for identification intended for completion in manuscript or typescript.	4911.9990
14.	Split type air conditioning machines, depending upon their characteristics.	8415.81, 8415.82 or 8415.83
15.	Colour precipitant used as decolourizing agent in sugar industry, with the brand name "Talofloc" (solution of cationic surfactant in isopropyl alcohol, containing properties of surface active agents).	3402.9091
16.	Solvitose C5-HV and Empol-PS (thickening agents for textile fabric printing).	3809.9100
17.	(i) Meropan Dpe Konz, (ii) Heptol Keb Konz, (iii) Tubifix MF 100 Konz and (iv) Contavan Gal Konz (preparations of a kind used in textile industry).  Ant. Foam B-100.	3809.9091  3824.9099



18.	Azodicarbonamide(Unicel DSP-4) blowing agent, composed of 99.9% Azodicarbonamide with variation of + 0.5%).	3824.90
19.	Ophthalmic product known as "Coatel" (viscoelastic solution for use in cataract surgery).	3824.9099
20.	Offset printing blankets composed of laminated textile fabric bonded together by means of rubber adhesive covered on one side with vulcanized rubber sheets, in rolls.	40.08
21.	Sizing agents viz. Sisetex SA & Sisetex ZA composed of sodium alginate in association with starch and organic inhibitors/additives.	3809.9100
22.	Transport Vehicles:-- (a) Bus/Coach are synonymous. Vehicles designed for transport of 10 or more (including driver) having 10 or more seats (including drivers & jump seat). Alternatively with only drivers & front seat and empty rear portion/compartment but designed for 10 or more persons subject to certification by the manufacturer/recognized sole agent/sole distributor (on behalf of the principal i.e. manufacturer, that the vehicle was originally designed for transport of 10 or more persons.	87.02
	(b) Four/Two wheel drive vehicles e.g. Jeeps, station wagons and Surf etc. Luxury vehicles originally designed by the manufacturer for less than 10 seats (inclusive of the driver's seat). Indicative criteria of such vehicles are: (i) Presence of permanent seats with safety equipment for each person or presence of anchor points or and fittings for installing seats and safety equipment, in the rear area behind the driver and front passenger (whether fixed/ fold away/ collapsible/ removable from anchor points). (ii) Presence of rear windows along the full length of the two side panels. (iii) Presence of sliding/swing-out doors with windows on the side panels. (iv) Presence of comfort features and interior finish/fittings in addition to seating in the rear area. (v) Absence of permanent panel/barrier between area designated for the driver and passengers and a rear area designed for transport.	87.03
	(c) Panel glass vans having a capacity of upto 6 persons (including the driver) fitted with steel/glass panels on both sides, which are primarily designed for transport of goods of goods e.g. 'V' type Hiace vans but subsequently fitted with 10 or more modified seats. Indicative criteria of such vehicles are: (i) Presence of a separate cabin for the drivers and passengers and a separate open platform	

	with side panels and a drop-down tailgate. (ii) Presence of permanent panel/barrier between area designated for the drivers and passengers and a rear area designed for transport. (iii) Presence of rear seating that lacks safety restraints for passengers and is designed to collapse or fold to allow full use of the platform or floor for transport of goods. (iv) Absence of rear windows along the two side panels. (v) Absence of windows, comfort features, interior finish and fittings in the area behind the driver and front passenger (Van type).	
<sup>2</sup> [23]	Rapid close automatic industrial doors for an industrial fabric plant, presented un-assembled. a. Frame, bars, winding header, counter weight and penal. b. Opening/closing device enabling the door to open and close automatically.	7308.3000 8479.8900]

### CHAPTER-III DOCUMENTS

**4. Computer Compatible Documents:--**the following computer compatible forms have been adopted since 01.07.1996:--

- (i) Bill of Entry for consumption (Annex-I)
- (ii) Bill of Entry for Bond (Annex-II)
- (iii) Bill of Entry for Bond (Annex-III)
- (iv) Bill of Export (Annex-IV)
- (v) Transshipment Permit (Annex-V)
- (vi) Application for duty/tax drawback/rebate (Annex-VI)
- (vii) Test Memo (Annex-VII)

**2.** <sup>3</sup>[Goods Declaration (GD) of all types except Transshipment Permit (TP), already introduced, shall consist of four copies w.e.f. 1st July 2004".

<sup>4</sup> [1.	Custom Copy.	It may be used for delivery of goods. After the delivery it should be submitted by the Gates to the Audit Section which should send its photocopy to CRA and the original to MCD after audit within seven days, as per present practice. Goods declaration filed for export Purposes will be used for "Pass In" "allow loading" and endorsement of M.R. after shipment, it will be submitted to audit section which will send a photo copy to CRA and the original to MCD within 7 days
2.	Importer's/Exporter's Copy	It may used by the importer for refund, rebate registration of vehicles and for record etc. and by the exporter for claiming customs duty drawback, release of bank guarantee and for

- 2. In Chapter II, under the heading "Classifications", in the Table, after Sr. No. 22, new serial number in column (1) and the entries relating thereto in columns (2) and (3) were added vide CGO No. 15 of 2002 dated 19th July, 2002
- 3. Chapter III, in sub-para (2) of the Rule 4 of the aforesaid Customs General Order, shall be substituted with new sub para vide CGO No. 5 of 2004 dated 3<sup>rd</sup> July, 2004
- 4. Serial Nos. 1 and 2 were substituted vide CGO 7/2004 dated 7<sup>th</sup> August, 2004



		record.]
3.	Clearing Agent Copy.	It shall be retained by the clearing agent for record purposes and shall be produced to customs whenever Required.
4.	Exchange Control Copy.	For the use of State Bank.

The first three copies of GD shall be machine numbered and bear examination report. The Transshipment Permit shall consist of following four copies:-

1.	Import Section Copy.	It may be used for delivery of goods. After delivery it should be submitted By the Gates to the Import Section who may send it to MCD as per present Practice.
2.	Importer Copy.	To be retained by importer for record and production to customs authorities At the time of ex-bonding.
3.	Bonded Cartier Copy.	To be retained by Bonded Cartier for record purposes and submission to Customs whenever required.
4.	Dry Port Copy.	To be sent to the destined dry ports.]

5. The respective Collectorate would mention the nomenclature/station the Collectorates in the column indicating the type of Bill of Entry.

#### ANNEX-I

1 Importer's Name& Address _____ _____ _____ _____ 2 Consigner's Name & Address _____ _____ _____ _____ 3 Import Registration No _____ 4 N T. No _____ 5 Sales Tax Regn. No _____ 6 (a) Annex-B/Import Auth.No _____ (b) Annex-B/Import AuthDate. _____ (c) Total Value Rs _____	<b>Bill of Entry For Consumption</b>  (4pprarserttent Collectorate)	14. Bill of Entry No. _____ Custom House Agent's Name 15. Licence No. _____ 16. Phone No. _____
	7. (a) LC No. _____ (b) L.C. Date: _____ (c) L.C. Amendment Date: _____ (d) Total L/C Value _____ (e) Bal. Rs _____ 8. Demand Draft No. & Date: _____ 9. FOB Value in Foreign Currency: _____ 10. Freight in Foreign Currency: _____ 11. C&F Value in Foreign Currency: _____ 12. Value (Foreign Currency)/AV: _____ 13. Rate of Exchange: _____	17. Insurance Amount Rs. _____ 18. Landing Charges Rs. _____ 19. Assessable Value Rs _____
		20. Documents attached:--  Commercial Invoice      Letter of Credit Indent/Proforma      Valuation Form/Slip Bill of lading      Packing List Certificate of origin      Test Report Ann B Imp Auth letter      Addition% shears

21. Vessel	22. 1GM No. & Date	23. Index No.	24 B/L No with Date	25. Port of Shipment of goods with Country	26. Gross Weight	27. Net weight	28. No./Mode of Packages

29. S.No	30 Marks & Nos.	31. Description with specification of Goods (Each item to be detailed separately)	32. PCT Heading No.	33. Quantity with Unit	34. Origin Code

35. V.A. No. (if applicable)	Value			39 Rate of Customs Duty	40. Amount of Duty Rs.	41. Value for Sales Tax Rs.	42. Amount of Sales Tax Rs.	43. Details of Exemption Claimed
	36. Declared Unit Value	37. F.Currency C&F	38. Pak. Rs. (assessable value)					

44. No. of Containers \_\_\_\_\_ of following Numbers

45. I/We declare the details given above to be true and complete. Importers/Clearing Agent Signature with Stamp	46. A.O's Signature with Stamp	47. P.A.'s Signature with Stamp
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48. Machine No with Date	49. Details of Revenue Recovered: (a) Import Duty Rs. _____ (b) R.D. Rs. _____ (c) Sales Tax Rs. _____  (d) Sales Tax (at source) Rs. _____ (e) Income Tax Rs. _____ (f) C.E. Duty Rs. _____  (g) Fine Rs. _____ (h) Penalty Rs. _____ (i) Misc. Rs. _____ Other (Specify) Rs. _____ Grand Total Rs. _____  (in Words Rs.) _____	50. C/D/F/No. with Date          51. Bank's Officer (Signature with Stamp)	52. Remarks	M. Out of charged by:   Designation:   Signature:   Stamp
				53. File No _____

Noting/objections from Customs Staff. & their replies from Importer/Clearing Agent.	Registration by Customs Staff 1. Date of receipt _____ 2. Time of receipt _____ 3. Regn. No. _____ 4. Signature _____
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### Registration by KPT Staff

	Book No.	Page No.	Date
1. Customs Appraisal Ticket.	_____	_____	_____
2. Wharfage Charges.	_____	_____	_____
3. Storage Charges.	_____	_____	_____
4. Gate Pass.	_____	_____	_____

Misc. Official use.

Examination Order by Appraising Group

### Examination Report by the Customs's Shed Staff

<p>1. IGM No. &amp; date _____ Index No. _____ CRF No. _____</p> <p>2. Location: Shed No. _____ Wharf _____</p> <p>3. Inspected the whole lot comprising _____ cases</p> <p>4. Examined _____ % selected cases bearing No. _____</p> <p>5. Container Nos. _____</p> <p>6. Marks &amp; Numbers. _____</p>	<p>7. Objective verifications (initial relevant box only)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%; text-align: center;">Yes</th> <th style="width: 10%; text-align: center;">No</th> <th style="width: 10%; text-align: center;">N.A.</th> </tr> </thead> <tbody> <tr> <td>(a) Is V.A. correctly applied?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>(b) Is sample forwarded to group, Lab"</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>(c) Has the value been appraised' (If yes. mention the A \')</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>(d) Are all the declaration as per Invoice packing list &amp; B/E?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>(e) Is any additional sheet of exam. report attached?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </tbody> </table>		Yes	No	N.A.	(a) Is V.A. correctly applied?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(b) Is sample forwarded to group, Lab"	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Has the value been appraised' (If yes. mention the A \')	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) Are all the declaration as per Invoice packing list & B/E?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) Is any additional sheet of exam. report attached?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N.A.																						
(a) Is V.A. correctly applied?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																						
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(e) Is any additional sheet of exam. report attached?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																						

5. physical Verification	Declared	Ascertained	Difference
(a) Description	_____	_____	_____
(b) Specification	_____	_____	_____
(c) Quantity	_____	_____	_____
(d) Origin	_____	_____	_____
(e) PCT Heading	_____	_____	_____
(f) Weight (Gross/Net)	_____	_____	_____
(g) Mode of Packing	_____	_____	_____
(h) Manufacture/expiry date	_____	_____	_____
(i) Other	_____	_____	_____
6. Special remarks (if any _____)			

E.O

A.O M S A

PA Shed

(Please attach additional sheet if required)  
ACA. (Shed)

**ANNEX – II****ORIGINAL**

1. Importer's Name & Address: _____ _____ _____ 2. Consigner's name & address: _____ _____ _____ 3. Import Registration No. _____ _____ _____ 4. N.T No. _____ 5. Sales Tax Regn No. _____ 6. (a) Annex-B/Import Auth. No. _____ (b) Annex-B/Import Auth No. _____ (c) Total Value Rs. _____	<b>Bill of Entry For Bond</b> (Appraisement Collectorate)	14. Bill of Entry No. _____ 15. Licence No. _____ 16. Phone No. _____ 17. Landing Charges Rs. _____ 18. Assessable Value Rs. _____ 19. Documents attached:- <input type="checkbox"/> Commercial Invoice <input type="checkbox"/> Letter of Credit <input type="checkbox"/> Indent/Proforma Invoice <input type="checkbox"/> Valuation form Slip <input type="checkbox"/> Bill of lading <input type="checkbox"/> Packing List <input type="checkbox"/> Certificate of Origin <input type="checkbox"/> Test Report <input type="checkbox"/> Ann B Lmp Auth letter <input type="checkbox"/> Additional Sheets <input type="checkbox"/> Delivery Order
7. (a) LC No. _____ (b) L.C. Date: _____ (c) L.C. Amendment Date: _____ (d) Total L/C Value _____ (e) Bal. Rs _____ 8. FOB Value in Foreign Currency _____ 9. Freight in Foreign Currency _____ 10. C&F Value in Foreign Currency _____ 11. Value (Foreign Currency) AV _____ 12. Rate of Exchange _____ 13. Insurance Amount Rs _____		

20. Vessel	21. IGM No. & Date	22. Index No.	23. BIL No. With Date	24. Icon of Shipment of goods with Country	25. Gross Weight	26. Net Weight	27. No./Mode of Packages

28. S.No.	29. Marks & Nos.	30. Description with specification of Goods (Each item to be detailed separately)	31. PCT Heading No.	32. Quantity with Unit	33. Origin Code

34. No. (if applicable)	Value			38. Rate of Customs Duty	40. Value for Sales Tax Rs.	41. Amount of Sales Tax Claimed	42. Details of Exemption
	35. Declared Unit Value	36. F.Currency C&F	37. Pak. Rs. (assessable value)				


44. I/We declare the details given above to be true and complete.  Importers/Clearing Agent Signature with Stamp.		45. A.O's Signature with Stamp	46. P.A's Signature with Stamp	Name of Warehouse: _____ (a) Warehouse No. PU/PR: _____ (b) N.O.C. No. _____ (c) Bond Execution No. _____ (d) Bond Execution Date: _____	
47. Machine No. with Date	48. Details of Revenue Recovered (a) Import Duty Rs. _____ (b) R.D. Rs. _____ (c) Sales Tax Rs. _____ (d) Sales Tax (at source) Rs. _____ (e) Iqra Surcharge Rs. _____ (f) Income Tax Rs. _____ (g) C.E. Duty Rs. _____ (h) Fine Rs. _____ (i) Penalty Rs. _____ (j) W.H. Surcharge Rs. _____ (k) Misc Rs. _____ (l) Other (Specify) Rs. _____ (m) Grand Total Rs. _____		49. C/D/F. No. with Date          50. Bank's Officer (Signature with Stamp)	51. Remarks	53. Out of charged by :      Designation:      Signature:      Stamp:
(In Words Rs.) _____				52. File No. _____	

Noting/objections from Customs Staff & their replies from Importer/Clearing Agent
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For use by Customs Bonds Section & E.O. (Bond)
--

For use by Bonder
-------------------

Misc. Official use
--------------------

**ANNEX - III**

**ORIGINAL**

1. Importer's Name & Address: _____ _____ _____  2. Consigner's Name & Address: _____ _____ _____  3. Import Registration No. _____ _____  4. N.T. No. _____ 5. Sales Tax Regn. No. _____ 6. (a) Annex-B/import Auth. No. _____  (b) Annex-B/Import Auth. Date: _____  (c) Total Value Rs. _____	<b>Bill of Entry From Bond</b> (Appraisement Collectorate)	14. Bill of Entry No. _____ Custom House Agent's Name: _____  15. Licence No. _____ 16. Phone No. _____  17. Landing Charges Rs. _____ 18. Assessable Value Rs. _____  19. Documents attached:- <div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%;"><input type="checkbox"/> Commercial invoice</div> <div style="width: 50%;"><input type="checkbox"/> Letter of Credit.</div> <div style="width: 50%;"><input type="checkbox"/> Indent proforma invoice</div> <div style="width: 50%;"><input type="checkbox"/> Valuation form Slip.</div> <div style="width: 50%;"><input type="checkbox"/> Bill of Lading</div> <div style="width: 50%;"><input type="checkbox"/> Packing List.</div> <div style="width: 50%;"><input type="checkbox"/> Certificate of Origin</div> <div style="width: 50%;"><input type="checkbox"/> Test report</div> <div style="width: 50%;"><input type="checkbox"/> Ann B/Imp. Auth. letter</div> <div style="width: 50%;"><input type="checkbox"/> Additional Sheets.</div> <div style="width: 50%;"><input type="checkbox"/> Delivery Order</div> <div style="width: 50%;"><input type="checkbox"/></div> </div>
---	---	---

20. Vessel	21. IGM No. & Date	22. Index No.	23. B/L No. with Date	24. Port of Shipment of goods with Country	25. Gross Weight	26. Net Weight	27. No./Mode of Packages

28. S.No.	29. Marks & Nos.	30. Description with specification of Goods (Each item to be detailed separately)	31. PCT Heading No.	32. Quantity with Unit	33. Origin Code

34. No. (if applicable)	Value			38. Rate of Customs Duty	39. Amount of Duty Rs.	40. Value for Sales Tax Rs.	41. Amount of Saks Tax Rs.	42. Devils of Exemption Claimed
	35. Declared Unit value	36. F. Currency C&F	37. Pak Rs. (assessable value)					





# **ANNEX-IV**

1. Exporter's Name & Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

2. Exporter's Registration No. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

4. Sales Tax Reg. No. \_\_\_\_\_  
 5. Sales Tax Invoice No. & Date \_\_\_\_\_

6. (a) Form 'E' No. \_\_\_\_\_  
 (b) Form 'E' Date: \_\_\_\_\_  
 (c) Form 'E' Value Rs \_\_\_\_\_

7. Consignee's Name & Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

8. Country of final Destination: \_\_\_\_\_

**Bill of Export**  
 (Appraisement Collectorate)

9. (a) L.C. No. \_\_\_\_\_  
 (b) L.C. Date: \_\_\_\_\_

10. A.R.3 No. & Date: \_\_\_\_\_

11. FOB Value in Foreign Currency: \_\_\_\_\_  
 12. Freight in Foreign Currency: \_\_\_\_\_  
 13. C&F Value in Foreign Currency: \_\_\_\_\_  
 14. Rate of Exchange: \_\_\_\_\_  
 15. Insurance Amount Rs. \_\_\_\_\_

16. Other Charges Rs. \_\_\_\_\_

17. Assessable Value Rs. \_\_\_\_\_

18. Custom House Agent's Name: \_\_\_\_\_  
 \_\_\_\_\_

19. Licence No. \_\_\_\_\_  
 20. Phone No. \_\_\_\_\_  
 21. C/A's S.No. of B/Export \_\_\_\_\_

22. Documents attached:--

<input type="checkbox"/> Commercial invoice	<input type="checkbox"/> Letter of Credit.
<input type="checkbox"/> A.R.3/Sales Tax Invoice	<input type="checkbox"/> Export Authorization.
<input checked="" type="checkbox"/> Bill of Lading	<input type="checkbox"/> Packing List.
<input type="checkbox"/> Certificate of Origin	<input type="checkbox"/> Test report
<input checked="" type="checkbox"/> Form 'E'	<input type="checkbox"/> Additional Sheets.
<input type="checkbox"/> Export Price Certificate	<input type="checkbox"/>

23. Vessel	24. IGM No. & Date	25. Colours & Flag.	26. Shipping Agent's No.	27. Port of Destination of goods & Country	28. Gross Weight	29. Net Weight	30. No./Mode of Packages

31. S.No.	32. Marks & Nos.	33. Description with specification of Goods (Each item to be detailed separately)	34. PCT Heading No.	35. Quantity with Unit

36. No. (if applicable)	Value			40. Amount of E.D.S. Duty	41. rate of Customs Duty (Rs.)	42. Amount of Customs Rs.	43. Amount of Agri-Cess Claimed Rs.	44. Rebate Notification
	37. Declared Unit value	38. F.Currency (assess.)	39. Pak Rs.					

		Value)						

45. No. of Containers \_\_\_\_\_ of following Numbers:

46. I/We declare the details given above to be true and complete.

Exporter's /Clearing Agents  
Signature with Stamp.

47. Examination Order

48. Machine No.  
with date

49. Details of Revenue Recovered

(a) E.D.S Rs. \_\_\_\_\_  
 (b) Export Duty Rs. \_\_\_\_\_  
 (c) R.D Rs. \_\_\_\_\_  
 (d) Agri-Cess Rs. \_\_\_\_\_  
 (e) C.E Duty Rs. \_\_\_\_\_  
 (f) Fine Rs. \_\_\_\_\_  
 (g) Penalty Rs. \_\_\_\_\_  
 (h) Misc. Rs. \_\_\_\_\_  
 (i) other (Specify) Rs. \_\_\_\_\_  
 Grand Total Rs. \_\_\_\_\_

50. Cash. No. with  
Date

52.A.O's  
Signature  
with Stamp

35. Remarks.

50. Bank's Officer  
(Signature with  
Stamp)

53. P.A's  
Signature  
with Stamp

56. Let Examine

(In Words Rs. \_\_\_\_\_ 54.File No. \_\_\_\_\_)

**Nothing/objections from Customs Staff & their replies from  
Importer/Clearing Agent**

**"Passed in" by  
Preventive Staff**

1. Container(s) No. \_\_\_\_\_  
 2. No. of Packages \_\_\_\_\_  
 3. Reg. No. \_\_\_\_\_  
 4. Truck No. \_\_\_\_\_  
 5. Date: \_\_\_\_\_  
 6. Time: \_\_\_\_\_  
 7. Signature \_\_\_\_\_

**Registration by Custom's  
Shed Staff**

1. Reg. No. \_\_\_\_\_  
 2. Date: \_\_\_\_\_  
 3. Time \_\_\_\_\_  
 4. A.O/E.O. Marked: \_\_\_\_\_  
 5. Signature: \_\_\_\_\_

### Examination Report by the Custom's Shed Staff

1. Location: \_\_\_\_\_ Wharf \_\_\_\_\_

2. Inspected the whole lot comprising \_\_\_\_\_ cases.

3. Examined \_\_\_\_\_ % selected cases bearing No. \_\_\_\_\_

Container Nos. \_\_\_\_\_

7. Objective verifications (initial relevant box only)

	Yes	No
(a) Are all the declarations as per invoice Packing list & Bill of Export?	<input type="checkbox"/>	<input type="checkbox"/>
(b) Is value correctly declared?	<input type="checkbox"/>	<input type="checkbox"/>
(c) Has the value been appraised? (if yes, mention the A.V.) Rs.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) Is sample forwarded to group/Lab?	<input type="checkbox"/>	<input type="checkbox"/>
(e) Is any additional sheet of exam. report attached?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5 Physical Verifications	Declared	Ascertained
(a) Descriptions		
(b) Quantity:		
(c) Weight:		
(d) Others:		
6. Special remarks (if any)		

(please attach additional sheet, if required)

E.O

A.O./M.S.A

PA(Shed)

ACA (Shed)

**ALLOW LOADING BY PREVENTIVE STAFF**

(a) Container(s) No. \_\_\_\_\_

(b) No. of Packages: \_\_\_\_\_

(c) Time: \_\_\_\_\_

(d) date: \_\_\_\_\_

(e) Signature with Seal: \_\_\_\_\_

**MASTER /SHIPPING AGENT**

(a) Container(s) No. \_\_\_\_\_

(b) No. of Packages \_\_\_\_\_

(c) M.R. No. \_\_\_\_\_

(d) Date: \_\_\_\_\_

(e) Short Shipment \_\_\_\_\_

(f) Signature with Seal: \_\_\_\_\_

**ANNEX-V**

1. Name of Carrier: _____	<b>TRANSHIPMENT PERMIT</b>	11. Machine No. with date: _____
---------------------------	----------------------------	----------------------------------

2. T.P application No. _____ 3. Delivery Order No. _____ 4. Name of Dry Port: _____	5. Importer's Name and address. _____ 6. N.T. No. _____ 7. Import Registration No: _____ 8. Consigner's name and address : _____ 9. C&F Value: _____ 10. L.C No. with date: _____	12. T.P No. with date: _____ (allotted by Custom House) 13. Signatures and Seal of the authorized officer of Custom House
---	--	---

14. Vessel	15. IGM No. & Date	16. Index No.	17. B/L No. with Date	18. Port of Shipment of goods with Country	19. Gross Weight	20. Net Weight

21. S.No.	22. Mark & Nos.	23. PCT Heading	24. Description with specification of goods (each item to be detailed separately)

25. Quantity with Unit	26. Origin Code Country of Origin	27. Total No. of Containers	28. S.No. of Containers	29. Seal No. affixed by Customs/Contractor

30. it is requested that the Transhipment may be allowed. We declare that the details given above are true and complete. In case of any incorrect in invoice /other documents regarding value, weight, quantity, quality and description unearthed at any stage before landing of goods at destination, we undertake to inform the Customs House on priority . In case of damage /pilferage/accident/breakage of seals *etc.* we undertake to inform the Custom House, Karachi and customs authorities at customs stations of destinations and of occurrence and to get the goods examined and containers *etc.*, re-sealed by the customs authorities.

Signature of authorized officer/nominee of carrier

31. Documents to be attached

- ☐ Undertaking of the importer
- ☐ Indent/proforma invoice
- ☐ Commercial Invoice
- ☐ Packing list
- ☐ Bill of Lading
- ☐ Letter of Credit
- ☐
- ☐

32. Remarks	33. Goods/container received intact
	34. Signature and Seal of Customs Officer of relevant Dry Port

<b>Objection/Observations by Customs</b>	<b>Replies by the carriers</b>
<b>Examination report of Customs, if conducted</b>	
<b>For KPT use only</b>	<b>For KMC use only</b>

**ANNEX-VI**

**SR-2 No.** \_\_\_\_\_

**Date:** \_\_\_\_\_

**APPLICATION FOR DUTY/TAX DRAWBACK/REBATE**

**PART-I (To be filled in by the Exporter/Authorised Clearing Agent)**

1. Name of the Exporter: \_\_\_\_\_
2. Name of the Consignee: \_\_\_\_\_
3. Bill of Export No. and Date: \_\_\_\_\_
4. "E" Form No. and Date: \_\_\_\_\_
5. M.R. No. and Date: \_\_\_\_\_

**DOCUMENTS ATTACHED**

1. Quadruplicate copy of Bill of Export.
2. Bill of Lading
3. Short Shipment Notice
4. B.C.A.B.G/Annex-A/F. E.76.
5. Import Documents
- others



**AMOUNT OF DUTY DRAWBACK/REBATE CLAIMED**

S.No.	SRO No. Date	Quantity /Net weight	FOB Value	Rebate Amount (i) Customs Duty (ii) Sales Tax (iii) Central Excise Duty	Total

Declaration: I/We declare the details given above to be True and Complete.

Signature of the Exporter/  
Authorized Agent

**PART-II (TO BE FILLED IN BY CUSTOMS STAFF)**

- Name of the Exporter \_\_\_\_\_
- SROs claimed: \_\_\_\_\_
- Total Amount claimed: \_\_\_\_\_
- S.R. 2 No. \_\_\_\_\_

Signature of Receipt Clerk

SR-2 No. \_\_\_\_\_

Date: \_\_\_\_\_

**PART-III (TO BE FILLED IN BY PROCESSING SECTION)**

- Name of the Exporter \_\_\_\_\_
- Description of Items \_\_\_\_\_
- Declared FOB Value: \_\_\_\_\_
- Ascertained F.O.B Value \_\_\_\_\_
- Admissible S.R.O's \_\_\_\_\_
- Rebate amount admissible: \_\_\_\_\_

S. No.	Item SRO no. & Date	Quantity/Net Weight	FOB Value	Rebate Amount (i) Customs Duty (ii) Sales Tax (iii) Central Excise Duty	Total
TOTAL					

- Amount in words: \_\_\_\_\_  
\_\_\_\_\_

8. Following documents have been checked and found in order:--

	Yes	No		Yes	No
(a) Quadruplicate copy of Bill of Export	<input type="checkbox"/>	<input type="checkbox"/>	(b) M.R. No. & Date	<input type="checkbox"/>	<input type="checkbox"/>
(b) B.C.A	<input type="checkbox"/>	<input type="checkbox"/>	(d) bill of Lading	<input type="checkbox"/>	<input type="checkbox"/>
(e) L.C	<input type="checkbox"/>	<input type="checkbox"/>	(f) "E" Form	<input type="checkbox"/>	<input type="checkbox"/>
(g)	<input type="checkbox"/>	<input type="checkbox"/>	(h)	<input type="checkbox"/>	<input type="checkbox"/>

9. It is proposed that an amount of Rs. \_\_\_\_\_ may be sanctioned against B.C.A No. \_\_\_\_\_ dated \_\_\_\_\_ Issued by M/s. \_\_\_\_\_

10. SANCTION ORDER:--An amount of Rs. \_\_\_\_\_ as payment of customs duty, Rs \_\_\_\_\_ As refund of Sales Tax and Rs. \_\_\_\_\_ as rebate of Central Excise duty, i.e a Total of Rs. \_\_\_\_\_ is sanctioned after scrutiny of the claim and supporting documents.

11. An amount of Rs. \_\_\_\_\_ has been paid vide Cheque No. \_\_\_\_\_ dated \_\_\_\_\_

Treasury Officer  
ANNEX-VII

### TEST MEMO

#### PART-I (TO BE FILLED IN BY IMPORTER/EXPORTER/CLEARING AGENT)

1. Name & Address of \_\_\_\_\_  
Importer/Exporter: \_\_\_\_\_

2. I.G.M. No. \_\_\_\_\_ Date \_\_\_\_\_ 3 Index No \_\_\_\_\_

4. Vessels Name: \_\_\_\_\_

5. B/E Machine No. \_\_\_\_\_ Date \_\_\_\_\_ 6 C.H.A.L No. \_\_\_\_\_

7. Description: \_\_\_\_\_

8. Generic Name \_\_\_\_\_ 9 Code No. \_\_\_\_\_

10. H.S No. \_\_\_\_\_ 11 Country of Origin. \_\_\_\_\_

12. Name of Manufacture \_\_\_\_\_  
(with complete address): \_\_\_\_\_

13. Previous T.R. No. \_\_\_\_\_ Date \_\_\_\_\_ 14 Literature attached \_\_\_\_\_

Signature with Seal of Importer/Clearing Agent

#### PART-II (TO BE FILLED IN BY THE APPRAISING GROUP)

1. Test Report No. \_\_\_\_\_ Date \_\_\_\_\_ 2. Alternative H.S No. \_\_\_\_\_

3. Previous T.R. \_\_\_\_\_ Date: \_\_\_\_\_ 4. Literature attached \_\_\_\_\_

5. Test Required:

(i) Composition \_\_\_\_\_ (ii) \_\_\_\_\_

(iii) \_\_\_\_\_ (iv) \_\_\_\_\_

Signature and seal of Principal Appraiser

**PART-III (TO BE FILLED IN BY SHED STAFF)**

1. Seal No. \_\_\_\_\_ Despatch No. \_\_\_\_\_ Date: \_\_\_\_\_  
2. Description on Packages: \_\_\_\_\_ 3. Package/Container No. \_\_\_\_\_  
(From which sample drawn)

Signature and Seal of  
Importer/Exporter/Clearing Agent

Signature and Seal of  
Drawing Officer

Signature and Seal Of  
Dispatcher

**PART-IV (TO BE FILLED IN BY LABORATORY STAFF)**

1. Receipt No. \_\_\_\_\_ Date: \_\_\_\_\_

**PART-V (TO BE FILLED IN BY CHEMIST)**

1. Name of Chemist: \_\_\_\_\_ 2. Sequence No. \_\_\_\_\_  
3. Literature provided consulted/not consulted: \_\_\_\_\_  
4. test Method/Reference Book: \_\_\_\_\_  
5. Composition: \_\_\_\_\_  
6. Report: \_\_\_\_\_  
7. Description Found: \_\_\_\_\_  
8. Suggested H.S. No \_\_\_\_\_

Signature and Seal of the Testing Officer

Signature and Seal of Countersigning Officer

**PART-VI (DESPATCHED PARTICULARS)**

1. Despatch No. \_\_\_\_\_ 1. Receipt No. \_\_\_\_\_  
2. Date: \_\_\_\_\_ 2. Date: \_\_\_\_\_

Signature and Seal of Dispatcher

Signature and Seal of Group Clerk

**5. Import Examination Manual.**--In order to acquaint the Customs Staff with the requirements and techniques for examination of various import items and also to prescribe job description of each category of officers and staff posted at different locations of the wharves/examination places, an Examination Manual for import goods prepared by the Appraisement Collectorates may be treated as a guide for official use by all Customs Collectorates with appropriate modifications, if need be, for correct examination and assessment of the import of goods.

**CHAPTER-IV**

**ASSESSMENT OF VEHICLES**

<sup>5</sup>[\*\*\*]

**7. Assessment of confiscated vehicles.**-- For determination of reserve Prices of motor vehicles to be disposed of through sale/auction etc., the procedure is as follows:-

- (a) Depreciation in the FOB value in respect of the second hand confiscated cars shall

5. Para 6 Omitted vide CGO No. 6/2004, dated 9<sup>th</sup> July, 2004

be allowed at the following rates:-

- (i) 4% per month up to first 3 months.
- (ii) 2% per month for the next 19 months up to 3 years subject to a maximum of 50%.
- (iii) 10% per year on written down value method, exceeding 3 years.
- (iii) In case of badly damaged or very old (more than 6 years old model) cars the value should be appraised keeping in view their physical condition.
- (iv) The period less than six months shall be ignored and over 6 months shall be taken as one year for allowing 10% depreciation.
- (vi) In case of badly damaged and very old (more than 6 years old model) cars the value should be appraised keeping in view their physical condition.

In order to introduce uniformity in the system, it has been decided that procedure prescribed above should be applicable to all vehicles put to auction or sale whether confiscated or not.

It has also been decided that motor vehicles should be placed in public auction/sale etc. at least twice. In case the reserve price cannot be obtained in two successive auctions/sales etc., then the Deputy Collector/ Assistant Collectors concerned may propose to the Collector for reduction in reserve price. The Collector, if he deems fit, may reduce the reserve price keeping in view the previous bids received and the condition of the vehicle.

**8. Forms for use in connection with the Import and Export of motor vehicles.--**The forms mentioned below are for use in the Custom Houses and Customs Collectorates:

**MV. 1.**

1. Register for keeping the particulars of cars imported and exported duty free through Customs stations.

**MV. 2.**

2. Customs Examination report of the motor vehicles on arrival at the Customs station etc.

**MV. 3.**

3. Undertaking for the temporary importation of motor vehicle by tourists

**MV. 4.**

4. Form for the assessment of new motor vehicles.

**MV. 5.**

5. Form in the assessment of new vehicles (older model) with basic changes compared to latest models of Identical description.

**MV. 6.**

6. Form for the assessment of used motor vehicles without basic changes.

**MV. 7.**

7. Form for assessment of used motor vehicles with basic changes compared to subsequent models of identical description.

## **CHAPTER-V**

### **TEMPORARY IMPORTS**

**9. Empty Containers.--**The transit, by Railways of temporarily imported empty containers,

from any Land Customs Station of entry to Karachi via Lahore Customs Port is allowed subject to the following conditions, namely:--

- (1) The containers are constructed in accordance with the internationally accepted standardized dimensions.
- (2) Each container has distinguishing marks and numbers and is empty at the time of dispatch and is certified by the examining officer.
- (3) At the time when the said containers are loaded on to the railway from any Land Customs Station of entry to Lahore Customs Port the handling agents shall make an application in the form annexed.
- (4) One copy of the application shall be retained by the proper officer at the Land Customs Station of entry and the second copy shall be endorsed to the Lahore Customs Port after recording the time and date of dispatch. The examining officer shall also certify that the containers have been examined and found to be empty.
- (5) The second copy of the application shall be placed on record at the Lahore Customs Port and a cross tally shall be made with the actual number of containers received at the Lahore Customs Port.
- (6) After receipt of the empty containers has been so recorded, information thereof shall be sent to the Land Customs Station of entry in acknowledgement of the fact that the containers have been duly received at the Lahore Customs Port.
- (7) After the containers have been received within the bonded premises of the Customs Port they shall not be taken out of the premises save for export through Karachi.
- (8) Onward transit journey of the containers after they have been loaded with goods meant for export, shall be regulated in accordance with the Lahore Customs Port procedure.

To,

The Assistant Collector of Customs,  
Chaman/Torkham/Nokundi

Sir,

We request permission for the Transit of the empty containers to Karachi via Lahore Dry Port bearing marks and number \_\_\_\_\_ on Railway KVC Wagon No \_\_\_\_\_ train  
No \_\_\_\_\_ Time \_\_\_\_\_ Dated \_\_\_\_\_

Signature  
Carrier/Handling Agent

Certified that the aforementioned containers have been examined and found to be empty  
Allowed \_\_\_\_\_ Time \_\_\_\_\_ Date \_\_\_\_\_

(Appropriate Officer of Customs)

**10. Tanker Mounted Trucks.--**In order to regulate the import of liquefied Petroleum Gas to Pakistan via land route, following is the procedure for the temporary importation of tankers filled with liquefied petroleum gas without payment of Duty and Taxes.

- (1) The prime movers of Pakistan origin shall be used for transportation of the Liquefied Petroleum Gas filled tankers to Pakistan.
- (2) The importing agency shall have authorization from Ministry of Commerce for importing L.P.G. filled tankers.
- (3) The authorized importer shall furnish an indemnity bond to the satisfaction of Collector covering the duty and taxes involved on the tankers being imported temporarily only

such tankers shall be allowed the facility of temporary importation which are identifiable by the following information duly marked in an appropriate and clearly visible place on containers:--

- (a) The identification of the Owner or principal operator.
- (b) The identification marks and numbers of the containers given by the owner or operator; and
- (c) The tare weight of the container, including all its permanently fixed equipment.

(5) The tankers filled with L.P.G. shall be allowed to stay in Pakistan for a period of 15 days; after expiry of which the empty tankers shall be re-exported to the country of origin. The tankers shall not be used for the carriage of goods in internal traffic.

(6) Period of stay in Para (5) above may be extended up to a further period of 15 days by the Collector of Customs upon receipt of a request from the importing agency stating the reasons for such extension.

(7) Collector of Customs may issue a Standing Order devising a suitable system to keep a close watch over the movement of the temporarily imported tankers.

**11. Ship Containers: --** Following is the procedure for the temporary importation of ship containers:

(1) Ship containers may be temporarily imported without payment of customs duties for a period of 6 months by any person on furnishing to the Collector of Customs a bank guarantee equal to the amount of duty and taxes livable thereon, or by a customs-licensed shipping agent on furnishing an undertaking on a non-judicial stamp paper of Rs.30/-.

(2) The period of temporary importation mentioned in Para (1) above may be extended by the Collector in genuine cases for a further period of 6 months.

(3) If a person wishes to lease out a container to another person, both may submit written applications to the Collector of Customs who may allow the 'on-hiring' party to retain the container for the remaining period on receipt of fresh security on the principle laid down in Para (1) above and may discharge the security given by the party 'off-hiring' the container. In such cases the retention period of the container shall be computed from the date of its first import and shall be governed by the terms and conditions laid down in Para, (1) & (2) above.

(4) The aforesaid facility of temporary importation shall not be available on container handling equipment such as forklifts, cranes, tractors, tug masters, trawlers etc. and their accessories and components except container seals of specific shape and Serial No. Embossed thereon as identifiable at the time of re-export.

## CHAPTER-VI

### SAFE TRANSPORTATION

**12. Procedure for the safe transportation of liquid bulk cargo from Private/Public bonded warehouses to inland customs bonded warehouses.--**The following procedure for the movement of such liquid cargo from private/ public bonded warehouses at Oil Section, Keamari, Karachi to inland customs private/public bonded warehouses is prescribed:-

- (i) On importation, the edible oil and other liquid bulk cargo intended for re-warehousing in inland Customs bonded warehouses, will be landed and stored in the first instance in the Bonded Tank Terminals at Keamari, Karachi. For their clearance therefrom, the bonder will prepare "into-Bond" bill of entry according to prescribed procedure in terms of section 84 of the Customs Act, 1969. The into-bond bill of entry so prepared will be registered and noted in the Oil Section, Keamari, according to the procedure laid down in the Import and Export Manual. After completion of Customs Formalities, the bonder will execute a bond under



the provisions of section 86 of the Customs Act, 1969 for each consignment or a general bond in such manner and subject to such conditions, limitations or restrictions as Collector of Customs (Preventive) may prescribe.

- (ii) The bonder will also submit an unstamped copy of "Bond" to Assistant Collector of Customs. Oil Section, Keamari, Karachi who will attest it and forward to the Collector of Customs and Central Excise in whose jurisdiction the goods are to be warehoused. The Collector of Customs/Central Excise concerned will independently verify that the consignment has been received and re-warehoused and will send intimation to that effect to the Assistant Collector of Customs, Oil Section, Keamari Karachi. In this manner the Collector of Customs/Central Excise shall monitor the particulars of consignments destined for warehousing in his jurisdiction and provide independent intimation to the Custom House, Karachi, to the effect that the consignments have been warehoused.
- (iii) The goods will be examined in the usual manner by the Customs Staff posted at the Oil Section, Kemari, and representative samples thereof be drawn for test in order to confirm whether the liquid goods are within the limits of required specification and fit for human consumption or otherwise. The goods will, however, be allowed to be transported to their intended destination, and will not be detained for want of the result of laboratory tests. The Custom House will intimate the concerned Collector of the findings/results of fitness test as soon as they are received. The goods will however be allowed to be c -bonded by the receiving Collectorate only on the basis of fitness certificate received from the Custom House or on the basis of a test carried out by the concerned Collectorate itself.
- (iv) After examination of goods, the bonder will make an application to the Assistant Collector of Customs. Oil Section, Kemari, to grant permission for their safe transportation by railway tankers/private tankers direct from the Customs Bonded Tank Terminals under the provisions of section 100 of the Customs Act, 1969. When the permission is granted by the Assistant Collector of Customs, Oil Section, Kemari, the bonder will submit I bond, with sufficient surety, in a sum equal to the duty and taxes involved as provided in section 101 of the Custom Act. 1969 or a general bond as provided under section 101 ibid to the effect that goods will be safely transported to their destination and receipt thereof produced to the Assistant Collector of Customs, Oil Section, Kemari, within 15 days of re-warehousing.

In addition to the above requirements, the bonder will also furnish a bank guarantee covering the value, customs duties and other taxes for safe transportation from Karachi Port to the inland bonded warehouse. In such cases, no escort will be necessary and the bonder will solely be responsible for safe transportation of the goods to inland bonded warehouse.

- (v) The goods will then be taken delivery of from the bonded tank terminals into the railway tankers/private tankers by the bonder or his authorized agent, under Customs supervision. After completion of loading of goods into the tankers, the same will be sealed with customs seal and a receipt to that effect be furnished to Assistant Collector of Customs, Oil Section, Keamari by the carrier, for record. Duplicate copy of the Into Bill of Entry will accompany the goods as a pass and another attested copy will be directly sent to the Officer Incharge of inland warehouse, by the Assistant Collector of Customs, Oil Section, Kemari.
- (vi) The Officer Incharge of Inland bonded warehouse will ensure that the goods are directly landed into the warehouse from the railway tankers/private tankers. He will receive and compare the goods with the help of the duplicate copy of into bond bill of entry and after satisfying himself about the full receipt of goods he

will enter the particulars in the Ledger for record. Any discrepancy found will be reported to the Assistant Collector of Customs, Oil Section, Keamari, Karachi for necessary action.

- (vii) The Officer Incharge of inland warehouse will return the duplicate copy of the "Into Bond" bill of entry alongwith a certificate of the receipt of cargo in full to the Assistant Controller of Customs, Oil Section, Keamari, Karachi who after satisfying himself of the receipt of the goods by the Officer Incharge of inland bonded warehouse, shall order for discharge of the bond. The bank guarantee will, however, be discharged only after duty is received and proof of this effects is intimated to the Assistant Controller of Customs, oil Section, Keamari, Karachi, by the concerned Collectorate.
- (viii) The findings of the test report shall be endorsed on the ex-bond bills of entry by the examining staff before release is allowed.
- (ix) For the purpose of availing these facilities, the bonder will have to submit to the Collector of Customs (Preventive), Custom House, Karachi, a certified copy of the public/ private bonded warehouse license issued by the concerned Collector of Customs/Central Excise along with a calibration chart showing number and capacity of the bonded storage tank.

**13. Revival of safe transportation scheme for <sup>6</sup>[\*\*\*] bonded warehouses.**

- (a) It has been decided to continue the Safe Transportation Scheme for the carriage of bonded goods (machinery and raw materials only) imported by the industrial units operating their own private bonded warehouses from Karachi Port <sup>7</sup>[Customs stations Torkham, Chaman and Taftan]
- (b) The <sup>8</sup>[\*\*\*] bonded warehouses will operate under the following zones which will be supervised by the respective Assistant Collector of Customs Incharge of the Bonds:-
  - (i) Peshawar Zone;
  - (ii) Rawalpindi Zone;
  - (iii) Sambrial Zone
  - (iv) Lahore Zone
  - (v) Faisalabad Zone
  - (vi) Multan Zone
  - (vii) Sukkur Zone
  - (viii) Hyderabad Zone
  - (ix) Quetta Zone
  - (x) Gaddani Zone.
  - (xi) Karachi Export Collectorate Zone
- (c) The transportation of the goods from Karachi Port <sup>9</sup>[Customs stations Torkham, Chaman and Taftan] to the Bonded Warehouses will be allowed through private & public carriers, duly covered by bank guarantees equivalent to duty & taxes involved and bonds executed for sum equal to double the amount of duty and

6. The word and hyphen "up-country" was omitted vide CGO No. 3/2013 dated 18<sup>th</sup> February, 2013

7. Inserted vide CGO No. 3/2013 dated 18<sup>th</sup> February, 2013

8. The word and hyphen "up-country" was omitted vide CGO No. 3/2013 dated 18<sup>th</sup> February, 2013

9. Inserted vide CGO No. 3/2013 dated 18<sup>th</sup> February, 2013

taxes involved etc. The Board may, however, restrict the carriage of the goods through such designated carriers as may be decided on the recommendations of the Collectors of Customs or the Chamber of Commerce & Industry and/or the Federation of Chambers of Commerce & Industry.

- (d) The into-bond hills of entry for the respective consignments will be tiled in manifest section of the <sup>10</sup>[Model Customs Collectorate,] where a separate machine number hearing prefix "S.T." (abbreviation for safe transportation) shall be assigned which will be sent to group/ shed as the case may be in sheds examination report shall be written on reverse of original, duplicate and triplicate copies of the bill of entry. After completion of formalities from group and sheds the bill of entry shall be presented by the Clearing Agent in Cash Section for payment of warehousing surcharge and excise duty if any. The Cash Section shall detach original, quadruplicate and statistical copy for dispatch to their destination and shall hand over duplicate and triplicate copy to the Clearing Agent for getting bank guarantee and bond executed by the importer and submission to Principal Appraiser Safe Transportation Cell. Me P.A. (S.T. Cell) after satisfying himself and recording the particulars thereof in the master register in the following format date-wise shall allow out of charge.

S.T. B/E No.	Bond No.	Description of goods	Quantity/ No. of Packages.	Value
1	2	3	4	5

C. D.	Sur	Iqra.	S.T	C/A. No.	Remarks Letter No./Sr. No.
6	7	8	9	10	11

- (e) The into-bond bills of entry for the respective consignments will be filed by the importers/companies availing Express Lane Facility, in the manifest section of the <sup>11</sup>[Model Customs Collectorate].A machine number bearing prefix "S. T" (abbreviation for safe transportation) shall het assigned. The Bond Section shall allow the Safe Transportation as per declaration of the importers and send the hills of entry to the Groups for completion under the Second Appraisement System. After completion of the bill of entry the clearing agent shall pay the surcharge etc. in the Account Section. The duplicate & triplicate copy of the bill of entry shall be given to the clearing agent and the remaining copies of the hills of entry be detached by Account/Cash section. The shed staff will inspect the goods and sign out of charge as per instructions given in Public Notice No. 5/(89) Exam) dated 6-7-1998, issued by the Appraisement Collectorate Karachi.

- (f) Responsibility of the Principal Appraiser Safe Transportation Cell:--

- He shall make the goods out of Customs charge and hand over duplicate copy of the bill of entry to accompany the goods up to the <sup>12</sup>[\*\*\*] warehouse.
- He shall prepare a daily statement in the format given in Annex-A.
- He shall send the statement at (ii) above daily by fax or telex to the Assistant Collector Incharge of the respective Zone.
- He shall send a weekly statement on the same format as at (ii) above on

10. Substituted for the words and commas "Appraisement Collectorate, Custom House, Karachi" vide CGO No. 3/2013 dated 18th February, 2013

11. Substituted for the words and commas "Appraisement Collectorate, Custom House, Karachi" vide CGO No. 3/2013 dated 18th February, 2013

12. The word and hyphen "up-country" was omitted vide CGO No. 3/2013 dated 18<sup>th</sup> February, 2013

each Thursday or the last working day of the week to the respective Assistant Collector of the Zone giving details of all the consignments dispatched in the preceding week. A nil report on the prescribed proforma shall be sent by him on the last working day of the week if no consignment has been sent to the relevant Zone during the preceding week.

- (v) He shall return the bank guarantee and bond executed by the importer covering Safe Transportation on receipt of confirmation of receipt of the goods from the Assistant Collector of the concerned Zone as per Annex-B.
- (vi) He shall ensure dispatch of the original bill of entry received in the Safe Transportation Cell in pursuance of Para (j) of this General Order to the respective Collectorate/Zone for final check.-
- (g) Responsibility of Officer incharge of Warehouse where goods brought under Safe Transportation Scheme are stored:-
  - (i) He shall allow goods brought under Safe Transportation Scheme to be warehoused on production of duplicate copy of the bill of entry.
  - (ii) He shall maintain a warehouse register in the format given in Para (d) above and shall make entries of the particulars of goods received in the warehouse in this register.
  - (iii) After making entries in the register he shall pass on the bill of entry (duplicate copy) to the Assistant Collector incharge of bonds on daily basis after retaining photo-copy of the bill of entry for his record.
  - (iv) He shall obtain acknowledgement from the office of the Assistant Collector as a proof of delivering the duplicate copy of the bill of entry.
- (h) Responsibility of the Warehouse Keeper:-
  - (i) The Warehouse keeper of the bonded warehouse in which any goods are received under the Safe Transportation Scheme shall, on every Thursday or the last working day of every week, furnish a weekly statement as per Annex-B to the Assistant Collector Incharge of the Zone; and
  - (ii) The aforesaid statement shall be furnished after due verification by the officer of Customs incharge of the warehouse.
- (i) Responsibility of the Assistant Collector Incharge of the Zone/Bond:-
  - (i) On receipt of duplicate copy of the bill of entry from the officer incharge of the warehouse the Assistant Collector Incharge of the Bond shall receive the same against acknowledgement:
  - (ii) He shall enter the particulars of the bill of entry in a master tile maintained by him on the format given in para (d) above. These entries shall be made on one page of the register while entries of the ex-bond bills of entry shall be made on the other page for due accountal of receipts and clearances;
  - (iii) He shall furnish a statement as per Annex-C to the Safe Transportation Cell, Custom House, Karachi;
  - (iv) This statement shall be sent on the first working day of every week;
  - (v) A nil report shall be sent by him in case no consignments are received in any of the warehouses under the Safe Transportation Scheme.

- (j) <sup>13</sup>[Collector of Customs having jurisdiction] and the Collectors of Customs incharge of the various Zones, will ensure that regular counter-checking of the prescribed statements is done in order to ensure that the consignments have been received in full, duly stored and fully accounted for in the Bonded Warehouses and are cleared according to the prescribed procedures.
- (k) The original copies of bills of entry retained by Custom House, Karachi, after computerization and audit shall be sent to S.T. Cell, who on monthly basis shall send the same to respective Collectorate/Zone by post, for final check. For any violation of this order, <sup>14</sup>[Collector of Customs having jurisdiction] may refuse removal under this system besides other action prescribed under the law.

**ANNEX-A**

**DAILY/WEEKLY STATEMENT OF THE DESPATCH OF GOODS  
UNDER SAFE TRANSPORTATION**

S. No	Date of out of charge	B/E No.	PWL No. 4	Pkgs	Description	Value	Remarks
1.	2.	3.	4.	5.	6.	7.	8.

Date: .....

Signed  
Principal Appraiser  
ST Cell

**ANNEX-B**

**WEEKLY STATEMENT OF THE RECEIPT OF GOODS UNDER  
SAFE TRANSPORTATION**

S. No.	Date of out of charge	B/E No.	PWL No.4	Date of Receipt	Description	Value
1.	2.	3.	4.	5.	6	7.

Verified by Officer Incharge Customs

Signed  
Warehouse Keeper

Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

**ANNEX-C**

**WEEKLY STATEMENT OF THE RECEIPT OF GOODS UNDER SAFE  
TRANSPORTATION  
ZONE \_\_\_\_\_**

S. No.	Date of out of charge	B/E no.	PWL No.4	Date of Receipt	Description	Value
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13. Substituted for the words, commas and brackets "Collector of Customs (Appraisement) Custom House, Karachi" vide CGO No. 3/2013 dated 18<sup>th</sup> February, 2013

14. Substituted for the words, commas and brackets "Collector of (Appraisement), Custom House, Karachi" vide CGO No. 3/2013 dated 18<sup>th</sup> February, 2013

1.	2.	3.	4.	5.	6.	7.
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Assistant Collector of  
Customs

Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

## CHAPTER – VII INDUSTRIAL CONCESSIONS

**14. Issuance of Provisional Certificates.**—Chief, Survey, Central Board of Revenue, issues provisional certificates, allowing release of up to 25% of the installed capacity, raw materials/components wherever necessary. Following will be the procedure for allowing this concession:--

- (i) All the conditions mentioned in the concessionary Notification for issuance of a final certificate will have to be complied with by the applicant except that of survey, which in case of provisional certificate will be conducted after its issuance.
- (ii) The provisional certificate issued would be tentative and conditional and it would not confer any recurring right to the manufacturer towards the issue of final facility under concessionary Notifications or repeated issuance of provisional certificates.
- (iii) For the difference in the applicable concessionary and statutory rates of duty and taxes, the release will be allowed against bank guarantees.
- (iv) Chief, Survey may impose any additional conditions on the provisional certificate wherever required.
- (v) if at a later stage it is revealed that any of the raw materials and component is available locally. Me. provisional certificate would stand withdrawn in respect of such raw material and component and duty and taxes would be recoverable on all such components or raw materials previously imported.
- (vi) Copies of provisional/final certificates will also be sent to Director-General (intelligence and Investigation), Customs and Excise.

**15. Clearance of raw materials, sub-components and under concessionary notifications from two ports at Karachi**

- (i) Importers-cum-manufacturers availing concessions under different concessionary notifications are allowed to clear their consignments from specified Port or Custom House.
- (ii) The importers-cum-manufacturers of Karachi approached the Board that it is beyond the control of the importers-cum-manufacturers to ensure berthing of ships at only one specified port. This causes difficulties in clearance as the provisional/final certificate specifies only one port.  
  
It has, therefore, been decided to allow clearance of goods from both Karachi Port as well as from Port Qasim to the units located in Karachi only.
- (iii) The certificates issued under concessionary notifications for clearance of goods at Karachi Port shall be valid for clearance of goods at Port Qasim and vice versa. However, the record shall be monitored and maintained at the port the name of which appears first in the provisional/final certificate. Collector of Customs (Appraisalment)



Collector of Customs (Port Qasim) may work out the procedure in mutual consultation which may be circulated for the convenience of beneficiaries of the concessionary notifications.

**16. Local fabrication of certain portions of plant and machinery for installation in industrial projects:** -- In case any sponsors envisage carrying out local manufacture of some machinery, they should approach the Chief Survey, CBR, Islamabad, at least 3 months before the import of fabrication materials along with supporting evidence in terms of contracts, sanction letters, agreements, feasibility studies etc., indicating the exact quantities/qualities/values of fabrications materials and the machinery which have to be fabricated out of these materials to enable the CBR to determine, the input/output ratio etc., to certify the requirement of the raw materials etc., in accordance with the provisions of table-II of SRO 434(I)/2001, dated the 8th June, 2001.

**17. Delivery of raw materials by principal manufacturers to Vendors:** -- A liberal interpretation of the condition in house manufacturing facilities has been adopted. It has been decided that the vendors having manufacturing facilities and possessing L-1 licenses under the Central Excise Rules shall be entitled to receive imported raw materials and components from their Principal Manufacturers for the manufacture and supply of sub contracted vendor parts. It will however be the responsibility of the Principal Manufacturers to ensure that the concession granted is not misused. Otherwise they will be held responsible for the loss of revenue and shall indemnify the Government as provided in the relevant SROs.

This facility will be extended to all the manufacturing units. The field formations may therefore ensure and issue L-1 licenses to vendor industries and get them surveyed while conducting survey of the main units if required.

**18. Defence Equipment.** - A procedure for import of raw material, sub-components and components under concessionary Notifications for manufacture of defence stores, machinery and equipment for use of defence force is as follows:-

- (a) All the individual concerns working for the DaMP will furnish Form Si and send it through a covering letter of the DaMP covering the specified items being manufactured by the party for DaMP. The concern will make individual requests through DaMP supported by a copy of contract in each case.
- (b) Input/output ratio showing %age of wastage will be attested by the DaMP.
- (c) All the concerns will get their individual L-1 licenses from the assistant Collector, Central Excise having jurisdiction.
- (d) The firm will provide to the Chief (Survey) a copy of blue print/map of their premises and a list of machinery available with them; On the basis of which a provisional certificate will be issued allowing import of 25%/100% of the raw materials and component.
- (e) Survey of units and their vendors will be conducted under the supervision of a Deputy. Director (S&R) who will work out the annual capacity of utilization of raw materials and components and total manufacturing of furnished goods per annum and also the input/output ratios for each component/machinery/equipment. Facilities available with vendors will also be considered in house facilities.
- (f) CBR will issue a final certificate for each individual contract for the quantities required under the contract on one time basis. However, for any further contract no survey will be required unless the input/output ratio changes or new goods are introduced or the concern exceeds its annual fixed capacity by more than 50%.
- (g) Other usual conditions except for the condition of approval of deletion programme which in this case will be done by CBR or DGMP instead of Ministry of Industries will be applicable to items manufactured.

**19. Manufacture of engineering goods in bond.**-The Government has provided a number of incentives to boost local manufacturers of engineering goods in the country. Concession of Customs Duty and sales tax is one of the major incentives. Import of raw materials and components for the local manufacture of engineering goods and agricultural implements has been allowed at concessionary rates of Customs Duty and sales tax in accordance with the provisions of the SRO regulating these concessions.

2. in certain cases, the procedure governing these concessions results in blockade of funds of the beneficiary industries because the effective rate of duty is charged in cash, and the difference between the concessionary rate and the tariff rate is secured in terms of bank guarantee or insurance guarantee which is discharged on production of the proof of proper utilization of the components and Raw Materials.

3. In order to provide relief from such a blockade of funds, it has been decided that the Engineering Units which are principal manufacturers of the machinery listed in the table to SRO 517(I)/79, dated 28th June 1979 will be eligible to the facility of manufacture-in-bond.

4. Under this system, these units will be eligible for the import of: raw materials and components as certified by the Chief Survey and Rebate. Central Board of Revenue or the Collectorate of Central Excise and Land Customs. as the case may be, free of duty and sales tax for manufacture of engineering goods in the manufacturing bonded warehouses duly approved by the respective Collectors. After manufacture of the goods in bond the importer-cum-manufacturer will have to account for appropriate utilization of materials and components in accordance with the conditions of the relevant SROs.

5. At the time of ex-bonding the manufacturer will file the Bill of Entry in accordance with the concession to be claimed i.e.

- (i) In case of goods meant for export, an ex-bond Bill of Entry along with the prescribed application form would be filed for export claiming total exemption of duty and sales tax; in case of raw materials and components used in the manufacture of agricultural implements, the Bill of Entry would be filed claiming the benefit of total exemption of duty and sales tax;
- (ii) In case of goods to be supplied to the fully exempted areas, sectors or units within the country against confirmed orders, the ex-bond Bill of Entry will be filed claiming total exemption of duty on the materials used for the manufactured goods;
- (iii) for supply to the units and areas eligible for 50% concession, the Bill of Entry will be filed claiming the benefit of 50% of duty; and
- (iv) In case of rest of the goods, ex-bond Bill of Entry will be filed for payment of duty on the value of raw materials and components used in the manufacture of these goods at the rate applicable under the relevant SROs.

6. The assessing officer posted all the conditions laid down and the release accordingly after ensuring that SROs have been fulfilled, and after formalities required under the relevant the manufacturers verifying the correctness of the claim of the manufactures.

**20. Time limit stipulated under various concessionary notifications.**-It has been observed that quite often due to unavoidable circumstance beyond the control of importers-cum-manufacturers, the consumption of raw materials takes time beyond the specified period, as provided under concessionary notifications, consequently, the time limit of one year creates hardship for them. Therefore, in order to relieve them of this hardship, the Central Board of Revenue has decided to extend the aforesaid time limit of one year to one and a half year.

2. It has also been decided that in cases where consumption certificates can not be produced within the period of one and a half year, the Collector may allow extension in time limit for another six months after having satisfied himself that the delay in consumption of raw

materials or production of consumption certificate was beyond the control of the importer-cum-manufacturer under intimation to the Central Board of Revenue.

<sup>15</sup>[21A. S. No. 5 of Table of Notification S.R.O. 575(I)/2005, dated the 6th June, 2005 read with condition (3) of said SRO, allows complete or partial exemption of customs duty along with total exemption from the levy of sales tax on approved CNG machinery, compressors, conversion kits and cylinders imported by approved CNG companies and local automotive manufacturers and assemblers. List of such approved brand names, models, qualifying standards and the names of designated 3rd party inspectors shall be followed as <sup>16</sup>[specified in Table-I, II. III. IV and V given below,] upon fulfillments of relevant conditions as mentioned in respect of Sr. No. 5 of above-mentioned SRO.]

<sup>17</sup>[TABLE-I

Sr. No	Brand Name of Compressor.	Models.	Designated 3rd Party Inspectors
1.	Norwalk Company Inc., USA.	C-75-3, C150-4, NQSV3	Lloyd's, Quality Tech LLC, ABS, Bureau Veritas
2.	RIX Services Ltd., New Zealand.	2JJS3G-178, FX-150, 3KX3G-40, 6W5G-150	Lloyd's, SGS, ABS, Bureau Veritas
3.	<sup>18</sup> [Gardner Denver Ltd, UK]	Gazpack 36, Gazpack 37 (5436 MKII)	-Do-
4.	Prescon Technology, New Zealand.	PTL4V4/730, 3W-315-100(P.T.3D3-15-90-A) 3W-315-90 (P.T.3D3-8-90-A)	-Do-
5.	Sulzer Burckhardt Engg. Works, Switzerland.	C4U111 S, C5U214S	-Do-
<sup>19</sup> [***	***	***	***]
7.	Jordair Compressors Inc... Canada	H-302, M 302	-Do-
8.	Safe s.r.l, Italy.	SW75SE-F1-EM, SW110SE-F1-EM SW110-F1-EM, SW132-F1-EM, SW90FO, 35-EM	Lloyd's, SGS, ABS, Bureau Veritas
9.	Hurricane, Grimmer Industries, USA.	CNG90, CNG125, CNG250	Lloyd's, Quality Tech LLC, ABS, Bureau Veritas
<sup>20</sup> [***	***	***	***]
11.	Chengdu Jinxing Chemical Machinery and Equipment Factory,	ZW-3.45/250JX, ZW-5.0/1-25 ZW-5.52/0.56-250JX	-Do-

15. In Chapter VII, after Sr. No. 20, the following new Sr. No. and the entry relating thereto were added vide CGO No. 15 of 2005 dated 6<sup>th</sup> June, 2006

16. In Chapter VII, in Sr. No. 21A, for the words, letters and figures "given under erstwhile SRO 38(1)/98, dated 21st January, 1998" the words, letters and commas "specified in Table-I, II. III. IV and V given below," were substituted vide CGO No. 16 of 2005 dated 1<sup>st</sup> September, 2005

17. Tables I, II, III, IV & V added vide CGO No. 16 of 2005

18. For the words and letters :Comp Air UK Ltd., UK" the words and letters "Gardner Denver Ltd, UK" were substituted vide CGO No. 9 of 2011 dated 14<sup>th</sup> November, 2011

19. Omitted vide CGO No. 10 of 2013 dated 25<sup>th</sup> October, 2013

20. Omitted vide CGO No. 8 of 2006 dated 27<sup>th</sup> June, 2006

	China.		
12.	Chongqing Air Gas Compressor China.	L-3.8/1-250, L-3/1.250 L-5/0.56-250, L-2.9/0.56-250 and L-4.65/0.56-250	-Do-
13.	Sumy gazmas, Ukraine	AGKNS M-45 AGKNS 60, AGKNS 75	-Do-
14.	Sulzer India	C5U214.IGP	-Do-
<sup>21</sup> ***	***	***	***]
16.	Unigas New Zealand	Apollo VR-550	-Do-
17.	Bauer Compressors, Germany.	C25.0-37, C25.0-45, C28.0-75, C28.0-90	-Do-
18.	Ariel USA (Packager CNG Galileo S.A. Argentina as model Micro skid & Micro box.)	JGM, JGN, JGQ	Lloyd's, Quality Tech LLC, ABS, Bureau Veritas
19.	Comp Air Mahle GmbH, Germany.	5409.2.NG.EU	Lloyd's, SGS, ABS, Bureau Veritas
20.	Sicom SRL, Italy.	650.250.20-IFDE-23SE.	-Do-
21.	Chongqing Gas Compressor Factory (CCF) China	W-2. 3/1-250, W-3.8/1-250, W-4. 65/0. 56-250, W-1.7/1.7-250, W- 2.9/0.56-250, W-3. 8/0.56-250 and W-3.01/1-250.	Lloyd's SGS, ABS Bureau Veritas
22.	Idro Meccancia, S.R.L., Italy	DDE 13	-Do-
23.	Nuovo Pignone, Italy	2B V/2/3/4	-Do-
<sup>22</sup> ***	***	***	***]
25.	Sichan Jinxing, China	ZW-2.2/1-250-JX ZW-2.35/1-250- JX Z W-3.22/ 1-250JX Z W-3.4/ 1-250-JX D-1.65/1.7-250 ZW-4.7/0.56-250-JX ZW-5.7/0.56-250 ZW-6.2/055-250	-Do-
26.	Normalk Company Inc., US A	C75-3, C150-4, NQSV3	Lloyd's Quality Tech LLC, Bureau Vritas, ABS.
27.	Hurricane, Grimmer Industries, USA.	CNG90, CNG 125, CNG250, CNG65	-Do-
28.	RIX Services Ltd., New Zealand	2JJS3G-178, 2JJS3G-34L, FX-150, 3KX3G-XX134, 2JJS3G-225, 2JSD-877, 3KX3G-24	Lloyd's SGS ABS, Bureau Veritas.

<sup>21</sup> Omitted vide CGO No. 10 of 2013 dated 25<sup>th</sup> October, 2013

<sup>22</sup> Omitted vide CGO No. 10 of 2013 dated 25<sup>th</sup> October, 2013

29.	Prescon Technology, New Zealand	PTL 4V4/730, 3W-315-100(P.T.3D3-15- 90-A), 3 W-315-90(P.T.3D3- 8,90-A). 100SIX, 3D315/6/60,50SIX. 3D315/8/100, 6K,508/80/650	-Do-
<sup>23</sup> ***	***	***	***]
31.	Unigas, New Zealand.	Apollo VR-550	-Do-
32.	Gasman Industries Ltd., New Zealand.	Gasman 400 W-A Gasman 400 W-W	-Do-
33.	<sup>24</sup> [Gardner Denver Ltd, UK].	Gazpack 36, Gazpack 37, 5436MK11, VHP 36	-Do-
<sup>25</sup> ***	***	***	***]
35.	Sulzer Burchhardt Engineering Works, Switzerland.	C4U11S, C5U214S, C5U1-11GPX, C5U214- 1GP.	-Do-
36.	JodAir Compressor Inc., Canada.	H-302,M302	-Do-
37.	IMW Industries Ltd., Canada	1MW50	Lloyd's SGS, ABS, Bureau Veritas.
38.	Safe s.r.l., Italy.	SW75SE-F1-EM SW110SE-F1-EM SW110F1-EM SW132F1-EM, <sup>26</sup> [SW90F1-EM]	-Do-
<sup>27</sup> ***	***	***	***]
40.	Idro Meccanica, Ital y	DDE13	-Do-
41.	SICOM, Italy.	650.250.20-IFDE-23SE 650.21/4	-Do-
42.	Nuovo Pignone, Ital y.	BVTN/2P 15, 2BVTN/2 P30,	-Do-

<sup>23</sup> Omitted vide CGO No. 10 of 2013 dated 25<sup>th</sup> October, 2013

<sup>24</sup> For the words and letters :Comp Air UK Ltd., UK" the words and letters "Gardner Denver Ltd, UK" were substituted vide CGO No. 9 of 2011 dated 14<sup>th</sup> November, 2011

<sup>25</sup> Omitted vide CGO No. 10 of 2013 dated 25<sup>th</sup> October, 2013

<sup>26</sup> In Chapter VII, in Sr. No. 38, in Table-I, against Sr. No. 38, in column (1), in column (3), for the words and figures "SW90FO, 35EM" the words and figures "SW90F1-EM" were substituted vide CGO No. 3 of 2006 dated 14<sup>th</sup> February, 2006

<sup>27</sup> Omitted vide CGO No. 8 of 2006 dated 27<sup>th</sup> June, 2006

		4BVTN/2 P30, 2BVTN/3 P30, 4BVTN/3 P70, 2BVTN/3 P70, 4BVTN/4 P100, 2BVTN/4 P100, 2BVTN/4 P120, 4BVTN/4 P120, 2BVTN/4 P150, 4BVTN/4 P150, 4BVTN/4 P210, 4BVTN/4 P250	
43.	Sichuan Jinxing Environmental Protection Science & Technology Co. Ltd., China (New Name) Chengdu Jinxing Chemical Machinery & Equipment Factory China, (Old Name).	ZW-3.45/250-JX, ZW-5.0/1-250, ZW-5.52/0.56-250-JX, ZW-2.2/1-250-JX, ZW-2.35/1.250-JX, ZW-3.22/1-250-JX, ZW-3.6/1-250-JX, D-1.65/1.7-250, ZW-4.7/0.56-250-JX, ZW-5.7/0.56-250, ZW-6.2/0.55-250.	-Do-
44.	Chongqing Air Compressor Factory, China.	L-3.8/1-250 L-311.250/L-510.56-256&	-Do-
45.	Symyngazmas, Ukraine.	AGNKS M-45 AGNKS 60 AGNKS 75.	-Do-
46.	<sup>28</sup> [M/s. Burckhardt Compression (India) Pvt. Ltd., Pune]	CSU214.IGP	-Do-
47.	Bauer, Germany.	C 25.0-37, C 25 0.45 C 28.0-90, C 28.0-75	-Do-
48.	Comp Air Mahle GmbH, Germany.	5409.2.NE.EU	-Do-
49.	LMF, Austria.	V-17/5518L30	Lolyd' SGS, ABS, Bureau Veritas.
50.	Ariel, USA (Packager, CNG Galileo S.A. Argentina, as Model Micro skid & Micro box).	JGM, JGN, JGQ, JGP	-Do-
51.	ASPRO GNC, Argentina.	IODM 115-4R-G IODM 115-4RR IODM 115-4R.R	-Do-

28. In Chapter VII, in Sr. No. 21A, in Table-I, in Sr. No. 46, in column (2), for the letter, words and comma "Sulzer, India" the letters, words, brackets and comma, "M/s. Burckhardt Compression (India) Pvt. Ltd., Pune" were substituted vide CGO No. 4 of 2006 dated 6<sup>th</sup> March, 2006

52.	Kwangshin Machine Industry Company Limited, Korea.	GEO-A 150 GEO-B 200 GEO-C 300	-Do-
53.	Bauer Compressors, Germany.	C15.1-13,	-Do-
54.	Chicago Pneumatic Tool Company, USA.	CP 839 HP	-Do-
55.	Delta Compression s.r.l. (Aspro GNC), Argentina.	IODM 115-5-4R	-Do-
56.	WUXI Compressors Company Limited, China.	DW-2.30/2-250-X, DW-2-55/2-250-X, DW-5/1-250-X, DW-2.61/4-250-X, DW-5/2-250-X, MW-10/1-250-X	-Do-
57.	Enric Compressors, Ws. Hubei (China Golden Import & Export Co. Ltd. China).	W-4.75/1-250, W-4.6/1-250, W-3.6/1-250, V-3.2/1-250	-Do-
58.	SICOM CNG, Compressors, M/s. SICOM s.r.l. Italy.	360.10 DE, 670.10 DE, 750-10 DE, 950.10 DE, B 1060, B 1360, B 131150	-Do-
59.	Chongqing Enjic CNG Technologies Co. Limited, China.	D-3.22/1-250-EJ.	-Do-
<sup>29</sup> [60.	M/s. SAFE s . r . l , Italy	B10-30, B30-30 and B50-30. SW 160F1-EM	-do- -do]
60.	Ariel USA CNG Compressors (Packagers Kraus Global Inc. Canada as Kraus R2A Series).	Kraus JGM/203/SSMG, Kraus JGM/203/SSMG, Kraus JGA/4-4, Kraus JGA/4-5, Kraus JGP/2-4, Kraus JGW/2-4.	-Do-
<sup>30</sup> [61.	M/s. Zigong Shanchuan Gas Compressor Company Ltd., China.	L-4.1/0.35-250, L-5.5/0.35-250SC, L-6.8/0.35-250SC, L-3.1%0.56-250, L-4.2/0.56-250SC, L-4.6/0.56-250SC, L-5.4/0.56-250SC, L-2.3/1-250, L-3.2/1-250SC, I.-3.9/1-250SC, L-4.5/1-250SC, L-5.5!1-	-do-]

29. In Chapter VII, in Sr. No. 21A in Table-I, in column (1), after Sr. No. 59, the new serial numbers and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 21 of 2005 dated 2<sup>nd</sup> December, 2005

30. In Chapter VII, in Sr. No. 21A, - in Table-I, in column (1), after Sr. No. 60, the new serial numbers and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 9 of 2006 dated 13<sup>th</sup> July, 2006



		250SC.	
61.	LMF, Austria	V 17G/5518L25	-Do-
<sup>31</sup> [62.	M/s. Safe, s.r.l, Italy	SW200F1-EM	-do-]
62.	Ws. Zigong Tongda Machinery Manufacturing Co., China.	D-4.2/0.56-250-TD, D-5.33/0.56-250-TD, D-7.5/1-250-TD, D-10/1-250-TD, L-7/0.56-250-TD, L-8.3/1-250-TD, L-4.2/1-250-TD.	-Do-
<sup>32</sup> [63.	M/s. Fornovogas s.r.l, Emilia, Italy.	4DA300-90, 4DA300-110, 4DA300-132, 4DA300-160 & 4DA300-200	-Do-]
63.	M/s. Sichuan Dachuan Compressor Co. Ltd., China.	ZW-5/1-250-DC, 3ZW-4.2/0.56-250-DC, 3ZW-6/0.56-250-DC, 3ZW-4.8/0.56-250-DC.	-Do-
64.	Gardner Denver Ltd, UK.	H800B-AL	-Do-
<sup>33</sup> [64.	M/s Green field Compressor Inc. USA.	C5UW, D64, D65	SGS]
<sup>34</sup> [65.	M/s. International Environmental Engineering Ltd., New Zealand	6w415-196-EL	BV
66.	M/S.FTI international Group Inc.Canada	FTI type-6 FTI type-7 FTI type-8	SGS
67.	M/s. Vniikompresormash, Stkco, Ukraine	2GM.3- 5/0.1-250TC2	Lloyd's Register]
<sup>35</sup> [65.	<sup>36</sup> [Gardner Denver Ltd, UK]	Gazpack-42	Lloyd's]
<sup>37</sup> [66.	M/s. Chengdu Tianchen Compressor Manufacturing Co., China	ZW-7.5/1-250-TC, ZW-5.0/1-250-TC, ZW-4.8/1-250-TC, ZW-4.0/1-250-TC, ZW-3.4/1-250-TC, ZW-6.2/0.56-250-TC, ZW-5.1/0.56-250-TC,	SGS (3 <sup>rd</sup> party inspection of each model of compressor shall be undertaken at the manufacturing premises in China And a quality Assurance and

31. In Chapter VII, in Sr. No. 21A, -in Table-I, in column (1), after Sr. No. 61, the new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 12 of 2006 dated 4<sup>th</sup> October, 2006
32. Inserted vide CGO No. 2 of 2007, dated 6<sup>th</sup> February, 2007
33. In Chapter VII, in Sr. No. 21A -in Table-I, in column (1), after Sr. No. 63 the new, serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 5 of 2007 dated 11<sup>th</sup> April 2007
34. In chapter VII, in Sr.No.21A in table -I in column(1)after Sr.No.64,the new serial numbers and the entries relating thereto in columns (2),(3) and (4) were added vide CGO 13 of 2007 dated 5<sup>th</sup> October, 2007
35. In Chapter VII, in Sr. No. 21A, in Table-I, in column (1), after Sr. No. 64, the new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 6 of 2007 dated 4<sup>th</sup> May, 2007
36. Substituted for the words and letters "Comp Air UK Ltd., UK" vide CGO No. 9 of 2011
37. In Chapter VII, in Sr. No. 21A, - in Table-I, in column (1), after Sr. No. 65, the new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO 7 of 2007 dated 5<sup>th</sup> June, 2007



		ZW- 4.25/0.56-250-.TC, ZW- 7.25/0.35-250- TC, ZW-6.0/0.35- 250-TC & ZW- 5.0/0.35-250-TC & ZW-5.0/0.35- 250-TC	Performance test certificate shall be issued in respect of Each model).]
66.	M/s. International Environmental Engineering Limited, New Zealand.	3W 315-300 6W 415-600	-Do-
67.	M/s. LMF, Austria.	BS302-313S25	-Do-
<sup>38</sup> [68]	M/S. Delta Compression S.R.L.Argentina.	IODM 70-5-4R	Bureau Veritas]
<sup>39</sup> [69.	M/s. J.A. Becker & Sohne, Germany	SV(B) 1300/300 NG SV(B) 1300/300 NGI	Bureau Veritas Germany]
<sup>40</sup> [70.	M/s. Bauer Kompressoren GMBH Munich, Germany	BK28.22-C	SGS, Germany]
<sup>41</sup> [70.	M/s. Paget CNG Limited, UK	ELI 10, EL 132, L110- TWINNED-200,ELI 32- TWINNED- 250	Lloyd's Register
71.	Miss Green field, Switzerland	C5TW	SGS Switzerland]
<sup>42</sup> [71.	M/S GNC Galileo S.A, Argentina	i) Microbox MX-S (Both Electric Driven and Gas Engine) ii) Nanobox NXS (Electric Driven Only)	Bureau Veritas]
<sup>43</sup> [72.	M/s. Ruzza S&C S.N.C, Italy	RS4	Bureau Veritas, Italy]
<sup>44</sup> [73.	M/s Delta Compression S.R.I., Argentina	IODM70-5-4RG Bureau (Gas Driven Only) (Trade Mark Aspro)	Bureau Veritas]

**TABLE-II**

Sr. No.	Brand Name of Mass Flow CNG dispenser.	Models	Designated 3rd Party Inspectors
1.	Safe sr.l, Italy.	ESP-22/2, ESP-22/3	Lloyd's, SGS, ABS, Bureau Veritas
2.	Prescon Technology New	DF 200 3PTP, CF 200	-Do-

38. In chapter VII, in Sr.No.21A in table – I in column(1)after Sr.No.67,the new serial numbers and the entries relating thereto in columns (2),(3) and (4) were added vide CGO 14 of 2007 dated 4<sup>th</sup> September, 2007
39. In Chapter VII, in Sr. No. 21A,- in Table-I, in column (1), after Sr. No. 68; the new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 4 of 2008 dated 26<sup>th</sup> March, 2008
40. In Chapter VII, in Sr. No. 21A-in Table-I, in column (1), after Sr. No. 69, the new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 6 of 2008 dated 13<sup>th</sup> May, 2008
41. In Table-I, in column (1), after Sr. No. 69, the following new serial numbers and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No.1 of 2008 dated 24<sup>th</sup> January, 2008
42. New serial number and the entries relating thereto were added vide CGO No. 2 of 2012 dated 30<sup>th</sup> January, 2012
43. In Chapter VII, in Sr. No. 21A -in Table-I, in column (1), after Sr. No. 71, the new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 8 of 2008 dated 6<sup>th</sup> June, 2008
44. Serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 9 of 2011 dated 14<sup>th</sup> November, 2011

	Zealand.	3PTP AI 200 3PTP.	
3.	<sup>45</sup> [Beijing Chagkong Machinery Co., Ltd., China]	BT-20.	-Do-
4.	<sup>46</sup> [Chongqing Innovation Measure Equipment Co., Ltd., China]	JQJ-DH-II.	-Do-
<sup>47</sup> [***	***	***	***]
6.	Chengdu Jinxing Chemical Machinery and Equipment Factory, China.	HJQJ.	-Do-
7.	RIX, New Zealand.	4R-20	-Do-
8.	Jordair Compressors Inc. Canada.	GFP-2-3600-TC.	-Do-
9.	ANGI International LLC USA.	BH 38	Lloyd's, Quality Tech LLC, ABS, Bureau Veritas
10.	Intermech Ltd., New Zealand.	DIP-20D2, DIC Series.	Lloyd's, SGS, ABS, Bureau Veritas
11.	CNG Galileo SA Argentina.	EM-98/S, EM-98/B.	-Do-
12.	Beijing Chang Kong Machinery Co. Ltd., China.	JYQ-W20.	-Do-
<sup>48</sup> [***	***	***	***]
14.	Fueling Technologies Inc. FTI Canada.	CNG-5260	-Do-
15.	Natural Energy Resources Ltd., New Zealand.	3-BEDD HS Code 8479	-Do-
16.	Sicom SRL Italy.	DPG	-Do-
17.	Compac New Zealand.	LE-3-KG-25. LE-3-KG-25 D	-Do-
18.	Idro Meccanica, Italy.	M E /DZ03	Lloyd's SGS, ABS, Bureau Veritas
19.	Muovo Pignone, Italy.	DBG	-Do-
20.	ANGI International, USA.	MCDS-2	Lloyd's Quality Tech LLC, ABS Bureau Veritas
21.	ANGI International LLC, USA.	BH-38 MCDS-50 MCDS-2	Lloyd's Quality Tech LLC, ABS, Bureau Veritas
22.	Tulsa Gas Technologies Inc. Oklahoma, USA.	7000 Series	Lloyd's SGS, ABS, Bureau Veritas
23.	Universal, EPSCO. Inc.,	5100-7100	-Do-

45 . In Chapter VII, in Sr. No. 21A, -- in Table-II,-Against Sr. No. 3, in column (2) for the letters, words, commas and brackets "Bray, China (Mass flow meter, Danfoss, Denmark)", the letters, words, commas and brackets "Beijing Chagkong Machinery Co., Ltd., China" were substituted vide CGO No. 5 of 2006 dated 15<sup>th</sup> April, 2006

46. In Chapter VII, in Sr. No. 21A, Against Sr. No. 4, in column (2) for the letters, words, commas and brackets "Chongqing Air Gas Compressor Machinery & Equipment, China" the letters, words, commas and brackets "Chongqing Innovation Measure Equipment Co., Ltd., China", were substituted vide CGO No. 5 of 2006 dated 15<sup>th</sup> April, 2006

47 . In Chapter VII, in Sr. No. 21A,-in Table-II, S. No. 5, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 3 of 2010 dated 18<sup>th</sup> May, 2010

48 Omitted vide CGO No. 8 of 2006 dated 27<sup>th</sup> June, 2006

	USA.		
24.	Prescon Technology, New Zealand.	DF200 3PTP CF200 3PTP AF200 3PTR DAMRZ/FF-3/DX4 DAMK2/RE3-SX DAM3Z/R3DX DAM/RZ/FE3/DX C-25	-Do-
25.	RIX Services Ltd., New Zealand.	3LED-2, 3LEDI, C-25, SMC 1201, 4R-20	-Do-
26.	Intermech, New Zealand.	DIP-20D2 DIC SERIES	-Do-
27.	Compac, New Zealand.	DAMRZ/FE3/DX, 8P-P3COM 16-D.C-25, SLI-4-V, DIR-2HE16, P-3-MF-17, PCNGD, C 400, KG-25, L3COM 16D.3WSS, LE-3-KG-25D, LE-3-KG25, P-3BEDD-PAK, N2SS5425, LGD3KG20D	-Do-
28.	Natural Energy Resources Ltd., New Zealand.	3-BEDD HS CODE 8479, C-25	-Do-
29.	Gasman Industries, New Zealand.	D 2003, DF 2003	-Do-
<sup>49</sup> ***	***	***	***]
31.	JordAir Compressor Inc., Canada.	GFP-2-3600-TC, D-38 5260	-Do-
32.	Fueling Technologies Inc., FTI, Canada.	CNG-5260'	-Do-
33.	IMW Industries Ltd., Canada.	1MW 3000 Series	Lolyd's SGS, Bureau Veritas ABS
34.	Safe s.r.l Italy.	ESP-22/2 ESP-22/3	-Do-
<sup>50</sup> ***	***	***	***]
36.	SICOM, Italy.	DPG	-Do-
37.	Idro Meccanica, Italy.	M E DZ03_	-Do-
38.	Bray, China (Mass Flow Meter, Danfoss, Denmark).	BT-20	-Do-
39.	Chongqing Air Gas Compressor Machinery & Equipment China.	JQJ-DH-II, JQJ-C-II.	-Do-
40.	Chongqing Sillan Dispenser Manufacturing Co. Ltd., China.	CNG 211 A, CNG III A.	-Do-
41.	Sichuan Jinxing	HJQJ	-Do-

49. In Chapter VII, in Sr. No. 21A, in Table-II, S. No. 30, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 3 of 2010 dated 18<sup>th</sup> May, 2010

50 Omitted vide CGO No. 8 of 2006 dated 27<sup>th</sup> June, 2006

	Environmental Protection Science & Technology Co. Ltd. China (New Name) Chengdu Jinxing Chemical Machinery and Equipment China. (Old name)		
42.	Beijing Chang Kong Machinery Company Limited, China.	JYQ-W 20	-Do-
43.	GNC GALILEO, S.A. Argentina.	EM-98/S EM-98/B	-Do-
44.	ASPRO GNC, Argentina.	AS 120 SI AS 120D	-Do-
45.	OYRSA, Argentina.	ALFA 2001	-Do-
46.	Kraus Global Inc., Canada. Approved ride HDIP letter No. CNG-DEV-7(69)/03 dated 02-08-2003	DAM 3 CHM	-Do-
47.	Kraus Global Inc., Canada.	DAM 3 CHM	-Do-
48.	Hans Brochier GHMBH & Co. KG, Germany.	CNG 2-II-IR-3ERK	-Do-
49.	Delta Compressions s.r.l, ASPRO, Argentina.	AS-120-S1 2000, AS 120D-AC	Do-
50.	Hubei (China) Golden Import & Export Co. Ltd., China.	JQD3S-40L,	-Do-
51.	Chongqing Enjie Technologies Co. Limited, China.	HJQJ20-2	-Do-
52.	Kraus CNG Dispensers, Kraus Global Inc., Canada.	Kraus SAM 3 CHG, Kraus SAM 3 CHF, Kraus DAM 3 CHG, Krause DAM 3 CHF.	-Do-
53.	Hans Brochier GMBH and Co. KG, Germany.	CNG 2-1- I	-Do-
54.	M/s. Zigong Tongda Machinery Manufacturing Co., China.	CHP-JQJ-11-A, CHP-JQJ-11-B.	-Do-
<sup>51</sup> [***	***	***	***]
56.	M/s. International Environmental Engineering Limited, New Zealand.	DF 2003.	-Do-
57.	M/s. Hans Brochier GmbH & Co., Germany.	2-0-2	-Do-
<sup>52</sup> [***	***	***	***]
59.	M/s. GreenField, S.A, Argentina.	ECO2.	-Do-
<sup>53</sup> [60.	Greenfield AG, Switzerland	E C O 2	-do-]

51. In Chapter VII, in Sr. No. 21A,- in Table-II; S. No. 55, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2006 dated 16<sup>th</sup> May, 2006

52. In Chapter VII, in Sr. No. 21A,- in Table-II; S. No. 58, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2006 dated 16<sup>th</sup> May, 2006

<sup>54</sup> [***]	***	***	***]
<sup>55</sup> [62.	M/s. Paget CNG Limited, UK	PWT22	Lloyd's Register]

**TABLE-III**

Sr. No.	Brand Name of Storage Cylinders	Qualifying Standards	Designated 3rd Party Inspector
<sup>56</sup> [	***	***	***
	***	***	***
	***	***	***
	***	***	***]
<sup>57</sup> [***	***	***	***]
6.	Dalmine spa, Italy.		-Do-
7.	K.B., Japan.		-Do-
<sup>58</sup> [	***	***	***
	***	***	***]
<sup>59</sup> [***	***	***	***]
<sup>60</sup> [	***	***	***
	***	***	***
	***	***	***]
14.	Everest Kanto Cylinder (EKC) India.		-Do-
<sup>61</sup> [	***	***	***
	***	***	***
	***	***	***
	***	***	***]
19.	<sup>62</sup> [***]	BS 5045, Part I, 1982 DOT 3AA Pressure Vessel code Section VIII, BS EN 1964-1, EN 1964-1, ISO 9809-1:1999, ISO 9809-2:2002,	Lolyd's ABS, SGS, Bureau Veritas.

53. In Chapter VII, in Sr. No. 21A,--in Table-II, in column (1), after Sr. No. 59, the new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 13 of 2006 dated 1<sup>st</sup> November, 2006

54. Omitted vide CGO No. 10 of 2013 dated 25<sup>th</sup> October, 2013

55. Table-II, in column (1), after Sr. No. 61, the new serial numbers and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 1 of 2008 dated 24<sup>th</sup> January, 2008

56. S. Nos. 1, 2, 3 & 4 in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011

57. In Chapter VII, in Sr. No. 21A, - In Table-III, S. No. 5, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 2 of 2010 dated 6<sup>th</sup> March, 2010

58. S. Nos. 8 & 9 in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011

59. In Chapter VII, in Sr. No. 21A, -in Table-III, S. No. 10, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 3 of 2010 dated 18<sup>th</sup> May, 2010

60. S. Nos. 11, 12 & 13 in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011

61. S. Nos. 15, 16, 17 & 18 in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011

62. The name of "Mesco, U.K" has been deleted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011.

		IRAM 2526-1997.	
<sup>63</sup> [	***	***	***]
<sup>64</sup> [***	***	***	***]
<sup>65</sup> [***	***	***	***]
<sup>66</sup> [	***	***	***
	***	***	***
	***	***	***
	***	***	***
	***	***	***]
<sup>67</sup> [***	***	***	***]
<sup>68</sup> [	***	***	***]
30.	Everest Kanto Cylinder (EKC), India.	-Do-	-Do-
<sup>69</sup> [	***	***	***]
<sup>70</sup> [***	***	***	***]
<sup>71</sup> [33.	<sup>72</sup> [***]	EN-1964-1-2000	-do-]
<sup>73</sup> [34.	<sup>74</sup> [***]	IRAM 2526-97	-do-]
<sup>75</sup> [35.	M/s. Argentiol S.A. Inflex Argentina.	IRAM 2526/05	-do-]
<sup>76</sup> [36.	<sup>77</sup> [***]	ISO 9809-1 : 1999	Bureau Veritas]
<sup>78</sup> [37.	M/s. Rama Cylinders (Pvt.) Ltd., India.	ISO 9809-1 1999	SGS]
<sup>79</sup> [38.	M/s. IGV Industries, Armenia	EN-1964-1-1999 have the capacities from 55	-do-]

63. S. No. 20 in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011
64. In Chapter VII, in Sr. No. 21A, in Table-III, S. No. 21, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 3 of 2010 dated 18<sup>th</sup> May, 2010
65. In Chapter VII, in Sr. No. 21A, in Table-III, S. No. 22, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 2 of 2010 dated 6<sup>th</sup> March, 2010
66. S. Nos. 23, 24, 25, 26 & 27 in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011
67. In Chapter VII, in Sr. No. 21A, in Table-III, S. No. 28, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 3 of 2010 dated 18<sup>th</sup> May, 2010
68. S. No. 29 in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011
69. S. No. 31 in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011
70. Omitted vide CGO No. 10 of 2013 dated 25<sup>th</sup> October, 2013
71. In Table-III column (1), after Sr. No. 32, the following new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 9 of 2006 dated 13<sup>th</sup> July, 2006
72. The name of "M/s. NK Co. Ltd., South Korea" has been deleted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011
73. In Chapter VII, in Sr. No. 21A in Table-III, in column (1), after Sr. No. 33, new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 13 of 2006 dated 1<sup>st</sup> November, 2006
74. The name of "Kiosi Compression S.A., Argentina" has been deleted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011
75. In Chapter VII, in Sr. No. 21A, in Table-III, in column (1), after Sr. No. 34, the new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 2 of 2008 dated 26<sup>th</sup> January, 2008
76. In Chapter VII, in Sr. No. 21A in Table-III, in column (1), after Sr. No. 35, new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 4 of 2008 dated 26<sup>th</sup> March, 2008
77. The name of "Fine Tec Corp. Korea" has been deleted vide CGO No. 6 of 2011 dated 19<sup>th</sup> August, 2011
78. In Chapter VII, in Sr. No. 21A, in Table-III, in column (1), after Sr. No. 36, the new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 5 of 2008 dated 3<sup>rd</sup> April, 2008
79. In Chapter VII, in Sr. No. 21A in Table-III, in column (1), after Sr. No. 37, the new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 10 of 2008 dated 22<sup>nd</sup> September, 2008

		to 85 WL with the minimum wall thickness 8mm and having the following chemical compositions: <b>%C</b> 0.32-0.35 <b>%Mn</b> 0.60-0.90 <b>%Si</b> 0.15-0.40 <b>%Mo</b> 0.15-0.25 <b>%Cr</b> 0.9-1.2 <b>%S</b> <0.010 <b>%P</b> <0.020 <b>%P+S</b> <0.025 <b>%V, Nb, Ti, Zr, B</b> <0.15	
<sup>80</sup> [39.	Maruti Koatsu Cylinders Pvt. Ltd., having 267mm diameter, 1120mm length & 50 Water Liter Capacity	NZS 5454:1989	SGS]
<sup>81</sup> [40.	Lizer Technologies Limited, India.  Having (i) 317mm Diameter, 830mm length & 50 Water Liter Capacity (ii) 317 mm diameter, 900mm length & 55 Water Liter.	NZS 5454:1989	SGS]

**TABLE-IV**

Sr. No.	Brand Name of CNG vehicle Cylinders	Qualifying Standard	Designated 3 <sup>rd</sup> Party Inspectors
1.	Faber Industries, Italy	NZS 5454	Lloyd's, ABS, Bureau Veritas, SGS
<sup>82</sup> ***	***	***	***]
<sup>83</sup> ***	***	***	***
	***	***	***
	***	***	***

<sup>80</sup> Added vide SGO No. 14/2008, dated 18th November, 2008

<sup>81</sup> Added vide SGO No. 20/2008, dated 30<sup>th</sup> December, 2008

<sup>82</sup> . In Chapter VII, in Sr. No. 21A, -in Table-IV, S. No. 2, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 3 of 2010 dated 18<sup>th</sup> May, 2010

<sup>83</sup> . S. No. 3 to 6 were omitted vide CGO No. 10 of 2011, dated 21<sup>st</sup> November, 2011

	***	***	***]			
7.	Faber Industries, Italy.	NZS 54 54-1989	Lloyd's Bureau Veritas,ABS, SGS			
<sup>84</sup> [	***	***	]			
<sup>85</sup> [***	***	***	***]			
<sup>86</sup> [	***	***	]			
<sup>87</sup> [	***	***	]			
<sup>88</sup> [	***	***	]			
<sup>89</sup> [	***	***	]			
<sup>90</sup> [	***	***	]			
<sup>91</sup> [15.	M/s. Kioshi Compresion S.A., Argentina.	NZS 5454:1989	-do-]			
<sup>92</sup> [16.	M/s. Inprocil S. A., Argentina.	-do-	-do-]			
<sup>93</sup> [17.	Rama Cylinders Pvt. Ltd., India	NZS 5454.1989	-do-]			
<sup>94</sup> [18.	MAT S/A, Brazil (Having 324 mm diameter x 920 mm length (nominal) & 62 Litre Water Capacity).	NZS 5454:1989	SGS]			
<sup>95</sup> [19.	Nitin Cylinders Ltd., India. Having 325mm diameter, 964mm length & 60 Water Liter Capacity	NZS 5454:1989	SGS]			
<sup>96</sup> [20To 40]						
<sup>97</sup> [41.	International Gas Vessels Industries (LLC), Armenia	NZS 5454:1989	Bureau Veritas			
	Sr. #	Diameter (mm)	Volum e (Ltr)	Length (mm)		
	1.	232	18	580		
	2.	232	20	640		
	3.	232	22	705		
	4.	232	25	800		
	5.	232	28	896		

84. Deleted vide CGO No. 10 of 2011 dated 21st November, 2011

85. In Chapter VII, in Sr. No. 21A, in Table-IV, S. No. 9, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 3 of 2010 dated 18<sup>th</sup> May, 2010

86. Deleted vide CGO No. 10 of 2011 dated 21st November, 2011

87. Deleted vide CGO No. 10 of 2011 dated 21st November, 2011

88. Deleted vide CGO No. 10 of 2011 dated 21st November, 2011

89. Deleted vide CGO No. 10 of 2011 dated 21st November, 2011

90. Deleted vide CGO No. 10 of 2011 dated 21st November, 2011

91. In Table IV, in column (1), after Sr. No. 14, the following new serial number and the entries relating thereto in columns (2) and (3) were added vide CGO No. 20 of 2005 dated 2<sup>nd</sup> November, 2005

92. In Chapter VII, in Table-IV, in column (1), after Sr. No. 15, new serial number and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 4 of 2006 dated 6<sup>th</sup> March, 2006

93. In Chapter VII, in Sr. No. 21A in Table-IV, in column (1), after sr. No. 16, the new serial number and the entries relating thereto in columns (2), (3) and (4) were added, vide CGO No. 12 of 2006 dated 4<sup>th</sup> October, 2006

94. Added vide CGO No. 3 of 2007 dated 14th March, 2007

95. Added vide CGO No. 9 of 2008 dated 10th July, 2008

96. S. Nos. 20 to 40 whereby these were inserted are not traceable.

97. New Sr. Nos. 41 to 44 were added vide CGO No.6 of 2010 dated 8th June, 2010



	6.	232	30	960		
<b>42.</b>	<b>International Gas Vessels Industries (LLC), Armenia</b>				<b>NZS 5454:1989</b>	<b>Bureau Veritas</b>
	1.	273	40	875		
	2.	273	41.16	900		
	3.	273	43.79	950		
	4.	273	46.42	1000		
	5.	273	49.06	1050		
	6.	273	51.69	1100		
	7.	273	54.32	1150		
	8.	273	56.96	1200		
	9.	273	59.59	1250		
	10.	273	62.22	1300		
	11.	273	65.1	1350		
	12.	273	70	1450		
	13.	273	80	1650		
<b>43.</b>	<b>Nitin Cylinders Limited, India.</b>				<b>NZS 5454:1989</b>	<b>SGS</b>
	1.	325	50	830		
	2.	325	52	856		
	3.	325	55	910		
	4.	325	58	960		
	5.	325	60	990		
	6.	325	62	1025		
	7.	325	65	1068		
	8.	325	70	1135		
	9.	325	73	1170		
	10.	325	75	1201		
	11.	325	80	1268		
	12.	325	85	1334		
	13.	325	90	1402		
	14.	325	95	1468		
	15.	325	100	1535		
	16.	325	105	1602		
	17.	325	110	1669		
	18.	325	115	1735		
	19.	325	120	1802		
	20.	325	125	1868		
	21.	325	130	1935		
	22.	325	135	2002		
	23.	325	140	2069		
<b>44.</b>	<b>Nitin Cylinders Limited, India.</b>				<b>NZS 5454:1989</b>	<b>SGS]</b>
	1.	267	30	725		
	2.	267	35	825		
	3.	267	40	925		
	4.	267	45	1025		
	5.	267	48	1080		
	6.	267	49	1100		
	7.	267	50	1120		
	8.	267	52	1160		
	9.	267	55	1220		
	10.	267	60	1320		
	11.	267	65	1420		
	12.	267	70	1520		

	13.	267	75	1620		
	14.	267	80	1720		
	15.	267	85	1820		
<sup>98</sup> ***	***				***	***]
<sup>99</sup> [47.	<b>Nitin Cylinders Limited, India</b>				<b>NZS 5454:1989</b>	<b>SGS]</b>
	1	316	45	780		
	2	316	50	850		
	3	316	55	920		
	4	316	58	950		
	5	316	60	990		
	6	316	62	1015		
	7	316	65	1060		
	8	316	70	1130		
	9	316	73	1170		
	10	316	75	1200		
	11	316	80	1270		
	12	316	90	1410		
	13	316	100	1550		
	14	316	110	1690		
	15	316	120	1830		
	16	316	130	1970		
<sup>100</sup> [48 (I)	<b>Associate High Pressure Technologies Pvt Ltd.</b>					
	<b>Sr #</b>	<b>Diameter (mm)</b>	<b>Volume (Ltr)</b>	<b>Length (mm)</b>	<b>NZS 5454: 1989</b>	<b>SGS</b>
	1.	232	22	730		
	2.	232	30	939		
<b>48(II)</b>	<b>Associates High Press I re Technologies I Pvt Ltd.</b>				<b>NZS 5454:1989</b>	<b>SGS</b>
	<b>Sr #</b>	<b>Diameter (mm)</b>	<b>Volume (Ltr)</b>	<b>Length (mm)</b>	<b>NZS 5454: 1989</b>	<b>SGS</b>
	1.	267	40	967		
	2.	267	50	1165		
<b>48(III)</b>	<b>Associates High Pressure Technologies Pvt Ltd.</b>				<b>NZS 5454:1989</b>	<b>SGS]</b>
	<b>Sr #</b>	<b>Diameter (mm)</b>	<b>Volume (Ltr)</b>	<b>Length (mm)</b>		
	1.	325	55	910		
	2.	325	60	990		
<sup>101</sup> [49(I)	<b>Euro India Cylinders Limited, India</b>				<b>NZS 5454:1989</b>	<b>SGS</b>
	<b>Sr #</b>	<b>Diameter (mm)</b>	<b>Volume (Ltr)</b>	<b>Length (mm)</b>		
	1.	267	40	925		
	2.	267	50	1125		
	3.	267	55	1225		

<sup>98</sup> Omitted vide CGO No. 10 of 2013 dated 25<sup>th</sup> October, 2013

<sup>99</sup> New Sr. No. 47 and entries relating thereto were added vide CGO No. 5 of 2011 dated 9<sup>th</sup> August, 2011

<sup>100</sup> New Sr. Nos. and entries relating thereto were added vide CGO No. 9 of 2011 dated 14<sup>th</sup> November, 2011

<sup>101</sup> New serial numbers and the entries relating thereto in columns (2), (3) and (4) were added vide CGO No. 11 of 2011 dated 24<sup>th</sup> November, 2011

	4.	267	60	1325		
	5.	267	80	1720		
<b>49(II)</b>	<b>Euro India Cylinders Limited, India</b>				<b>NZS 5454:1989</b>	<b>SGS</b>
	Sr #	Diameter (mm)	Volume (Ltr)	Length (mm)		
	1.	316	50	840		
	2.	316	55	910		
	3.	316	60	980		
<b>49(III)</b>	<b>Euro India Cylinders Limited, India</b>				<b>NZS 5454:1989</b>	<b>SGS ]</b>
	Sr #	Diameter (mm)	Volume (Ltr)	Length (mm)		
	1.	232	20	650		
	2.	232	22	700		
<sup>102</sup> <b>[49(I)]</b>	EKC, International Dubai, UAE.				NZS 5454: 1989 267 mm diameter; 30, 37, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, 95, 100 WLC.	SGS
<b>49(II)</b>	EKC, International Dubai, UAE.				NZS 5454: 1989 316 mm diameter; 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, 95, 100, 110, 120, 130, 140 WLC.	SGS
<b>49(III)</b>	EKC, International Dubai, UAE.				NZS 5454: 1989 356 mm diameter; 55, 58, 60, 62, 64, 65, 70, 73, 75, 80, 85, 90, 95, 100, 110, 120, 130, 145, 152 WLC.	SGS]
<sup>103</sup> <b>[50(I)]</b>	Everest Kanto Cylinder Ltd., India.				NZS 5454: 1989 232mm diameter; 21.5, 22, 24, 25, 28, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80 WLC.	SGS
<b>50(II)</b>	Everest Kanto Cylinder Ltd., India.				NZS 5454: 1989 267mm diameter; 30, 34, 40, 48, 49, 50, 55, 60, 65, 70, 75; 80, 85, 90, 95, 100 WLC.	SGS]

**TABLE-V**

<b>S. No.</b>	<b>List of CNG vehicle conversion kits.</b>
1.	Landi Remo, Italy.
2.	Impco USA.
3.	Tartarini, Italy.
<sup>104</sup> <b>[***]</b>	<b>***]</b>
5.	Emme Gas Italy.
6.	Lovato, Italy.

102. New serial number and the entries relating thereto in columns (2), (3) and (4) was added vide CGO No. 1 of 2012 dated 17<sup>th</sup> January, 2012

103. New serial number and the entries relating thereto were added vide CGO No. 7 of 2012 dated 9<sup>th</sup> April, 2012

104. In Chapter VII, in Sr. No. 21A, -in Table IV, S. No. 4, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 3 of 2010 dated 18<sup>th</sup> May, 2010

7.	Blue Runner Italy.
<sup>105</sup> [***	***]
9.	Bi-Gas, Italy.
<sup>106</sup> [***	***]
11.	Bedini, Italy.
12.	BRC Italy.
13.	Zoni Model No. XVVIII, China.
14.	Salustri Argentina, Model No. GS 2000, GS 93.
15.	LO Gas SRL Italy.
16.	Zavoli, Italy.
17.	Phenix, China.
18.	Oyrsa, Argentina.
19.	Shahab Autogas CNG Kit, Iran.
20.	OMV (Manual), Italy.
21.	Imco, USA.
22.	Landi Remo, Italy.
23.	Tartarini, Italy.
24.	Landi Auto Kits, Italy.
25.	Emme Gas, Italy.
26.	Lovato, Italy.
27.	Blue Runner, Italy.
28.	Bi-Gas, Italy.
29.	Stefnilli, Italy.
30.	Badini, Italy.
31.	BRC, Italy.
32.	LO Gas SRI CNG Kit, Italy.
33.	OMVL (Manual), Italy.
34.	Auto gas Italia, S.R.L. Model MT 132 (Manual & Electronic), Italy.
35.	Salustri, Model No. GS-2000, GS-93, Argentina.
36.	OYRSA CNG Kit, Argentina.
37.	Conver Tech CNG Kit, USA & Argentina.
38.	Sprint Gas Kit, Argentina.
39.	Ozone Conversion Systems, Pakistan (Prototype).
40.	Zoni, Model No. XWIII, China.
<sup>107</sup> [***	***]
42.	Shahab Auto Gas CNG Kits, Iran.
43.	Volna CNG Conversion Kit, Turkey.
44.	Tomasetto Achille, Argentina.
45.	Hoffman CNG Conversion Kit manufactured by M/s. Hoffman Argentina Brand TLD, Model 119.
46.	GN Group SA
47.	Gas Petro SA
48.	Tomasetto Lovato
49.	Visa GNC
50.	GN Group SA
<sup>108</sup> [50.	Model Super, manufactured by M/s. Pelmag CNG, Argentina.]

<sup>105</sup> . In Chapter VII, in Sr. No. 21A, -in Table-V, S. No. 8, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 3 of 2010 dated 18<sup>th</sup> May, 2010

<sup>106</sup> . Omitted vide CGO No. 8 of 2006 dated 27<sup>th</sup> June, 2006

<sup>107</sup> . In Chapter VII, in Sr. No. 21A, - in Table-V; S. No. 41, in column (1) and the entries relating thereto in columns (2), (3) and (4) were omitted vide CGO No. 6 of 2006 dated 16<sup>th</sup> May, 2006

<sup>108</sup> . Table-V, in column (1), after Sr. No. 49, the following new serial number and the entry relating thereto in column (2) were added vide CGO No. 21 of 2005 dated 2<sup>nd</sup> December, 2005

<sup>109</sup> [51.	Landi Renzo Italy, Model No. CN04]
<sup>110</sup> [53.	M/s. GNC Galileo S.A, Argentina, Model No. "Power G",, manufactured as per Standard ISO 15500: 2000 subject to the condition' that CNG kits which shall be imported should conform to the manufacturing standards ISO-15500:2000 and the quality of these kits should be duly verified by any international third party inspections agencies i.e. Bureau Vertitas Llyod's SGS, ABS, Quality Tech.]
<sup>111</sup> [54.	CNG Conversion Kit Model Nos. CK32BJFB & CK34BJRB manufactured by M/s. Sagas Autotech Pvt., Ltd., India as per ISO 15500:2000 standard subject to the condition that CNG kit which shall be supplied to Pakistan should conform to the manufacturing standard ISO-15500:2000 and the quality of these kits should be duly verified by any international third party inspecting agency at the manufacturing premises and a quality assurance and performance test certificate is issued before the equipment is supplied/shipped to Pakistan.]
<sup>112</sup> [54.	OMEGAS CNG Conversion kit manufactured by Mts. Landi Renzo, Italy as per R110 standard.]

## CHAPTER - VIII SPECIAL EXEMPTION

### 21. Diplomatic bonded warehouses-sales to entitled personals/organizations etc.-

- (i) Licensees of diplomatic bonded warehouses established under Section 13 of the Customs Act, 1969 shall open foreign currency accounts in their respective names; and.
- (ii) Entitled persons/organizations etc, shall make payment for purchase from the warehouses through 113[cash, credit card,] cross cheques pay orders or drafts issued in favour of the licensees from their foreign currency accounts maintained in Pakistan.

This order shall is in force since 26th June. 1994

### 22. Import of goods by expatriate employees of foreign or local companies, loan funded projects, or media personnel.

- (a) Expatriate employees of foreign or local commercial ventures/companies or foreign nationals employed in town funded projects and duly accredited media personnel of foreign media establishments in Pakistan shall be allowed to import personnel effects and household goods in accordance with Transfer of Residence Rules, 2001, (SRO 450(I)/2001 dated 18.06.2001). This will be subject to the condition that their assignment/employment in Pakistan is for a minimum period of two years. While claiming TR concessions such persons will produce a certificate from their employers to this effect.
- (b) In addition to the T.R. concessions they would also be allowed to import directly or purchase from duty free shops/ diplomatic bonded warehouses their requirements of alcohol, cigarettes and food stuff on payment of normal customs duties, sales tax and other taxes, if any. The import/purchase of alcoholic beverages will, however, be restricted to US\$ 200 per family per month

<sup>109</sup> . In Chapter VII, in Sr. No. 21A in Table-V, in column (1), after Sr. No. 50, new serial number and the entries relating thereto in column (2) were added vide CGO No. 13 of 2006 dated 1<sup>st</sup> November, 2006

<sup>110</sup> . In Table-V, in column (1), after S.No. 52, the following new serial number and the entry relating thereto in column (2) were added vide CGO 7 of 2007 dated 5<sup>th</sup> June, 2007

<sup>111</sup> . In Table-V, in column (1), after Sr. No. 53, the new serial number and the entry relating thereto in column (2) were added vide CGO No. 5 of 2008 dated 3<sup>rd</sup> April, 2008

<sup>112</sup> . In Table No. V after serial no 54 a new serial no and relating entries thereto were added vide CGO No. 11 of 2008 dated 23<sup>rd</sup> September, 2008

<sup>113</sup> . In clause 21(ii), after the word "through" the following may be added thereto: "cash, credit card vide CGO 1 of 2006 dated 18<sup>th</sup> January, 2006

- (c) food stuff worth US\$ 1000/- per annum per person would be allowed to be imported/purchased from duty free shops and diplomatic bonded warehouses without payment of customs duty and taxes by the foreign investors, executives and expatriate employees working in Pakistan. However, this concession will not extend to any alcoholic beverages.

**23. Permission to allow temporary importation of Afghanistan registered vehicles of NGO's into Pakistan for use in their headquarters at Peshawar or Islamabad.--**

- (i) Since the head offices of most of the NGOs are based at Peshawar and in order to alleviate the problems being faced by the NGOs, the Central Board of Revenue delegated the powers vested in it under Section 21 of the Customs Act, 1969 to the Collector of Customs and Central Excise, Peshawar to allow temporary importation of very limited number of Afghanistan registered vehicles for the bona fide use of the NGOs that are registered with SAFRON which are doing re-habilitation work inside Afghanistan for a period of three months only.
- (ii) The Collector shall maintain a detailed information in a master register in the enclosed format (Annex-"A") and shall also submit a monthly statement to the Board by the 7th of the following month to which it relates regarding the total number of vehicles allowed till the end of the month.
- (iii) Collector of Customs Peshawar shall ensure that the facility is not misused by the unscrupulous elements.

**ANNEX-A**

**STATEMENT SHOWING IN UPDATED LIST OF THE PARTICULARS OF AFGHANISTAN REGISTERED VEHICLES ALLOWED TEMPORARILY IN PAKISTAN ALLOWED TO NGO'S FOR THEIR USE AT HEAD QUARTERS IN PESHAWAR/ISLAMABAD UNDER BOARD'S CGO NO. \_\_\_\_\_ DATED \_\_\_\_\_**

S. No	Name of NGO	Vehicle Model & Make	Chassis No.	Engine No.	Date of Issue	Date of Expiry	Remarks
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**24. Vehicles allowed temporarily in Pakistan to staff members of Pakistan's diplomatic missions in Afghanistan:**

- (i) The Central Board of Revenue has delegated the powers vested in it under section 21 of the Customs Act, 1969 to the Collectors of Customs, Peshawar and Quetta to allow temporary importation of total number of 30 official and private vehicles by the staff members of diplomatic missions working in Afghanistan.
- (ii) The Foreign Office shall send a quarterly statement in the given format to the Board regarding the total number of vehicles allowed till the end of each quarter. The board after due scrutiny shall forward the statement to Collectors of Customs, Peshawar and Quetta.
- (iii) Collectors of Customs, Peshawar and Quetta shall also maintain record of these vehicles and shall ensure that the facility is not misused by unscrupulous elements.

**STATEMENT SHOWING AN UPDATED LIST OF THE PARTICULARS OF OFFICIAL AND PRIVATE VEHICLES ALLOWED TEMPORARILY IN PAKISTAN TO STAFF MEMBERS OF PAKISTAN'S DIPLOMATIC MISSIONS IN AFGHANISTAN**

S. No.	Name of Officer	Vehicle No. along with Model & Make	Chassis No.	Engine No.	Date of posting	Date of Transfer	Remarks
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**25. Procedure for forward mounting base (fmb) at Karachi of the International Security Assistance Force for Afghanistan USAF) and similar relief operations conducted by the United Nations.-**

- (A) In line with the provisions of the Custom Act, 1969 (IV of 1969) read with Ministry of Defence (I.S. Wing U.O.No.7/1/D-2002 dated 15.1.2002, Central Board of Revenue is pleased to simplify the procedure for smooth operation of the Forward Mounting Base (FMB), International Security Assistance Force (ISAF) for Afghanistan and similar relief operations by the United Nations.
- (i) The Officer commanding of the said Base or the U.N. bodies shall designate an officer/authorized agent to interact with the Pakistan Customs Authorized and to sign documents/declarations in this behalf. Specimen Signature of the authorized representative shall be circulated.
  - (ii) Office of the Additional Collector of Customs (Preventive). Quaid-e-Azam International Air Port would serve as Customs focal point to maintain Liaison with ISAF/U.N bodies through respective agents if any.
  - (iii) The Civil Aviation Authority too, shall designate an officer to coordinate with Customs regarding the movement and expeditious port clearance of the departing ISAF aircraft and those cleared air craft carrying U.N. relief goods.
  - (iv) Soon after Landing/arrival of the UN Vessel/ Aircraft the F.M.B/ U.N. authorized representative shall file with the customs a duly signed Cargo manifest separately detailing the following information:--
    - Detail of goods entered into Pakistan or local consumption at the Karachi.
    - Detail of -goods to be transshipped to another port, Airport or land custom station within Pakistan for the onward transportation to Afghanistan.
    - Detail of goods to be transshipped to Afghanistan directly from the port/Airport of initial landing/arrival.
  - (v) The Customs Authorities shall retain the original cargo manifest and hand over the duplicate to the F.M.B/U.N. bodies representative with the advice/ permission regarding further requisite action then and thereon. Special IGM Clearance. Cells shall be created at the Port as well Air Freight Unit, Karachi Airport to handle these operations.
  - (vi) In case of goods to be moved into Pakistan for home consumption the F.M.B/ U.N. would file a separate customs declarations i.e. Bill of Entry. This declarations shall be processed/assessed to duty and taxes as per Law and the laid - down procedure unless specifically exempted by the Federal Government or the Board.
  - (vii) In case of goods involving transits movement within Pakistan prior to entry into Afghanistan the Customs Administration of the initial place of landing/arrival shall provide customs escort, and handle requisite documentation/formalities. However , Movement from one Port to another port within the same station shall be covered by simple internet documentation and that front Port/Airport to a border based customs station shall be against a proper customs declaration i.e. Bill of Entry.
  - (viii) In case of goods to be transshipped directly to Afghanistan from the initial station of landing/ arrival the movement of goods/ store from one Air Craft to another shall be under prior intimation to the customs. Such transshipment would be allowed without levying any transshipment fee and without payment of duty and taxes.
  - (ix) Against every departing vessel/Air Craft the F.M.B/U.N. bodies shall file an Export Manifest separately detailing the following information;
    - Goods which are being transshipped.



- Goods which have been locally procured in Pakistan.
- (x) The F.M.B/U.N bodies shall advise the supplies of locally procured goods to enter the goods to the Port/Airport bonded area along with the customs declaration i.e. Bill of Export. The Pakistan based supplier/exporter of such goods duly covered by the bill of export shall be entitled to payment of duty draw back as per the notified rates. Such an entitlement would NOT be available if the F.M.B/ U.N, bodies themselves tile a bill of Export on self clearance basis. If, however goods have been locally procured by the F.M.B/U.N. bodies against a payment in local currency such goods shall he allowed entry by the customs against a written request in this regard by the F.M.B/U.N bodies.
- (xi) The personal effects. Baggage of the Karachi based ISAF personnel or those arriving for an extended stay shall be cleared by customs under chapter 111 of Pakistan Customs Baggage Rules, 2001 catering for the privileged persons. Following customs concessions, in brief, shall be available.
  - (a) Duty and tax free import of personal and household effects (including a car) for a period of six months.
  - (b) Duty and taxes free import of foods stuff etc. (liquor tobacco) up to the C&F value of US\$ 200 on first arrival and then against prescribed monthly quota.
- (B) Officer Commanding, F.M.B, I.S.A.F, Karachi shall furnish and certify the list of locally stationed I.S.A.F, Personal qualified) receive customs concession as privileged persons. I.S.A.F, personnel too arriving for a brief stay over shall be expeditiously cleared by customs on the basis of written/ verbal accompanied baggage declarations.
- (C) Banned/ restricted items of import/export will not be covered except in terms of provisions of Export Policy & Procedure Order and Import Policy & Procedure Order. This issues with the concurrence of Ministry of Commerce.

<sup>114</sup>**[25A. Procedure for transportation of imported Liquid Bulk Cargo for exclusive use of ISAF / NATO Forces in Afghanistan.—**

- (a) **Arrival of Vessel, discharge of cargo and filing of GD (AT):-**
  - (i) The Officer commanding ISAF/NATO shall nominate a single authorized representative to issue import authorization and authorize a customs agent for clearance of Liquid Bulk Cargo. He shall communicate the name, designation and specimen signature of such authorized representative to the Federal Board of Revenue and the Model Customs Collectorate (Preventive), Custom House, Karachi.
  - (ii) In case of change/replacement of the agent or authorized representative, the authorizing agency shall inform the Collector of Customs (Preventive) in this regard and convey the details of its new authorized representative or clearing agent, as the case may be.
  - (iii) The authorized representative of the importing agency shall forward authorization to the Collector of Customs (Preventive) regarding the consignment preferably, in advance of the arrival of the vessel at the port of entry. The authorization shall inter alia, mention Bill of Lading, Description and weight/volume of the goods as well as name and Customs Agent Licence No. (CHAL No.) of the Customs agent.
  - (iv) Shipping Agent of the vessel bringing the Liquid Bulk cargo consigned to ISAF/NATO forces in Afghanistan will file Import General Manifest (IGM) electronically twenty four (24) hours before the berthing of vessel/ship mentioning therein that the cargo is “in-transit to Afghanistan.”

114. New para 25A was added vide CGO No. 6 of 2010 dated 20<sup>th</sup> August, 2010



- (v) The Shipping Agent will also inform in advance P.A. Oil Section regarding the arrival of vessel and submit hard copy of the IGM to him along with other relevant documents i.e. Copies of BL and Last Port Certificate.
- (vi) After electronic filing of IGM, the authorized Customs Agent/Carrier will file GD (AT) on line and produce its hard copy along with other import documents and authority letter to the deputed Customs staff on board the vessel for examination of cargo.
- (vii) On receipt of the request, the Assistant/Deputy Collector of Customs or Principal Appraiser, Oil Section, Keamari, Karachi will depute an Appraising Officer and Examining Officer to board the vessel after its berthing at Oil Peer, Keamari, to determine / measure weight & volume of the imported Liquid Bulk Cargo with the co-ordination of shipping agent, consignees and terminal operators surveyors by using Ullage Technique & draw samples. Once the weight/volume is determined and recorded & samples drawn for lab for chemical analysis of the imported product, discharge of the cargo will be allowed to the designated offshore Customs bonded tanks terminal(s).
- (viii) Laboratory fee/charges for conducting test will be borne by the Customs Agent/Carrier.
- (b) Processing of GD (AT):-**
- (i) After discharge and storage of cargo in offshore bonded tanks, the deputed Customs Staff (Appraising Officer/Examining Officer) will ensure entries of the particulars of the discharged cargo in the bond ledger of the bonded tanks terminal. The deputed staff will also record the examination report on reverse of Customs copy of GD (AT) and submit the same to Appraising Officer / Principal Appraiser for further processing and completion.
- (ii) After completion of GD (AT), the same shall be presented by Customs Agent/Carrier, as the case may be, to Superintendent/Incharge, Cash Section at Oil Section, Keamari, Karachi who will assign free number and electronically out of charge the same. No. customs duty & other taxes including transit fee shall be chargeable on the aforementioned cargo.
- (c) Loading, measurement / weighment and sealing of cargo:-**
- (i) The carrier shall present the Customs copy of out of charged GD (AT) to the Terminal Operator and after necessary entries in the Terminal Ledger the cargo will be loaded in the vehicle /transport unit in the presence of the concerned Customs officer & representative of terminal and after loading, measure its volume through Dip System.
- (ii) After measurement the Customs Officer shall place the seals on all the available slots of the Transport Unit and issue sealing certificate (in duplicate) in the form attached as Annex-1 and hand over original copy of the same to driver of the transport unit to be carried to the final destination with the transport unit and retain duplicate copy for Customs record.
- (d) Provision and processing of transport documents.-**
- (i) The carrier shall then apply to the Assistant/Deputy Collector for issuance of "Transport permit" in the form attached as Annex-II along with the copies of GD (AT), invoice, B/L, Sealing Certificate. The Transport Permit should be in quadruplicate, for the permission to carry the goods. After scrutinizing the documents and verifying the information of sealing and weighment / volume, an officer of the Collectorate not below the rank of Principal Appraiser will issue the permit.

- (ii) Original copy of the Transport permit issued and Customs Copy of GD (AT) along with copy of B/L, invoice & authority letter in addition to the duplicate copy of sealing certificate shall be retained by the Oil Section, Keamari, Karachi and duplicate, triplicate and quadruplicate copies thereof along with original sealing certificate shall be handed over to the representative of the carrier to accompany with the vehicle carrying the goods.
- (iii) Any error or omission in the Transport Permit can be got rectified before departure of vehicle from the Terminal through a request in writing to the Assistant Collector of Customs by an authorized representative of the carrier.
- (iv) One Permit shall be valid for one vehicle only.
- (e) **Specifications of transport units and conveyances.**
- Specifications of transport units and conveyances used by the carrier shall be the same as outlined in Rule 558 of Chapter XXII of Customs Rules, 2001 notified vide SRO 450(I)/2001 dated 18.06.2001.
- (f) **Responsibilities of the carriers.**
- (i) The carrier shall be in possession of valid Customs Agent Licence issued under Chapter VIII of Customs Rules, 2001 and licenced as a Carrier by MCC Appraisalment, Customs House, Karachi under Rule 559 of Chapter XXII *ibid*.
- (ii) The carrier shall furnish a revolving insurance guarantee amounting to Rs. 5.0 million favouring Collector of Customs, MCC Preventive, Custom House, Karachi covering all risks. The insurance guarantee shall be valid for one year and issued by AA rated/FBR approved insurance company.
- (iii) Prior to submission of Transport Permit to the Oil Section, Preventive Collectorate, Keamari, Karachi, the carrier shall satisfy himself that the actual description, quantity, quality, weight and volume of the goods are correctly recorded in such Permit and that they are in accordance with the goods actually loaded. In case of any mis-declaration or substitution detected at any subsequent stage, the carrier shall be held responsible and liable to action under the appropriate provisions of the Customs Act, 1969, the Sales Tax Act, 1990 and other applicable laws.
- (iv) The carrier shall be responsible and bound to carry the goods to its final destination in Afghanistan without any delay and utmost haste. The carrier shall also be bound to deliver the goods at final destination within the prescribed time-limit, using the transport route duly approved by the Collector, Model Customs Collectorate Preventive, Custom House, Karachi. Any change in route by the Carrier should be notified and consent of the Collectorate obtained in advance.
- (v) The delay in delivery from the stipulated time or deviation from the route will require a written explanation from the carrier to Customs authorities and may entail revocation of license and an administrative fine as may be prescribed by the Board, in addition to other action under the Act.
- (v) the vehicles being used for transport of cargo to Afghanistan shall be fitted with such tracking system that may enable Collectorate to monitor them to *en route* to Afghanistan and carrier shall also provide uninterrupted access of Oil Section, Kemari, Karachi to the tracking system of their vehicles.
- (vi) No goods shall be removed from the place of filling/loading without the conveyance carrying relevant Permit, which shall be presented along with the GD (AT) file for the goods at the Oil Section, Keamari, Karachi.
- (vii) In case of non delivery of cargo at final destination in Afghanistan to the consignees within stipulated time or mis-appropriation of the same while enroute to Afghanistan

the carrier shall be responsible for payment of all leviable duty & other taxes on the said goods besides penal action initiated against them under the relevant provisions of Customs Act, 1969 and Sales Tax Act, 1990.

- (viii) The Customs Agent/Carrier shall maintain complete record of the cargo being transported by them to Afghanistan on behalf of ISAF/NATO Forces and shall not destroy the same without prior permission of the Collector of Customs (Preventive). They will be bound to produce the same whenever asked by the Customs Authorities.

**(g) Clearance of goods at Customs station of exit.-**

- (i) The Customs staff at the Customs station of exit shall check & verify that all the Customs' seals of the transport unit are intact and not tampered/broken and endorse the same on duplicate, triplicate and quadruplicate copies of Transport Permit. The duplicate copy of the Permit shall be retained at Customs Station of Exit and triplicate and quadruplicate copies of Transport Permit along with GD (AT) be handed over to the driver of the transport unit.
- (ii) After delivery of cargo to ISAF/NATO Forces, the triplicate and quadruplicate copies shall be endorsed by ISAF/NATO Forces to the effect that the goods have been received in accordance with the declaration or otherwise and that the seals were found intact or otherwise. The triplicate copy of Transport Permit bearing endorsement ISAF/NATO Forces shall be submitted to Oil Section, Keamari, Karachi for their record within 30 days of lifting of cargo from Terminal. The quadruplicate copy shall be retained by the carrier for permanent record.
- (iii) In case there is any variation of more than one per cent in the quantity declared in the Permit and the one endorsed or certified by the ISAF/NATO Forces action under appropriate provisions of the Customs Act, 1969 (IV of 1969), the Sales Tax Act, 1990 and other laws applicable shall be initiated against the carrier and other persons found involved.

**(h) Monitoring and Checking of conveyance en route.-**

An officer of Customs, Federal Excise or Sales Tax, not below the rank of Principal Appraiser/Superintendent, may, on reasonable suspicion regarding pilferage or substitution of goods by tampering the seals or otherwise while the conveyance is en route, from Karachi Port to the customs station (exit), may check that the rivets, locks, seals, and labels of the transport unit are intact. Report of such rechecking shall invariably be sent to Model Customs Collectorate Preventive by the Collector within whose jurisdiction the rechecking occurs, within twenty four hours and facts of such rechecking shall be recorded on all copies of the permit accompanying the conveyance.

**(i) Break down or accident en route.-**

- (i) In case of any tampering or pilferage or theft or damage caused en route, the carrier shall inform the Model Customs Collectorate Preventive for necessary orders within three days thereof. The carrier shall be responsible for the duties and taxes and loss or reduction in value as a result of such damage notwithstanding any other action which may be taken under the law the rules made there under.
- (ii) The carrier shall bear all the expenses incurred on restuffing or weighing of the goods.

**(j) Reconciliation of the transportation of goods.-**

- (i) The Oil Section, Model Customs Collectorate Preventive shall, on following day when such transportation of goods takes place, send a statement to the Customs Station (exit) giving relevant details of the permit issued. Such details will include, Permit number and date, name of the carrier, registration number of the conveyance, quantity and specification of the goods and seal numbers.

- (ii) The Collectorate of Customs (Preventive) and the Customs Station (exit) will also exchange the information regarding transportation from and receipt into their respective jurisdictions in the form approved by the Collector of Customs (Preventive), in order to reconcile the number and details of shipments allowed and cleared, on monthly basis. In case any discrepancy is found, the same shall also be communicated to the Collectorate of Customs (Preventive).
- (iii) The carrier shall submit a monthly statement to the Collectorate of Customs (Preventive) giving details of all the consignments dispatched to Afghanistan in the form approved by the Collector of Customs (Preventive).]

**26. Procurement of duty free local assembled vehicles by diplomatic representatives/diplomatic missions/privileged persons (as per model rules) and organizations etc., eligible to import duty free vehicles.--** The diplomatic representatives, diplomatic missions, privileged persons (as per Model Rules) and organizations etc. which are eligible to import duty free vehicles, have been allowed duty free procurement of local assembled vehicles by the Government of Pakistan vide its notification S.R.O. \_\_\_\_\_(I)/2001 dated 7.9.2001. In this regard, the following procedure is devised:

- (i) The vehicles shall be procured from recognized local manufacturers.
- (ii) Only vehicles entitled for importation would be procured.
- (iii) Actual amount of customs duties already paid on instant CKD kits by recognized local manufacturer shall be adjusted against future clearance on production of proper receipt/delivery order.
- (iv) The concerned Collector will ensure the maintenance of the relevant record in order to ward off the misuse of this facility and any evasion of duty/taxes.
- (v) This arrangement is subject to the conditions that the vehicles so procured would not be sold or otherwise disposed off without Board's prior approval and without payment of duty/taxes.

**27. Import personal and household effects by non-diplomatic staff members of foreign diplomatic missions.--** The Central Board of Revenue vide its Office Memorandum No. 9(69) CI/68, dated 22nd January, 1989 fixed the time limit of six months within which personal and household effects of non-diplomatic staff members of foreign diplomatic missions could be allowed duty and taxes free import. Keeping in view the difficulties faced by the non-diplomatic staff of the foreign missions in approaching its office at Islamabad, the Central Board of Revenue directed that condonation up to three months may be allowed by the concerned Collectors of Customs at their own level on the basis of the recommendations of the Ministry of Foreign Affairs and merits of the case.

2. The Collectors will, however, not further delegate these powers to any officer subordinate to them.

<sup>115</sup>**[28. PROCEDURE FOR PURCHASE OF LOCALLY MANUFACTURED/ ASSEMBLED VEHICLES BY DISABLED PERSONS --** The disabled persons who are eligible to purchase locally manufactured/assembled vehicles at concessionary rate of duty, have been allowed concessionary procurement of locally manufactured/assembled vehicles by the Government of Pakistan vide its Notification **S.R.O. (I)/2002** dated the 22nd October, 2002. In this regard, the following procedure is devised:

- (i) The vehicles shall be procured from recognized local manufacturers/assemblers against purchase authorization issued by the Ministry of Commerce.

<sup>115</sup> . In Chapter VIII for the S. No. 28 the new serial no and relating entries thereto were substituted vide CGO No. 18 of 2002 dated 24<sup>th</sup> October, 2002

- (ii) Actual amount of customs duties already paid on CKD kits and special gadgets by the recognized local manufacturer/assembler shall be adjusted against future clearance on production of proper receipt/delivery order.
- (iii) The concerned Collector will ensure the maintenance of relevant record in order to ward off misuse of this facility and evasion of duty/taxes.
- (iv) This arrangement is subject to the condition that the vehicles so procured, before the expiry of five years from the date of purchase would not be sold or otherwise disposed off without Board's prior approval and on payment of duty/taxes exempted under S.R.O. ----(I)/2002 dated the 22nd October, 2002.]

**29. Procedure regarding clearance of imports made against grant and technical assistance agreements.--**For smooth clearance of exempt goods imported by Non-Governmental Organizations (NGOs) and donor agencies for use in social welfare, charitable and developmental sector, following is the procedure.--

- (i) The EAD and other controlling Ministries will issue a certificate on the proforma devised as Annex-A regarding goods imported or supplied under foreign grant-in-aid in pursuance of a valid agreement signed between the Government of Pakistan and the foreign government or donor agency/NGO and duly concurred by the Central Board of Revenue. The said certificate will be issued by an authorized officer not below the rank of Deputy Secretary
- (ii) The importing agency/organization shall furnish a copy of the relevant valid Agreement, Board's concurrence and a certificate in the prescribed proforma (Annex-A) duly issued by the competent authority in the Federal Government (i.e. EAD or other relevant Ministry) to the concerned Collector of Customs stating that the goods are genuine requirement and are covered by the agreement and there is concurrence of CBR thereto.
- (iii) An officer of Customs, not below the rank of Additional Collector, shall satisfy himself before allowing release of the goods, that the same are covered by the relevant provisions of the agreement and to the extent concurred by the Central Board of Revenue.
- (iv) the importer shall furnish a undertaking that the goods would not be sold otherwise disposed off without prior approval of the board and without payment of duty/taxes and other charges livable thereon if any . In case of non-compliance of any one of the above conditions. Full duty and taxes as livable at the time of import shall be charged in addition to the penal action so warranted under the Customs Act. 1969.
- (v) The Collectorate shall submit a monthly report to the CBR by the 5th of every month on the prescribed proforma as per Annex-B.

2. This procedure shall be applicable only to goods imported under the jurisdiction of Collectorate of Customs (Appraisement), Customs house, Karachi and the Colectorate of Customs, Custom House, Rawalpindi. The goods imported through other Collectorates by NGOs, and other donor agencies under bilateral agreements shall continue to be dealt in accordance with the existing procedure which envisages that the CBR will forward the certificates to such Collectorates.

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#### **ANNEX-A**

This to certify that... as per AWB/Bill of lading  
No.....Dated..... (copies enclosed duly attested),  
has been imported by..... under the.....The details are as under: --

Name of the Project. ....

Description of Goods.....

Value of Goods. ....

Invoice No. & Bill of Lading/

AWB No. & date. ....

No. & date of Customs Exemption

Wing CBR's concurrence. ....

No. & date of Income Tax

Wing CBR's concurrence. ....

No. & date of Sales Tax

Wing CBR's concurrence. ....

In accordance with Article... of the Memorandum of Understanding/Agreement signed between Government of Pakistan and. ....on. ....the above goods/vehicles are genuine requirement and are exempted from the levy of Customs duties, Sales Tax, Income Tax and other taxes etc. as the. .... has been imported by .... under the. .... The imported goods shall not be sold or disposed of without permission of Central Board of Revenue.

Signature of designated

Officer of the Controlling  
Ministry (EAD etc.)

#### **ANNEX-B**

S. No.	Name of the Importer	Title of the agreement	Certificate No. issued by the Ministry	Description of the Goods	Exempted amount of			
					Customs Duty	Sales Tax	Income Tax	Total
1.	2.	3.	4.	5.	6.	7.	8.	9.

**30. Sale Permissions under Model Rules. 1963.**--The concerned Collectors of Customs may grant permission for the sale of vehicles of the privileged persons at their own level.

**2.** Further that the Collectors of Customs may also grant permission for the sale of other durable articles imported by the privileged persons free of customs duty and taxes under Model Rules, 1963. Duty and taxes, if livable, will be charged on the disposal of durable articles in terms of rule 6 of the said rules.

**3.** For grant of sale permission in respect of various articles imported under Model Rules, 1963, the following clarifications are issued:--

- (i) a privileged person entitled to the concessions of Model Rules. 1963 can purchase free of customs duty and taxes from another privileged person, the personal and household effects including car provided he is otherwise entitled to make duty and taxes free import of such items directly from abroad.
- (ii) in case a car purchased by a privileged person from another privileged person, is subsequently disposed of to a, non privileged person, the date of import for the purpose of assessment under Notification No. SRO 506(I)/88, dated 26th June, 1988, shall be the date on which the car was originally imported by the former owner.
- (iii) the principle laid down in Para (ii) above shall also apply to the other durable articles for calculating the period of five years in terms of rule 6 of Model Rules, 1963.



The Collectors will not further delegate the powers conferred under this order to any officer subordinate to them.

**31. Procedure for transshipment of non commercial cargo in transit to Afghanistan.--** For movement of military and humanitarian relief: subsistence cargo for international forces and diplomatic mission for transit to Afghanistan, the following procedure is prescribed:--

- (i) The consulate/embassy of the respective country or their authorized representative shall apply to the Collector of, Customs in whose jurisdiction the transshipment goods arrive for removal of such goods containing non-commercial, government/military subsistence/cargo for Afghanistan, on the prescribed Transshipment Permit in quadruplicate.
- (ii) The embassy/consulate or their authorized representative shall furnish an undertaking to the Collector of Customs concerned duly endorsed by the consulate/embassy that the goods will not be consumed in Pakistan.
- (iii) The transshipment goods shall, be transferred to the area at ports/airports earmarked for the purposes of stacking at storage of such goods.
- (iv) The shipping line/airline which has issued the through bill lading, shall obtain a serial numbered sticker and seals and will affix the same on each transit package/container. Customs staff shall endorse confirmation to this effect of Transshipment' Permit filed by consulate/embassy or their representative in this regard.
- (v) The embassy/consulate or their representative shall apply to the officer of Customs for Removal of such Package/container at least 24hrs before removal of such package/container.
- <sup>116</sup>[(vi) After verifying the shipping/air line's seal, vis-a-vis goods container and reflective sticker affixed on such goods/containers, the Customs staff supervising the transshipment, shall allow loading and transshipment of such goods/containers. The original copy of the permit shall be retained by Customs, at the port of origin. The duplicate and quadruplicate copies shall be sent to the port/air port of exit and the triplicate copy shall be handed over to the concerned embassy/consulate or their authorized representative.]
- (vii) Such transshipment shall be allowed without levying any transshipment fee and without payment of duties and taxes.
- (viii) Transportation will be made by Pakistan Railways, N. L.C. by air or by any other mode of transport specifically authorized by the Central Board of Revenue.
- <sup>117</sup>[(ix) The Customs' staff at the port/airport of exit shall verify the shipping/air line seal, Customs' bullet seal and endorse the same on duplicate and quadruplicate copies of the trans-shipment permit. They shall retain the quadruplicate copy for their own record. The duplicate copy shall be endorsed with "Crossed Border" stamp by the Customs at the port/airport of signatures of Afghan Customs, in case of import at land border stations, to confirm that the consignment has crossed the border. This copy shall then be sent to the port/airport of origin within fifteen days of crossing border of the goods.]
- <sup>118</sup>[(x) The concerned incharge Assistant/Deputy Collector of Customs of the port of entry shall send the details of all the cargo by fifth of each month, relating to the clearances during the preceding month, to the Assistant/Deputy Collector of Customs at the port of exit for reconciliation. The exit Collectorate shall confirm the crossing of the

116. Substituted for clause (vi) vide CGO No. 4 of 2012 dated 8<sup>th</sup> February, 2012

117. Substituted for clause (ix) vide CGO No. 4 of 2012 dated 8<sup>th</sup> February, 2012

118. Substituted for clause (ix) vide CGO No. 4 of 2012 dated 8<sup>th</sup> February, 2012

border or otherwise of the transit goods to the clearance Collectorate by fifteenth of each month.]

- (xi) In case the transshipment goods/container is damaged or the shipping/air line seal or Customs Bullet Seal affixed on such container is found broken or tampered with, the goods/ container will not be allowed to enter Afghanistan unless the cargo contained therein is examined by the Customs staff in the presence of Consulates representative at port of exit and permission/approval of the Assistant Collector (Torkham or Chamman) as the case may be, is obtained for the entry of such goods/container into Afghanistan. Expenses, if any incurred on examination and re-sealing of such goods/containers shall be borne by consulate or their representative.
- (xii) If the embassy/consulate or their representative request for the return of the empty containers from Afghanistan the request may be acceded to subject to the condition that the procedure may be followed for movement of inland containers as laid down.
- (xiii) In case any wrong doing is detected in the cargo in transit in Pakistan, the consulate/embassy, their representative/ Pakistan Railways/ NLC shall be liable to pay the leviable taxes in addition to any other proceedings as envisaged in the Customs Act. 1969.

## CHAPTER - IX

### STORAGE, DISPOSAL & SAMPLING OF SEIZED AND CONFISCATED GOODS – INSTRUCTIONS REGARDING

#### (A) STORAGE OF SEIZED/CONFISCATED GOODS

Comprehensive orders governing appointment of State-warehouses, custodians thereof, the receipt, storage and issue of warehoused goods are laid down as follows:--

**32. Storage by law enforcement agencies: --** For law enforcement agencies herein after referred to as agencies, including the Civil Armed Forces of Pakistan who have been delegated anti-smuggling powers under the Customs Act, 1969. The following directions are issued for strict compliance:--

#### I. APPOINTMENT OF THE STATE-WAREHOUSES:

- (1) (a) Section 169 of the Customs Act, 1969, stipulates that the goods seized in Customs cases will be delivered to the care of any Customs Officer authorized to receive the same or the nearest Customs House or at the nearest place appointed by the Collector of Customs having jurisdiction for the deposit of things so seized. It is thus, mandatory that each Collector of Customs having jurisdiction should:-
  - (b) specifically issue notifications appointing State warehouses as and when required by these Agencies; and
  - (c) the Custodians thereof, and regularize by formal notifications all functional state-warehouses by these Agencies. It is for the Collector of Customs having jurisdiction to select the places where State-warehouses are required and facilities exist- for establishing them. Copies of all such notifications should be endorsed to the Board within 15 days. Copies of the notifications already issued in this regard are attached as Annex-I for ready reference.
- (2) (a) The premises selected for the state warehouses should be secure in all respects and all arrangements for meeting exigencies like fire etc. should be provided therein and maintained in operative conditions by these Agencies.
  - (b) Steel Almirahs and cash chests should also be provided by these Agencies for the storage of valuables in these warehouses which should be fixed in the walls as is required under the Treasury Rules.



- (c) Store rooms for the storage of inflammable and dangerous goods should be according to the specifications and the regulations of the Department of Explosives for which necessary certificate from the competent authority should be obtained by these Agencies.
- (d) The Heads of these Agencies will ensure that adequate guards for each state warehouse are provided.
- (3) There will be the following three classes of the state-warehouses:-
  - (a) A Class Warehouses: At the Headquarters of these Agencies
  - (b) B & C Class Warehouses: As proposed by the Heads of these Agencies and duly appointed by the collector of Customs having jurisdiction

## II. APPOINTMENT OF THE CUSTODIANS:

In accordance with the provisions of Section 169 of the Customs Act, 1969, the Collector of Customs having jurisdiction will appoint Custodians and Deputy Custodians for these state-warehouses in consultation with the Heads of these Agencies, as under:

- (1) A Class Warehouses: --The Collector of Customs having jurisdiction will designate an officer not below the rank of a Commissioned officer/gazetted officer of the concerned Agency, duly recommended by the Head of the Agency as the Custodian who will be assisted by a Deputy Custodian and one or more Assistant Custodians as the case may be.
- (2) B Class Warehouses: -- A Commissioned/Gazetted Officer Incharge of the area will be the overall incharge of such state warehouse, and any Commissioned/Gazetted Officer in the area will be designated as the Custodian who will be duly assisted by one or more Assistant Custodians.
- (3) C Class Warehouses:-- The Custodian of such State-warehouse will be a Commissioned / Gazetted Officer in the area and he will be assisted by an Assistant Custodian. Seized goods should not be stored at any place except these State-warehouses.

In case of goods seized at distant points, and brought to the nearest post/office of the Agency concerned, the Officer receiving such goods should forthwith arrange to send them to the appropriate State-warehouse. Accumulation of seized goods at such posts/offices should not be permitted.

## III. WORKING OF THE STATE-WAREHOUSES:

All goods seized will be categorized as "Valuables" and "Ordinary goods".

- (a) Valuables.--These will include gold and silver bullion, and articles made thereof, including jewellery, precious stones, and articles containing them, narcotics, coins and currency, antiques, watches and any other articles
- (b) Ordinary goods: --All articles other than those mentioned as "valuables"

## IV. RECEIPT OF SEIZED GOODS IN THE STATE WAREHOUSES:

- 1. (a) Valuables.--An inventory shall be prepared in duplicate on the spot as soon as antiques, any e involving gold, silver, currency and coins, antiques narcotics and other valuables are detected. These valuables should then be: put and placed bags should be sealed with an official seal in the presence of at least two independent witnesses or mushirs and their dated signatures should invariably be obtained on the bag itself. If the accused has no seal as he usually does not have, two paper slip should be diagonally pasted securely across the stitched or pasted portion so that the bag might not be opened without tearing the slips and the signatures obtained across the slips.

- (b) The sealed bags and packages should be sent to the Custodian concerned for safe-custody. These packages should not be opened at any stage except in the presence of the immediate Supervisory Officer. Both packages should bear on them the following information besides the seal and signature described above viz.:
- (i) Date and time of seizure;
  - (ii) Place of seizure;
  - (iii) Name with parentage and full postal address of the accused.
  - (iv) Description of the goods seized:-
    - (a) Quantity.
    - (b) Name of commodity or article
    - (c) Distinguishing marks if any (state serial No. in case of currency and watches etc.
    - (d) Trade Marks.
    - (e) Place of manufacture (if indicated)
  - (v) Name and full postal address of mushirs or witnesses.
  - (vi) Signature, rank and address of the seizing officer.
  - (vii) Signature of accused or witnesses. At the time of receipt of such packages, the Custodian should give a certificate in the format attached as Annex-ii to the seizing /depositing officer in token of the receipt.
- (c) The Custodian on receipt of the packages shall physically check the same to ascertain that these agree in quantity, sort, quality, value and all other particulars with those described in the inventory.
- (d) After having satisfied himself as to the accuracy in the above mentioned manner, the supervisory Officer will reveal the packages in the manner described in Para (i) above. The supervisory Officer and the Custodian shall affix their signatures on each package with date and time clearly indicated in token of the proper sealing thereof.
- (e) A certificate in the format attached as Annex-III shall be prepared and signed by the Custodian when he receives such package and will also paste the same certificate on the remarks column of his store Room Register.
- (f) Conditions (c) and (d) would not apply in case of seized goods for which a criminal case has also been registered. Since the subject goods of a criminal case are required to be sealed on the spot and are de-sealed only in the court of the law.

2. Ordinary Goods:

- (a) As soon as a seizure is made and the investigations completed, the seized goods should be dispatched under proper escort to the Headquarters A-Class State Warehouse under intimation to the Collector of Customs having jurisdiction and the Head of the Agency concerned. The Supervisory Officer should ensure that the seized goods move under proper escort and a complete and detailed inventory of the seized goods should be prepared in the format attached as Annex-IV, in quadruplicate; the quadruplicate copy should be retained in the Office dispatching the seized goods, the duplicate copy should be dispatched to the Collector of Customs having jurisdiction alongwith a copy of the movement order, the triplicate copy should be dispatched to the Head of the agency concerned alongwith the movement order and the original copy should be sent by the dispatching officer alongwith the seized goods to the Custodian of the A-Class state-warehouse. The Custodian on receipt will check the seized goods according to the quantity, description, quality and also the packing to

ensure that they have been received in original condition and are free from defects and shall issue an acknowledgement on the quadruplicate copy of the inventory and hand it back to the escorting officer noting therein all the defects and shortages if any found and retain the original copy of the inventory in his office for record.

- (b) In case of shortages or any other discrepancies found in the seized goods, the Custodian should, within 24 hours of the receipt of the goods, submit a report to the Supervisory Officer concerned under registered cover with a copy to the Collector of Custom having jurisdiction and, the Head of the Agency concerned for information. He should follow up the case with the Supervisory Officer concerned till it is settled. If this is not finalized within a month, the Custodian must report it to the Head of the Agency concerned for further action, with a copy endorsed to the Collector of Customs having jurisdiction.

#### V. STORAGE OF SEIZED/CONFISCATED GOODS IN THE STATE WAREHOUSES:

##### (1) Valuables:

- (a) Seized/confiscated valuables must be stored in Iron safes and steel chests which should be fixed in the walls under double lock system.
- (b) Immediately on taking over the seized valuables, the Custodian should enter the same in a Stock Account which will be maintained in the form attached as Annex-V.
- (c) "Valuables" will only be stored in A-Class state-warehouses.
- (d) The valuables should be sent to the State Bank of Pakistan for safe custody within the shortest time practically possible, ensuring that the same are deposited in the State Bank within office hours. The entries should be immediately made in the Stock Account.
- (e) All seized/confiscated valuables already stored in the Headquarters A-Class State Warehouses, should at once be sent to the State Bank of Pakistan for safe custody in the manner prescribed.
- (f) A record of all seized/confiscated valuables kept in the State Bank of Pakistan should be maintained a register in the form attached as Annex-V.
- (g) Scaling of boxes for dispatch to the State Bank of Pakistan: Each box should be securely sealed to ensure that even if the box gets unlocked. It should not open without breaking the tape of the string and the seals. As a measure of further precaution, the key hole should be covered up by pasting a slip of paper containing the signature of the Custodian of the State-warehouse. Similarly, two or more slips about 4" long containing the signatures of the Custodian should also be pasted in such a way so that half of it should be on the lid and other half on the other side of the box.
- (h) Custody of keys of the boxes and seals:
  - (i) Both the keys of boxes should be placed in a cotton bag of small size by the Custodian as soon as the box is sealed.

There is no objection in keeping the keys of more than one box together, but each bag should be sealed and assigned a number.
  - (ii) The particulars of each bag should be recorded in a register in the form attached as Annex-VI. The seals should also be kept in envelopes which should also be likewise numbered and entered in this register. It should be: closed and signed with the date and time recorded by the Custodian at a number of places so that it should not be opened without tampering with or tearing the signatures. The

bags, envelopes and registers will regularly be examined by the Custodian and all Inspecting Officers to ensure that they are kept in accordance with the instructions. The result of each inspection shall be recorded in the register by the Custodian and such inspecting officer under their dated signatures with the time of inspection indicated.

- (iii) The bag containing keys of boxes kept in the State Bank of Pakistan, the other seals of state-warehouse and the envelopes containing the seals put on boxes sent to the State Bank of Pakistan and Iron seals intended for putting mark of identification on gold bars, should be kept in an iron almirah or steel box with double locks. The key of single lock of this almirah or box should be kept by the Custodian and the other by the Deputy Custodian. This box should always be opened and locked in the presence of the Custodian and Deputy Custodian. It will, however, be the responsibility of both to keep this safely and unhampered.

(2) Ordinary Goods:

- (a) The Custodian will maintain a register to be called "Stock Register" in the form attached as Annex-VII in which he will enter all the seized goods received by him for storage in the State Warehouse in chronological order. He will allot a separate number to each consignment received. Each entry of the seized goods received will be attested by the Custodian or token of the correct entry having made.
- (b) The Custodian will be held responsible for shortages and defects found subsequently and recorded in the inventory at the time of stock taking as mentioned above.
- (c) The guards for escorting the seized goods will be provided by the Supervisory Officer in the manner considered safe and adequate by him.
- (d) All receipts and clearances into and from the State Warehouse will be in the physical presence of the Custodian. He will be personally responsible for the proper accounting of the seized/confiscated goods stored in the State Warehouse. He will be provided with adequate staff to guard the State Warehouse round the clock and will be responsible for ensuring that the guards perform their duties effectively. The guards should not be utilized for any other work without the written orders of the Supervisory Officer.
- (e) The Custodian will inspect the seized/confiscated goods stored in the state-warehouse every week to ensure that they are not damaged or spoiled by pests and insects.

VI. INSPECTION OF SEIZED GOODS AND SAMPLING THEREOF:

(I) Valuables:

- (a) Whenever valuables are required for inspection by the adjudicating officer, a Notice should be sent well in advance under Registered cover to the accused asking him to appear on the date and time fixed for this purpose. A notice should also simultaneously be issued to the Custodian concerned to send the seized valuables through an officer (normally the one who originally seized them) for presentation on the appointed date and time. If the accused has absconded, the notice will be issued to the Custodian only. On presentation of the packages, the adjudicating officer should have the seal etc, identified and have the packet opened in his presence.

- (b) As soon as the inspection is over, the seized valuables should be repacked and sealed in the manner as aforesaid in the presence of the seizing officer, the accused, it available, and the adjudicating officer. The fact that the package having thus been opened, examined and closed shall be recorded by the adjudicating officer on the package. It will then be returned to the Custodian through the seizing officer, for safe custody.
- (c) Whenever any seized valuables kept in the custody of the State Bank of Pakistan are required for inspection, it will be brought out only under the orders of the Supervisory Officer concerned, and it should then be produced for inspection before the adjudicating officer by the Custodian. After it has been inspected in the presence of the Custodian and in the manner already stated above, it should be re-packed and re-sealed in the presence of these officers in like manner and then returned to the State Bank of Pakistan in the same way as it was originally forwarded.
- (d) On being approached by the owner for the release of his valuables, he should first be asked to establish his identity to the satisfaction of, the Supervisory Officer. The sealed package containing the valuables should then be opened in the presence of the owner, the Supervisory Officer and the Custodian for delivery. There is, however, no objection to the sealed packet being opened in the presence of the officer who sealed it, if he is readily available. After the valuables are delivered in the wake of an order by the competent authority, a proper receipt should be obtained and attested by the Custodian.
- (e) The Delivery of gold and other valuables, which are brought for, deposit in the State Warehouse, should be taken by the Custodian who should carefully check the inventory already prepared in the prescribed form to be sure that correct weight of the gold and other valuables and full description including trademarks and particulars of the said valuables is carefully entered in the inventory. It should be signed by the person delivering the gold and other valuables to the Custodian. Moreover the two certificates attached as Annexures-II & III should be properly made out. The valuables should then be put in the box and deposited in the manner prescribed.

#### VII. THE KEYS OF THE STATE WAREHOUSE:

- (I) The State Warehouse will be under double lock. One key will be retained by the Custodian and the by the Deputy Custodian.
- (II) Keys of the other containers almirahs and shelves, inside the State Warehouse will be kept by the Deputy Custodian.

#### VIII. CUSTODY OF KEYS OF STATE WAREHOUSE:

- (I) Keys of the chests containing valuables will he kept in the joint custody of the Custodian and Deputy Custodian.
- (II) The iron seal intended for putting marks of identification on the gold and silver etc. will remain in the joint custody of the Custodian and Deputy Custodian. who will be personally responsible for its safety.

#### IX. STOCK-TAKING IN THE STATE WAREHOUSE:

- (I) Twice a year, and also whenever specifically ordered by the Collector of Customs having jurisdiction, the stock in the state-warehouse will be physically checked.
- (II) The checking shall include:
  - (a) Physical verification of quantity.
  - (b) Physical verification of quality/son/description etc.

- (c) The condition of storage of the goods, i.e. whether the storage is in accordance with the standing orders and whether or not the goods are deteriorating due to any unsatisfactory conditions at the place of storage.
  - (d) It would include an audit and scrutiny of the state-warehouse registers and records to ensure that goods were warehoused according to the standing orders.
  - (e) A stock-taking report in the form attached as Annex-VII, should be prepared by the stock-taking officer, and submitted to the Collector of Customs having jurisdiction and the Head of the Agency concerned.
  - (III) 'A' and 'B' Class state-warehouses should be checked only by a Senior Commissioned/Gazetted Officer nominated by the Head of Agency .
  - (IV) 'C' Class state-warehouses may be checked by a Commissioned/Gazetted Officer of the concerned Agency nominated by the Head of Agency.
- X. INTERNAL AND EXTERNAL AUDIT OF RECORDS OF THE STATE-WAREHOUSES
- (I) The Internal Audit of the records of the State-warehouses of these Agencies will be conducted by the designated Auditors of the Directorate General of Inspection and Internal Audit (Customs and Central Excise) as per the annual schedule in consultation with the Heads of these Agencies and the Audit Reports will be forwarded by the Director General of Inspection and internal Audit (Customs and Central Excise) with his observations thereof, to the Collector of Customs having jurisdiction and the Heads of these Agencies, with copies endorsed to the Board, in accordance with the existing procedure of internal auditing.
  - (II) The External Audit of the records of the State-Warehouses of these Agencies will be conducted by the designated Auditors of the Office of the Auditor General of Pakistan and as per the schedule, in consultation with the Heads of these Agencies and audit observations thereof will be forwarded by these Auditors to the Collector of Customs having jurisdiction and the Heads of these Agencies, with copies endorsed to the Board, in accordance with the existing procedure of external auditing.

ANNEX.IA

**GOVERNMENT OF PAKISTAN**  
**COLLECTORATE OF CENTRAL EXCISE AND LAND CUSTOMS,**  
**LAHORE**  
**NOTIFICATION**  
**Lahore, the 4th November, 1978**

**PAKISTAN RANGERS HEADQUARTERS IN LAHORE AND IN**  
**BAHAWALPUR APPOINTED TO BE PLACES FOR DEPOSIT**  
**OF THINGS SEIZED BY THE RANGERS**

**SRO 1330(I)/78.**--In exercise of the powers conferred by sub-sections (1) and (3) of section 169 of the Customs Act, 1969 (IV of 1969), the Collector of Customs, Lahore, is pleased to appoint Pakistan Rangers Head-quarters situated at the under mentioned places, to be places for the deposit of things seized by the Rangers as shown against each, under the provisions of the said Act and is also pleased to authorize an Officer of the Pakistan Rangers not below the rank of a Commissioned Officer to be Officer to receive the things seized by Pakistan Rangers. The Warehouses shall not be allowed to store the explosives unless permitted by the Inspector of Explosives:

- (i) Pakistan Rangers Head-quarters situated at Ghazi Road Lahore. For storage of things seized by Chenab and



Sutlej Rangers.

(ii) Head-quarters Desert Rangers Baghdad Road,  
Bahawalpur

For Storage of goods  
seized by Deert Rangers.

**MUHAMMAD AKBAR**  
**COLLECTOR OF CUSTOMS**

**ANNEX-I-B**

**GOVERNMENT OF PAKISTAN**  
**COLLECTORATE OF CENTRAL EXCISE AND LAND CUSTOMS, LAHORE**  
**NOTIFICATION**

Lahore the 28th March, 1979

OFFICE OF THE DEPUTY DIRECTOR, INTELLIGENCE AND INVESTIGATION, LAHORE,  
APPOINTED TO BE THE PLACE FOR DEPOSIT OF THINGS SEIZED BY THE STAFF OF THE  
DIRECTORATE OF INTELLIGENCE AND INVESTIGATION. LAHORE.

**SRO 286(1)/79:** --In exercise of the powers conferred by sub-sections (1) and (3) of section 169 of the Customs Act, 1969 (IV of 1969), the Collector of Central Excise and Land Customs, Lahore is pleased to appoint, the office of the Deputy Director Intelligence and Investigation Customs and Excise situated at 86-E-1 Gulberg-III, Lahore to be the place for deposit of things seized by the staff of the Directorate of Intelligence and Investigation Customs and Excise, Lahore under the said Act, and is also pleased to authorize the Superintendent Customs Intelligence and Investigation, Lahore of the said Directorate as laid down to receive the things seized by the said Directorate and to supervise the warehouse be warehouse shall not however be allowed to store the explosives unless permitted by the Inspector of Explosives.

**MUHAMMAD AKBAR**  
**COLLECTOR**

**ANNEX-II**

**CERTIFICATE**

"Certified that I have personally examined the seals and the conditions of the bags/packages in the presence of the seizing/depositing officer and found them intact. I have entered it in my Store Room Register at serial No. ....

Signature. ....(dated). .... Custodian. ....

Copy received.

Signature. ....

(Dated). ....

Seizing Officer,

Designation

**ANNEX-III**

**CERTIFICATE**

"Certified that I have personally examined the goods in presence of the Supervisory Officer and found the goods agreeing in quantity, value, sort, quality and all other particulars with those entered in the inventory, I have got the package(s) re-sealed in the presence of the aforesaid Supervisory Officer with my official seal and affixed my signatures thereupon. I have obtained the

signature of the aforesaid Supervisory Officer in witness thereof. I have entered the same in my Store Room Register at. ....Serial No. .... on .....

#### **ANNEX-IV**

#### **INVENTORY**

1. Name and Percentage of the accused person.
2. Full postal address of the accused person.
3. Husband's name of the woman from whose custody the goods are seized / detained.
4. Date of seizure/detention.
5. Reasons for seizure/detention.

S. No.	Description of Goods	Quantity	Value (Approximate but separately for each article)		Remarks
			Rate	Amount	
1	2	3	4	5	6

Signature of the accused person \_\_\_\_\_

Signature and designation of seizing officer \_\_\_\_\_

Signature with full postal address of witnesses

(i) \_\_\_\_\_

(ii) \_\_\_\_\_

Note: :- Under the heading -description of goods' marks and inscriptions, Trade Marks if any, number in case of watches and currency notes etc. and make, should invariably be recorded besides other vital descriptions.

#### **ANNEX-V**

#### **STOCK REGISTER OF VALUABLES**

Sr. No	Date	Name with parentage and full address of the person from whose possession seized valuables were recovered.	Name of the officer twin whom the value Valuables were received	No. & date of inventory under which seized valuables received.
1	2	3	4	5

Full Description of seized valuables	Quantity No. of (pieces or packages)	Weight	Marks & number	Date of sealing	Number of boxes in which sealed
6	7	8	9	10	11

No. & date of letter under which valuables sent to the State Bank of Pakistan	No. of bags in which keys are kept	No. & date of adjudication order	Particulars of disposal	Particulars of disposal
12	13	14	15	16



**ANNEX-VI****REGISTER OF KEYS, RAGS AND SEALS**

S. No.	No. of keys in bag	No. of boxes of which the keys are	No. of envelopes	Date and time of Sealing	Date and time of opening
1	2	3	4	5	6

No. of bag or envelop opened	Reasons for opening	Sr. No. of Register of Valuables sent to State Bank of Pakistan	Initials of Custodians	Remarks
7	8	9	10	11

- Note: --
- (1) Bags and envelopes once opened should be allotted a fresh number when re-sealed.
  - (2) The particulars of Keys should be stated in remarks column.

**ANNEX-VII****STOCK REGISTER FOR ORDINARY GOODS**

S. No.	Name with the parentage of the owner of the goods	Case No.	No. & date of inventory of the goods under which received	No. & adjudication order
1	2	3	4	5

Date of expiry of the appeal period	Full description of the goods	Distinguishing Marks	Lot. No. in the state warehouse
6	7	8	9

Samples I II III	Rates	Value	S. No. of auction register prescribed	No. & date of released under which released
10	11	12	13	14

<u>Details of Release</u>		<u>Balance after released</u>		Initial of the Custodian/Dy Custodian	Remarks
Description of goods	Qty. Weight of goods	Description of goods	Qty/Weight		
15	16	17	18	19	20

**ANNEX-VIII****STOCK-TAKING REPORT**

1. Name of the state-warehouse and class.
2. Date of the stock taking \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_
3. Name and designation of the Stock Taking Officer \_\_\_\_\_
4. Stock checking statement:--

S. No.	Description of goods	As per register		Description/Quantity/Sort
		Quantity	Value	
1.	2.	3.	4.	5.

Description/quantity Found	As found			Disposal		Particulars of sales etc.
	Sort	Quantity Found	Value	Quantity	Value	
6.	7.	8.	9.	10.	11.	12.

Quantity	Shortages found	Reasons	Remarks
	Value		
13.	14.	15.	16.

- (5) Are the goods mentioned in the: state warehouse stacked as per standing orders?
- (6) Are the accounts in order, in all respect? If not, state the discrepancies.
- (7) Are the storage conditions satisfactory? is there any deterioration due to bad storage conditions?
- (8) Any other observations?

Signature of S.T.O

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**33. Storage by customs department.**--A procedure governing the appointment of State-warehouses the custodians thereof, the receipt, storage and issue of the ware-housed goods for compliance of the Customs department is as follows:

**I. Appointment of state-warehouse.**--(1) Section 159 of the Customs Act stipulates that the goods seized in customs cases will be delivered to the care of any Customs Officer Authorized to receive the same, or the nearest Custom House or at the nearest place appointed by the Collector of Customs for the deposit of things so seized. In view of the above it is necessary that each Collector should (a) specifically issue orders appointing state-warehouse and (b) the custodian thereof, and regularize by formal orders all state-warehouses already functioning. It is for the Collector to select the places where state-warehouses are required and facilities exist for establishing them.

Copies of all such orders should be endorsed to the Board within 15 days of the receipt of these instructions.

- (2) (i) The premises selected for the warehouse, should be secure in all respects and all arrangements for meeting emergencies like fire etc. should be provided and maintained in operative condition.
- (ii) Steel almirahs and cash chests should be provided for the storage of valuable articles which should be fixed in the walls as is required under the Treasury Rules.

- (iii) Store-rooms for the storage of inflammable and dangerous goods should be according to the specification and the regulations of the Department of Explosives for which necessary certificate from the competent authority should be obtained.
  - (iv) The Divisional Officer of the Division and Head-quarters Assistant Collector of Headquarters will be personally responsible for providing adequate guard for each warehouse in the division/headquarters.
- (3) There will be the following classes of the State-warehouse:
- (a) A Class: At the headquarters of the Collectorates.
  - (b) B Class: At the headquarters of the Division.
  - (c) C Class: At circle headquarters or at important Customs Stations (if so decided by Collector)

**II. Appointment of custodian:** -- In accordance with the provisions of section 169 of the Custom Act the Collector will appoint Custodians and duty Custodians for the warehouses:

- (i) A Class Warehouses.--The Collector will designate the Superintendent of Central Excise and Land Customs attached to his headquarters office as the custodian in addition to his normal duties. He will be assisted by a Deputy Superintendent and one or more inspectors as the case may be.
- (ii) B Class Warehouses.--Assistant Collector of the Division will be the overall incharge, and any Superintendent posted in the Headquarters of the Assistant Collector will be the custodian. In case there is no Superintendent at the Divisional Headquarters, the Collector should designate a Deputy Superintendent instead in consultation with the Assistant Collector concerned. The Custodian will be assisted by one or more inspectors.
- (iii) 'C' Class Warehouses.--The Custodian will be the Superintendent, concerned and he will be assisted by one inspector. Seized goods should not be stored at any place except the State warehouse. In case of goods seized at distant points, and brought to the nearest Custom Office, the Customs Officer receiving such goods should forthwith arrange to send them to the appropriate State-warehouse. Accumulation of goods at such Land Customs Station should not be permitted.

**III. Security from the custodian for the insurance of the state ware houses.**.-issue is under the active consideration of the Board and orders will be issued in due course.

**IV. Working of the state warehouses.**.-All goods seized will be categorized as "Valuable- and "Ordinary, goods".

Valuable: -- These will include, gold and silver bullion and articles made thereof, including jewellery precious stones and articles containing them, narcotics, coins and currency, watches and any other articles which may be declared as "valuables" from time to time.

Ordinary goods: -- All articles other than those mentioned as valuable above.

**V. Receipt of goods in the warehouse.**

- (i) Valuable goods.--An inventory should be prepared in duplicate on the spot as soon as any case involving gold, Silver, currency and coins and other valuable articles is detected. These should then be put and placed in cloth bags. The bags should be sealed both with official seal and the seal of the accused in the presence of the witnesses or mushirs and their dated signatures should invariably be obtained on the bag itself. If the accused have no seals, as they usually do not have, two paper slips should be diagonally pasted securely across the stitched or pasted portion so that the bag might not be opened without tearing the slips and the signature obtained across these slips.

The sealed bags and packages should be sent to the Superintendent/Custodian concerned for safe-custody. These packages should not be opened at any stage except in the presence of an Assistant Collector. Both packages should bear on them the following information besides the seal and signature described above viz:

- (i) Date and time of seizure.
- (ii) Place of seizure.
- (iii) Name with parentage and full postal address of the accused. .
- (iv) Description of the goods seized.
  - (a) Quantity.
  - (b) Name of commodity or article.
  - (c) Distinguishing marks if any (state No in case of currency and watches etc.).
  - (d) Trade Marks.
  - (e) Place of Manufacture (if indicated).
- (v) Name and full postal address of mushirs or witnesses
- (vi) Signature, rank and address of seizing officer.
- (vii) Signature of accused or witness. At the time of receipt of such packages, the Superintendent should give a certification in the following form to the seizing/depositing officer in token of the receipt.

"Certified that I have personally examined the seals and the condition the bags/packages in the presence of the seizing/depositing officer and found them intact. I have entered it in my store room register at serial No. \_\_\_\_\_ on \_\_\_\_\_ Signature \_\_\_\_\_ Dated \_\_\_\_\_  
\_\_\_\_\_ Superintendent \_\_\_\_\_

Copy received.

Signature (Dated) \_\_\_\_\_

Seizing Officer. Designation.

The Superintendent on receipt of the package shall have it opened in the presence of Assistant Collector. The valuables shall be physically checked, and it will be ascertained that they agree in quantity, son, quality, value and all other particulars with those described in the inventory.

After the Assistant Collector has satisfied himself as to the accuracy in the above mentioned manner he will have the packages re-sealed in the manner describe above.

The Assistant Collector and the Superintendent Custodian shall affix their signatures on each package with date and time clearly indicated in token of the proper scaling thereof.

A certificate in the form below shall be prepared and signed by the Superintendent when he receives such packages. This certificate, the Superintendent will paste on the remarks column of his store-room register.

#### **CERTIFICATE**

"Certified that I have personally examined the goods in the presence of the Assistant Collector Mr. \_\_\_\_\_ and found the goods agreeing in quantity, value, sort, quality and all other particulars with those entered in the inventory, I have got the package re-sealed in the presence of the above officer with my official seal and affixed my signatures thereupon. I have obtained the signature of the Assistant Collector in witness thereof. I have entered it in my store room register at \_\_\_\_\_ Serial No. \_\_\_\_\_ on \_\_\_\_\_

- (ii) Other articles.--As soon as a seizure is made and the investigations complete, the goods should be dispatched, under proper escort to the headquarters State Warehouses under intimation to the Collector. The Divisional Officer should ensure that the goods move under proper escort and a complete and detailed inventory of the goods should be prepared in the form appended, in quadruplicate, one copy should be retained in the Divisional Office or the Office dispatching the goods, the duplicate copy should be dispatched to the Collector alongwith a copy of the movement order, and the triplicate and quadruplicate copies should be sent by the dispatching officer along with the goods to the Custodian. The Custodian on receipt will check the goods according to the quality, description, quantity and also the packing to ensure that they have been received in original condition and are free from defects and shall issue an acknowledgement on the triplicate copy of the inventory and hand it back to the escorting officer noting therein all the defects and shortages if any found and retain the quadruplicate copy in his office for record.

In case of shortage or any other discrepancies found in the goods the Custodian should within 24 hours of the receipt of the goods, submit a report to the Divisional Officer concerned under registered cover with a copy to the Collector for information. He should follow up the case with the Divisional Officer till it is settled. If this is not finalized within a month, he must report it to the Collector for further action.

**VI. Storage of goods in the state-warehouse.--Valuables: -**

- (i) These articles must be stored in iron safes and steel chests which should be fixed in the walls under double local, system.
- (ii) Immediately on taking over the goods the Custodian/Deputy Custodian should enter the same in a stock account which will be maintained in the following form.
- (iii) "Valuables" will only be stored in 'A' and 'B' class warehouses.

**STOCK REGISTER OF VALUABLES**

S. No.	Date	Name with percentage and full address of the person from whose possession goods are received	Name of the officer from whom received	No.7 date of inventory order which received
1.	2.	3.	4.	5.

Description of Articles	Quantity (No of pieces or packages)	Weight	Marks and number	Date of Sealing	Number of boxes in which sealed
6.	7.	8.	9.	10.	11.

No. & date of letter under which sent to State Bank	No. of bags m which keys are kept	N o. & date of adjudication order	Particulars of Disposal	Remarks (Date of sale to Mint and number and reference of for-warding inventory as well as the acknowledgement of the Mint should be recorded).

12.	13.	14.	15.	16.
-----	-----	-----	-----	-----

(iv) As soon as possible, the valuables should be sent to the State Bank of Pakistan for safe custody and the entries in the sold account should be immediately made.

(v) Sealing of boxes for despatch to State Bank of Pakistan:-

All valuables already stored in the Headquarters State-Warehouses, and those which are received in future should be at once sent to the State Bank of Pakistan for safe custody in the manner prescribed.

A record of all valuables received and kept in the State Bank of Pakistan should be maintained in a register in the form attached at Appendix V.

Each box should be securely sealed to ensure that even if the box gets unlocked it should not open without breaking the tape of the string and the seals. As a measure of further precaution the key point should be covered up by pasting a slip of paper containing the signature of the custodian (not below the rank of Superintendent).

Similarly two or more slips about 4" long containing the signatures of the Custodian should also be pasted in such a way so that half of it should be on the lid and other half on the other side of the box. Custody of keys of the boxes and seals: Both the keys of boxes should be placed in a cotton bag of small size by the Custodian as soon as the box is sealed. There is no objection in keeping the keys of more than one box together, but each bag should be sealed and assigned a number.

The particulars of each bag should be recorded in a register in the form annexed. The seals should also be kept in envelopes which should also be likewise numbered and entered in this register. It should be closed and signed with the date and time recorded by the Custodian at a number of places so that it should not be opened without tampering with or tearing the signatures. The bags, envelopes and register will regularly be examined by the Custodian and all Inspecting Officers to ensure that they are kept in accordance with the instructions. The result of each inspection shall be recorded by the Custodian and such inspecting officer under their dated signatures with the time of inspection indicated.

The bag containing keys of the boxes kept in the State Bank, the other seals of the god own and the envelope containing the seals put on the boxes sent to the State Bank and iron seals intended for putting mark of identification on gold bars should be kept in an iron almirah or steel box with double locks. The key of one lock of this almirah or box should be kept by the Custodian and the other by the Assistant Custodian. This box should always be opened and locked in the presence of the Custodian and Deputy Custodian. It will, however, be the responsibility of both to keep this box safely and untampered with in any manner.

Other goods.--The Custodian will maintain a register to be called "Stock Register" in the form attached in which he will enter all the goods received by him for storage in the State Warehouse in a chronological order. He will allot a separate serial number to each consignment received and allot a serial number to each lot. Each entry of the goods received will be attested by the Custodian in token of the correct entry having been made.

The Custodian will be held responsible for any shortages and defects found subsequently and not recorded in the inventory at the time of taking over as mentioned above.

The guard for escorting the goods will be provided by the Divisional Officer or where there is no Divisional Officer by the Circle Officer concerned in the manner considered safe and adequate by him.

All receipts and clearance into and from the State Warehouse will be in the physical presence of the Custodian. He will be personally responsible for the proper accounting of the goods stored in the State-Warehouse. He will be provided with adequate staff to guard the State-Warehouse round the clock and will be responsible for ensuring that the guards perform their duties effectively. The guard should not be utilized for any other work without the written orders of the Headquarters Assistant Collector.

The Custodian will inspect the goods stored in the warehouse every week to ensure that these are not damaged or spoiled by pests and insects.

**VII. Inspection of seized goods and sampling thereof.**

- (i) Valuables.--Whenever valuable goods are required for inspection by the adjudicating officer a notice should be sent well in advance under A.D. Registered cover to the accused asking him to appear on the date and time fixed for the purpose. A notice should also simultaneously be issued to the Custodian concerned to send the goods through an officer (normally the one who originally seized them) for presentation on the appointed date and time. If the accused has absconded the notice will be issued to the Custodian only. On presentation of the packages the adjudicating officer should have the seal etc. identified and have the packet opened in his presence.

As soon as the inspection is over the goods should be repacked and sealed in the manner as aforesaid in the presence of the seizing officer, the accused, if available, and the adjudicating officer. The fact that the package has thus been opened, examined and closed shall be recorded by the adjudicating officer on the package. It will then be through the seizing officer, for the safe custody.

Whenever any article kept in the custody of the State Bank of Pakistan is required for inspection, it will be brought out only under the orders of the Assistant Collector concerned and it should then be produced for inspection before the adjudicating officer by the Custodian. After it has been inspected in the presence of the Custodian and in the manner already stated above it should be repacked and re-sealed in the presence of these officers in like manner and then returned to the State Bank in the same way as it was originally forwarded.

Similarly, when gold is required to be sent to the Mint, it should be sent under the signature and authority of the Assistant Collector concerned and under the cover of the prescribed inventory and instruction already existing on the subject.

- (ii) On being approached by the owner or the release of goods he should first be asked to establish his identity to the satisfaction of the Assistant Collector and the existing procedure of identification in which attested photograph and an affidavit is obtained should be followed. The sealed package containing the goods should be then opened in the presence of the owner, Superintendent and the Custodian for delivery. There is however no objection to the sealed packet being opened in the presence of the officer who sealed it if he is readily available. After the goods are delivered a proper receipt should be obtained and attested by the Custodian.
- (iii) The gold and other valuables which are brought for deposit to the State God own, delivery should be taken by the Custodian who should carefully check the inventory already prepared in the prescribed form to be sure that correct weight of the gold and full description including trademarks and particulars of the above goods are carefully entered in the Inventory and it is signed by the person delivering the gold to the Custodian as well as the two certificates are properly made out. The goods should then be put in the box and deposited in the manner prescribed.

**IX. The keys of the state-warehouse.-**

- (i) The State-Warehouse will be under double lock. One key will be retained by the Custodian and the other by the Deputy Custodian.
- (ii) Keys of the other containers, and almirahs and shelves inside the State-Warehouse will be kept by the Deputy Custodian.
- (iii) Keys of the chests containing the valuables will be kept in the joint custody of the Custodian and Deputy Custodian.



- (iv) The iron seal intended for putting marks of identification on the gold and silver etc. will remain in the joint custody of the Custodian and Deputy Custodian and who will be personally responsible for its safety. Whenever this seal be required to be sent to Lahore or elsewhere it should be carried by the Custodian or Deputy Custodian personally.

No exception allowed unless written orders are issued to the contrary by the Board.

**X. Stock taking in the state-warehouse.-**

- (i) Twice a year, and also whenever specifically ordered by the Collector, the stock in the warehouse will be physically checked.
- (ii) The checking shall include:
- Physical verification of quantity.
  - Physical verification of quality/sort/description etc.
  - Value.
  - The condition of storage of the goods. i.e. whether the storage is in accordance with the standing orders and whether or not the goods are deteriorating due to any satisfactory conditions at the place of storage.
  - It would include an audit and scrutiny of the warehouse registers and records to ensure that goods were warehoused according to the standing orders.
  - A stock-taking report In the form at Annex IV, should be prepared by the stock taking officer and submitted to the Collector.
- (iii) 1st and 2nd class warehouses should be checked by only Class I Officer.
- (iv) Class 3 warehouses may be checked by an officer not lower than a Superintendent of Customs.

**ANNEX-I**

**STOCK REGISTER FOR ORDINARY GOODS**

S. No	Name with parent- age of the owner of the goods	Case No.	No. & date of inventory under which receive	No. & date of adjudication order
1.	2.	3.	4.	5.

Date of expiry of the appeal period	Full description of the goods	Distinguishing marks	Lot No. In the state warehouse
6.	7.	8.	9.

Samples drawn I II III	Rates	Value	S. No. of auction register prescribed	No. & date of release order under which released.
10.	11.	12.	13.	14.

<u>Details of Release</u>		<u>Balance after released</u>	Initial of the Custodian/Dy	Remarks
Description	Qty. Weight			



of Goods	of Goods	Description Of Goods	Qty. /Weight	Custodian	
15.	16.	17.	18.	19.	20.

## **ANNEX-II**

### **REGISTER OF KEYS, BAGS AND SEALS**

S. No.	No. of Keys in bag	No. of Boxes of which the keys are	No. of envelops	Date and time of Sealing	Date and time of opening
1.	2.	3.	4.	5.	6.

No. of bag or envelop, opened	Reasons for opening	Serial No. of Register of valuables sent to State Bank Of Pakistan	Initials of Custodians	Remarks
7.	8.	9.	10.	11.

Note:--

- (3) Bags and envelops once opened should be allotted a fresh number when re-sealed.
- (4) The particulars of keys should be stated in remarks column.

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## **ANNEX-III**

### **INVENTORY**

1. Name and Percentage of the accused person.
2. Full postal address of the accused person.
3. Husband's name of the woman from whose custody the goods are seized / detained.
4. Date of seizure/detention.
5. Reasons for seizure/detention.

S. No.	Description of Goods	Quantity	Value (Approximate but separately for each article)		Remarks
			Rate	Amount	
1	2	3	4	5	6

Signature of the accused person\_

Signature and designation of seizing officer\_

Signature with full postal address of witnesses

(i) \_\_\_\_\_

(ii) \_\_\_\_\_

Note: :- Under the heading -description of goods' marks and inscriptions, Trade Marks if any, number in case of watches and currency notes etc. and make, should invariably be recorded besides other vital descriptions.

#### ANNEX-IV

### **STOCK-TAKING REPORT**

1. Name of the state-warehouse and class.
2. Date of the stock taking \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_
3. Name and designation of the Stock Taking Officer \_\_\_\_\_
4. Stock checking statement:-

S. No.	Description of goods	As per register		Description/Quantity/Sort
		Quantity	Value	
1.	2.	3.	4.	5.

Description/quantity Found	As found			Disposal		Particulars of sales etc.
	Sort	Quantity Found	Value	Quantity	Value	
6.	7.	8.	9.	10.	11.	12.

Quantity	Shortages found	Reasons	Remarks
	Value		
13.	14.	15.	16.

- (9) Are the goods mentioned in the state warehouse stacked as per standing orders?
- (10) Are the accounts in order, in all respect? If not, state the discrepancies.
- (11) Are the storage conditions satisfactory? is there any deterioration due to bad storage conditions?
- (12) Any other observations?

Signature of S.T.O

#### **34. Disposal of seized/confiscated goods by the agencies & customs department.-**

- (a) The following procedure for the disposal of seized/confiscated goods is to be strictly followed by all concerned:
  - (I) Narcotics, liquor, expired/banned drugs, acetic anhydride. medicines, chemicals, absence films and literature and other goods which are health/environment hazards or are not fit for human consumption, shall be destroyed. Committees for the destruction of such goods may be constituted by the Collector of Customs having jurisdiction, in consultation with the Heads of Agencies (where required). The process of destruction will be finalized in consultation with PCSIR, Central Testing Laboratory or any other expert agency, where necessary, to eliminate the possibility of environmental

pollution <sup>119</sup>[Opium shall, however, in the first instance be offered to the Government Opium Factory, Lahore]. For disposal of Narcotics the guidelines as laid down in at S. No. 35 & 36 below may be complied with as well.

- (II) Gold/Currency.--The confiscated gold should continue to be deposited with the State Bank of Pakistan as per the above procedure. However, the confiscated currency should be directly tendered to the National Bank of Pakistan for realization and credit of proceeds to the appropriate Government account. The cases involving currency should be decided expeditiously. If the period for exchange of such demonetized currency notes, coins has already expired the State Bank of Pakistan may be asked to accept such notes for destruction etc. A certificate of destruction will be issued by the State Bank of Pakistan which should be retained for audit purposes. If currency notes (legal tender) are found to be defective damaged, mutilated or forged they should be tendered to State Bank Pakistan for necessary action as required under the Rules.
- (III) Silver.--Grading of silver ripe for disposal will be carried out by Pakistan Mint, Lahore. In case Pakistan Mint, Lahore is interested in buying the silver, the same will be offered to it at the current value of silver reported in the press. Otherwise, the confiscated silver shall be auctioned in accordance with the Auction Rules, 1996.
- (IV) Precious stones.--Grading and valuation of confiscated/seized precious stones will be done by Customs Valuation Committee constituted on Collector basis in consultation with the experts of Gemstones. On the basis of the grading and valuation, confiscated precious stones will be offered for sale.
- (V) Consumer durables & other miscellaneous goods.--Consumer durables like TVs, VCRs, refrigerators, deep freezers, micro-wave-ovens, etc. and other goods, when ripe for disposal, may be offered for sale at prices pre-determined by the Controller of Customs Valuation, in the first instance, to the Utility Stores Corporation of Pakistan, Canteen Stores Department, Co-operative Stores (Co-op) Organizations of the Provincial Governments, the National Logistic Cell, Frontier Corps, Baluchistan and NWFP and the Garrison Welfare Shop, Peshawar Cantonment, for disposal through their retail outlets. The Custodian of the warehouse shall be held responsible, if, any item is sold to the above mentioned agencies/organizations at lesser prices than the prices pre-determined by the Controller of Customs Valuation. The list of items not mentioned in the Controller of Valuation Advice shall be sent to the Collectorate for appraisal of its price before it is offered for sale to the authorized agencies.
- (VI) Cigarettes.--Confiscated/seized cigarettes will be offered PIA/Duty Free Shops on appraised value with 25% discount
- (VII) Motor vehicles.--"Operational Vehicles" as defined in rule 2 (VII) of the Rules for the use of Staff Cars, 1980 which are ripe for disposal and have been deposited with Customs will be handed over to the respective seizing agency having anti-smuggling powers, Collectors will ensure that no delay caused and the confiscated vehicles are handed over to the respective seizing agency for operational duties. Motor launches used in the carriage of smuggled goods will also be handed over to the respective seizing agency for operational duties.

119. Inserted vide CGO No. 6/2013 dated 13 August, 2013. Earlier, the same words were omitted vide CGO No. 1 of 2004 dated 18<sup>th</sup> March, 2004

<sup>120</sup>[(VIII) Arms and Ammunition.--(a) Arms and ammunition of prohibited and non-prohibited bores which are "current" in service will be allocated to Civil Armed Force or an agency/department having anti-smuggling powers for their official use <sup>121</sup>[ "Or one weapon per person to officers of customs not below the rank of Assistant Collector of Customs as per laid down procedure] Collectors of Customs will ensure that no delay is caused and such arms and ammunition are handed over to the agency to whom allocated.

(b) Arms and ammunition of prohibited and non-prohibited bores, of obsolete, obsolescent (i.e. non current status) will be supplied free of cost to Pakistan Ordnance Factories (POF), Wah Cantonment for re-melting through the Directorate General of Intelligence and Investigation (Customs & Excise), Islamabad.]

<sup>122</sup>[(VIII)-A Fire crackers and other explosive materials shall be destroyed. The destruction shall be carried out through a committee to be constituted by the Collector of Customs having jurisdiction in consultation with the relevant army authorities. The Committee shall include representatives from the Army and an official of the Department of Explosives.]

(IX) Antiques.--Antiques shall be handed over to the Department of Archaeology, free of cost.

<sup>123</sup>[(X) Mobile Devices (Mobile phones/tablets/ dongle / wingle, etc) with SIM/ IMEI functionality and accessories thereof:-

(a) The field formations shall examine the confiscated/seized mobile devices (new/used) ripe for disposal to compile the information thereof in the format prescribed below:

Sr. No.	Type (MobilePhone/ Dongle/Tablet/Other)	Brand	Model	IMEI No.

(b) The aforesaid information both in hard / soft copy shall be forwarded to the Director (Type Approval) Pakistan Telecommunication Authority (PTA) Headquarters, F-5, Islamabad for technical evaluation / certification and their white-listing in Device Identification Registration Blocking System (DIRBS). The soft copy shall be composed in the form of Excel Sheet with each row containing one IMEI only and shall be emailed at commercialnoc@pta.gov.pk through official email ids of the field formations;

(c) The PTA afterwards shall issue certification in respect of mobile devices that are white-listed in the DIRBS. Thereafter, the field formations shall dispose of such mobile devices through open auction following the prescribed procedure; and

<sup>120</sup> . Sub-paragraph (a)(VIII), of paragraph 34, Chapter IX, was substituted vide CGO 8 of 2004 dated 11<sup>th</sup> August, 2004

<sup>121</sup> . In para 34, in sub-para (VIII)(a), after the word "use" the full stop was omitted and the new entries thereto were inserted vide CGO No. 6 of 2009 dated 2<sup>nd</sup> September, 2009

<sup>122</sup> . In para no 34 after serial no VIII a new entry "VIII-A" was added vide CGO No. 2 of 2003 dated 12<sup>th</sup> March, 2003

<sup>123</sup> . Clause (X) was substituted vide CGO No. 7/2018 dated 6<sup>th</sup> December, 2018. At the time of substitution clause (x) was as under:-

(X) Mobile telephones, batteries, pans and accessories thereof.-  
Confiscated/seized mobile/cellular telephones. batteries or pans and accessories thereof ripe for disposal will be offered for sale to the highest bidder by inviting sealed bids/tenders from authorized importers/companies authorized to operate mobile telecommunication services like M/s. Pakistan Telecommunication Limited (PTCL), M/s. Mobilink Ltd., and M/s. Paktel Ltd. etc.

(d) The mobile devices which are not certified/ white listed by PTA shall be processed for disposal through destruction in the manner approved by the Collector/Director in accordance with the regulatory requirements notified under any other law in force.]

<sup>124</sup>[(XI) Confiscated /abandoned pesticides ---Confiscated abandoned pesticides will be first got tested through PCSIR Central Testing Laboratory or by any other expert agency in collaboration with concerned provincial department and persons duly authorized /licence to distribute/import /sell in retail pesticides will allow to participate in the auction of the confiscated/ abandoned pesticides. ]

(b) Seized/confiscated goods that cannot be disposed of in any manner specified above should be sold by the respective Agencies, in accordance with the prescribed Auction Rules in the presence of Assistant Collector of Customs incharge of auctions of the respective Collectorate of Customs. The goods would be disposed off through an open public auction on the values determined by the Customs Appraising staff of the Collectorate concerned. The auction proceedings would be finalized by the concerned Collectorate in accordance with the provisions of the Auction Rules under (Customs Rules, 2001 vide SRO 450(1)2001 dated 18.06.2001) 1996. If any claim of refund comes up later in respect of the goods disposed of in any of the aforesaid manners the same where admissible, should be met from the general account relating to the sale proceeds in question.

<sup>125</sup>[34-A. Following values for the purpose of disbursement of reward will be considered in cases of seizure of narcotics:

S. No.	NARCOTICS	VALUE
1.	Heroin	Rs. 5,000 per kg.
2.	Cocaine	Rs. 4,000 per kg.
3.	Hashish Oil	Rs. 3,000 per Liter.
4.	Charas/Hashish	Rs. 500 per Kg.
5.	Opium	Rs. 1,500 per kg.
6.	Acetic Anhydride	Rs. 1,500 per kg.
7.	Other narcotics substances or controlled substances.	Reward to be determined by the competent authority depending upon the quantity and value of substances seized on case to case basis.]

**35. Storage/sampling of seized heroin and other narcotics.**--Following is the procedure regarding sampling, testing and storage etc. of seized/confiscated heroin and other Narcotics.

- (i) The seizing officer/officials shall conduct an on the spot test with field kits to satisfy themselves that the seized substance is heroin. The officer performing the test with field kit shall prepare a written memo to the effect that he performed the test and it showed positive result about the presence of heroin etc. and other officers/staff accompanying him shall sign the written memo as witnesses to the said test. The fact about the test with field kit and the positive result shall invariably be mentioned in the FIR and AIR.

<sup>124</sup> . Added vide CGO No. 7 of 2003 dated 26<sup>th</sup> August, 2003

<sup>125</sup> After serial No. 34, a new serial No. 34A inserted vide SGO No. 14/2006, dated 27th November, 2006

- (ii) After seizure of heroin and other narcotics three samples shall be drawn. Each sample will be carefully placed in a polyester/polythene bag S x 10cm avoiding contact with moisture and heat. The bag should be sealed electrically (with a domestic hand sealer), with due care not to allow the sample to come in contact with the hot part. The sealed polyester polythene bags shall be further sealed in a cloth bag 12 x 15cm with the conventional lac seals. The seizures should be sampled for laboratory examination according to the following minimum quantities:

1.	Heroin	5gm Approximately
2.	Charas/Cannabis/Hashish	10gm Approximately
3.	Hashish oil	On Approximately
4.	Opium	10gm Approximately
5.	Drugs in the form of tablets or capsules	10tablets/capsules.

- (iii) Each sample will be sealed by the seizing officer who shall affix his signatures both on, the polyester/polythene and cotton bags alongwith his name and designation. Another officer/staff present on the spot will also sign likewise as a witness. All the signatures will be put in such a manner that; the same cannot be obliterated/destroyed without tearing or damaging the bags.
- (iv) Out of the three samples drawn, one shall be sent to a customs laboratory and the second to an independent Government Laboratory e.g. Forensic Drug Laboratory. National Institute of Health, Islamabad and PCSIR etc. for test in order to determine the percentage content of heron alongwith the nature and percentage of residuary substances/nature of the seized narcotics. Seizing Agencies other than Customs will likewise send samples to two different laboratories. Samples will be invariably sent/handed over to the Head of the laboratory or an officer designated by him. Proforma annexed to this order shall accompany the samples for laboratory tests. The third sample shall be deposited in the State Warehouse alongwith the seized consignment for future reference. On receipt of test reports, copies thereof shall be forwarded to the adjudicating officer and the Court before whom the accused are under trial.
- (v) Narcotics and psychotropic substances will be stored in separately from other goods in a safe/strong room which should be provided in the premises of State Warehouse. Heroin has already been declared as "Valuable" are applicable to its storage etc. The heroin sealed in polyester /polythene and cotton bags shall be kept in steel almirahs/steel trunks under double lock in the State Warehouse. The safe strong room should be electronically guarded and for the safe custody of such substances close circuit TV system/burglar alarm system should be provided to guard against theft and pilferage. Where the seized consignment is heavy, the sealed polythene/plastic and cotton bags may be placed in steel trunks which shall be padlocked. All the padlocks will also be sealed and the seizing officer/ depositing the seized heroin in State Warehouse will put his signatures on each padlock. The seized narcotics, particularly heroin will be deposited in the State Warehouse not later than forty-eight hours after the seizure.
- (vi) Each Director-General/Director/Collector/Head of the other seizing Agency shall constitute a Committee consisting of officers not below the rank of an Assistant Collector/Assistant Director or an officer of equal rank and a representative of the Pakistan Narcotics Control Board (PNCB) to supervise destruction of heroin and other narcotics by burning. The confiscated narcotics will be destroyed only after the final completion of the case both in the Court of law and the departmental adjudication or after the completion of adjudication proceedings with the permission

of the Court, in which case at least 3 samples will be retained in the manner as the Court directs. A written memo shall be prepared in quadruplicate at the time of destruction indicating the particulars of the case and the quantity destroyed. The officer putting the narcotics to fire shall sign the memo indicating his name and designation alongwith the place, date and time of destruction. The officer supervising destruction not below the rank of an Assistant Collector/Assistant Director or an officer of equal rank shall countersign the same while representative of PNCB and the concerned officer of State Warehouse shall sign as witnesses. One copy each of the memo so prepared shall be placed on the record of State Warehouse: adjudication file. seizure file and the case file of the Court concerned with the trial of the case involving the narcotics in question.

2. The concerned Directors General/Directors/Collectors/Heads of the other seizing Agencies are required to make all necessary arrangements so as to enforce the Provisions of sub-Para's (i) to (iv) above. The Provision of sub-Para (v) above concerning installation of close circuit T.V system or burglar alarm system and storage in steel almirahs/steel trunk etc. will Be enforced subject to the availability of necessary funds to procure the required equipment etc.

#### NARCOTICS SAMPLE ANALYSIS MEMO

Agency	_____
Description of sample	_____
Nature of exhibit	_____
Weight of sample	_____
Storage condition	_____
If sealed.	_____
F.I.R. No., date, P.S. & Distt.	_____
Case No.	_____
Date of material seized.	_____
Date of sampling.	_____

Required Examination.

To determine the percentage content of heroin along with the nature and percentage of residuary products.

(N.B. please return the remnants of Samples duly sealed and signed by the Incharge of a Laboratory along with the test report)

Name, designation and signature of the forwarding officer the seizing agency.

#### EXPLANATION

#### NARCOTICS SAMPLE ANALYSIS MEMO

Agency	Name and address of senders Agency.
Description of sample	What the material is like: its colour. smell, appearance
Nature of exhibit	Whether street or pure seizure
Storage condition	Whether the material before and after sampling was kept at room temperature, air-conditioned temperature or in humid conditions



If sealed	How sealed, seal contents.
Required examination	For which constituents Laboratory Examination is required.

**36. Disposal of Narcotics.**--Vide Presidential Ordinance No. XL of 1991 the following amendment has been made in section 516-A of the Code of Criminal Procedure, 1898 (Act V of 1898):

"Provided further that if the property is a dangerous drug intoxicant, intoxicating liquor or any other narcotic substance seized or taken into custody under the Dangerous Drugs Act 1930 II of 1930), the Customs Act, 1969 (IV of 1969), the Prohibition (Enforcement of Hadd) Order, 1979 (P.O. 4 of 1979) or any other law for the time being in force, the Court may, either on an application or of its own motion and under its supervision and control, obtain and prepare such number of samples of the property as it may deem fit for safe custody and production before it or any other court and cause destruction of the remaining portion of the property under a certificate issued by it in that behalf:

Provided also that such samples shall be deemed to be whole of the property in an inquiry or proceeding in relation to such offence before any authority or court."

2. The effect of the aforesaid amendment in the Code of Criminal Procedure is that henceforth narcotic drugs etc. seized under the Dangerous Drugs Act, 1930, the Customs Act, 1969, the Prohibition (Enforcement of Hadd) Order, 1979 or any other law for the time being in force, can be disposed of or destroyed with the permission of the Court without retaining the entire goods for exhibition as case property. Instead of entire case property now representative samples of the narcotic drugs can be retained and exhibited in the trial courts as case property.

3. In view of the above legal provision, disposal/destruction of narcotic drugs has become easier. Collectors may therefore take immediate action for disposal/destruction of narcotic drugs in accordance with the amendments made in section 516-A of the Code of Criminal Procedure, 1898 as mentioned above.

4. In order to ensure that the same narcotic dings have been disposed/destroyed as were seized representative samples of the narcotic drugs may also be separately drawn and sealed at the time of disposal/destruction in presence of representatives of various agencies witnessing the destruction and their signatures may be obtained on the second samples.

Copy of Ordinance

**“ORDINANCE NO XL OF 1991,  
AN  
ORDINANCE**

Further to amend the Pakistan Penal Code and the Code of Criminal Procedure, 1898.

WHEREAS it is expedient further to amend the Pakistan Penal Code (Act XLV of 1860), and the Code of Criminal Procedure, 1898 (Act V of 1898), for the purposes hereinafter appearing;

AND WHEREAS the National Assembly is not in session and the President is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of Article 89 of the Constitution of the Islamic Republic of Pakistan, the President is pleased to make and promulgate the following Ordinance:-

**1. Short title and commencement.**--(1) This Ordinance may be called the Criminal Law (Fifth Amendment) Ordinance, 1991

(2) it shall come into force at once.



**2. Amendment of section 392, Act XLV of 1860:** -- in the Pakistan Penal Code (Act XLV of 1860), in section 392, the words "between sunset and sunrise" shall be omitted.

**3. Amendment of section 516A, Act V of 1898.**--In the Code of Criminal Procedure, 1898 (Act V of 1898), hereinafter referred to as the Criminal Code, in section 516A, in the proviso, for the full stop at the end a colon shall be substituted and thereafter the following further provisos shall be added, namely:-

"Provided further that if the property is a dangerous drug, intoxicant, intoxicating liquor or any other narcotic substance seized or taken into custody under the Dangerous Drugs Act, 1930 (II of 1930), the Customs Act, 1969 (IV of 1969), the Prohibition (Enforcement of Hadd) Order, 1979 (P.O.4 of 1979), or any other law for the time being in force, the Court may, either on an application or of , its own motion and under its supervision and control, obtain and prepare such number of samples of the property as it may deem fit for safe custody and production before it or any other court and cause destruction of the remaining portion of the property under a certificate issued by it in that behalf:

Provided also that such samples shall be deemed to note of the property in an inquiry or proceedings in relation to such offence before any authority or court."

**4. Amendment or Schedule, Act V of 1898:** --In the Criminal Code, in Schedule 11, in entries relating to section 472, in column 5, for the word "Ditto" the words "Not bailable" shall be substituted."

## CHAPTER - X

**37. <sup>126</sup>[DUTY FREE SHOPS].--Procedure Regarding.**--The following procedure is prescribed for information and compliance by all concerned.

**1. Purchase and stock of goods.**—<sup>127</sup>[Duty free shops].shall import goods and store the same in a Private Bonded Warehouse got licensed at each Warehousing Station. The imported goods shall be stored in such warehouse against into-bond bills of entry and the provisions of Chapter XI of the Customs Act, 1969 shall be followed. <sup>128</sup>[Duty free shops].can also purchase confiscated goods from the various State-warehouses in Pakistan after making necessary payments of the value of the goods and shall uplift such goods from the State Warehouse to their Private Warehouse in accordance with Sections 99 to 101 of the Customs Act, 1969, as the case may be. The Bond Officer Incharge of the Warehouse shall make necessary entries in the Warehouse Stock Register. The D.F.S. may also sell goods from their warehouses (not from the shop's sales outlets) to other private warehouses of airlines and diplomatic stores in accordance with the procedure prescribed in Sections 99 to 101 of the Customs Act, 1969 provided they receive the payment of the cost of import for such sale in foreign exchange. Likewise <sup>129</sup>[Duty free shops] can purchase permissible goods from other warehouses in Pakistan and bring the same to their own warehouse in accordance with the procedure prescribed under Sections 99 to 101 of the Customs Act, 1969, for subsequent sale through their shop outlets.

**2. Issue of bonded stores to the sales outlet or the** <sup>130</sup>[Duty free shops].--The goods from the <sup>131</sup>[Duty free shops].warehouse shall be issued against an intent to be placed by the authorized officer of the <sup>132</sup>[Duty free shops] Outlet in the form prescribed at Annexure "A". The

126 . In Chapter X, In Para 37,- in heading of Para ,the word "PIA DUTY FREE SHOPS LTD", were substituted by the words "DUTY FREE SHOPS" vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

127 . In the body and annexure to the Para , the word and letter s "M/s Duty Free Shops Limited ", "DFSL" and "DFS" wherever occurring were substituted by the words, "Duty free shops" vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

128 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

129 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

130 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

131 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

132 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

goods will be escorted by a Customs Officer to the individual <sup>133</sup>[Duty free shops]. Outlet where they will be entered in the respective Sales Outlet Stock Register by its Incharge and countersigned by the escorting officer. A duly-receipted copy of the indent all be returned to the Warehouse for record.

**3. Airport outlets.**--The <sup>134</sup>[Duty free shops], may set up Sales Outlets in the International Lounges of the Airports. Sales from the respective Outlets will be allowed to the bona fide International passengers arriving, departing or in transit against the issuance of invoices as per proforma at Annexure "B". Periodic scrutiny of sales and stocks will be made by the Shift Incharge or the Customs Officer incharge or his superior officers to ensure that items have been sold only to bona fide passengers. While selling taxable item or items in commercial quantities to the incoming passengers, the <sup>135</sup>[Duty free shops] Terminal Outlet Supervisor/Sales Staff shall inform the Customs Officer Incharge of the Shift.

**4. City complex.**--The <sup>136</sup>[Duty free shops] will also establish bonded sales outlets duly licensed in major cities outside the Airport area for sale of goods against payment to foreign exchange by incoming passengers against their baggage allowances and I.T.C. limits. The passenger intending to make purchases from the city outlets of the <sup>137</sup>[Duty free shops]. will have the choice to buy items up to his entitlement of free and taxable allowances under relevant baggage rules applicable in each case. However, the items permissible free of duty under the Passengers (Non-Tourist) Baggage (Import) Rules, 2001, vide SRO 450(I)/2001 dated 18.06.2001 shall be allowed to be sold to the passengers under aforesaid rules only. In case of failure these allowances shall stand forfeited unless otherwise admissible under the Gift Scheme of the Baggage Rules. The passengers can purchase goods from the <sup>138</sup>[Duty free shops]. City Outlets within 90 days from the date of their arrival and this period shall not be extended in any case:-

- (i) The <sup>139</sup>[Duty free shops] will make arrangements for proper display and guidance to the passenger, baggage allowances and the prices of the goods in the shop. The passenger will be free to choose item upto the balance of his free and taxable allowances on the basis of the I.T.P. in Pakistani currency and will order for the items selected for purchase and/or Transfer of Residence form before the sales counter. The Sales Person will draw up a serially-numbered sales invoice (six copies in the form prescribed at Annex "C"). Thereafter, the sales staff shall detach one copy for their record and give 5 copies of the invoice to the passenger to be presented before the Customs Officer who will scrutinize the documents/case and list of items and indicate the items admissible against the free allowances and calculate Customs dues leviable on the remaining items within the taxable allowances admissible to the passenger. The Customs Officer shall complete the assessment and shall make necessary entries and thereafter the so-assessed invoice shall be returned to the passenger <sup>140</sup>[On the basis of the assessment completed by the Customs Officers the price in foreign exchange of the sales will be deposited in the bank account in the name of concerned duty free shop on every 8th, 15th, 22nd (the following day in case it is a weekly or public holiday) and last day of the month i.e. for example, the total foreign exchange pertaining to sales from 1st to 7th of every month shall be deposited on the 8th of the same month. The bank shall stamp all copies for receipt of foreign exchange and Pak currency and shall retain two copies of the receipted sales invoice and return the three copies to the storekeeper of the duty free shop. The Customs officers shall allow out of charge after ensuring that livable duty and taxes have been paid by the passenger.

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133 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

134 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

135 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

136 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

137 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

138 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

139 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

140 . In para 37, in sub-para 4(i), the new text was substituted vide CGO No. 9 of 2009 dated 21<sup>st</sup> December, 2009

Moreover, the custom officer posted in the duty free shop shall ensure that foreign exchange for the weekly sales to the entitled passengers has been deposited on the above mentioned dates. The Bank shall send a copy of the invoice along with daily statement of revenue collection to the Customs Officer in charge Duty Free Shops/ Sales outlet who shall, in turn, send it immediately to the Custom House, Revenue Section, Audit Section and C.R.A. section as per the existing procedure. A mandatory reconciliation of duty & taxes and deposit of foreign exchange shall be got conducted on monthly closing by the Custom officer posted at duty free shop under the supervision of the concerned Assistant/Deputy Collector.]

- (ii) It will be the responsibility of the sales staff of the Shop and the Customs Officer to ensure that items purchased by the passengers are not in commercial quantities, that the sale value (ITP) has been correctly adjusted, against free allowances, that the taxable items do not exceed the ITC limit; admissible to the passenger and that no unauthorized clearance takes place from the Shop. Customs Officer shall also be responsible for making necessary entry showing the invoice number and date, the value (ITP) of the goods purchased by the passenger, the adjustment made against free allowances and taxable allowances, and the taxes recovered. Endorsement shall be retained with the Customs copy of the invoice for record and post-audit.
- (iii) Each bonded outlet of the <sup>141</sup>[Duty Free Shops] shall maintain complete and upto-date Sale Register and Stock Register in the form prescribed in Annexure "D" and Annexure "E" respectively, which will show the stock position of the goods on daily basis. The entries in the aforesaid Registers shall be checked by the Customs Officers Incharge of the <sup>142</sup>[Duty Free Shops] Outlet at least once in a week and he shall record his dated observation and report in the remarks column of the Register on each such occasion. He shall also submit a monthly report to the Assistant Collector about the affairs of the shop outlet showing various details. In addition to this regular check the Assistant Collector/Deputy Collector and Superintendent of Customs shall pay surprise visits to ensure that no irregularity is committed. Any irregularity detected shall be reported immediately to Assistant Collector.
- (iv) If the passenger desires to purchase an item within the duty free/dutiable allowances admissible to him under the Baggage Rules or the Transfer of Residence Rules Customs Rules, 2001 and that item is not readily available at the outlet, the Duty Free Shops Limited may make advance sale of the item subject to the following conditions:-
  - (a) A separate invoice is issued for this purpose with the words. "ADVANCE SALE" conspicuously inscribed on the top thereof.
  - (b) The price of the item in foreign exchange and the taxes in Pak Rupees shall be paid by the passenger in advance on the date of invoice. In case of such advance sale, the date of invoice shall be treated as the crucial date for the determination of value and rate of taxes applicable.
  - (c) <sup>143</sup>[Duty free shops] undertakes to deliver the goods within four months of the date of advance sale or within the validity whichever is later.
  - (d) The advance sale is endorsed by the Customs Officer.
  - (e) While giving delivery against invoice of advance sale, necessary entries shall be made in the Stock Register and the customers copy and <sup>144</sup>[Duty free

141 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

142 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

143 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

144 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

shops]. copy of the invoice shall be stamped "Delivered on (date)" and shall be countersigned by the <sup>145</sup>[Duty free shops] staff and the Customs Officer.

- (f) Where advance sale has been made its cancellation shall not be allowed. The passenger shall, however, be entitled to claim refund of price as well as taxes paid by him if <sup>146</sup>[Duty free shops] fails to deliver the goods within the period mentioned in (c) above.
- (g) Booking and delivery of goods sold in advance shall be allowed to the passenger in person and not to his representative. This condition shall be prominently indicated by <sup>147</sup>[Duty free shops] on the invoice.
- (v) Generally, purchase of goods in excess of the free/taxable allowances shall not be permitted from the <sup>148</sup>[Duty free shops] City Outlets. However, where due to the purchase of one single item of non-commercial nature, the value exceeds the taxable allowances and makes it liable to ITC restrictions, the purchase of such one single item may be allowed by the Assistant Collector of Customs provided that:
  - (a) The value of the item being purchased is not more than 200% of the taxable allowances still available to him;
  - (b) The Assistant Collector imposes a line amounting to not less than the amount of deficiency being adjudicated;
  - (c) The purchase is fully covered as per documents attached to the Customs copy of the invoice.
- (vii) TV/Radio license fee shall be paid by the Customer while purchasing such items in accordance with the existing procedure.
- (viii) Where the customer so desires, the amount of duty, sales tax and other charges may also be paid in foreign currency and in such cases the bank shall issue receipts in terms of equivalent foreign currency in terms of Board's letter No. 5(4)-L&P/82, dated 2nd February, 1982.
- (ix) The passenger shall appear personally at the Duty Free Shops outlets to purchase an item. The purchases shall not be allowed through passenger's-representative".
- (x) The <sup>149</sup>[Duty free shops] Incharge and the Customs Officer shall ensure and verify that the representative produces the original of the passenger's passport along with the authority and representative's Identity Card. After verifying these original documents and satisfying about the genuineness of the representative authority, the sale may be made to such representative if the authority is duty-accepted by the <sup>150</sup>[Duty free shops]. Incharge and the Customs Incharge of the respective City Outlet. In all other cases, the sale to the representatives shall not be allowed.

#### ANNEXURE "A"

#### <sup>151</sup>[DUTY FREE SHOPS]

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- 145 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003
  - 146 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003
  - 147 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003
  - 148 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003
  - 149 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003
  - 150 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003
  - 151 . Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

No. of Indent \_\_\_\_\_

Date \_\_\_\_\_

Name & Location of the Indenting Sales Outlet \_\_\_\_\_

**INDENT OF DEMAND AND TRANSFER ISSUE VOUCHER**

S. No.	Description of Items	Accounting Unit	Total Quantity demanded	Date of Issue	Page. reference of Warehouse. Stock Register
1	2	3	4	5	6

Quantity Issued	Signature of the Warehouse Incharge	Signature of escorting officer	Signature of Shop (Outlet) Incharge	Page reference of the Outlet Stock Register of entry	Remarks
7	8	9	10	11	12

**ANNEXURE "B"**

<sup>152</sup>[DUTY FREE SHOPS]

**AIRPORT TERMINAL SHOP NO. \_\_\_\_\_  
KARACHI/ISLAMABAD/LAHORE/PESHAWAR**

BOOK NO. \_\_\_\_\_

S. NO. \_\_\_\_\_ DATE \_\_\_\_\_

NAME \_\_\_\_\_

NATIONALITY \_\_\_\_\_

PASSPORT NO. \_\_\_\_\_ DATE & PLACE OF ISSUE --

FLIGHT NO. \_\_\_\_\_ FROM/TO \_\_\_\_\_

S. No.	Item	Unit Price	Total qty.	Total Cost

TOTAL AMOUNT IN WORDS: US DOLLARS \_\_\_\_\_

E & O.E.

Signature of Sales Staff \_\_\_\_\_ Staff No. \_\_\_\_\_

No. \_\_\_\_\_

**ANNEXURE "C"**

<sup>153</sup>[DUTY FREE SHOPS]

(CITY SALES OUTLET)

Serial No. \_\_\_\_\_

Date \_\_\_\_\_

Name \_\_\_\_\_

Fight No. & Place of Landing \_\_\_\_\_

<sup>152</sup>. Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

<sup>153</sup>. Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

Nationality -----

From Where Landed-----

Passport No. -----

Duration of Stay Abroad-----

Date &amp; Place of Issue-----

S.No.	Description of goods make, model and serial number if any	Unit price in foreign exchange	Quantity sold	Total cost paid in foreign exchange
1	2	3	4	5

Unit LT.P. in foreign exchange	Total assessable value in foreign exchange	Rate of duty	Amount of duty in foreign exchange	Rate of Sales Tax
6	7	8	9	10

Amount of Sales Tax in foreign exchange	Misc. Payment		Total Payment of taxes & charges	Import value (Pak Rs.)	Amount of W.H.T. (Pak. Rs.)
	Head	Amount			
11	12	13	14	15	16

Payments (Cost in foreign exchange in words)  
(Taxes and charges (in Pak Rs.-----))

Signature of the  
Customer-----Signature of the Sales  
Staff -----  
& Staff No.-----Signature of Customs  
Officer-----**ANNEXURE "D"**

<sup>154</sup>[DUTY FREESHOPS]  
SALES REGISTER

Page No.-----

S. No.	Date	Passenger's name & Passport No.	Invoice No.	Description Model, quantity Of goods sold	Value of sale (US\$)
1	2	3	4	5	6

ITP cleared free of taxes (Pak Rs.)	ITP cleared on taxes (Pak Rs.)	Total ITP (Pak Rs.)	Total taxes (Pak Rs.)	Initials of <sup>155</sup> [Duty free shops]. Incharge	Initials of Customs Officer Incharge	Remarks
7	8	9	10	11(a)	11(b)	12

**ANNEXURE "E"**

<sup>154</sup>. Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

<sup>155</sup>. Substituted vide CGO No. 4 of 2003 dated 30<sup>th</sup> May, 2003

156 **[DUTY FREE SHOPS]**  
**STOCK REGISTER**

Page No.-----

DESCRIPTION OF GOODS-----

MAKE-----

MODEL NO.-----

SIZE/UNIT OF PACKING-----

S. No.	Date	Into-Bond B/E Transfer document No. & date	IGM No. & date and index No. where applicable	Quantit y entered	CIF value of entry
1	2	3	4	5	6

Total in stock		Cash Memo Nos. Transfer issue No. & date	Quantity issued	CIF value of issue	Stock in B and		Remarks
Quantit y	CIF value				Quantity	CIF value	
7(a)	7(b)	8	9	10	11	11(a)	12

**ANNEXURE "F"**

"I, ----- son/daughter/wife of Mr.----- a national  
of----- holding Passport No.----- issued at-----  
----- on----- do hereby authorize my----- (specify relation)  
Mr./Mrs./Miss.-----holder of National Identity Card No.---  
-----whose specimen signature is given below to purchase  
the items within the allowances admissible to me from the Duty Free Shops City Outlet at-----  
-----

I do hereby declare that these goods shall not be sold by me or my representative in any manner.

(Specimen Signature of  
the Representative)

(Signature of the Passenger)

Full address -----

Full address in Pakistan

-----  
-----

-----  
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**5. Off-the shelf delivery.**--Notwithstanding the procedure laid down in clause 4 above, items like pens, watches, clocks, cigarettes, cigars, cigarette lighters, sunglasses, calculators, audio/video cassettes, foodstuff, confectionery, perfumes and toilet requisites, shavers; cameras and camera accessories, imitation jewellery., toys juicers, toasters etc. shall be allowed to be sold within the allowances available and delivered at special counter's in accordance with the following procedure:

- (i) For this purpose special enclosed counters shall be arranged within the display area of Duty Free Shops complexes.
- (ii) Such special counters will be manned jointly by Customs Staff, bank staff 'and Duty Free Shops staff. After selecting items, the passenger shall submit his documents to



the Customs Officer and then make payment to the Bank Officer and take delivery of the items from the same counter.

- (iii) The items so sold shall be delivered in specially made small shopping bags and a copy of the invoice shall be stapled on the shopping bag. The shopping bag will be delivered to the passenger at the delivery point near the exit by the Duty Free Shops staff. The invoice will be collected by the uniformed Duty Free Shops employees at the exit.
- (iv) Customs Staff will carry out random checks at the exit to see that the shopping bag of a customer contains items in accordance with the invoice.

**38. Collection of withholding tax.**—The amount of withholding tax payable either by the passenger or M/s. Duty Free Shops Ltd. shall be paid in the following manner as prescribed under sales invoice Annex 'C'.

- (a) In case of sale of items to a passenger covered under dutiable as well as duty free allowances permissible under the Baggage Rules, withholding tax shall be paid by the DFSL on the import value declared by them in the bill of entry at the time of in-bonding to which the goods in question relate (without addition of element of customs duty and other taxes) subject to provisions of section 25 read with section 30 of the Customs Act, 1969.

Provided that the aforesaid import value and marks numbers of goods correlate with that given in the relevant into-bond bill of entry to the satisfaction of the Superintendent customs incharge DFSL. In case M/S. DFSL fail to correlate and provide the aforementioned information, withholding tax shall be charged on sale value as charged by the DFSL from the passengers. The withholding tax so recovered shall be credited to the relevant head of account.

- (b) In case of sale of items covered under dutiable allowances of a passenger, the amount of withholding tax shall be charged from the passenger on the amount constituting customs duty and taxes leviable thereon. The withholding tax so recovered shall also be credited to the relevant head of account.

**39. Admissibility of duty drawback.**— Consequent upon the Economic Co-ordination Committee's decision taken in its meeting held on the 1st December, 1985, the Central Board of Revenue extended the facility of duty drawback to locally manufactured / assembled refrigerators, air conditioners, deep-freezers washing machines etc, sold to duty free shops, payments by the Duty Free Shops are made in foreign currency and a remittance certificate from the State Bank of Pakistan or any authorized dealer in foreign exchange is produced before the customs authorities at the time of claiming duty drawback on the goods so supplied.

As in the case of normal exports, CBR will determine the amount of Duties and taxes paid on components/parts used in the manufacture of finished articles. For this purpose the manufacturers/suppliers of the goods may apply on the prescribed Form 'S' alongwith the required worksheets to the CBR. with a copy to the concerned Collector, Central Excise and Customs, and, in case of Karachi to the Collector of Customs (Preventive), Karachi, for survey fixation and of duty drawback rates and subsequent Notification by the Central Board of Revenue.

In all those cases where duty drawback rates have already been fixed, the same would apply to all supplies made to Duty Free Shops Limited.

<sup>157</sup> [\*\*\*]

## CHAPTER – XII

### VALUATION

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157 . Chapter XI and the serial number relating thereto were omitted vide CGO No. 10 of 2007 dated 28<sup>th</sup> August, 2007



**41. Valuation of second hand machinery.**--The assessable value of second hand machinery shall be determined in accordance with the following principles, namely:-

If the original price of such machinery is available then the original price will be depreciated by 7.15% per each year of the age of such machinery, reaching a maximum depreciation of 50% of the original price in seven years to arrive at the F.O.B. value.

If the original price is not available, and if the price of the latest model of such machinery is available, then, the price of the latest model will be depreciated by 10% per each year for the first three years and 5% per each year for the remaining four years, of the age of the second-hand machinery reaching a maximum depreciation 50% in value of the latest model to arrive at the F.O.B. value of the second-hand machinery.

In other words, a seven-year-old machine will get the maximum concession of 50% free of its original price from the price of its latest model in case the original price is not available.

If both the original price and the price of the latest model are available, then, the higher FOB value will be taken for assessment.

If both these prices are not available then the FOB value will be appraised on the basis of the following factors, namely:-

- (a) Type of machinery.
- (b) Condition of machinery.
- (c) Country of origin/manufacture, and
- (d) Evidence of value of new, re-conditioned and old.
- (e) machinery, available with the customs authorities:
  - (i) if, such machinery is reconditioned, then 10% of the FOB value determined on the basis of the above principles will be added to arrive at the FOB value for assessment: and
  - (ii) assessable value shall consist of the FOB value, as determined in accordance with the principle mentioned above plus freight insurance, commission (if any) and 1 % Landing Charges.

**Conditions:-**

- (i) The importer will provide information regarding the year of manufacture, country of origin, make and model number of the machinery and its original price.
- (ii) No depreciation shall be allowed for age above 7 years from the year of manufacture of such machinery.

**Explanation:**

‘Original price’ means the normal selling price of the manufacturer of such machinery when it was originally manufactured.

**42. Insurance charges as part of CIF value of imports for purposes of assessment of duties and taxes.**--According to sub-section 2(a) of section 25 of the Customs Act, 1969, customs value of imported goods is to be determined after making compulsory adjustments to the price actually paid or payable, determined as per sequential methods of valuation. The cost of insurance which is one of such adjustments is required to be added to the price actually paid or payable for the imported goods, if not already included in the price. The addition to the price actually paid or payable is to be made on the basis of objective and quantifiable data.

2. In view of the legal position given in para 1 above, CBR is of the view that in cases where actual insurance memos are issued by the insurance companies, the actual amount paid may be accepted as the cost of insurance. In cases where valid evidence of actual amount of insurance paid is not available, the insurance cost may be added in accordance with the import tariff schedule

(insurance rates) issued by Insurance Corporation of Pakistan for determination of customs value under section 25 of the Customs Act, 1969.

3. Field formations are required to compute the insurance charges of imported goods accordingly.

**43. Landing and unloading charges.**--Landing or unloading charges as are actually incurred are includible in the value for import purposes. Since landing or unloading charges are normally included in the wharfage dues recovered from the importers, a flat rate of 1 %o should be applied to the total of the invoiced amount, the insurance charges and the cost of freight if evidence is lacking in regard to the actual amount charged. Any "No charge certificate" issued by an agency other than the competent authority would not be acceptable. No conventional addition need be made in the case of air freight where no such charge is actually incurred.

<sup>158</sup>\*\*\*]

## CHAPTER - XIII

### EXPORTS

**45. Procedure for the implementation of DTRE rules.**--Under the Duty & Tax Remission for Exporters (DTRE) scheme (Rules 296-307 of SRO 450(I)/2001 dated 18-06-2001), the following procedures are laid down for the guidance of Collectors of Customs, Sales Tax and Central Excise.

**(i) Application Approval:**

1. The Approving Collector shall establish a DTRE approvals section under an Assistant Collector/Deputy Collector.
2. DTRE application forms (Appendix 1 of Sub-Chapter 7 of Chapter XII of SRO 450(I)/2001 dated 18.06.2001) shall be submitted in triplicate to an Assistant Collector/Deputy Collector, who will immediately verify that all the sections have been duly completed and that the required documentation is attached. He will then issue an application form receipt to the applicant in the attached format (Annexure-1). If the application is defective it shall be returned with an explanation note in the attached format (Annexure-2).
3. The Assistant/Deputy Collector shall then carry out a scrutiny of the application form and the supporting documents as follows:
  - a. To verify the nature of the application i.e. direct exporter (manufacturer-cum-exporter or commercial exporter) operating under rules 297(1), 297(2), 297(3) or 297(4) or indirect exporter operating under rules 297(1) and 297(2).
  - b. To verify the contents of the export contract for applications made under rules 297(1), 297(2) and 297(3).
  - c. To verify compliance with pre-qualification requirements regarding export performance for application under rule 297(4).
  - d. To take note of the relationship between the estimated input to output ratios declared in Section (t) of the application form and to verify their consistency directly in relation to the description of the production process (including estimated wastage elements) as set out in Section (e) of the same form. Where an application is made by an indirect exporter, the validation of Sections (t) and (e) of his application form should be undertaken independently of the corresponding section already submitted by the direct exporter in his own application.

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<sup>158</sup> . Paragraph 44 omitted vide CGO No. 8 of 2011 dated 6<sup>th</sup> October, 2011

- e. To verify the PCT headings of the input goods along with the applicable tax and duty rate.
  - f. To verify all other documentary requirements as specified in the attached Approver's Checklist (Annexure-3).
4. All complaint applications shall be entered in a DTRE Application Register, specifying the date of receipt the exporter registration number and the PCT Chapter heading of the intended exports.
- <sup>159</sup>[5. The Assistant Collector/Deputy Collector shall submit the application form along with accompanying documents to the Collector with his recommendations.
6. The Collector may approve or he may, for reasons to be recorded in writing, reject the application.”]
7. On approval, the Assistant/Deputy Collector shall stamp the application forms accordingly with the approval number and issue the following to the applicant along with a copy of the application:--
- (a) DTRE acceptance letter in the attached format (Annexure-4). For the purpose of security bonding, an indirect exporter shall be treated as a manufacturer-cum-exporter under rule 297(2).
  - (b) An account sheet for imports in the attached format (Annexure-5).
8. Rejected applicants shall be informed immediately in writing together with a detailed explanation. The applicant can refer rejected applications to the Approving Collector for review. The Collector shall decide the matter within three days of receipt of such a review application.
9. The Assistant Collector/Deputy Collector shall ensure that the approval code number is entered against the applicant's export registration number in a separate DTRE Approvals Register. Along with export PCT heading, the anticipated quantity and value and the total value of the duties and taxes requested for suspension and the type of the security required against liability for these duties and taxes.
10. The approval code number shall have 11 characters in the following order:
- (a) Three character geographical code of the Collectorate.
  - (b) Two digit month number.
  - (c) Two digit number.
  - (d) Four digit approval sequence number.
11. The Collector shall ensure that the final approval or rejection letter is issued to the applicant within ten calendar days after submission of the duly completed DTRE application forms.
12. The DTRE approval number, validity period, exporter name and registration number, the approved input quantity and type of security required against duty and tax liability shall be distributed to all Collectors of Customs, Central Excise and Sales Tax for information in the prescribed format (Annexure-6). The third copy of the approved application form along with a copy of the acceptance letter shall be forwarded to the Duty Suspension Audit Office (DSAO) which has been established to supervise the utilization of duty and tax suspension for all imported and domestic source inputs under the DTRE and other duty suspension rules.
13. The DSAO shall maintain a computerized record of all DTRE approvals.

**(ii) Import Clearance:**

14. The applicant shall enter the SRO reference and the DTRE approval number on the bill of entry at the time of clearance of imported goods.
15. The appraising officer of the relevant group shall record the quantity of imported input goods in the relevant account sheet and calculate the outstanding balance.
16. The applicant shall submit an indemnity bond to the Customs Collectorate in respect of the duties and taxes suspended as specified under annexure-6.
17. Immediately after clearance, the appraising officer shall inform the DSAO on the, prescribed form (Annexure-7) as to the quantities and values cleared for import, their PCT headings and the date and reference number of the Bill Entry.

**(iii) Domestic Supplies:**

- 18 Goods sold from domestic suppliers to a direct or indi; exporter under the DTRE rules are eligible for zero rating all indirect taxes. Prior to making the first purchase of the goods, the exporter/indirect exporter is required to submit the DSAO a security bond as specified under Annexur1 sufficient to cover the actual taxable values of the go purchased.
19. To claim the input tax adjustment, a domestic supplier (is not registered for this purpose as an indirect exporter) shall provide a copy of each invoice directly to the DSAO alongwith a declaration in duplicate in the prescribed for (Annexure-8) duly endorsed by the exporter concerns Where relevant the domestic supplier shall also attach a co of AR3.
20. After verification of the exporter's approval number of PCT heading and the quantitative outstanding balances, the DSA shall endorse the declaration made by the domestic supplier and return one copy to him within three days for the purpose of claiming input tax adjustment. The DSAO shall also endorse and return the AR3 if any.
21. Should the DSAO refuse to endorse the declaration made by the domestic supplier in whole or in part, it shall so inform him within three days with its reasons on the prescribed for (Annexure-9).
22. In case of non-endorsement under Para 21, the DSAO shall issue a Show Cause Notice to the exporter within three days on the prescribed form (Annexure-10).
23. The DSAO shall immediately update in exporter records.

**(iv) Export:**

24. The applicant shall enter the SRO reference and DTRE approval number on all relevant bills of export (shipping bills).
25. Immediately after clearance, the appraising officer shall inform the DSAO on the prescribed form (Annexure-11) as to the quantities and values cleared for export, their, PCT headings and the date and reference number of the shipping bill.
26. Each approval 'under DTRE rules shall be audited by the DSAO within a maximum of 3 months from the expiry of the utilization period or of receipt of the exporter's reconciliation statement (Appendix 2 of Sub-Chapter 7 of Chapter XII of SRO 450) whichever is the earlier.
27. The DSAO shall provide a copy of the validated audit report to the exporter concerned and collect any outstanding taxes and duties. In case the applicant does not agree to payment or the DSAO has reason to believe that the exporter has made a false statement and is guilty of an offence under Section 32 of the Customs Act, 1969

the DSAO may forward the contravention case to the concerned adjudicating authority for necessary action under the provisions of the Customs Act, 1969.

**ANNEXURE-1**

**GOVERNMENT OF PAKISTAN  
COLLECTORATE OF \_\_\_\_\_**

To, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sir

**SUBJECT: RECEIPT OF DTRE APPLICATION**

This is to confirm that your duly completed application for the procurement of duty and tax free input goods solely for use in exports under the DTRE rules (Rules 296-307 SRO 450(1)/2001) have been received by this office on \_\_\_\_\_.

You should expect a response on your application from this office by \_\_\_\_\_  
\_\_\_\_\_.

Signed:

Assistant Collector of Customs

**ANNEXURE-2**

**GOVERNMENT OF PAKISTAN  
COLLECTORATE OF \_\_\_\_\_**

To, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SUBJECT: RETURN OF INCOMPLETE DTRE APPLICATION**

This is to inform you that the above application has been returned for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_

Signed:

Assistant Deputy Collector

**ANNEXURE-3**

**Duty and Tax Remission for Export Rules, 2001  
APPROVER'S CHECK LIST**

As a first step, the Customs approvers will check the application form (Appendix 1 of Sub-Chapter 7 of Chapter XII of SRO 450(1)/2001) to ensure that the exporters have filled out all the entries in the form. If there are any unfilled boxes, the form will not be processed further.

The second step is to compare the information mentioned in the documents attached with the corresponding entries made in the application form. Any inaccurate information will be returned to correction by the exporter before further processing. The documents that should be provided with the approval application form are listed below:

**A. Documents required from first time applicants:**

1. Copy of the company's incorporation certificate
2. Copy of CCI&E registration
3. Exporters national tax number certificate/evidence

**B. Documents required at the time of each application:**

4. A firm export contract between the exporter and foreign customer for an application under rule 297(2) or 297(3).
5. Also for application under rule 297 (1) only, a copy of the Performa Invoice between the applicant and his foreign and domestic materials suppliers is required. This is to provide an indication of the value and quantity of goods to be imported and used in the manufacturing for export.
6. For applications 297(1) and rule 297(4) , copies of the relevant Shipping Bills (Bill of Export) relating to the same PCT Chapter heading are required over a period of two years dating back from the date of application.
7. For both rule 297(1) and rule 297(4) applications, worksheets are required indicating the method and calculations involved in arriving at the stated input to output ratios. It should be noted that the worksheets submitted by commercial exporter need only reflect his general knowledge of the production process for the items which he intends to export as the actual usage of materials will be accounted for by the indirect exporter within the overall allowance given to the commercial exporter.
8. Where relevant a copy of Agreement between direct and indirect exporters.

**ANNEXURE-4**

**GOVERNMENT OF PAKISTAN**  
**COLLECTORATE OF \_\_\_\_\_**

C. No. \_\_\_\_\_

Date: \_\_\_\_\_

To,

Dear Sir

**SUBJECT: DTRE Application:- Approval No.**

1. Please refer your application dated: \_\_\_\_\_
2. You are hereby informed that approval is granted to you for the procurement of duty and tax suspended input goods solely for use in exports as specified in the Duty & Tax Remission for Exporters (DTRE) application form. The approval is non-transferable under any circumstances, except to indirect exporters under rule 297 (5) of Chapter XII, Sub-Chapter 7 of SRO 450(I)/2001.
3. The DTRE approval number above must be entered on all relevant Bills of Entry and Shipping Bills and also on all invoices subject to Sales Tax, Central Excise Duty and Withholding T.
4. The attached account sheets for imports and domestic purchases shall be submitted to the appropriate officer for duty suspended/zero rated clearance.
5. You are required to submit a reconciliation statement on the proper form (Appendix 11 of Chapter XII, sub-Chapter 7 of SRO 450(I)/2001) to the Duty Suspension Audit Office (DSAO), Central Board of Revenue, upon completion of the intended exports and in any case not later than \_\_\_\_\_

Failure to submit a properly completed reconciliation statement on time shall result in an automatic fine equivalent to 2 per cent of all duties and taxes stated in Section (d) of the other application form. The fine will be imposed irrespective of the actual amount of the duty and tax free purchases.

6. Clearance of duty suspended import goods under this approval shall be permitted by the Customs Collector against a valid security covering all tax and duty liabilities on such imports. Security against all suspended tax liabilities on purchases of domestic goods as specified in Section (d) of the above application form must be deposited with the DSAO prior to first purchase, whether this is for all or part of the amount approved, and should be sufficient to cover the actual taxable values of the goods purchased. The type of the security required for both imports and domestic purchases is as specified hereunder.

☐ Insurance Policy ☐ Indemnity bond ☐ Post dated Cheque ☐ Bank guarantee

Signed: (Name)

(Rank)

for: (Name)

Additional Collector of

**ANNEXURE-5**

**GOVERNMENT OF PAKISTAN**

**DTRE ACCOUNT SHEET (Imported input goods)**

Exporter's Name and Registration No. \_\_\_\_\_ DTRE approval No. \_\_\_\_\_

Date of Approval \_\_\_\_\_ Type of Security Bond required \_\_\_\_\_

Description of input goods: \_\_\_\_\_ PCT Heading of input goods: \_\_\_\_\_

Quantity allowed in words and numbers \_\_\_\_\_

Sr. No.	Bill of Entry Reference	Date	Quantity	Balance	Authorised Signature & Stamp

Descriptions of input goods: \_\_\_\_\_ PCT Heading of input goods: \_\_\_\_\_ Quantity allowed in words and numbers: \_\_\_\_\_

Sr. No.	Bill of Entry Reference	Date	Quantity	Balance	Authorised Signature & Stamp

Note:- Additional sheets can be attached if necessary to accommodate additional items (PCT Headings) and/or imports.

-----

**ANNEXURE-6**

**GOVERNMENT OF PAKISTAN  
COLLECTORATE OF \_\_\_\_\_**

To,

All collectors of Customs, Central Excise and Sales Tax

**SUBJECT: NOTIFICATION OF DTRE APPROVALS.**



Approval No. \_\_\_\_\_ Expiry Date \_\_\_\_\_ Type of Security Bond Required \_\_\_\_\_ Exporter Name \_\_\_\_\_

Exporter Reg. No. \_\_\_\_\_

PCT Heading	Approved Quantity	PCT Heading	Approved Quantity

Signed:  
Assistant Deputy Collector

**ANNEXURE-7**

**GOVERNMENT OF PAKISTAN  
COLLECTORATE OF \_\_\_\_\_**

To, DSAO

Dated: \_\_\_\_\_

**SUBJECT: CLEARANCE NOTIFICATION OF DTRE APPROVALS IMPORTS.**

Approval No. \_\_\_\_\_ Exporter Name \_\_\_\_\_

Exporter Reg. No. \_\_\_\_\_ Bill of Entry Reference: \_\_\_\_\_

Date Cleared: \_\_\_\_\_

PCT Heading	Import Quantity	Approved Value

Signed:

Appraiser

**ANNEXURE-8**

**GOVERNMENT OF PAKISTAN  
SALE OF ZERO RATED GOODS TO AN EXPORTER REGISTERED  
UNDER DTRE RULES**

DTRE Approval No. \_\_\_\_\_ Date of Approval: \_\_\_\_\_ Exporter's Name: \_\_\_\_\_ Domestic Supplier's Name and Sales Tax No. \_\_\_\_\_ Domestic invoice reference: \_\_\_\_\_ Date of Invoice: \_\_\_\_\_

Description of input	PCT Heading of input goods	Quantity	Value in Pak Rs.	Exporter's Authorised Signature and Stamp.

Copy of Invoice and relevant AR3 to be attached

**ANNEXURE-9**

**GOVERNMENT OF PAKISTAN  
DUTY SUSPENSION AUDIT OFFICE (DSAO) \_\_\_\_\_**

To, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SUBJECT: NOTIFICATION OF INVALID CLAIM FOR INPUT TAX ADJUSTMENT:  
(DTRE Approval No.)**

This is to inform you that your application for input tax adjustment in respect of the DTRE approval number has been disallowed for the following reasons.

Signed  
Assistant/Deputy Collector

**ANNEXURE-10**

**GOVERNMENT OF PAKISTAN  
DUTY SUSPENSION AUDIT OFFICE (DSAO) \_\_\_\_\_**

To, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SUBJECT: SHOW CAUSE NOTICE FOR NOTIFICATION FOR INVALID CLAIM FOR  
INPUT TAX ADJUSTMENT (DTRE APPROVAL No.)**

This is to inform you that an invalid claim for input tax adjustment endorsed by your company has been submitted to this office by \_\_\_\_\_ dated \_\_\_\_\_ in respect of your DTRE approval number \_\_\_\_\_. A copy of the claim is attached along with the notice of invalidity. You are now directed to show use within 10 days why disciplinary action should not be taken against you.

If no response is received within the stipulated time, the matter shall be decided ex-parte on its merits.

**Signed for DSAO**

( )

**ANNEXURE-11**

**GOVERNMENT OF PAKISTAN  
COLLECTORATE OF \_\_\_\_\_**

To, DSAO

Dated: \_\_\_\_\_

**SUBJECT: CLEARANCE NOTIFICATION OF DTRE APPROVALS EXPORTS.**

Approval No. \_\_\_\_\_ Exporter Name \_\_\_\_\_

Exporter Reg. No. \_\_\_\_\_ Bill of Entry Reference: \_\_\_\_\_

Date Cleared: \_\_\_\_\_

PCT Heading	Export Quantity

Signed:  
Appraiser

**46. Procedure for removal of raw-materials for the manufacture of goods by manufacturer-cum-exporters from the public bonded warehouses without payment of custom duties etc.**-In order to facilitate the manufacturer-cum-exporters of exported goods the provisions of section 99, 100 and 104 of the Customs Act, 1969 relating to bonded warehouses have been amended in the Finance Act, 1999. The Central Board of Revenue is pleased to prescribe the following procedure to carry out the purposes of these amendments:-

- (i) for sub-paragraph 1, the following shall be substituted:-

"I. An intending exporter i.e. any person or firm registered under the Sales Tax Act, 1990, as a manufacture-cum-exporter and a license under the Central Excise Act, 1944(1 of 1944), having a export order/contract in his favour for the supply of goods to a foreign buyer, shall be entitled to procure duty and taxes free input goods from a bonded warehouse appointed under section 12 or licensed under section 13 of the Customs Act, 1969 (IV of 1969), hereinafter called Bonded Warehouse; for use in further manufacture of goods meant for export."

- (ii) In sub-Paras 2 to 15, and appendices thereof the words "Warehouse", occurring, shall be substituted with the words "Bonded Warehouse".

2. He shall apply to the Collector/ Additional Collector under whose jurisdiction the public bonded warehouse is located in the prescribed format (Appendix-I) also containing written consent of the owner of goods, the goods required by him along with an application for issuance of an analysis certificate as prescribed in Appendix-II showing the input/output ratio of input goods viz-a-viz the finished goods along with wastage:

Provided that in case of finished goods in respect of which input/output ratio as referred to above has already been determined and Form 'S' issued the Board or an Analysis Certificate under rule 2(b) of S.R.O 1140(I)/97 dated the 6th November, 1997 has been issued, there determination of this by input/output ratio will not be undertaken by the concerned Collector.

3. The application as specified in para 2 above will be accompanied by an indemnity bond along with apost-dated cheque binding himself for abiding by the required conditions and payment of government duties and penalties in case of default as specified in Apendix-III for the leviable amount of duties and taxes.

4. After the determination of the input/output ratio as specified in para2 (above), the Collector/Additional Collector may procure goods from the Public Bonded Warehouse without payment of duties and taxes.

5. Under these rules, the Collector/Additional Collector may allow removal more than one Public School Bonded Warehouse. A Separate application and procedure as prescribed in para 2 will be followed in respect of each Public bonded Warehouse.

6. In case when such removal of goods is allowed to an exporter under the rules, name and the address of exporter alongwith other particulars together with claim under this Customs General Order shall also be mentioned on all the copies of the ex-bond bill of entry.

7. The owner of the Public Bonded Warehouse will maintain a certified copy of bill of entry of such removal made to exporters together with a master register in the format prescribed at Appendix-IV.

8. The owner of the Public Bonded Warehouse shall furnish a copy of records of all sales made to each exporter to Collector/ Additional Collector in the form of a return under his seal and signature duly verified by the Customs Officer in charge of the Public Bonded Warehouse on a quarterly basis.

9. The exporter shall maintain the record of goods manufactured and exported in the form as prescribed in Appendix-V.

10. The export of finished goods shall be made against the bill of export prepared by the exporter.

11. The bill of export tiled under Para 10 shall be endorsed "Export made partially/wholly from goods procured from Public Bonded Warehouse".

12. Export of goods manufactured under these rules shall not be permissible to any country by landroutes.

13. The goods procured from the public bonded warehouse will be consumed by the exporter and, the manufactured goods exported, within a period of six months from the date the goods are cleared from the public bonded warehouse:

Provided that, this period may be further extended for another six months by the Collector/Additional Collector having jurisdiction, and upon an application to this effect having been received from the exporter showing sufficient cause for this extension. If the goods are not exported within the stipulated period, the indemnity bond along with the post-dated cheque shall be enforced or encashed by the Collector/Additional Collector by availing the provisions of section 202 of the Customs Act, 1969 (IV of 1969), besides any penal action at his discretion.

14. Export under this procedure shall be deemed to have been made as required in rule-6 on the realization of foreign exchange as shown on Bank Credit Advice issued in accordance with Annexure-A to the State Bank of Pakistan's Circular No. 64, dated the 25th August, 1993, or as per provisions as prescribed.

15. The indemnity bond along with the post-dated cheque will only be discharged after the conditions as specified in the foregoing Para 14 have been fulfilled.

-----

#### **APPENDIX-I**

#### **APPLICATION FOR PROCUREMENT OF GOODS FROM PUBLIC BONDED WAREHOUSES**

Collector of Customs \_\_\_\_\_ Collectorate of Customs \_\_\_\_\_

I/We, M/s. \_\_\_\_\_ (S.T. Registration No.) intend to procure the following goods from Public Bonded Warehouse namely (PWL No.) for the manufacture and consequent export by our concern of finished goods namely \_\_\_\_\_

Description	Quantity	Value in Rs Rs. (per item )	Total Value	Rate of duty and taxes
(1)	(2)	(3)	(4)	(5)

Total amount of duty and taxes involved	Nature of further processing required
(6)	(7)

Consent of owner of goods

Name \_\_\_\_\_

N.I.C. No. (along with photo copy)

Countersignature of the Public Bonded Warehouse

Name \_\_\_\_\_

of Customs Officer Incharge of

N.I.C. No. \_\_\_\_\_

Name \_\_\_\_\_

Verified by me

Name \_\_\_\_\_

Designation \_\_\_\_\_

Signature \_\_\_\_\_

warehouse

**APPENDIX-II**

**COLLECTORATE OF CUSTOMS \_\_\_\_\_**

**ANALYSIS CERTIFICATE**

No. \_\_\_\_\_

Date \_\_\_\_\_

1. Name of manufacturer-cum exporter with address with S.T. Registration No. and also CTI number; (if any).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Address of the public bonded warehouse from which goods are sought to be procured

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Detailed specifications of the finished goods to be manufactured.

\_\_\_\_\_  
\_\_\_\_\_

4. Details of the goods to be used for the manufacture of the finished goods.

\_\_\_\_\_  
\_\_\_\_\_

S. No.	Goods	Per Unit requirement	wastage
(1)	(2)	(3)	(4)

(i)

(ii)

(iii)

(iv)

(v)

(vi)

(vii)

(viii)

(ix)

5. Average cost of input goods \_\_\_\_\_

6. Average incidence of duties \_\_\_\_\_ and taxes.
7. Average FOB value of \_\_\_\_\_ finished goods.
8. Any Special Instruction \_\_\_\_\_

Prepared by:

Signature Seal

Public Bonded warehouse

Licence No. \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Countersigned by:

Collector/Additional Collector of  
Customs

SIGNATURE OF EXPORTER

BUSINESS ADDRESS \_\_\_\_\_

Date \_\_\_\_\_

Serial No. \_\_\_\_\_

-----

**ON APPROPRIATE STAMPED NON-JUDICIAL,  
PAPER  
INDEMNITY BOND**

**APPENDIX-III**

This deed or indemnity is made on the \_\_\_\_\_ day of \_\_\_\_\_ between M/s. \_\_\_\_\_ who have registered office at \_\_\_\_\_ (hereinafter called "the exporters" which means and includes their successors, administrators, executors and assignees) of the one part, and President of Pakistan through the Collector/Additional Collector of Customs \_\_\_\_\_ (hereinafter called "the Collector/Additional Collector of Customs") of the other part:

WHEREAS, the Collector of Customs/Additional Collector of Customs has in accordance with its decision contained, in the procedure for the removal of raw materials for the manufacture of goods by manufacturer-cum-exporter from the Public Bonded Warehouse Rules for Exporters, 1999, has allowed to procure goods from the Public Bonded Warehouse, namely:-

- (i) observe rules, procedures and instructions that may be prescribed in respect of manufacture and export in terms the aforesaid rules;
- (ii) maintain detailed accounts as prescribed in respect manufacture and export of goods, etc.
- (iii) pay on demand all duties, taxes, repayment, rebates refunds, not levied or paid under the rules, on procurement of goods which are not accounted to satisfaction of the Collector/ Additional Collector of Custom and to pay any penalties imposed by the Collector/Additional Collector of Customs/ adjudicating officer for violation of the rules or the Acts;
- (iv) abide by such further conditions imposed by the Collector Customs as may be necessary for the purposes identification and accounting of input goods used in manufacture of goods;
- (v) keep the manufacturing facilities open for inspection by Customs officer;

- (vi) hand over the procured goods which are not consumed within the stipulated period for disposal as per rules; and
- (vii) hand over the manufactured goods not cleared for export or home consumption within the stipulated period for disposal as per rules. NOW,

NOW, THESE PRESENTS WITNESS that in pursuance of this BOND the exporters M/s. \_\_\_\_\_ hereby agree to indemnify the said Collector of Customs for loss of revenue to the extent of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) and also against costs and expenses which may be incurred by the Collector/Additional Collector of Customs in recovery of the above amount of revenue.

It is further, agreed that the above amount may be recovered as an arrears of land revenue under sub-section (2) of section 202 of the Customs Act, 1969 (IV of 1969), if the manufacturers fail to abide by any condition laid down in the aforesaid rules;

IN WITNESS WHEREOF the parties hereto have here into put their hands and seals the day above written.

(1) M/s. \_\_\_\_\_  
(address)

(2) (name and permanent address) for  
and on behalf of President

#### **WITNESSES**

1. (Signature, name, designation, full address and N.I. C. No.)

2. (Signature, name, designation, full address and N.I. C. No.)

Note. (1) The witnesses should be government servants in BPS 16 or above or Oath Commissioner, Notary Public or an Officer of a Scheduled Bank,

(2) This Bond should be based upon proper collateral security in the shape of NIT units, Defence Saving Certificates, Khas Deposit Certificates, Bearer Bonds and such other securities which banks generally accept for extending credit.

#### **APPENDIX-IV**

#### **RECORD OF IMPORTED GOODS OF REMOVAL TO EXPORTS FROM PUBLIC BONDED WAREHOUSE**

Registration No. of the  
Public Warehouse

Opening and closing balance of imported Input goods	B/E no. and Date	IGM No.	Quantity Item-wise	Value Item-wise Weight-wise	Rate of Duty on each item	Assessed Duty for each Item	Other Taxes	Total Assessed	Goods Removed For manufacture Of Finished Goods by Exporter	Balance
1	2	3	4	5	6	7	8	9	10	11
As on 1 <sup>st</sup> day of Quarter										
In the Last day of Quarter										

First and Third Copy: For Exporter

Signature of Licensee \_\_\_\_\_  
Name \_\_\_\_\_



Second Copy : For Collectorate of Customs	Name & Signature of Custom Officer _____
Fourth Copy : For the licensee of public Bonded Warehouse	Incahrge PBW _____
	Date _____

## APPENDIX-V

Opening and closing balance of imported Input goods	Quantity of each Raw Material received	Name of Public Bonded Warehouse from which received	B/E No. 7 date and IGM No. date	Input/ Output ratio	Quantity of Goods Manufactured	Time limit for export of manufactured goods	Goods exported on which date S/B No. 7date, if not exported has extension been obtained	Quantity of Factory rejects	Details of manufactured goods removal	Balance quantity of Input goods	Remarks
1	2	3	4	5	6	7	8	9	10	11	12
As on 1 <sup>st</sup> day of Quarter											
In the Last day of Quarter											

Signature \_\_\_\_\_  
Name & Designation \_\_\_\_\_  
N.I.C No. \_\_\_\_\_

**47. Condonation of delays in filing export rebate claims--**In order to remove the hardships being faced by the exporters on account of condonation of delay in tiling the duty drawback claims, the CBR is pleased to order that:--

- (i) for the purpose of counting delay' in filing rebate claim, it shall continue to be counted after 210 days of the date of shipment/exportation (M.R., date) till the date of filing of the claim;
- (ii) delay in the filling of duty drawback claims on account of late Receipt of sale proceeds shall stand condoned in the cases of claims filed within 180daysfrom the date of realization(given on the BCA/Annexure-A) notwithstanding the period of Delay;
- (iii) the delay in filling duty drawback claim after 210days of the date of exportation (Mate receipt date) and after 180 days of the realization of the Foreign Exchange shall be condoned by the offices of the Collectorate within their respective jurisdiction of sanctioning of claims prescribed. While seeking condonation, the exporter will have to justify that the delay was beyond his control; and
- (iv) in such cases where the claim is rejected being time bareed , the concerned officer would issue an appealable order enabling the exporters to file an appeal under section 193 of the Customs Act, 1969.

**48. Rebate on remittance in Pak Rupees,--**the Audit has raised an Objection that under section 12 of the Exchange Regulation Act 1947, read with CBR's C. No.3 (67)-SS (CR)/85, dated 2<sup>nd</sup> October, 1988 and even number dated 13<sup>th</sup> June, 1988 the repatriation of sales proceeds in foreign exchange is a basic requirement for each exporter and no rebate is admissible where sale proceeds of the exported goods is realized in Pak Rupees.

2. In this regard Para 6 of Chapter 12 of Exchange Control Manual Is reproduced as under:--

Full export value of the goods exported from Pakistan and declared to the Customs authorities should be received in an approved manner as embodied in the State Bank's Notification No. FE. 5/72-SB Dated 27<sup>th</sup> December, 1972 within a period of four months from the date of Shipment /posting as the case may be , through an authorized dealer either in convertible foreign currency in which the Authorized Dealer maintains accounts However where the terms of sale irrevocable letter of credit provide for payment on 120 days issuance from the date of shipment/posting, it shall be permissible for the exporter to repatriate the export proceeds within 135 days from the date of shipment/posting. Prior approval of the State Bank should be obtained before arranging for payment in any manner other than indicated above."

3. In view of above the CBR clarifies that the rebate is admissible in similar cases where export proceeds are received in Pakistan from abroad in Pak rupee provided that these are remitted from a Pak rupee non-resident account.

**49. Approval of claims for export rebate.--**Tine powers to allow export rebate, after due process of law, due observance of the rules made, and due compliance with the valid instructions issued, thereunder, exercisable at various levels in a Collectorate, are subject to the monetary limits specified below:

S. No.	Description Of the Authority	Maximum Monetary Limit
(1)	Principal Appraiser/Superintendent.	Not exceeding Rs. 25,000/-
(2)	Assistant Collector (BPS-17).	Not exceeding Rs. 2,00,000/-
(3)	Assistant Collector (BPS-18).	Not exceeding Rs. 3,00,000/-
(4)	Deputy Collector.	Not exceeding Rs. 10,00,000/-
(5)	Collector.	No limit.

**50. Procedure for expeditious clearance of the vehicle at the time of importation for use in Export Processing Zones allowed vide CBR U.O. No. 1980-81-CUS-EX/5(17), dated 11th April, 1982.-**<sup>160</sup>[In pursuance of exemption from the payment of whole of Customs Duty and Sales Tax granted on the goods imported into and exported from the Export Processing Zone and permission granted to the industrial undertakings established in the Export Processing Zone for duty free import of vehicles for handling and transportation of the goods outside the limits of Export Processing Zone and further the duty free import of a car for office use not exceeding 1600CC engine capacity and a vehicle for transport of labour by each industrial undertaking under Rule 228 of SRO. 450(I)/2001, dated the 18th June, 2001. The following procedure is prescribed for expeditious clearance of the vehicle at the time of importation.]

2. While tiling the B/E for free clearance of vehicles under purview of the above orders the importing industrial undertaking shall produce a certificate from the Export Processing Zone Authority concerned along with full particulars of each vehicle to the effect that:

- (i) the vehicle was within the scope of prescribed exemption, and
- (ii) the Export Processing Zone Authority concerned undertook to ensure that the vehicle shall be used exclusively for the purpose for which it had been imported and that the same shall not be sold transferred and disposed of without prior permission from the

160 . In Chapter XIII, Paragraph 1 against S. No. 50 was substituted vide CGO No. 4 of 2004 dated 12<sup>th</sup> June, 2004

Chief Controller of Imports & Exports and the Central Board of Revenue and on payment of taxes leviable thereon for which the authority concerned was responsible. Provided that the vehicles imported by Zone investors would be allowed to be disposed off after five years of their import and usage and on leviable duties on the depreciated value of the vehicles as allowed to privileged persons.

On filing of the B/E with the certificate and other related documents, duty free clearance of the vehicle shall be expeditiously allowed after completion of formalities.

3. A copy of the certificate issued by the EPZ authority referred to in para above shall be endorsed to the Secretary (Customs), Central Board of Revenue, Islamabad for information and record.

4. A master register shall be maintained by the group concerned in the Custom House, Karachi to account for the importation and subsequent disposal of such vehicles in the enclosed proforma (Annex) Separate pages will be allotted to individual industrial undertakings who import such vehicles.

5. The EPZ authority concerned shall also maintain a register on the proforma referred to in the above para as a permanent record. All imports of vehicles meant for handling and transportation of the goods as well as the import of car for office use and a vehicles for transport of labour shall be entered in the said ledger, serial number of the entry in the register shall be shown on the triplicate copy of the Bill of Entry and to the vehicle under the serial number EPZ No. This serial number will be displayed on a plate number to be affixed on each such vehicle. This will facilitate the physical check of the vehicle imported by the individual industrial undertakings.

6. Triplicate copy of the Bill of Entry shall be retained by the EPZ authority concerned and shall be maintained as a permanent record along with the register prescribed above.

#### LEDGER

Name of Vehicle	Model No.	Engine No.	No. of Chassis	Date	IGM No.	Index No.
1	2	3	4	5	6	7

Country whence Consigned	Name of the Firm	Rate of Customs Duty	Rate of Sales tax	Other Taxes	Export Shipping Bill No.	Authority for Local Sale
8	9	10	11	12	13	14

Value Assessed	Amount of Customs Duty Paid	Amount of Sales Tax Paid	Amount of other taxes paid	Cash No.	Remarks
15	16	17	18	19	20

**51. Procedure for payment of Duty Drawback (Claim Payment) Rules, 1998 (SRO 905(1)/98, dated 12.8.1998 (now sub-chapter 2 of chapter XII of SRO. 450(1)/2001, dated 18.6.2001).**-In order to expedite repayment of duty drawback and to ensure quick disposal of such claims, an amendment in the budget 2000-2001 has been made in Duty Drawback vide Customs Rules, 2001 dated 18.6.2001 adding sub-rule (4) in rule 4 of SRO. 905(1)/98 dated 12.08.1998 (now sub-chapter 2 of chapter XII of SRO. 450(1)/2001, dated 18.6.2001) which provides repayment of the 70% of the claimed amount within 24 hours subject to submission of complete claim comments. The rest of 30% would be paid within 30 days after thorough scrutiny of the claim and necessary verifications.

2. The following instructions are issued to ensure the timely payment of such duty drawback claims for strict compliance by all concerned:

- (i) The claim tiled under sub-rule (4) of Rule 4 of Duty Drawback (Claim Payment) Rules, 1998 Customs Rules, 2001, dated 18.6.2001 shall bear the following endorsement on top corner of the claim.

"Duty drawback claim under sub-rule (4) of Rule 4 of SRO 905(1)/98 dated 12.8.1998 (now sub-chapter 2 of chapter XII of SRO. 450(I)/2001, dated 18.6.2001) by M/s. \_\_\_\_\_

- (ii) Duty drawback claim tiled under sub-rule (4) of rule 4 of Duty Drawback (Claim Payment) Rules, 1998 Customs Rule, 2001 shall be supported by documents such as:

- (a) Quadruplicate copy of bill of export/shipping bill containing customs examination report, mate receipts and bearing complete postal address of exporter and National Tax Number.
- (b) Bank Credit Advice.--In case of non-submission of bank credit advice, a bank guarantee shall be submitted in lieu thereof. In absence of either the bank credit advice or bank guarantee, bank attested copy of L.C shall be submitted in case of exports made against letter of credit.
- (c) Airways bill, Bill of Lading.
- (d) Customs certified invoice.
- (e) Packing list (if any).
- (f) Calculation sheet.
- (g) Proformas of rebate payment orders.

- (iii) Claim so tiled shall be sanctioned provisionally for payment of 70% of the amount claimed within 24 hours of its filing.

- (iv) The balance amount found admissible after thorough processing and scrutiny of these claims shall be paid within 30 days of the tiling of the claim and the sanction shall be finalized.

- (v) All duty drawback claims so tiled shall be subjected to normal scrutiny required in such cases after the provisional sanction indicated at (ii) above. No aspect of the scrutiny and examination of these claims shall be neglected on the pretext of expeditious disposal.

- (vi) In all cases where a laboratory test is required, the Customs Laboratory shall ensure that test reports are sent in serial order on first come first served basis. in case the number of items samples to be tested are very large the concerned Custom House Collectorate may seek assistance of PCSIR or any other laboratory of the Federal Government. The dispatch and receipt of the samples collected at export end for onward transmission to the laboratory/Rebate Section will be the responsibility of the Customs authorities and not the exporter.

- (vii) In all the categories of duty drawback claims it may be ensured that claims found in order are paid serially to ensure that no claim is left out without proper justifications. a register for recording the dates of receipt and disposal of claims shall be maintained by the Section. The Collector shall personally check the register fortnightly. In case of any deviation the rebate section concerned must indicate the reasons thereof.

- (viii) All duty drawback claims shall be subjected to post audit by the concerned offices of the Directorate General of Inspection and Internal Audit and a periodical report shall be sent to the Collector concerned for necessary action.

- (ix) All Collectors shall be required to identify and maintain proper profiles of all industrial or commercial exporters under rule 3 of Duty Drawback (Claim Payment)

Rules, 1998 Now Customs Rules, 2001 so that their past performance/conduct could be kept in view while processing or sanctioning the duty drawback claims.

**52. Procedure for disposal of supplementary claims filed on account of upward revision of duty drawback rates under various notifications issued by the board with retrospective effect.--**

In order to dispose of those supplementary claims which are either not traceable or are lying pending for the It many years due to the non-availability of the original claims, and have been filed for the differential amount which became admissible due to the upward revision of the rates of duty drawback under the Board's various notifications with retrospective effect, or because of valuation disputes e.g., exports to high tariff countries, the Board is pleased to prescribe the following procedure for processing the missing/pending supplementary claims:-

- (i) In case of missing/pending supplementary claims which have not so far been paid, the claims will be tiled afresh with the following documents duly attested by the President or his authorized representative of the concerned Trade Association.
    - (1) Copy of the Bill of Export.
    - (2) Copy of Airway Bill/Bill of Lading.
    - (3) Copy of the Invoice.
    - (4) Copy of Bank Credit Advice.
    - (5) Calculation Sheet (in duplicate).
    - (6) Pre-receipted and stamped copies of the respective rebate payment orders.
    - (7) Proof of receipt of original claim payment; i.e. copy of the original treasury cheques.
    - (8) Copy of the acknowledgement of supplementary drawback application tiled previously bearing I.D. No. date and amount of claim.
  - (ii) The exporter shall also furnish an Indemnity Bond (copy annexed) duly certified by the President of the concerned Trade Association or his authorized representative in the form set out herein below to the Collector of Customs at the time of submission of the supplementary claim for the amount of customs duty, sales tax and excise duty being claimed by the exporter and that the exporters are entitled for the drawback claims, and they will abide by any subsequent legal or penal action taken in the event of their claims being found inadmissible.
  - (iii) The President or his authorized representative of the concerned Trade Association will certify each set of claim documents by affixing a stamp on the face of each duplicate supplementary claim application bearing the following authentication, "Certified that the claimant is entitled for supplementary drawback claim for the amount claimed in the application. It is further certified that no drawback has been previously received by the claimant under I.D. No. \_\_\_\_\_ dated \_\_\_\_\_
  - (iv) The Collectorate, on receipt of the supplementary claim shall forward the same to the Treasury Officer for confirming the amount actually paid to the exporter under the original II SR-2 number. After checking, the Treasury Officer certify that no payment has been made against the relevant I.D. No. On receipt of the certificate from the Treasury Officer, the claim shall be sanctioned within 48 hours.
  - (v) After the issuance of the cheques, a team will be constituted to retrieve the original paid claims and to conduct audit to confirm whether the claims paid against indemnity were correctly paid or not. In case of any excess payment double payment, action may be initiated against the I' giving Indemnity Bond otherwise the indemnity Bond n released after post audit.
2. This issues with the prior approval of the Finance Division.

3. In order to further facilitate the exporters the following instructions are hereby issued:-

“(i) The exporters are required to furnish proof of receipt of the original claims payment in the form of copy of original Treasury Cheques. In case the exporters are not able to provide such copy, they may furnish the cheque number and date of payment of the original claim, which will be treated as evidence of payment of the original claim.

(ii) In cases where the exporters are not able to furnish I.D. number of the supplementary claims: the exporters may furnish any other evidence to prove that the supplementary claim has already been filed.”

4. This procedure is meant only for those supplementary claims which were tiled before 19.8.96.”

### INDEMNITY BOND

THIS DEED OF INDEMNITY is made on the. . . . . day of. . . . . BETWEEN Messrs . . . . . having registered office at. . . . . (hereinafter called "the exporter", which included their successors, administrators, executors and assignees) of the part AND the President of Pakistan through the Collector of Customs. . . . . (hereinafter called "the Collector of Customs") of the part:

Whereas the Central Board of Revenue by its decision contained in CGO. . . . . dated. . . . . the. . . . . and subject to the condition given in the said order has been pleased to direct the payment of drawback of differential amount which became admissible due to the upward revision of duty drawback with retrospective effect notified vide SRO \_\_\_\_\_

And whereas the exporters do solemnly declare and undertake the amount of duty drawback has previously been paid to them against supplementary claim I.D. No. and the amount claimed was due and admissible.

Now, therefore, in consideration of the payment of the differential amount of duty drawback the exporters bind themselves to repay on demand and in the event of failure to repay agree that the amount covered by this may be recovered from them as arrears of customs duty under section 2 the Customs Act, 1969 and the rules made thereunder, if subsequent on post audit the claim is found to be inadmissible, or excess amount is found have been paid.

This bond shall be rendered void when the Collector of Customs is satisfied that the differential amount of Duty drawback was due and admissible to the exporter.

Signed by exporters on this. . . . . day of..... 19. . . . .

(Managing Director)

Witness

\_\_\_\_\_  
(Signature , name, designation, and full address)

Witness

\_\_\_\_\_  
(Signature, name , designation and full address)

I, President/authorized representative of President of \_\_\_\_\_ Association do hereby undertake that in the event of the inadmissibility of the supplementary claims or excess payments claimed if determined subsequently during post audit the Association shall be liable to discharge the ability.

President/Authorized  
representative of

\_\_\_\_\_  
Association.



Note: The Bond shall be written on appropriate non-judicial paper and shall be witnessed by a Government servant in Grade 16 or above, or oath Commissioner, a Notary Public or an officer of a Scheduled Bank.

**53. Revised procedure for payment of duty drawback amounts through the Scheduled Banks.**--Consequent upon decision of the Government to make payment of duty drawback through scheduled banks (authorized dealers of foreign exchange) in addition to Customs treasuries, the following procedure is prescribed.

2. The exporters or their clearing agents, who intend to claim payment through banks, after completion of the formalities of examination of exported goods and having obtained the "Shipped in Full" stamp and Mate Receipt number or date, endorsement of laboratory test report wherever necessary, will prepare a duty drawback claim addressed to the Collector of Customs of the port, airport or Customs station from where the goods were exported in usual format as is being prepared presently and will lodge the same within the time limit of two hundred and ten days from the date of shipment (MR date) or one hundred and eighty days after realization of export proceeds. In case of supplementary claim, the time limit of two hundred and ten days be counted from the date of issuance of cheque to the exporter or issuance of fresh notification or the date of issue of notification, as the case may be. All relevant documents as mentioned below shall be submitted in triplicate tagged securely in an individual file cover and shall also contain a check list memo in quadruplicate:-

- (i) Application for export duty drawback.
- (ii) Pre-receipted duty drawback payment order (in triplicate), as per format Annex-A or Annex-B as laid down in State Bank's circular No. 76, duly signed showing name, place and date. The columns will be left blank.
- (iii) Calculation sheet.
- (iv) B.C.A/Bank Guarantee/Attested copy of L.C. in case of exports made against letter of credit.
- (v) Airways Bill/Bill of Lading/Postal Receipt/Cross Border Certificate.
- (vi) Customs certified Invoice.
- (vii) Packing List (if any).
- (viii) Photostat copy of Exchange Bulletin showing rate(s) or its authenticated copy, prevailing on the day prior to the registration of the shipping bill.
- (ix) Quadruplicate copy of shipping bill bearing full postal address of exporter, National Tax Number, examination report and endorsement of customs.
- (x) Undertaking in format (Annex-B).

3. For the purposes of showing the intention of receiving payment through the bank, the application should bear the following endorsement on the right hand side top corner of the application and also the file cover showing the name of the bank branch with complete postal address from where originally the Form-E was issued:

"Duty draw back payment through

M/s \_\_\_\_\_.

Form-E No. \_\_\_\_\_ dated \_\_\_\_\_.

4. The receiving official incharge of the counter will verify the documents and acknowledge in writing duly signed and stamped with date to the effect that they have received the same on duplicate copy of check list memo. In case any claim is incomplete, the missing documents will be marked on duplicate copy of check list memo duly signed and stamped with date by the official concerned and will be returned to the exporter along with the claim immediately. Duty drawback claims complete in all respect shall be accepted during the prescribed hours on all working days. Incomplete claims will not be accepted and will be returned to the exporter there and then.



Claims accepted for processing/payment through banks shall be assigned a special serial number entered in the separate register and be forwarded to the concerned authorized appraising officer forthwith.

5. The concerned authorized officer on receipt of duty drawback claim will examine/scrutinize the claim and put up to the sanctioning authority for sanction. The process of scrutiny, processing and sanctioning of duty drawback claim will be completed at the earliest within 7 days but not later than 21 days. The objection, if any, shall be intimated to the exporter within 15 days after receipt of the drawback claims. All necessary formalities being presently followed in case of payment through Customs treasury shall be completed in the same manner with the only difference that instead of payment of duty drawback through the Customs treasury the same shall be sent to the designated bank branch from where originally the Form-E was issued and the name of which has been indicated on the right hand side top corner of the application by the exporter.

6. After completion of all formalities of sanctioning the claims, the complete case file with all the documents duly page-numbered intact in original shall be forwarded to the manager of the designated bank branch through the private registered couriers (already designated by the Chambers of Commerce for receiving duty drawback cheques from the Customs treasury on behalf of the exporters) on "to-pay" basis. The courier companies shall receive the charges from the banks who in turn will debit the exporters accounts. Simultaneously, an intimation of sending the claim to the bank for payment shall also be made to the concerned exporter through courier on "to-pay" basis. The specimen signatures of Customs officers authorized to sanction the duty drawback claims duly attested by the Collector shall also be sent to the respective banks to avoid any forgery.

7. In case the bank has any doubt or suspicion about any duty drawback claim or duty drawback amount, the suspected claim shall be referred back to the Collector of Customs for detailed scrutiny.

8. Before making payment to the exporters, the bank will file the claim with the State Bank of Pakistan who will release the funds within two clear working days of submission of claim and debit to Customs. The bank will then make the payment to the exporters within twenty four hours.

9. After making payment and making endorsement of such payments (head-wise) on the face of the quadruplicate copy of the shipping bill, the claims will be sent to the State Bank of Pakistan with covering lists of claims bearing brief particulars like shipping bill No. with date and Form-E No. with date in made out bundles on the basis of Customs Port of export. The State Bank of Pakistan will then send the claims to the Collector of Customs having jurisdiction of the Customs Port of export for post-audit check.

10. The claims after being scrutinized and audited by the internal Customs revenue audit within thirty days will be sent to Customs Revenue Audit. They will return these claims within another thirty days to the Customs with their observations for further necessary action. The State Bank of Pakistan will inform the Collector of Customs having jurisdiction of the Customs Port of export about the head-wise payments made by the scheduled banks in, a month not later than 2nd of the following month to which it relates through courier or special messenger.

11. In case any duty drawback claim is paid by the bank in excess of the actual authorization, the Customs authorities will advise the State Bank of Pakistan within a maximum period of 365 days after the payment of duty drawback to the exporters. On receipt of Customs advise, State Bank of Pakistan will debit the concerned commercial banks accounts with them only to the extent of excess principal amount. The commercial banks in turn will recover the excess amount from the exporters.

12. In case no discrepancy in the duty drawback payment is advised by the Customs authorities within a period of 365 days from the date of payment of duty drawback claim, the concerned bank shall not be held liable for any claim from the Customs authorities and State Bank of Pakistan will not debit the banks if the discrepancy is reported to them after 365 days after the payment of duty drawback to the exporters.

13. The procedure in vogue for filing duty drawback claims for payment through Customs treasury will remain unchanged.

14. This order is effective since 4th March, 1996.

**ANNEX-A**

**DUTY DRAWBACK PAYMENT ORDER**

Order No. \_\_\_\_\_

Voucher No. \_\_\_\_\_

(i) Customs Duty Drawback

(In Figures)Rs. \_\_\_\_\_

(In words) Rs. \_\_\_\_\_

(ii) Sales Tax Draw back

(In words) Rs. \_\_\_\_\_

(iii) Central Excise Duty Drawback

(In words) Rs. \_\_\_\_\_

(In Figures)Rs. \_\_\_\_\_

Total:

(In words) Rs. \_\_\_\_\_

(In Figures)Rs. \_\_\_\_\_

(In words) Rs. \_\_\_\_\_

(Delete whichever is not applicable)

To,

The State Bank of  
Pakistan, \_\_\_\_\_ through  
M/s. Bank's name and address

Certified that the above mentioned amounts on account of drawback of Customs Import duty, Sales Tax and Central Excise duty on materials used in the manufacture of goods exported under Shipping Bill No. \_\_\_\_\_ dated \_\_\_\_\_ Form E. No. \_\_\_\_\_ dated \_\_\_\_\_ from the port/airport is due and payable to Messrs \_\_\_\_\_

2. Certified that no duty drawback amount now being sanctioned has previously been paid and this order of duty drawback has been entered in the original register of duty drawbacks under my signatures.

(Name & Designation)

Serial No. \_\_\_\_\_  
of authorized signatory list.

(Name & Designation)

Serial No. \_\_\_\_\_ of  
authorized signatory list.

Place: \_\_\_\_\_

Date: \_\_\_\_\_

Received payment

Claimant's Signatures \_\_\_\_\_

**ANNEX-B**

**UNDERTAKING**

(ON STAMP PAPER OF RS. 5/-)

**Undertaking to be submitted along with duty drawback claim by the exporter or authorized representative or Customs, clearing agent**

To,

The Collector of Customs,  
Custom House,  
\_\_\_\_\_

The Bank Manager,

I/we \_\_\_\_\_ / authorized Representative/  
Custom House Agent Licence No. \_\_\_\_\_  
Address \_\_\_\_\_ undertake for any mis-  
calculation, irregularity or Fraud and also undertake to abide by the customs laws and rules  
applicable to this duty drawback claim.

Signature \_\_\_\_\_  
Stamp \_\_\_\_\_  
Date \_\_\_\_\_

**54. Payment of duty drawback on production of irrevocable letter of credit including issuance letter of credit instead of bank credit advice (BCA) after export of goods.**--The Ministry of Commerce, as well as various Export Associations have time and again proposed to reintroduce the facility partially by allowing sanction of duty drawback on exports made only against irrevocable letter of credit including issuance letter of credit as the practice of sanction of duty drawback against irrevocable letter of credit has remained in vogue since 1982.

3. In the light of above and with prior approval of the Competent Authority, it is hereby directed that duty drawback claims should be sanctioned by the Customs Authorities on all such export consignments on production of a certificate (Annex 'A' to this order) from the concerned authorized bank stating that the particular consignment has been exported against irrevocable letter of credit or issuance letter of credit by the exporter. It may be noted that this facility shall not repeat not be available on exports made against firm contracts (DP/DA) etc. The exporter, however, shall also submit an undertaking that he will submit the Bank Credit Advice issued in accordance with Annex A to the State Bank of Pakistan's circular No. 64 dated 25th August, 1993 within a period of 30 days for sight letter of credit documents and 30 days from maturity date in case of issuance letter of credit and in case of default, he, on demand, shall pay back the duty drawback earlier received in addition to the Penalties imposed under the Customs Act 1969 by the competent customs officer In order to monitor such repayments proper records shall be maintained each Custom House.

**Annexure "A" to Customs**

**NAME OF AUTHORISED DEALER  
(BANK)**

**CERTIFICATE FOR SUBMISSION TO CUSTOMS FOR CLAIMING DUTY  
DRAWBACK/REBATE**

(Export under irrevocable L/C or issuance L/C)

Running Sr. No.

Date:

We certify that export bill drawn by M/s. \_\_\_\_\_  
(Name of Exporter)

covering the following shipment has been negotiated under irrevocable Letter of Credit/issuance Letter of Credit dispatched to our foreign correspondents along with Bill for collection:

- (i) Bill No. date \_\_\_\_\_ amount \_\_\_\_\_
- (ii) Terms LC/DP/DA \_\_\_\_\_ days \_\_\_\_\_
- (iii) Irrevocable L/C No./issuance L/C No. \_\_\_\_\_  
Date \_\_\_\_\_ amount \_\_\_\_\_
- (iv) Date of Shipment \_\_\_\_\_

- (v) Form "E" No. \_\_\_\_\_ dated \_\_\_\_\_
- (vi) B/L or A WB No. \_\_\_\_\_ dated \_\_\_\_\_
- (vii) Shipping Bill No. \_\_\_\_\_ dated \_\_\_\_\_
- (viii) Invoice No. \_\_\_\_\_ dated \_\_\_\_\_
- (ix) Commission Payable to Foreign Agent/Importer \_\_\_\_\_

We also Undertake that if the Bill is Not realized in 30 days as laid down or the tenor (which is later) Collectorate of Customs at \_\_\_\_\_ will be informed through the monthly statement Prescribed by the State Bank in their F.E Circular No. 76 dated the 9<sup>th</sup> September, 1992.

Serial of the A/D

For and on behalf of \_\_\_\_\_

Name, designation with Attorney/  
Code No. (if allotted).

**55. Procedure regarding temporary reimportation of previously exported goods Produced or manufactured in Pakistan for removal of defects and their subsequent re-exportation.** The Government of Pakistan decided, in the Import Policy for 1999-2000 that the goods produced or manufactured in Pakistan, which are returned after exportation by foreign buyers for removal of any processing or manufacturing defects, shall be allowed to be imported without payment of customs duties chargeable thereon, as these are only temporarily imported with a view to subsequent exportation.

2. The Central Board of Revenue is, therefore, pleased to prescribe the following procedure to cover the temporary import of such goods without payment of customs duty livable thereon, under section 22 of the Customs Act, 1969 (IV of 1969) and their subsequent re-exportation:

- (i) An application shall be made to the Collector of Customs by the importer giving full particulars of the goods, alongwith copies of original export documents such as the bill of export, bill of lading, Form 'E' etc. and full details of any rebate, repayment, refund or drawback of any customs, central excise duty or any other tax levied by the Federal Government or any tax, cess or duty levied by the Provincial Government, received by the exporter after exportation of goods. The specific purpose for which the goods are being re-imported shall also be stated alongwith proof that the foreign buyer has returned the goods for removal of processing/manufacturing defects.
- (ii) Only such goods shall be allowed to be imported which were exported in the past one year, calculated from the date of tiling of bill of entry for the current temporary importation.
- (iii) The Collector of Customs may refuse temporary importation of any goods without payment of customs duty and sales tax if prima facie it appears to him that any of the condition of this procedure would be breached.
- (iv) An undertaking shall be furnished to the Collector of Customs in such form as is prescribed by the Collector binding the importer to re-export the goods temporarily imported within a period not exceeding six months.
- (v) A bank guarantee shall also be furnished to the Collector of Customs, equivalent to the amount of rebate, repayment, refund or drawback of any customs or central excise duty or any other tax levied by the Federal Government, or of any tax, cess or duty levied by the Provincial Government, which was received by the importer on original exportation of the goods, in such form as is prescribed by the Collector of Customs binding the importer to pay the aforesaid rebate, repayment, refund or drawback to the government, if the goods are not re-exported within the period of six months referred to above. If the goods are not exported within the stipulated period, the Collector of Customs shall enforce the bank guarantee furnished by the importer.

- (vi) The Collector of Customs concerned on a written application made to him may, in deserving cases, grant on his discretion and subject to such condition as he may deem fit to impose, extend the period of re-export by a further period of three months.
- (vii) Only such goods shall be allowed to be temporarily imported as are capable of being identified at the time of their re-exportation.
- (viii) At the time of re-exportation of the goods, the exporter shall make a written declaration on the bill of export to the effect that the goods covered by it were imported for removal of processing/manufacturing defects giving full particulars of the documents covering their original export and subsequent importation.
- (ix) Immediately after their re-exportation of the goods the importer shall produce the re-export documents before the Collector of Customs concerned showing that the goods temporarily import have been re-exported within the stipulated period on the production of such an evidence the bank guarantee and indemnity bond earlier submitted at the time of re-importation shall be released.
- (x) No rebate, repayment, refund or drawback of any sort shall be allowed at the time of re-exportation of the goods, if the same has been received at the time of first exportation.
- (xi) The re-export shall be allowed only by an officer not below the rank of an Assistant Collector of Customs of Export Station, if he is satisfied that the goods being exported are actually the ones which were temporarily imported for removal of processing/manufacturing defects; and
- (xii) No transfer of ownership of the temporarily imported goods shall be allowed.

**56. Export of cotton yarn through temporarily imported containers from textile mills.**--In order to facilitate the containerized export of cotton yarn directly from the textile mill premises the Central Board of Revenue is pleased to lay down the following procedure:-

- (i) The textile mill will arrange removal of the imported empty containers from the port area to the mill premises on an undertaking executed with the Collector of Customs (Appraisalment), Custom House, Karachi under laid down procedure.
- (ii) The containers will be used for the consignment indicated in one Bill of Export. The goods in excess of those mentioned in the Bill of Export will not be allowed in the same container.
- (iii) The concerned mill staff will submit an application to the appropriate officer of Customs and Excise at least 48 hours prior to the filling in of cotton yarn bags/cartons or bales for export.
- (iv) The exporter shall produce invoice alongwith the packing list showing the name of the consignee/importer, quantity/ weight, count of yarn, brand, unit price and value indicating the shipping marks and serial number of the packages to the appropriate officer of Customs at the time of examination.
- (v) The appropriate officer of Customs shall examine 10% of the packages in details with regard to count of yarn, brand and will endorse his examination report in his own handwriting in the manner prescribed in annexed proforma, 'A' affixing his signature, name in block letters and office stamp. He will also carry out 2% check-weighment of the total bags/cartons/ bales to a maximum of 20 packages.
- (vi) Filling of the containers shall be carried out immediately after examination, in the presence of the appropriate officer of Customs and it will be sealed with tag or label as indicated in proforma annexed at 'B'. The tags or labels used will be printed and serially numbered which will be recorded in invoice and examination report.

- (vii) The bags/canons/bales showing consecutive numbers should be packed serially and these serial numbers will appear in the examination report, invoice, A.R-4 form and tag/label attached with the container alongwith the seal. The bags/ canons/bales shall be stored/stacked inside the container in such manner that the bags/canons/bales bearing the last number are placed at the opening lid of the container. Container's Number will be shown in invoice and A.R-4 form which will be accounted for on its receipt to Central Excise Office after export. Shipping marks shall be shown on the container for the purposes of shipment.
- (viii) The exporter/clearing agent will file the Bill of Export in the Export Collectorate of the Custom House alongwith duly signed invoice, packing list and examination report of the appropriate officer of Customs showing the number of packages and numbers of containers with other relevant export documents which will thereafter be processed according to the prevailing rules. The Appraiser Export Group shall direct the Customs Appraising Staff at the port to inspect the container, check the seal and signature of the appropriate officer of Customs on tag or label and verify the particulars of invoice, examination report of the said officer and Bill of Export.
- (ix) After the shipping documents are completed, the exporter/ clearing agent will bring the container in the port area under normal procedures.
- (x) The Export Examining Staff at port will check the seal of the container and will verify the signature of the appropriate officer of Customs appearing on tag/label and other particulars shown in the shipping bill and invoice and A.R-4 form without opening the container. In case of suspicion or where the Customs seal is found broken, the Customs Staff at the port of exportation shall open the container after obtaining written orders of the appropriate Assistant Collector, and examine the goods in presence of shipping agent/clearing agent.
- (xi) Thereafter the container/containers will be handed over to the shipping agent or their authorized Container Agent alongwith the shipping documents for loading on board of the vessel.
- (xii) Safe transportation of the container/containers from Mill premises to Port Area shall be the sole responsibility of the exporter.
- (xiii) The correct and accurate examination of goods, filling in the containers, completion of formalities, sealing of the containers and compliance (the foregoing procedure will be responsibility of the appropriate officer of Customs deputed for the purposes in the Mill's premises.
2. The expression "Appropriate Officer of Customs" used in this order means an officer of Central Excise not below the rank of Deputy Superintendent.

#### ANNEX 'A'

1. Name and Address of the consignee/importer.
2. Marks and Numbers. S. No. of container S. No. of container.
3. No. of container: Total No. of bags/ctn. packed in each.
4. Tags attached S. No. S. No. S. No.
5. Containers sealed with Central Excise Seal No. -----

#### EXAMINATION REPORT

Examination 10%/Bags/Carton Nos.----- Description----- Process-----  
 Counts-----2% check weight as under: (Bleached/Dyed)

S. No. of Bags Ascertained. Gr. Weight Declared Average Gross Weight Difference + or



Signature of Deputy Superintendent  
Name in Block Letters.  
Office Stamp

**ANNEX 'B'**  
**SPECIMEN OF THE 'TAG'**  
**MILL'S NAME AND ADDRESS**

S. NO. CONTAINER'S NO.  
TOTAL NO. OF PKGES WEIGHT----- KG  
S. NO. OF PKGS PACKED FROM-----TO-----

SIG. OF DY. SUPDT  
NAME IN BLOCK LETTERS  
OFFICE STAMP

**57. Admissibility of repayment of customs duty under rule 13 of the manufacturing bond rules (SRO 1140(I)/97 dated 06.11.1997).**--Under the Manufacturing Bond Rules notified vide SRO 450(1)/2001, dated 18.06.2001 now Customs Rules, 2001, repayment of customs duty is admissible on the raw material (inputs) on which customs duty has been paid and which have been used in the manufacture of other goods for export. The following guide lines are issued for strict compliance:

(1) In case only duty paid input goods are used in the manufacture of goods which are to be exported, the repayment of duty as drawback shall be admissible on finished products on f.o.b. value of such exported goods according to the relevant standard drawback notification.

(2) In case only duty free input goods are used in the manufacture of goods which are to be exported, repayment of duty as drawback shall be admissible.

(3) In case goods which are to be exported are manufactured partly from duty free input goods under any scheme (temporary importation and partly from duty paid input goods procured from the local market). The repayment of duty drawback shall be admissible on finished goods on the f.o.b. value. However, the amount of such drawback shall be reduced proportionately by the amount of customs-duty applicable at current rates on the quantity of duty free imported goods used out of the items listed in the relevant standard duty drawback notification.

2. This Order is applicable to goods exported on or after 23.07.1998.

**58. Use of sniffer dogs in export consignments of the Holy Quran and other religious books.-** Sniffer dogs are used as matter of routine checking for export consignments with a view to interdict narcotics. It has been a practice at the exporting stations that sniffer dogs are not brought near the consignments containing Holy Quran and other religious books.

2. As a precaution, it is again reiterated that officers posted in the export Collectorate should be advised to ensure that due caution should be observed in this respect and wherever a consignment containing Holy Quran and other religious books is brought for examination, the checking of the consignment should be done physically and in no case sniffer dogs be used for inspection or examination.

3. Collectors are requested to instruct their examination officers and staff in this respect. Any lapse in this regard will be dealt with very sternly.

**59. Submission of Forms 'E' to the State Bank of Pakistan.-** Presently copies of Form 'E' issued by different branches of Banks to exporters are detached by customs and sent to respective branch of the Bank. Instances have been reported that different customs export stations are sending, 'E' forms to the State Bank on different formats and at their own convenience which causes the State



Bank of Pakistan considerable problems in identifying causes of non-remission of sales proceeds (foreign exchange).

2. In order to ensure timely and proper delivery of 'E' forms to the State Bank of Pakistan, the following procedure be followed at all customs stations:--

- (a) Instead of forwarding Forms 'E' to respective branches of Banks, now all the customs export stations shall forward on the next working day, all 'E' forms collected daily to the branch of the State Bank of Pakistan which is located in the city or nearest to the city, through special messenger where the export station is located.
- (b) The 'E' forms shall be forwarded, Bank wise, to the State Bank of Pakistan under cover of letter on the format given at Annex 'A' wherein details of all 'E' forms shall invariably be stated.
- (c) All customs stations shall maintain record of 'E' Form received on the format given at Annex "B".

#### ANNEXURE "A"

NAME OF FORM 'E' ISSUING BANK \_\_\_\_\_

S. No.	Shipping Bill No. & date	Exporter Name	Exporter Registration Number	Form "E" No.	Form "E" date	Amount in Foreign Currency C&F or FOB
1	2	3	4	5	6	7

#### ANNEXURE "B"

S. No	Shipping Bill No. & date	Clearing Agency/ Challan No.	Exporter	Form "E" No. & date	Name of the Bank	Amount in Foreign Currency C&F or FOB specify	Description of goods	Quantity	Unit Value
1	2	3	4	5	6	7	8	9	10

## CHAPTER - XIV

### RULINGS

#### 60. Regarding enactments.

1. **Validity of Interim Orders Passed by the High Courts.**--A question arose whether the interim Orders passed by the High Courts are valid after the expiry of six months period or not, The matter was referred to Justice Division which drew to clause (4-A) of Article 199 of the Constitution in terms of which orders passed by a High Court concerning the assessment and collection of public revenue ceases to have validity on the expiration of a period of six months.

2. Justice Division's advice contained in D.O. No. F-7(2)/86-Sol-I, dated 24th January, 1988 is reproduced as under:-

"Under clause (4-A) of Article 199 of the Constitution and rule 4-A of Order XXXIX of Code of Civil Procedure an interim order made by a High Court or a Civil Court on an application made to it to question the validity or legal effect of any order made, proceeding taken or act done by any authority or person, which has been made, taken or done or purports to have been made, taken or done under any law which is specified in Part I of the First Schedule of the Constitution or relates to, or is connected with, State property or assessment or collection of public revenues shall cease to have effect on the expiration of a period of six months following the day on which it is made, unless the case is finally decided, or the interim order is withdrawn, by the Court earlier. Now whether the interim orders passed in the cases specified in the aforesaid lists wherein the recovery of revenues has been stayed have ceased to have effect on the ' expiration of six months period, each case shall have to be examined in proper perspective in the light of the orders of the Court. You may, therefore, direct the concerned officers to examine each and every case on its merits and then proceed in accordance with the law on the basis of aforesaid advice of Justice Division. It may also be pointed that the aforesaid provisions of law are not applicable in the case of stay orders granted by the Supreme Court. Care should, therefore, be taken that recoveries of Government dues not forced upon where stay orders have been granted by that Court."

61. **Exemption from duty-retrospective effect interpretation of sections 19 & 20 of the Customs Act, 1969 (IV of 1969).**--The Central Government allowed exemption on certain items with retrospective effect. The Central Revenue Audit objected that Central Government under Section 19(corresponding to Section 23 of the Sea Customs Act, 1878) has no power to grant exemption from Customs duty with retrospective effect. In support of their view the CRA quoted late Government of India's ruling embodied in para 4 at page 43 of the General Manual of Orders (1967 Edition).

2. The matter was referred to the Law Division for advice who have held that Sections 19 & 20 of the Customs Act, 1969 provide sufficient authority for granting exemption from Customs duty with retrospective effect and the orders of the late Government of India as cited above stand cancelled.

3. The full text of their opinion is reproduced below:-

"It is true that Section 23 of the Sea Customs Act, 1878 (Like Section 19 of the Customs Act, 1969), did not, in express for terms, authorize the Central Government to order the refund of Customs duty already levied and collected in respect of any goods. But, where any class of goods identified with reference to the date of their import into Pakistan are exempted from the payment of duty, the duty already paid at the time of import becomes refundable."

4. As to the question of authority of Government to grant an exemption with retrospective effect, that is, to exempt from the duty goods in respect of which the duty has already been paid, it may be stated that the rule of interpretation of statutes as to the retrospective operation of statutes does not debar the issue of retrospective orders which, rather than taking away or imparting a vested right or creating some obligation with regard to a closed or past transaction, grant a privilege or allow exemption in respect of a past liability. The views expressed by the Secretary Law &

Parliamentary Affairs in another case vide their U.O. No. 383/71-Dtg, dated the 24th March, 1971, support the above contention. The note reads as follows:

"Even assuming for argument's sake that the proposed Notification will have retrospective effect, it will not be ultra vires for that reason. It is true that the Courts do not give retrospective effect to a statute but that is only a canon of interpretation and not a constitution principle. It was recently pointed out in *Yousuf. Abbas v. /mat Mustafa* (PLD 1968 Karachi 480) that law cannot be said to be retrospective unless it takes away or impairs a vested right acquired under any law or creates some obligation or disability with regard to closed and past transactions. In the instant case, instead of imposing any burden the plain intention is to allow exemption to the Fauji Foundations in respect of their past liability. In *Sabally v. Attorney-General* (1964) 3 AER 377 the Court of Appeal ruled that it is lawful for the Crown by Order-in-Council to alter a rule retrospectively in exercise of its power under Section 5 of the British Settlement Act, though the Section does not expressly provide for the making of an order to operate retrospectively."

**62. Section 22 of the Customs Act, 1969, --** Interpretation of.--On a reference from the Central Board of Revenue as to whether it has the power to relax the provisions of section 22 or not, the Law Division has ruled that section 22 read with section 20 of the Customs Act, 1969, enables the Board to do so.

**63. Procedure in respect of the purchase of goods under section 25-A of the Customs Act, 1969.--**In cases where a Collector of Customs decides to invoke section 25-A of the Customs Act, 1969 and to purchase the goods under that section the following procedure be observed:-

(1) After a prospective buyer has been identified, from him shall be obtained two pay orders: one equal to the value declared by the importer: and another equal to the excess amount plus the Customs Duties and other taxes due on the basis of the ascertained value;

(2) After the pay orders have been collected, the importer will be paid the amount of the first pay order, i.e. the one equal to the value declared by the importer, while the amount of the second pay order will be deposited into the Government account under the relevant heads according to pre-determined proportions.

(3) Separate account shall be maintained in respect of all purchases made under Section 25-A of the Customs Act, 1969 which account shall be subject to pre-audit by internal audit, and shall also be presented to the Revenue Receipt Audit for normal post-audit like any other revenue account.

2. The Collector will take special steps to ensure that no short recovery occurs.

**64. Interpretation of the word "served" as used in section 32 of Customs Act, 1969.--**Section 39 of the Sea Customs Act, 1878 contained provisions that a demand notice was to be made before the expiry of three months statutory period. The demand was considered to have been "made" only when it was received by the party concerned.

2. Section 32 of the Customs Act, 1969 broadly corresponds to Section 39 of the repealed Sea Customs Act, 1878 with the modification that the word "made" has been replaced by the word "served" and the statutory period increased to four months.

3. The mode of service laid down in Section 215 of Customs Act, 1969 is as under:-

"Any order or decision passed or any summons or notice issued under this Act shall be served (a) by sending it by Registered Post Acknowledgement, due to the person for whom it is intended or to his agent."

4. The present practice is to issue demands by Registered Post and the date of registration with the Post Office is taken to be the effective date for computing the statutory period of four months specified under Section 32 of the Customs Act, 1969 regardless of the fact whether the demand could have reached ordinarily within the time stipulated in section 32 of the Customs Act or not.

5. Law Division were requested to give their views in the matter. They opined as under.

6. A show cause notice for the purposes of Section 32, Customs Act, (No. IV of 1969) must be served on the person concerned within the prescribed period from the relevant date. Ordinarily a notice is served by its actual delivery to the addressee but section 215 of the Act makes it lawful service of the notice if it is sent by Registered Post Acknowledgement due to the person for whom it is intended. If this section is read in conjunction with Section 27 of the General Clauses Act (No. X of 1897) the position becomes clearer. It is provided therein that where any Central Act requires any document to be sent by post, then the service shall be deemed to be effected by properly addressing, prepaying and posting by registered post the letter containing such document.

7. Under Section 27 of the General Clauses Act, 1897, the service of the letter sent by registered post is to be deemed to have been effected at the time at which the letter would be delivered to the addressee in the ordinary course of post and not on the date the letter is delivered to the postal authorities.

**65. Computing of 7 days time for bills of entry filed under section 104 of the Customs Act, 1969.**-A question arose whether or not the day on which the ex-bond bill of entry is filed under section 104 of the Customs Act, 1969 should be included while computing the seven days period under the second proviso to section 30 *ibid*.

2. The issue was examined in consultation with the Law and Justice Division. It is observed that the word of used for the first time in the expression "within, seven days of the bill of entry being presented" in the second proviso to section 30 of the Customs Act, 1969, in fact, is equivalent to the word "from" and while computing the period of limitation, as a rule, the first day is excluded. Similar principle has been enunciated in sub-section (1) of section 12 of the Limitation Act, 1908, wherein it has been provided that to computing the period of limitation prescribed for any suit, appeal or application, the day from which such period is to be reckoned shall be excluded.

3. In view of the above, the date on which the bill of entry is presented shall be excluded while computing the period of limitation under the second proviso to section 30 of the Customs Act, 1969.

<sup>161</sup>[\*\*\*]

**67. Interpretation of section 168 (2) of the Customs Act, 1969.**--The following reference was made to the Ministry of Law in connection with the interpretation of Section 168 (2):-

"Can the Collector of Customs extend the period of two months for the issue of show-cause notice after the expiry of the initial two months period or whether the extension has to be given by the Collector during the period of two months from the date of seizure of the goods".

2. The advice of the Ministry of Law on the issue is reproduced below:

"The word extension imports the continuance of an existing thing, and must have its full effect given to where it occurs. Similarly according to the dictionary meaning of the verb "extend" in the relevant context means "to stretch out to prolong in any direction, to enlarge, to expand". Therefore, if the initial period of two months is allowed to expire, then there is no question of extending it. In that event there will be new tenninus a quo for fresh period not exceeding two months.

3. While under the substantive provision of Sub-Section (2) of Section 168 of the Customs Act, 1969, the period for which the goods are to remain in custody is definite, namely two months from the date of seizure, under the proviso the period of extension is not definitive, it may be for a period not exceeding two months and then it is subject to the further condition of "reasons to be recorded in writing". This connotes that the Collector has to make up his mind not only on the necessity of extension but as to its duration not exceeding two months.

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161 . Paragraph 66 omitted vide CGO No. 8 of 2011 dated 6<sup>th</sup> October, 2011

4. The question here is not of the Collector becoming functus officio after the expiry of the initial period of two months. The question really is that after the expiry of the two months, the person from whose possession the goods are seized acquires a mandatory right for the return of the goods. The requirement of law is clear and it is not possible to read it in any other sense.

**68. 'Smuggling'--Non-bailable offence.**-The offence of 'smuggling' is a non-bailable offence in terms of the Criminal Procedure (Amendment) Act, 1974 (XXV of 1974) (Item 18 of the Schedule).

2. Under Sub-Section (1) of Section 497 of the Code of Criminal Procedure, 1898 (V of 1898), as amended by the Criminal Procedure (Amendment) Act, 1974 (XXV of 1974), any person accused of a non-bailable offence shall not be released on bail "if there appear reasonable grounds for believing that he has been guilty of an offence punishable with death or imprisonment for life or imprisonment for ten years". The offence of "smuggling", which is punishable with imprisonment for a term not exceeding ten years under Section 156(1) (item 8) of the Customs Act, 1969, is, therefore, a non-bailable offence within the meaning of Section 497(1) of the Code of Criminal Procedure, 1898.

**69. How search and seizures are to be conducted under Customs Act, 1969.**-In order to secure proper prosecution of the Customs cases, the following instructions are issued for strict compliance by the Customs staff while conducting searches and making seizures and arrests.

1. **Search.**-Search of premises is conducted either under Section 162 of the Customs Act, 1969 and a Customs Officer not below the rank of a gazetted officer is required to submit an application to the Magistrate for obtaining a search warrant against which the premises specified in the search warrant should be searched. However, whenever any officer of Customs not below the rank of an Assistant Collector has reasonable grounds for believing that any goods liable to confiscation are concealed or kept in any place and that there is a danger that such goods may be removed before a search can be effected under Section 162 of the Customs Act, he may, after preparing a statement in writing of the grounds of his belief and of the goods, documents or things for which search is to be made for such goods, documents or things in that place without a warrant of search from a Magistrate under Section 163 of the Customs Act, 1969. In such cases the Customs Officer should note that recourse to Section 163 of the Customs Act, 1969 should be taken only when the Magistrate is not available and there is a danger that the goods would be removed. When the premises are searched under Section 163 of the Customs Act, 1969 a statement of grounds for search of premises should be prepared and original copy should be handed over to the person present on the place of search. A further copy of the aforesaid statement should also be delivered to the occupier or at his last known address through post as soon as it is practicable. The third copy should be retained for office record. The evidence of delivering the original and duplicate copy of the statement of grounds of search of premises should be kept on record. All searches made (under Sections 162 and 163 should be conducted strictly in accordance with the provisions of the Code of Criminal Procedure, 1898, and in this context Section 103 of the Cr. P.C. is reproduced below:

2. **103--search to be made in presence of witnesses.-**

- (1) Before making a search under this Chapter, the officer or other person about to make it shall call upon two or more respectable inhabitants of the locality in which the place to be searched is situated to attend and witness the search and may issue an order in writing to them or any of them to do so.
- (2) The search shall be made in their presence, and a list of a things seized in the course of such search and of the place in which they are respectively found shall be prepared by such officer or other person and signed by such witness but no person witnessing a search under this Section shall be required to attend the Court as a witness of the search unless specially summoned by it. Occupant of place searched may attend.

- (3) The occupant of the place searched or some person in his behalf, shall, in every instance, be permitted to attend during the search and a copy of the list prepared under this Section, signed by the said witnesses, shall be delivered to such occupant or person at his request.
  - (4) When any person is searched under Section 102; Sub-section (3) a list of all things taken possession of shall be prepared, and a copy thereof shall be delivered to such person at his request.
  - (5) Any person who without reasonable cause, refuses or neglects to attend and witness a search under this Section when called upon to do so by an order in writing delivered or tendered to him, shall be deemed to have committed an offence under Section 187 of the Pakistan Penal Code."
3. It therefore follows that a Customs Officer should not enter the premises without the presence of two independent musheers of the same locality. If the search of the premises results in the recovery of contraband goods, a proper mushirnama should be prepared and signatures of the musheers obtained. In cases where nothing is recovered, mushirnama to that effect should also be prepared and musheer's signature obtained.
  4. **Seizures.**--The goods liable to confiscation should be seized under Section 168 of the Customs Act, 1969, against a proper mushirnama as referred to above.
  5. **Arrests.**--When any person is arrested under Section 161 of the Customs Act, 1969 for an offence under the Customs Act, 1969, and he is to be searched, this search should be in presence of two independent musheers and a proper mushirnama to this effect should be prepared on the spot and further action as provided under the Customs Act. 1969 should be strictly followed.
  6. **Reasons for seizure or arrest.**--When anything is seized or any person is arrested under the provisions of the Customs Act, 1969, the officer making the seizure or arrest should inform in writing the person so arrested or the person from whose possession the things are seized of the grounds of such seizure or arrest. This is a mandatory requirement of law under Section 171 of the Customs Act. 1969 and should be complied with by the officers concerned. The practice of giving the reasons for seizure as "under report of Mr." he discontinued forthwith and full reasons as provided under Section 171 of the Customs Act. 1969 should be given to the person concerned for his arrest or the goods seized from him.
  7. All officers are directed to comply with the provisions of the Customs Act. 1969 while making searches, seizures and arrests.

**70. Filing of appeal against the orders of special Judge (Customs) passed under the Customs Act, 1969.**--A question arose whether an appeal against the orders of Special Judge (Customs) could be tiled by the Department without consulting the Law Division or otherwise.

Accordingly a reference was made to Law Division, who has advised as under:--

"According to the requirements of the Rules of Business and Secretariat Instructions it is the ultimate responsibility of the Law Division to decide to file or defend a case in the court of law. Accordingly, in the normal course each and every case before it is defended or filed in the court of law, the Law Division has to be consulted. But, however, in the cases in which adequate punishment has been awarded to the accused persons by the court of the Special Judge and the Department is satisfied with the punishment, the Law Division would not insist for reference to examine the tiling of appeal for enhancement of the sentence but in the cases in which the court has acquitted the accused persons, the Law Division will have to be consulted to decide whether an appeal against the acquittal order would lie in such a case".



**71. Production of case property in criminal trials.--**A matter was referred to Justice Division which has advised that notwithstanding the provisions of Sections 82 and 169 of the Customs Act, 1969, case property is a very important piece of evidence in criminal cases, and its production is thus very necessary in criminal trial. As far as possible the case properties involved in Customs cases should not be disposed of and be produced before the Courts in the trial proceedings.

2. Justice Division's advice contained in U.O. No. 155/188-Sol.II, dated 31st March, 1988 is reproduced as under:--

"Case property is a very important piece of evidence in criminal cases. The Court must know exactly what property is the subject-matter of the trial and the accused must have an opportunity to show that he was not connected with that property. In Iqbal and another vs. State, reported in 1985 P. Cr. U 286 (Karachi), the Sind High Court observed that "in any case non-production of property in the Court is a very serious lapse on the part of prosecution which is inexcusable and it knocks the bottom out of the prosecution case. If the case property cannot be disposed of except by or under the order of the Court in accordance with the provisions of Chapter of the Code. It is only in the case of perishable property, etc.. that the Court may under Sections 516 and 525 of Cr.P.C., allow disposal of such property of goods before the conclusion of the case. No doubt Sections 82 and 169 of the Customs Act, 1969, empower the Collector of Customs, or any other officer of Customs authorized in this behalf, to cause a thing liable to be confiscated to be sold or disposed of during the pendency of a proceeding in any Court but it is subject to notice to the owner of that property and then the Court may have to be satisfied that the disposal of the property and its non-production before it would not cause any prejudice to the accused and it is on this very ground that we have gone in appeal to the Supreme Court in the case of Manzur Hussain and Shazada, etc.

In any case, unless and until a decision is given by the Supreme Court in the cases referred to above it will not be possible for us to give a firm opinion in this behalf.

Till then the case property must be produced before the Court in every case except where the goods were disposed of lawfully under Sections 82 and 169 of the Customs Act. In case of genuine difficulty, the Court may be requested to dispense with the production of that property on each and every date of hearing or to hold the trial at the place where the property is kept and witnesses are easily available. Section 185-E of the Customs Act, 1969, provides that a Special Judge shall ordinarily hold sittings at his headquarters but, keeping in view the general convenience of the parties and the witnesses, he may hold sittings at any place."

**72. Legal proceedings and adjudication of goods under Customs Act, 1969--Section 169 of the Customs Act, 1969 and sections 516A and 517 of criminal procedure code-. Authority competent to pass orders for the disposal of the case property.--**The following reference was made to the Law Division:--

2. Attention is invited to the Honourable High Court, Karachi's ruling in Revision Application No. 580 of 1964. It was decided therein that the Collector of Customs one is the competent authority to adjudicate upon the contraband goods hit by Section 19 of the Sea Customs Act, 1878 (Section 16 of the Customs Act, 1969) and that the function of the Magistrate is to deal with the offender only. Section 169 of Customs Act, 1969 contains provisions that seized goods are to be deposited with Custom House for subsequent adjudication under section 179 ibid.

3. Collector, Central Excise and Land Customs, Hyderabad has reported that in a case involving 94 bags of seized betel nuts the Superintendent of Police, Thatta refused to hand over the case property to Customs for subsequent adjudication. Instead the case was challenged in the Court of Civil judge and F.C.M., Thatta who ordered the release of seized goods. On Cr. revision application filed by Superintendent of Police, Thatta, the judgment was upheld by District Magistrate, Thatta.

4. Law Division has given the following opinion:-

(i) The Customs Act, 1969 (Act IV of 1969) has been enacted in order to consolidate and amend the various Customs Laws. It repeals the Sea Customs Act, 1878, the Land



Customs Act, 1924 besides other Acts with a view to removing the conflicting provisions found in those statutes.

- (ii) This is special law and wherever it is found to be in conflict with a general law of the country, it shall prevail. (Also see Sub-Section (2) of Section 1 of Cr. P.C.). It is a well established principle of law and needs no further elucidation. The procedure laid down in the Customs Act for proceeding against the offenders and the seizure of the property shall over-rule the provisions of the Criminal Procedure Code.
- (iii) The view held in Revision Application No. 550 of 196-1 (Mohammad Rafique vs. State) still holds good. The Collector of Customs can only adjudicate upon the contraband goods, hit by Section 16 of the Customs Act. Section 169 of the Customs Act, 1969 contains provisions for handing over the goods to the Customs authorities for adjudication as envisaged by Section 179 of the Customs Act. Section 169 read with the five Sub-Sections gives a clear picture of the procedure on seizure of contraband goods.
- (iv) The provisions of the new Act mostly correspond to the provisions of the old Acts, and the authority of Customs Department has nowhere been lessened. Therefore, the rulings relating to the subject-matter under reference are parallel to the old Acts and shall hold good.
- (v) The powers of the Police under the Customs Act, 1969 are not statutory. There is delegation of powers to the Police Officers under Section 3 of the Act for the areas mentioned in the Notifications issued from time to time but these powers are limited and cannot be exercised in excess of it to over-ride the provisions of the Customs Act. The Customs Act, 1969 as exposed above has to be followed strictly. The view of the Customs Authorities appears to be correct.
- (vi) The issue has been well settled by the authoritative pronouncements of the Supreme Court in *Adam v. The Collector of Customs, Karachi* (PLD 1969 SC 446) as also of the High Court of West Pakistan in *State v. Ghulam Jaffar* (PLD 1970 Peshawar 66). The proceedings taken by the Customs Authorities for the confiscation of the goods are more in the nature of departmental proceedings while the proceedings for the criminal prosecution of a person who commits an offence under Sea Customs Act, 1878 (now the Customs Act, 1969) in relation to those goods are judicial proceedings for the determination of the guilt of the person concerned for commission of the alleged offence and entailing a punishment for the same. Both are concurrent remedies but each is independent of the other. They can proceed simultaneously and neither can remain under suspension for the sake of others. The result of the one is not to affect the validity of the other. The Customs Authorities can proceed to take action admissible under the law in respect of the contraband goods even if the person alleged to have been connected with the commission of offence in respect thereof is acquitted by the criminal Court. The provisions regarding the confiscation of goods and imposition of other penalties by the Customs Authorities contained in the Sea Customs Act, 1878, as also in the Customs Act, 1969 are part of the special law and would therefore, take under Sections 1(2) and 5(2) of the Code of Criminal Procedure, precedence over the general law contained in the Code pertaining to the forfeiture or confiscation of the goods which are subject-matter of offence triable by a Magistrate under the Code.
- (vii) The Sea Customs Act, 1878 and the Customs Act, 1969 contain special provisions whereby the Customs authorities are invested with powers to search and seize goods which are liable to confiscation under the Act. Under Section 179 of the Sea Customs Act, (Section 169 of the Customs Act) all things which are seized under the Act have to be delivered to the care of Customs Officers authorized to receive them and if no such officer is at hand they would have to be deposited at the nearest Custom House or a place appointed for the purpose by the Chief Customs Officer. In the case of

goods which are perishable the Chief Customs Officer or any other Officer authorized by him can cause them to be sold by public auction and have the proceeds kept deposited pending the adjudication of the case. Under Section 180 of the Sea Customs Act (Section 170 of the Customs Act) where such things are seized by any police officer on the suspicion that they have been stolen he may carry them to any police station or Court at which complaint connected with the stealing or receiving such things are to be made and inquiry connected there under is in progress. But the police officer seizing the things has to send a written notice of their seizure and deposit to the nearest Custom House and after the conclusion of the inquiry of trial he has to cause such things conveyed or deposited in the nearest Custom House for disposition accordingly to law."

**73. Computing the time limit of 4 months for issuance of notice under Section 32 of Customs Act, date of payment of duty to be excluded.**-The question whether it is correct to exclude the date of payment of duty for computing the time-limit of four months for issuance of a demand notice under Section 32 of Customs Act, 1969, has been under examination in the Board for some time.

2. The matter was referred to Law Division whose advice is reproduced below:-

"Section 9 of the General Clauses Act, 1897 embodies a principle of equity which applies to all statutes. The effect of computing a period in the manner given in the Section is to exclude the first day and to include the last day. Where the intention is to include the first of a series of days, the general practice is to employ the expressions "on and from "or" on and after" and since neither of these expressions have been used in Sub-Section (3) of Section 32 of the Customs Act, 1969, it can safely be assumed that the legislature did not intend to include the date of payment of duty for computing the time limit of four months for issuance of a notice under that section. Further the language used in the Section is, "-- the person shall be served with a notice within four months 'or the relevant date --". The expression of the - relevant date' is equivocal and does not make it clear whether inclusion or exclusion of the first day is intended. The Law Lexicon [P.R. Aiyar, 1940 Ed., page 899] defines the word "of inter alio, as--from or proceeding from, as the cause, source, means etc." which is hit by Section 9 of the General Clauses Act. This being the legal position, the exclusion of the date of payment, would be in order.

3. Necessary action, in the light of the advice of the Law Division, may be taken.

**74. Departure from existing practice--tariff rulings--retrospective effect.**--In a certain case the Board's ruling constituted a change in the existing practice of the Custom House, the Central Board of Revenue also ruled that the change in practice will not have retrospective effect but will be applicable from the date of the Ruling.

2. The C.R.A., however, did not agree with the second part of the CBR's ruling regarding its prospective effect on the ground that a Tariff Ruling does not alter the Law but merely states what is the view of the authority issuing the ruling as regards the interpretation of the Tariff. The CRA in support of their views quoted the late Government of India's Ruling No. 53-Cus-1/30, dated 27th February, 1930 as contained at page 2 of the Pakistan Customs Tariff Guide (First Edition).

3. The matter was referred to the Law Division who have ruled as under:-

"Section 32 of the Customs Act, 1969 refers to untrue statements, cheating, collusion etc. by any person in connection with any Customs. It also speaks of inadvertence, error or misconstruction in levying the duty. For the reasons given therein, the shortage can be recovered. In the same way refund is allowed provided over payment has been made through inadvertence, error or misconstruction. In the instant case, the practice was adopted by the Department on a well considered view, without in any way bringing into picture the conduct of the person paying the Customs duty. The previous classification of the goods for purposes of paying the duty shall hold good

till the matter is reconsidered. If there is any change, it shall take effect from the date of the change and not retrospectively."

4. The view contained in para 38, I have discussed the matter in the Law Division and they agree with the opinion of the C.B.R. as contained in the Pakistan Tariff Guide Third Edition 1950, which reads as follows:--

"Departure from existing practice...Where there is a question of departing from existing practice, whether governed by express orders of higher authority, or not, the Collector of Customs should, if the proposed departure is in the direction of an assessment more favourable to the importer, adhere to the existing practice and make a reference to the Central Board of Revenue accepting duty meanwhile from the assessee, under protest if the assessee so requires. Where the Collector contemplates a change to a high assessment then has been the practice, he should not take action upon his view until he has obtained orders, but such orders would not have retrospective effect. Tariff Rulings.--Retrospective effect.--(i) When a ruling has been issued by the C.B.R. or the Government in the matter of the interpretation of the tariff and when such ruling shows that the practice of any Custom House in the assessment of goods has been incorrect resulting either in the short levy of duty or the levy of excess duty, it must be held that such short levy or excess levy has been due to error or misconception on the part of the officers of Customs. The Government are, however, pleased to direct that ordinarily no proceedings shall be taken under Section 39 if it appears that duty has been short levied previous to the receipt of the ruling in the Custom House is perfectly correct. No doubt the law is not altered but the law has been acted upon in a particular manner through tariff rulings, and in the light of such interpretation, certain duty is charged. The interpretation shall continue till a period it is not altered. As soon as it is altered it shall be effective from the date of its doing so.

Even otherwise, an innocent person paying duty on goods in a bona fide manner to the satisfaction of the rules, is protected from being further harassed. This practice may lead to complication, and revision of the tariff rules may effect innumerable people for no fault of theirs."

**75. Section 181 of Customs Act, 1969--Time limit for redeeming goods.**--A case was referred to the Law Division who have opined that section 181 of Customs Act, 1969 is silent as to the fixation of time within which the owner of the confiscated goods can exercise option to pay in lieu of the confiscation of the goods, the fine as may be imposed by the authority concerned. In the absence of any time-limit the above option can be exercised at any time before the goods are disposed of by the authorities. The same principle should be kept in view where a date has been fixed in the adjudication order for exercise of the option but the goods have not so far been disposed of by the authorities after the expiry of the said limit.

**76. Responsibility of collector of customs under the merchant shipping act, 1923 as receiver of wreck.**--The Collector of Customs, Karachi has been appointed as the receiver of wreck under Sections 272 to 279 of Merchant Shipping Act, 1923. As per these provisions and the "Instructions for the Receiver of wreck", as receiver of wreck, he is also not legally responsible for ensuring the navigability of the channel.

2. Director General of Ports and Shipping viewed that the responsibility for salvaging the wreck and clearing the channel lay on the Collector of Customs as the receiver of wreck. The opinion emanates from the Law Division ruling vide their U.O. No. 1542/72-Law, dated 5th September, 1972.

3. The Board viewed that Law Division ruling only indicated that the wreck can be dealt with by the receiver of wreck under the provision in section 275 of Merchant Shipping Act, 1923. It does not impose any obligation that the wreck must be salvaged by the receiver and it can be abandoned also.

4. Accordingly Law Division was requested to confirm if Board's interpretation of their ruling was correct, who have ruled as below:-

"There is nothing in Part VII (Wreck and Salvage) of Merchant Shipping Act, (No ? of 1923) making it obligatory for the Receiver to salvage the wreck and/or remove the danger to the navigability of the channel. Of course this task can be done by any other agency or department of the Government and the wreck so salvaged can be delivered to the Receiver with a claim for reimbursement of charges under section 275 of the Act".

6. The interpretation of the Board was confirmed by the Law Division in U.O. No. 1542/72-Law, dated 5th September, 1972 as correct.

7. Under the Merchant Shipping Act, 1923, the Receiver appointed under section 273 is not charged with the duty of salvaging the wreck or removing it from the navigational channel so as to making it danger free to ships. He is simply to deal with the wreck for the purpose of taking possession thereof and disposing it.

**77. Exemption from customs duty and sales tax.--**An issue was referred to the Justice Division for a ruling whether exemption from customs duty and sales tax in the instant case can be claimed under two different Notifications simultaneously. Justice Division has ruled follows:

- (i) No doubt that Notification No. SRO 500(1)/84, dated the 14th June, 1984 (Reported as PTCL 1984 St. 443) whereby the exemption from sales tax and fifty per cent of customs duty was allowed on import of plant and machinery for installation in backward areas has not been superseded and is still in force. But by virtue of subsequent Notification No. SRO 512(I)/86, dated the 29th May, 1986 Reported as PTCL 1986 St. 519(i)) where under textile machinery was exempted from whole of the customs duty, would deem to have impliedly repealed the earlier Notification to the extent where it is inconsistent with the earlier Notification.
- (ii) It is settled principle of law that where there are two orders or statutes on the same subject, the later in time shall prevail (Mehtab Khan vs. Rehabilitation Authority, PLD 1973 S.C. 471). In view of the matter, an importer can claim exemption from sales tax under SRO 500(1)/84, dated 14th June, 1984 (Reported as PTCL 1984 St. 443), and at the same time claim exemption from whole of the customs duty under the subsequent Notification No. (SRO 512(I)/86, dated 29th May, 1986) (Reported as PTCL 1986 St. 519(i)).

## **II. REGARDING ADJUDICATIONS.**

**78. Procedure regarding issue of show cause notices and adjudication orders.--**The Central Board of Revenue, while deciding appeals tiled against the orders-in-original passed by the lower authorities, have frequently noticed that the show cause notices issued to the party are either too sketchy or they do not precisely give the basis on which the charges are framed against the offenders. In some cases they are not in conformity with the principles of natural justice. The attention of adjudicating officers is, therefore, invited to the well-known maxim of audi alteram partem (nobody should be condemned unheard), the universal application of which has been recognized and ruled by the Supreme Court (P.L.D) 1964 October S.C. (Pak) 673. The show cause notices must contain the following particulars:-

- (i) In cases involving mis-declarations of value the precise basis on which the declared values are held to be mis-declared should be clearly spelt and copy of the evidence on the basis of which it is so held should also be supplied to the party after omitting the names of the local importers of identical goods which are not required to be divulged to them.
- (ii) The charges framed should be very clearly related to the applicable provisions of the Law.

- (iii) While fixing a date for the hearing a reasonable, time should be allowed to the respondent for properly examining the charge and the evidence given in the show cause notice and for making arrangements for the appearance of advocate on his behalf in case he so desires.
- (iv) Wherever necessary a responsible official of the Valuation Branch should also be called in at the time of hearing to properly reply to questions raised by the respondent or his advocate. Show cause notice should be issued without any avoidable delay whatsoever after the seizure or detention of the goods involved. After the receipt of reply to the show cause notice cases should be decided as expeditiously as possible always bearing in mind that the goods under detention are undergoing heavy port trust demurrage charges which in many cases have been found to exceed the value of the goods and the penalty imposed by Customs."

2. The limits of adjudication and power of various officers of Customs with regard to cases involving confiscation of goods or imposition of penalty under the provisions of the Customs Act, 1969 have been fixed. The Board in exercise of the powers conferred upon it has fixed the limit of adjudication powers of various customs officers.

3. According to the provisions of section 4 of the Customs Act, 1969, any officer of Customs "anted under section 3 ibid is also competent to exercise all powers and discharge all duties conferred or imposed upon any officer subordinate to him.

4. It is, therefore, ruled that the Collector of Customs Adjudication have necessary powers and jurisdiction to adjudicate any case which otherwise falls within the competence of an Additional Collector of Customs, Assistant Collector of Customs etc.

**79. Adjudication orders-instructions regarding.**--The top of the order-in-original is prescribed as below:--

#### **ANNEX-I**

#### **ORDER-IN-ORIGINAL**

N. B: An appeal against this order lies to the Collector of Customs/Central Board of Revenue, Islamabad, as the case may be, within 30 days from the date of receipt of this order. Such appeal should bear in a court fee stamp of Rs. 101- and Rs. 25/- respectively and be accompanied by a copy of the order bearing a court fee stamp of, 50 paise prescribed under Schedule 1, item (vi) of the Court Fee Act, 1870.

Name of the party:

Subject:-

#### **ORDER**

Adjudicating Officer  
(Signature & Seal)

#### **ANNEX-II**

#### **ORDER OF THE COLLECTOR OF CUSTOMS/CENTRAL BOARD OF REVENUE, IN CUSTOMS APPEAL**

No. of 200

N.B: No appeal lies against this order, but if the appellant is dissatisfied with it, he may make an application for revision to the Government of Pakistan within 30 days from the date and receipt of this order.

Any such application should be addressed to the Joint Secretary/Additional Secretary, Ministry of Finance, Government of Pakistan, Islamabad. The application should bear Court Fee Stamps worth Rs. 25/- and it must be accompanied by this copy or another copy of this order bearing Court Fee Stamp of fifty paise prescribed under Schedule 1, item 6 of the Court Fee Act, 1870.



Name of the party:--

SUBJECT:--

### ORDER

(Collector of Customs/  
Second Secretary)

**80. Instructions for adjudication officers--observance of the principles of natural justice.**—  
Extracts from a letter of the Deputy Attorney-General are reproduced for the guidance of all concerned:-

- (i) "It is becoming very common for the adjudicating officer not to examine the prosecution witnesses in the presence of the parties concerned and not to keep a record of the proceedings. Time after time it has been held by the High Court and the Supreme Court that if the party concerned is not allowed to cross examine the witness or to produce his defence, it offends the principle of natural justice. The Supreme Court in Sardar Ali 's case in PLD 1959 (S.C.) P.25 adjudicating officer in presence of the party concerned, it violates the principle of natural justice and that evidence cannot be taken into consideration;
- (ii) Adjudication proceedings should be proper judicial proceedings and a diary should be kept of each happenings and the order passed from day to day should be recorded; and
- (iii) Even if the party has not summoned any witness, it is the duty of the prosecution to produce all the witnesses and documents before the adjudicating officer in presence of the party concerned. Without this the proper hearing is not given and there is a violation of principle of natural justice.

**81. Issue of show cause notice under Customs Act, 1969-interpretation regarding sections 168(2), 180 and 181 of the Customs Act, 1969:** -- Supersession of Board's Circular Instructions C.. No. 9(22)-L&P/70, dated the 14th January, 1973.-The following questions have been raised in respect to the interpretation of Sections 168(2), 180 and 181 of the Customs Act, 1969 in a number of seizure cases:-

- (i) Can adjudication proceedings be initiated in case the show cause notice is not issued within the permissible extended period under Section 168(2) of the Customs Act?
- (ii) Has the 2 months period to issue the show cause notice, to be extended within the original two months?
- (iii) If the show cause notice is not issued within the period of two months or within the permissible extended period of four months under the Customs Act, and the goods are returned to the party from whose possession they were seized, can adjudication proceedings for imposition of penalty be initiated?
- (iv) Can prosecution be launched against the offender in a Court of Law after the goods have been returned for non-issue of the show cause notice within the permissible period?
- (v) If the prosecution proceedings can be launched in Court of Law even after the non-issue of the show cause notice within the stipulated period, is there any provision under the Customs Act whereby seized goods can be kept in Customs custody for production before the Court of Law as evidence?

2. The matter was referred to the Ministry of Law and their pare-wise opinion on the above queries is summarized below:-

- (i) The provisions of Section 168(2) of the Customs Act are mandatory and the goods have to be returned to the party from whose possession the same were seized if the

show cause notice is not issued within the period of 2 months or within the permissible extended period under Section 168(2) of the Customs Act.

- (ii) The period of 2 months can be extended by the Collector of Customs under Section 168(2) of the Customs Act by another 2 months. The extension by the Collector has to be ordered within the original 2 months. If the extension by another 2 months is not ordered by the Collector within the first two months, such extension would have no force at law.
- (iii) Section 180 of the Customs Act, 1969 embodies--the well-known principle of natural justice known as "Audi Alteram Partem". This Section provides that before an order for confiscation of any goods or for the imposition of any penalty is passed the owner of the goods or the person on whom the penalty is proposed to be imposed will be informed in writing of the grounds on which it is proposed to confiscate the goods or to impose any penalty and that an opportunity of making a representation and of being heard in person shall be given, for passing of orders of confiscation of goods, the show cause notice prescribed under Section 180 of the Customs Act is required to be given within 2 months of the seizure of the goods or within the extended period under Sub-Section (2) of Section 168 of the Customs Act. However, there is no provision in the Act prescribing the time within which a show cause notice is to be given before the passing of an order for imposition of penalty. The confiscation of goods liable to customs duty and the imposition of penalty on a person who has contravened the provisions of the Customs Act and the Rules made there under are two separate and distinct actions. It is open to the concerned authorities to impose penalty in addition to the confiscation of goods. In brief, the imposition of penalty does not depend on confiscation of the goods and it is legally possible to make an order for imposition of penalty even in the absence of an order for the confiscation of goods. The power to issue show cause notice under Section 180 of the Customs Act for imposition of penalty is not at all effected by the return of the goods for non-compliance of the provisions of Section 168(2) of the Customs Act resulting in the return of the goods.
- (iv) The prosecution of the offender under the Customs Act in a Court of Law independent of the confiscation of the goods or the imposition of penalty. The return of the goods for non-compliance of Section 168(2) of the Customs Act would not take away the department's powers to initiate the prosecution.
- (v) As regards the question of detention of the goods for purposes of prosecution in a Court of Law there is no specific provision in the Customs Act which can be used for this purpose. The object can, however, be achieved by having recourse to Section 186(1) of the Act which provides that when any fine or penalty is proposed to be imposed in respect of any goods such goods shall not be removed by the owner until such penalty or fine has been paid. The goods liable to be returned for non-issue of the show cause notice within the prescribed time under the provisions of Section 168(2) of the Act can be detained under Section 186(1) so long as the person entitled to the return of the goods does not pay the amount of penalty imposed in respect of those goods. However, if the person entitled to the return of the goods in question chooses to pay the amount of penalty, the goods shall have to be returned even if the same are needed for production before the Court of Law as evidence.

### **III. CIRCUMSTANCES AND EVIDENCES.**

**82. A judgment of the High Court of Lahore in a Writ Petition No. 1022 of 1964 is reproduced below for the guidance of all concerned.**

### **JUDGEMENT**

Date of hearing: 7th May, 1973:



Petitioner (Sultan Mohammad Khan) by Mr. Abdul Waheed Butt, Advocate.

Respondents (Collector of Central Excise & Land Customs & another) by Maulvi Ehsan-ul- Haq, Advocate.

**M HAMMAD AFZAL ZULLAH.**-In this case the Customs Authorities from Inspector upto Board of Revenue gave findings of fact; that; the petitioner was found in possession of unusual number of wrist watches: was unable to produce the receipts at the time he was detected; was keeping the quantity of watches in an unusually concealed manner; and failed to produce any document of import connecting the watches with any lawful import. Despite all these findings learned counsel relying on Pakistan and another vs. Qazi Zia-ud-Din (PLD 1962 S.C. 440) has contended that no presumption could be raised against the petitioner. On the other hand, it is urged the presumption, as explained by their Lordships, was that duty would be deemed to have been paid and goods lawfully imported in their circumstances which were similar to the present case.

2. Firstly, the ruling is distinguishable in respect of interpretation of law as their Lordships dealt with the presumption under Section 177-A of Customs Act while the presumption in this case initially was raised against the petitioner was under 167(81) is different. Secondly, their Lordships did not hold that after the initial presumption the question of evidence in an attempt to prove lawful import on the part of the person concerned, is irrelevant. In this case in reality the matter went beyond the stage of presumption. The petitioner did avail of opportunity of producing evidence in support of his contention that the watches were lawfully imported but according to the findings of the authorities concerned he failed in this attempt. Therefore, in fact, it is not a question of action have been taken on the basis of any presumption but on the basis of evidence considered in which the petitioner failed to prove his plea. Thirdly, even according to their Lordships in the cited ruling, the presumption would not be raised if there are no suspicious circumstances or other facts leading to the presumptive inference. In this case all the circumstances noted above particularly the surreptitious manner in which the petitioner (who himself belongs to Peshawar area) was found in possession of the watches which he had concealed in unusual manner and failed to produce the receipts in the very first instance are more than suspicious circumstances. There are in fact strong indications that the import was unlawful even to his knowledge. Considering all these circumstances I find no merit in this petition and the same is dismissed. There shall be no order as to costs.

**83. Registration of cases under prohibition/enforcement of .hadd order No. 4 of 1979, on detection of cases in respect of narcotics.**--The Honourable Federal Shariat Court in its judgment No. CRSM 18/K/19/DSC, dated 26th June, 1990, in case No. 142/85-State Vs. Anwar Khattak and others has been pleased to observe in paras 25 and 26 of the judgment as under:-

"We find that the Customs Officers who apprehended the accused possessing, transporting or attempting to transport etc., were bound under section 176, 202 and more particularly 217 of the PPC read with section 59 of the Cr.P.C. to have informed the concerned law enforcing agency to take cognizance of the same. The omission on the part of the Customs Authorities to do so is, therefore, in itself .an offence and in case it is found that they did so knowingly and deliberately they may be punished under the above noted provisions of law and may also be found interfering with the course of justice and may be abetting to save accused of the punishment provided under the provisions of P.O-4 of 1979".

The result of the above discussion is that though we find no illegality in the proceedings of the Customs Court, in not applying Articles 3 & 4 of the P.O. 79 yet we must observe that the omission on the part of the concerned Customs enforcing agency, so that it, would take cognizance of the offences under Articles 3 & 4 of the P.O. 79 and take the accused to face trial, is by itself an offence and may also call for disciplinary action, at this stage."

2. Thus whenever any person is found to possess or attempts to import, export, transport or commits any of the offences in respect of narcotics. The Customs Officer must report the matter to Pakistan Narcotics Control Board and the local Police Authorities so that appropriate proceedings are initiated under Articles 3 & 4 of the P.O. 4 of 1979. Collectors should ensure compliance of this directive.

3. Proper departmental action should be taken against those Customs Officers who willfully ignore to inform the law Enforcing Agencies empowered in this behalf, to take cognizance of the offences under the provisions of P.O.1979.

## CHAPTER – XV

### MISCELLANEOUS

**84. Procedure for settling of CRA objections.**--The following procedure is prescribed in dealing with CRA objections expeditiously:-

- (i) The objections raised by the CRA shall be communicated to the Auditor of the Custom House, who will immediately call for the records of the case and examine the merits of the objection within seven days.
- (ii) If the auditor, after scrutiny of the relevant documents does not accept the objection, he will discuss the case with the CRA and finally resolve the issue for acceptance or withdrawal of the objection within a further period of ten days.
- (iii) If the auditor concedes the objection he will send the file direct to the Assistant Collector concerned for the issue of a demand notice. The Assistant Collector concerned will ensure that the demand notice/action is issued/taken within 10 days of the receipt of the file from the audit and action taken against the official concerned.
- (iv) The above time table shall, of course, not be applicable to cases where the time bar-limit is operative earlier. In all such cases immediate action should be taken to issue the demand notice before the time-bar.
- (v) Follow up action for realization of shoe recoveries of duty will be completed by the respective Assistant Collectors within two months. Where the party fails to make good the payment within three months of the issue of the demand notice, the cases would be brought to the notice of the Collector for detention of consignments as provided under Section 202 of the Customs Act, 1969 and for taking further necessary action.
- (vi) The Assistant Collector will keep a note in the index given below of objections and the officer against whom they have been raised. In cases where he feels that the objections are persistent against certain officers he shall take suitable action against the officer concerned.
- (vii) In cases of negligence or collusion, the case shall be invariably reported to the Collector for action.
- (viii) All cases, where the Government Revenue has not been realised within six months, will be reported to the Board [Secretary (Customs) by name] with full explanation of the officers responsible for the loss of Government revenue or delay in its realization.

#### NAME OF THE OFFICER

S. No.	Objection	Raised by	Action taken
1.	2.	3.	4.

**85. Smuggling of tyres and tubes from Pakistan.**--The following procedure is to rationalize the documentation of tyres and tubes mounted on vehicles making trips across the Pak./Afghan borders at Torkham and Chaman only. This procedure will not apply to vehicles plying within Pakistan including Political Agencies Tribal Areas:-

- (a) Pakistan based vehicles.
  - (i) In case of these vehicles all new tyres and tubes should be entered in their registration books. It should be ensured that no slip or extra paper is used for the purpose and legible entries are made in the book. All corrections which

should be rare must be attested by the Customs Officer under signature with date and office stamp.

- (ii) The vehicles may be allowed to change tyres tubes after having covered thirty thousand miles or having completed 6 months whichever is later.
- (b) Afghanistan based vehicles.
  - (i) In case of these vehicles, a register in the form attached should be maintained at the check post and all tyres and tubes mounted on them should be entered in this register. The condition of the tyres should be accurately entered so that it could be ensured that new tyres are not traded for old ones.
  - (ii) The tyres and tubes mounted on the vehicles should be verified with these entries to ensure no clandestine replacement takes place.
  - (iii) For rendering a vehicle liable for confiscation under Section 156/157 of the Customs Act, 1969 it is necessary that the vehicle should have been used for the smuggling of the contraband goods. The owner of the vehicle, his agent or driver must have knowingly permitted his vehicle to be used for transportation of the contraband goods.
  - (iv) In case where only smuggled tyres and tubes are found mounted on vehicles, such vehicles should not be considered as having involved in smuggling and thus not liable to be seized. Only the tyres and tubes would become liable for seizure.

**86. Imports via land route-procedure regarding.**--It has been realised for sometime past that a procedure allowing for a free movement of goods on road vehicles destined for Customs Port, Lahore without intermediate unloading at the first Land Customs Station of entry be laid down. In furtherance of this the Board is pleased to prescribe the following procedure:-

**I. DEFINITIONS:**

For the purposes of this order—

- (i) the term road vehicle shall mean not only any road motor vehicle but also any trailer or semi-trailer designed to be drawn by such a vehicle.
- (ii) the term container shall mean an article of transport equipment (lift van movable or similar structure):
- (iii) the term containerized road vehicle shall mean a road vehicle fitted with a container having an internal volume of one cubic metre or more.
- (iv) Land Customs Station of entry shall mean the first Land Customs Station of entry into Pakistan.
- (v) Land Customs Station of destination shall mean, unless otherwise notified, the Customs Port, Lahore.

**II. PROVISIONS CONCERNING THE FORMALITIES TO BE COMPLETED AT THE LAND CUSTOMS STATION OF ENTRY.**

1. Immediately on arrival at the Land Customs Station of entry, the person in charge of the road vehicle shall present to the appropriate officer of Customs an application to enter inwards (Annexure 'A') in duplicate and a manifest in duplicate (Annexed 'B').
2. The appropriate officer shall then affix his signature on the appropriate columns of the manifest and return both the original and the duplicate copy thereof to the person in charge of the road vehicle.
3. The request for inwards entry shall be granted immediately by the appropriate officer who shall return the original of the request application and retain the duplicate.

4. The appropriate officer shall thereafter proceed to take down the particulars of the road vehicles on a register to be maintained in the form (Annexure 'C').

5. The seal placed on the road vehicle shall be examined and if they are found intact the road vehicle shall be allowed to proceed to the station of destination. In case the seals are found broken, tampered with or otherwise doubtful the appropriate officer shall cause an inventory of the goods to be made and sent it under sealed cover to the Customs Station of destination. He shall further reseal the container.

### **III. PROVISIONS CONCERNING THE FORMALITIES TO BE COMPLETED AT THE LAND CUSTOMS STATION OF DESTINATION.**

1. Within twenty-four hours of the arrival of the road vehicle at the Customs Station of destination the person incharge of the road vehicle shall deliver to the appropriate officer of the Customs a manifest (Annexure 'B') in duplicate.

2. After the delivery of the manifest, the seals shall be caused to be broken and goods stored in the Customs premises for clearance.

3. The entry for home consumption shall be made in accordance with the normal routine procedure and the value and the rate of duty shall be determined in terms of Section 30 of the Customs Act. Provided that when a bill of entry is filed under Section 79(2) of the Customs Act the value and the rate of duty shall be the one prevailing on the day the manifest of the vehicle is delivered at the Customs Station of destination.

### **IV. SPECIAL PROVISIONS.**

1. Unless otherwise notified, the only Warehousing Station for the purposes of this order shall be the Customs Port, Lahore. In other words, no goods shall be off loaded at any place other than a Warehousing Station Licensed under Section 84 of the Customs Act. Any road vehicle violating this provision shall be liable to action under Section 16 of the Customs Act read with Section 2(S) *ibid*.

2. The Warehousing of the goods shall be the responsibility of the person incharge of the road vehicle and the Railway Authorities at the Customs Port, Lahore. This will be effected under a prior agreement between the Railway Authorities and the carrier who will mutually settle, storage, handling demurrage and other charges leviable on the goods.

3. The road vehicles carrying goods for Customs Port, Lahore shall not be allowed to proceed to the station of destination unless the agent of the company furnishes a valid carnet for the road transport and a bank guarantee covering the value of the goods carried therein. If he cannot furnish a carnet the bank guarantee shall also cover the value of the road transport in addition to the value of the goods carried therein.

### **V. PROCEDURE IN EVENT OF VIOLATION OF PROVISIONS OF THIS PROCEDURE.**

Any violation of the provision of the procedure by the carrier will be dealt with as follows: -

A call notice specifically indicating the violation committed by the Carrier will be issued to him. If his reply is not found satisfactory, proceedings under the Customs Act, 1969 will be initiated and Show Cause Notice issued.

**ORIGINAL/DUPLICATE**

**ANNEXURE 'A'**

Dated.-----

TO

The Superintendent,  
Customs Station of Entry,

Sir,

We request permission to enter inwards and carry the goods loaded on road vehicle.

No.-----

Driven by-----

Export No.-----to station of

Destination-----

Faithfully

For (Name of the company

Person-in-Incharge)

Permission granted on-----at-----seals  
found intact, allowed to proceed to-----.

Sd/-

I. C. O.

#### ANNEXURE 'B'

#### CARRIERS IMPORT' MANIFEST

The under mentioned goods have been consigned from----- to-----per  
Road Vehicle No.-----colours-----

S. No.	No. & Nature of Packages Cases, Bags, Bales etc.	Marks & Nos.	Description of Goods
--------	--	--------------	----------------------

Name and Address of Importer	Bill of Entry No.	No. of Packages Discharged to be Accounted for	Remarks
---------------------------------	-------------------	--	---------

I-----on behalf of M/s.-----  
----- declare that the manifest contains, to the best of my knowledge, full and true account of  
all goods. It is further stated that all the rivets and locks are secure and that all Customs seals are  
intact.

APPROPRIATE OFFICER

Entry inwards to truck No.-----

permitted on-----at-----

intact seals found intact.

Sd/

Land Customs Officer  
Station of Entry

Manifest Cleared on'-----

APPROPRIATE OFFICER

Manifest delivered on-----

seals found intact.

Sd/

Land Customs Officer  
Station of Destination.

Sd/-

Assistant Collector.

#### ANNEXURE ' C'

**PROFORMA OF THE REGISTER TO BE MAINTAINED  
BY THE LAND CUSTOMS OFFICER**

S. No.	Road Vehicle No.	Drivers Name and Passport No.	Quantity Inwards Permitted on Application No. & Date	Detention	Remarks
1.	2.	3.	4.	5.	6.

**87. Pooling of information concerning customs fraud.**-Pakistan is a signatory to the Customs Co-operation Council Convention on the Mutual Administrative Assistance for the Prevention of Investigation and Repression of Customs Offences concluded at Nairobi on 9th June, 1977.

2. It is desired that the relevant information in the following proforma be supplied to the Board on a quarterly basis so that it can be compiled for onward submission to the Council Secretariat. Collectors/Directors Customs Intelligence shall ensure that such information is supplied to the Board at the end of each quaver.

**PROFORMA FOR POOLING OF INFORMATION  
CONCERNING CUSTOMS FRAUD**

Natural Persons		Offence
(a) Surname		Smuggling
(b) Forenames		(a) Method of smuggling
(c) Maiden name		(b) Description of method
(d) Nickname or alias		(c) Description of goods concerned
		(d) Other observations which led to detention, Customs Fraud other than Smuggling
(c) Maiden name		
(f) Address		
(g) Date and place of birth		(a) Kind of goods
(h) Country of residence and countries and countries visited during the past 12 months.		(b) Country of origin
(ij) Nationality		(c) Name and address of the seller
(k) Identity papers		(d) Name and address of Shipper
(l) Physical description		
(1) Sex		(e) Name and address and other parties involved (agents/middlemen etc. )
(2) Height		
(3) Weight		(f) Ports and places at which goods were exported
(4) Build		
(5) Hair		(g) Brief particulars of, offence and circumstances which led to detention
(6) Eyes		
(7) Complexion		(h) Amount of penalty and loss or Revenue, if any.
(8) Distinctive marks		Vessels/Vehicles involved.

Legal persons/firms	Vessels
(a) Name	(a) Name and brief description of the vessel (S.S., M.V. tonnage, etc.)
(b) Address	(b) Name and address of the owner/charterer
(c) Name or principal officers or	(c) Flag employees against whom legal action is taken
(d) Related multinational company	(d) Port of registry and, if different, home port
(e) Nature of business carried on	(e) Name, citizenship, nationality of master
Method of Smuggling or other fraud	(f) Nature of offence, including description of goods seized
(a) Brief description of methods of smuggling and other fraud e.g. forgery, falsification or counterfeiting use to which the forged falsified or counterfeited documents. Customs seals, registration plates were put	(g) Description, if applicable, of the place of concealment (including
(b) Description of goods Concerned	(h) Country of origin of goods seized
(c) Other observations including the circumstances which led to detection	(ij) First port of destination
	(l) Port of call between (ij) and (1)
	(m) Other observations (number of case in which the same vessel, shipping company, character or other vessel operator has been involved in smuggling)
	Vehicles
	(a) The description (make, model, registration number etc.) of any means of transport used where applicable with date.

**88. Perishable items:** -- The Central Board of Revenue is pleased to declare the following items as perishable goods in terms of proviso (a) of Section 82 of the Customs Act, 1969:-

1. Betel leaves.
2. Battery cells for watches & calculators.
3. Butter.
4. Bidi leaves and bidi.
5. Betel nuts.
6. Cigarettes, cigars
7. Cement.
8. Cosmetics.
9. Chemicals.
10. Camera films, X-ray films.
11. Colognes & perfumes, all sorts.
12. Dry battery cells, all sorts.



13. Dates, all sorts.
14. Dry Fruits all sorts.
15. Eggs.
16. Non-essential oil.
17. Foodstuff, all sorts.
18. Food grains, all sorts.
19. Fish.
20. Hides & Skins.
21. Ink.
22. Live trees, plants & roots etc.
23. Milk Powder.
24. Raw wool.
25. Sweets and Confectionary, all Sorts.
26. Spices all sorts.
27. Sugar.
28. Syrups.
29. Tobacco all sorts
30. Tamarind.
31. Tea cocoa and coffee.
32. Toilet requisites like tooth paste, tooth powder, face cream, brilliantine etc.
33. Vegetables and Fruits.
34. Vegetable oil and oil seeds, all sorts

**89. Issue and use of arms in Customs and Central Excise Department.--Whereas, the officers and staff of Customs & Central Excise Department** entrusted with the enforcement responsibilities need to carry personal arms and ammunition with a view:

- (i) to deter the smugglers from disobeying/disregarding order or signal of customs staff to stop for search or vehicle, containers or vessels;
- (ii) to immobilize and stop a vehicle or vessel suspected or carrying contraband;
- (iii) to immobilize fleeing smugglers by firing in the air or near them but not at them directly to cause injury or death;
- (iv) self-defence, should smugglers open fire on customs officers and staff; and
- (v) security of offices and warehouses.

2. It is necessary that possession, carrying and use of various types of weapons is regulated so that weapons are used in the most appropriate manner and in situations requiring the use of weapons, the responsibility of individual users may be easily fixed.

3. The various squads, operational units and offices in which weapons are kept and used and the various level of officers and staff needing to use the

	<b>Names of offices</b>	<b>Functions for which arms to be used</b>
1.	Custom House/Directorate Hqrs-----	Guard and ceremonial.
2.	Regional offices of Custom Houses/ Directorates (headed by a Grade-19 officers)----- -----	Guard and ceremonial.
3.	Offices of Assistant Collectors/Assistant Directors-----	Guard and security.
4.	Offices of Superintendents, Central Excise/Customs/Intelligence-----	Guard and security.
5.	State Warehouses-----	Guard and security.
6.	Customs Check-post on borders/ Highways/ Sea-coast-----	Checking of smuggling and inter-

		dicting contraband.
7.	Mobile Squads-----	Interdiction of traffic in contraband inside the country.
8.	Marine Patrol -----	Surveillance of coastal waters and high seas with a view to check smuggling and rounding up of smugglers.

4. Normally, the guard duties are performed by Sepoys and Havaldars. The anti-smuggling functions which are performed by Mobile Squad, Marine Patrol and at Check posts normally involve Deputy Superintendents, Inspectors of Customs and Central Excise and Officers of equivalent ranks as well as Hawaldars, Sepoys and Drivers. But sometimes officers of higher ranks also are involved. The drivers of vehicles used and the tindals of boats are also part of these enforcement units.

5. The officers and staff who are normally deployed for the performing of one or more of the aforementioned functions and any other officer of the Department who may in any particular situation need the use of arms while discharging official duties are also empowered to use weapons as and when the situation demands.

6. To regulate such use the instructions given below should be followed:

- (i) The officers of the rank of Inspector of Central Excise Customs and above when posted at the Check Post or working in a Mobile Squad/Marine Patrol or entrusted with security or investigation duties may carry a revolver or pistol and may use it for achieving one or more of the objectives mentioned above.
- (ii) The driver and tindal will carry revolvers/pistols and use the same primarily in self-defence. He, however, may use a rifle in self-defence if he loses the revolver/pistol in combat or when the same becomes un-serviceable for some reason.
- (iii) Havaldars and Sepoys deployed for security/guard duties or working at a check post or in anti-smuggling unit may carry rifle under direction of the officer incharge of the unit. These officials shall fire on a vehicle/boat/smuggler only when so ordered by the officer incharge or any other officer entrusted with the duties of anti-smuggling or the security of offices and warehouses and they shall not fire at any object or person on their own. In the case of guard/security duties if an Inspector or other officer of equivalent rank or higher rank is not available and the situation demands to fire one or more shots on any object or person in the interest of security of state property or documents, the havaldar or sepoy incharge of the guard detachment shall decide and order the sepoys on guard to use the weapons.
- (iv) The L.M.G. shall be used only by the L.M.G. detachment and no one else. However, the order for fire shall be given by the officer incharge of the enforcement unit in possession of the LMG. Flare pistol/pencil shooting are primarily required to be used either to give a signal to the field Headquarters or another operating unit or to illuminate a limited area with a view to spot smugglers, their vehicles or contraband. These devices shall normally be in the possession of officer incharge or the official next below him and shall be used as they consider it necessary.
- (v) Whenever a weapon is used to fire, only a minimum number of shots shall be fired and firing may be stopped as soon as the objective has been achieved. Similarly care all be taken that the Fire arms are used for scaring or immobilizing the smugglers and not to injure or kill them except in self defence. In case some smugglers injured or killed. The same would be immediately reported to the senior officers verbally and in writing and an F.I.R filed with the nearest Police Station.

- (vi) The issue and return of arms from and to the Kote shall be recorded in writing with date and time indicating the name of official who has been issued the weapon, the description, accession number and other specifications of the particular weapon and the purpose of the issue. Similarly, as and when shots are fired, the firing incident shall be recorded in writing and reported to the immediate supervisory officer as soon as possible but not later than 24 hours of such incident.

7. Officers and detachments who perform sensitive duties involving danger to their person may also carry pistol/revolver or rifle with the approval of the Head of the Department. In the case of a Collector/Director requiring carrying a weapon, permission may be obtained from the Central Board of Revenue.

**90. Revised procedure for payment of customs duty & sales tax to the C.B.R. Commission charges thereon to the post office department.**-The payment to Central Board of Revenue of the amount of Customs Duty and Sales Tax collected through Post Office on inward foreign articles and payment of commission thereon to the Post Office Department has now been agreed between Central Board of Revenue and the Post Office Department that:--

- (i) The assessment of Customs Duty and Sales Tax etc: on inward Postal Parcels and submission of required returns to the Director of Accounts, Post Office Department by Post Office and Offices of Exchanges will continue under the procedure already in vogue;
- (ii) On receipt of cash accounts from the Head Post Offices, the amounts appearing against the head "Customs Duty on Parcel Mail" and "Customs Duty on Letter Mail" will be booked by the Postal Audit Section of the Office of Director of Accounts, Post Office Department under suspense head namely
- 5301.--Suspense Account (Post Office)" as under:-
  - 5302-11-- Customs Duty on Parcels. 5302-12 Customs Duty on Letter Mail.
- (iii) On receipt of vouchers and schedules showing details of Customs Duty and Sales Tax etc.: from the Head Post Offices concerned, the Customs Duty Section of the Office of Director of Accounts, Post Office Department will verify the amounts and adjust the same under proper heads of accounts through transfer entries as follows:

Credit		Debit	
3606-31	Customs Duty Inward Foreign Articles .....	5302-11	Customs Duty on Parcel Rs
3606-32	Sales Tax on Inward Articles Rs	5302-12	Customs Duty on Letter Mail Rs
1266-8	Misc. Receipts Rs.....(other items relevant Code No. to be mentioned).		
Total:-	Rs.....	Total:-	Rs.....

- (iv) The Director of Accounts after consolidation of accounts of Customs Duty and Sales Tax separately on quarterly basis (i.e. January to March, April--June, July--September and October--December) will issue a sanction within two months of close of the quarter to the Senior Post Master, Karachi General Post Office for payment of the amounts realised by Post Office to the Collector of Customs, (Preventive) or a representative authorized by the Collector of Customs (Preventive), Karachi. Within 15 days of the receipt of sanction, the Senior Post Master, Karachi GPO will issue

two cheques in favour of Collector of Customs (Preventive), Karachi, one for payment of Customs Duty and the other for the payment of Sales Tax realised on inward postal articles. The amount shall be charged to unclassified payments.

- (v) The amount so collected by the Collector of Customs (Preventive) shall be credited to the following heads:

**Custom Duty**

0210-Customs 0211-Sea Customs Sales Tax

**Sales Tax**

0220-Sales tax Imports                      0221-Sales Tax on Imports  
Ordinary.

- (vi) On receipt of cheques from the Senior Post Master, Karachi GPO. the Collector of Customs (Preventive), Karachi will make payment as commission charges to the Senior Post Master, Karachi GPO of an amount equal to 12% of the amount paid by the Senior Post Master, Karachi GPO out of the amount provided for this purpose in the Sea Customs grant within 15 days of the receipt of cheques.
- (vii) The Senior Post Master, Karachi GPO will credit the amount of commission paid by the Collector under the head of "Unclassified receipts the above mentioned amounts of receipts and payments shall ultimately be classified by the Director of Accounts, Post Office Department, Lahore under the relevant heads as shown below:-

**Receipts**

1266-9-Agency Receipts:

05-Commission on collection of Customs Duty,

06-Commission on collection of Sales Tax

**Payments**

3606-31 Customs Duty on Inward Foreign Articles,

3606-32 Sales Tax on Inward Foreign Articles.

The above procedure has been approved by the Finance Division and is effective since 1st July, 1985.

**91. Application of correct rate of exchange for assessment purposes under section 30 of the Customs Act, 1969** - clarification regarding.--A question arose as to the applicability of the correct rate of exchange for the purposes of assessment of customs duties and taxes in respect of the imported goods, under section 30 of the Customs Act, 1969.

2. The Central Board of Revenue confirms that the practice of taking into account the rate of exchange prevalent one day before the filing of the bill of entry and converting foreign currency into Pakistan rupees at the selling T.T. and O.D. rate as notified by the State Bank of Pakistan, or, where rate is not notified by State Bank of Pakistan, the rate so notified by the National Bank of Pakistan as notified by the State Bank of Pakistan, for the purposes of section 30 of the Customs Act, 1969, is valid and must be followed invariably by all concerned.

**92. Dissemination of information concerning trafficking of illicit drugs through designated contact points.**--The Central Board of Revenue has designated Directorate General, Intelligence & Investigation (Customs & Excise), Islamabad as the office entrusted with the responsibility to collate information concerning seizures of narcotics by customs. The office of the Deputy Collector of Customs, Karachi Airport has been designated as the alternative contact point particularly in the case of exchange of urgent operational information of drug couriers for further monitoring their journeys. To facilitate the exchange of information, the Directorate General, Intelligence & Investigation (Customs & Excise) will provide to the Customs administration of other countries the names, titles,

addresses, telephone and, where possible, telex numbers of two officials of the designated contact points and other details in formats given at Annexes-I (for Director-General's own office) and 11 (for office of the Deputy Collector of Customs, Karachi Airport). The heads of both contact points shall ensure that these details are timely updated, as well as collect and maintain the above information from all countries, particularly countries that are members of Customs Co-operation Council, those that have acceded to Nairobi Convention of 1977, and those that have adopted the two CCC Recommendations on the subject.

2. The contract points so designated shall be responsible for the following function:-

- (a) receipt of information/intelligence from designated contact points of other countries in accordance with Nairobi Convention, 1977 as recommended by CCC subject to the approval of Ministry of Foreign Affairs, where necessary.
- (b) dissemination of information/intelligence received from abroad to all concerned, whether they be within the customs administration or in other domestic narcotics law enforcement agency/agencies.
- (c) storage of information/intelligence received.
- (d) obtaining status report/feed-back information from all those concerned nationally and supplying it to the designated points of the originating country.
- (e) analysis of information and preparation of monthly Intelligence Report for circulation to other countries and to the Customs Co-operation Council Secretariat.

3. To ensure that the central contact point is facilitated in performance of its functions, the Collectorates and Directorates should send information pertaining to the narcotics seizures to the Director-General of Intelligence and Investigation Customs & Excise, Islamabad by fax, indicating relevant information such as name and nationality of the person from whose possession narcotics is recovered, description of the vehicles or other articles used for concealment, exact nature of concealment, details such as in-coming or out-going passenger, name of the airline, names of the persons arrested. In order that the information supplied is meaningful and lends itself to analysis aimed at developing profiles, and, for detection of shifting patterns in drug trafficking, the details are very significant. The check list at Annexure-III, which is merely illustrative and by no means exhaustive should be followed as closely as possible while recording information about drug seizures.

4. To obviate any omission or misplacement in dispatch of information concerning narcotics seizures it is recommended that all Collectorates/ Directorates should adopt the practice of assigning separate serial number to every Fax.

5. The contact points shall prepare every month, based on the information received regarding the drug seizure their own evaluations of national trend, modus operandi; including means of concealment. Items identified as having the potential to attract interest at International Level will be separately indicated. The analysis will also show significant seizures with following particulars relating to each case.

- (i) Date.
- (ii) Place.
- (iii) Types of drugs and quantity.
- (iv) Concealment.
- (v) Source of drugs.
- (vi) Particulars of arrested persons.
- (vii) Itinerary of offenders/carriers.
- (viii) Associates/suspects.
- (ix) Background leading to detection.

- (x) Any other information.

Significant should be interpreted in its broadest sense and not merely according to the quantity seized e.g. new place of concealment, new type of drug, new route etc.

6. The contact point will not only exchange intelligence in respect of suspect persons, cargo shipments, and provide assistance in investigations, but also provide feed-back information, that is, all information resulting from the use of the original information/intelligence provided, particularly in the case of information resulting in drug seizure and arrest of persons. In the countries where investigations and prosecutions of narcotics offences are the responsibility of agencies other than customs, the contact point shall collaborate with the appropriate agency to obtain feedback, such as copies of passports of arrested persons, circumstances of arrests statement of the arrested persons or summaries, thereof, transcripts of interrogation, information etc.

7. Considering that storage of information in respect of cases detected by the Customs is of vital importance in developing a credible enforcement related data-base, all Collectorates/Directorates shall provide particulars of drug offences to the Directorate General of Intelligence in the format at Annexure-IV in the light of the accompanying instructions (Annexure-V). This form shall be filled in and shall be sent to the Director, intelligence and Investigation in Islamabad.

8. Computerized smugglers profiles involved in cases detected during the period from 1971 also be prepared. The format for the same may be sent at Annexure-VI which may be filled in accordance with Annexure-V. The year-wise information should be furnished in the reverse order upto 1971.

9. To achieve the desired results and to evaluate the effectiveness of the procedure in eliciting international co-operation in enforcement effort, the designated contact points shall submit to the CBR a monthly report reviewing its performance. The report besides any other information shall highlight the following information pertaining to messages dispatched to and received from other countries in the following format:-

- (i) Number of messages received by Pakistan contact point.
  - (a) from countries of ESCAP region. Member countries of CCC, outside the region and non-ESCAP countries which are signatories to Nairobi Convention and CCC Recommendations.
  - (b) from other countries.
- (ii) Number of messages dispatched by Pakistan contact points.
  - (a) to countries of the region/and Member countries of CCC outside the region and non-ESCAP countries which are signatories to Nairobi Convention and CCC Recommendations.
  - (b) to other countries.
- (iii) Number of reminders for Status Report feed-back dispatched by Pakistan contact.
  - (a) to countries within the region, Member countries of CCC, outside the region and non-ESCAP countries which are signatories to Nairobi Convention and CCC Recommendations.
  - (b) other countries.
- (iv) Number of cases in which Status Report/feed-back information supplied.
  - (a) to countries of the region. Member countries of CCC, outside the region and non-ESCAP countries which are signatories to Nairobi Convention and CCC Recommendations.
  - (b) to other countries.

- (v) Number of controlled deliveries undertaken if any.

**FORMAT OF INFORMATION REGARDING CONTACT POINT  
(CENTRAL OFFICE/AGENCY)**

1. Country/Territory:
2. Name of the Contact Point:
3. Name and title of officials:
  - (i)
  - (ii)
4. Telephone numbers:
  - (i)
    - (a) Official
    - (b) Private
  - (ii)
    - (a) Official
    - (b) Private
5. Telex number:
6. Normal working hours:
7. Local time in relation to G.M.T.:
8. Days on which the office is closed, if applicable:

**ANNEX II**

**FORMAT OF INFORMATION REGARDING ALTERNATIVE CONTACT POINT**

1. Country:
2. Name of the Alternative Contact Point:
3. Name and title of officials:
  - (i)
  - (ii)
4. Telephone numbers:
  - (i)
    - (a) Official.
    - (b) Private.
  - (ii)
    - (a) Official.
    - (b) Private.
5. Telex number:
6. Local time in relation to G.M.T.:
7. Normal working hours:
8. Specify arrangements made to receive and dispatch operational information after office hours/on closed office day.

**ANNEX III**

**CHECK LIST FOR OPERATIONAL AND OTHER  
URGENT INFORMATION**

**Note:**



This list attempts to cover all items of information considered most useful for intelligence purposes. The absence of anyone or more of those items, however, should not prevent Customs administrations from communicating to administration of other countries information to hand relating to other listed aspects.

**A. - PERSON**

1. Name.(with Chinese Characteristic Code for ethnic Chinese).
2. Sex.
3. Date of birth.
4. Home address.
5. Nationality.
6. Physical description e.g. height, weight, distinguishing marks, dress, etc.
7. Occupation.
8. Role e.g. courier, escort, organizer, etc.
9. Associates.

**B. CARGO/BAGGAGE/POSTAL PARCELS.**

- (i) Declared contents.
- (ii) No. and weight of packages.
- (iii) Description of containers.
- (iv) e.g. wooden case, sack, baskets, bucket, bale, carton, suitcase, briefcase, travelling bag, etc.
- (v) Method of concealment.

**C. CARRIER**

- (i) AIR
  1. Airline.
  2. Flight No.
  3. Routing.
  4. Destination.
  5. Date and time of departure from original country.
  6. Expected date and time of arrival at destination.
  7. Known place of concealment.
- (ii) SEA
  1. Name of vessel/small craft.
  2. Tonnage.
  3. Description.
  4. Place of registration/flag.
  5. Routing.
  6. Destination.
  7. Date and time of departure from original country.
  8. Expected date and time of arrival at destination.



A large sheet of graph paper with a red 'X' mark in the bottom right corner. The 'X' is formed by two intersecting red lines. The graph paper has a grid of small squares.

### INSTRUCTIONS TO FILL UP THE PRESCRIBED FORMAT

(3) A space must be left between every word. Example (2 & 3)

A	B	D	U	L	H	A	M	I	D		K	H	A	N
---	---	---	---	---	---	---	---	---	---	--	---	---	---	---

**Example:**

02	05	1975	OR	02	02	85
----	----	------	----	----	----	----

(6) If some necessary facts are not covered under any column, another blank column (relevant) may be used with reference to those columns.

1. Name \_\_\_\_\_

Front

No.

Secret and Confidential
-------------------------------

	THUMB	INDEX	MIDDLE	RING	LITTLE

2. Father's Name-----
3. Caste/Religion-----
4. Date of birth/age-----
5. Place of birth/Country-----
6. Nationality-----
7. National Identity Card No.-----
8. Passport No.-----
9. Date and place of issue-----
10. Description:
  - (a) Sex-----
  - (b) Height-----
  - (c) Weight-----
  - (d) Physique-----
  - (e) Eyes-----
  - (f) Hair-----
  - (g) Moustache-----
  - (h) Beard-----
  - (i) Languages speaks-----
  - (j) Identification mark-----
11. Academic status-----
12. Married to-----
13. Ostensible profession-----

**93. Permission for duty free purchase of tinned/packed food from diplomatic bonded warehouses to the foreign mountaineering and trekking groups.**--The Central Board of Revenue decided to allow the members of foreign mountaineering and trekking groups to purchase special tinned/packed foodstuff up to CIF value of US\$ 6 per day per person from the diplomatic bonded warehouses.

2. For this purpose, a CBR Booklet will be issued by the concerned Collectorate in favour of each member of the group, valid for six months only, on production of the following documents to the Collector of Customs:-

- (1) Passport of each member of the group.
- (2) Certificate from the Ministry of Culture and Tourism, the duration of the stay of the member of group in Pakistan.

- (3) All the purchases of the foodstuff shall be duly entered in the booklet by the Appropriate Customs Officer: The Booklet will be re-validated by the Collector of Customs only under special circumstances, on the request of Ministry of Culture and Tourism.

3. Since the members of the mountaineering and trekking group will be away for a considerable time during the expedition, the appropriate Customs Officer may allow the monthly quota for a maximum period of three months at a time.

**94. Import of gold.**--Import of gold has been allowed for Pakistani citizens coming to Pakistan as well as individuals and firms resident or established in Pakistan on payment of 3% ad val. customs duty and on following the procedure laid therefore under Notification dated 14th November. 1989.

2. This procedure, inter-alia, provides that the persons intending to import gold at their own, will deposit the payable amount of customs duty in the concerned diplomatic mission of Pakistan for which the mission will issue a Certificate in Form 'G' evidencing the payment of import duty. That gold will be transported by PIA in the same flight by which the person is travelling and PIA will give delivery of the gold to the passenger at the time of disembarkation in the presence of customs official persons importing gold through the nationalized commercial banks will deposit the cost and amount of duty of gold in the overseas branches of the banks and the banks will arrange purchase and delivery of the gold to the buyers on their return to Pakistan. The designated branches of the nationalized commercial banks in Pakistan will import gold for supplying to the individuals and firms resident or established in Pakistan who make requisition for this purpose.

3. In order to ensure that customs duty collected by our diplomatic missions and the nationalized commercial banks is credited in time to the Government account, the following procedure is prescribed for compliance by all concerned:

- (i) The amount of customs duty collected by our diplomatic missions abroad shall immediately be transacted to the Chief Accounts Officer, Ministry of Foreign Affairs. The Chief Accounts Officer shall remit this amount to the Collector of Customs (Preventive). Custom House, Karachi through a crossed cheque under intimation to the Second Secretary (Customs Budget), Central Board of Revenue.
- (ii) Customs duty leviable on the gold imported by the nationalized commercial banks for supply to the individuals and firms in Pakistan shall be paid at the time of clearance of such gold and credited to the concerned Collectorates.

4. In order to monitor the import of gold in the country, each Collectorate shall send a monthly report in the following proforma to the Secretary (Customs Budget), Central Board of Revenue and State Bank of Pakistan indicating total quantity of gold imported by the overseas Pakistanis through our diplomatic missions and the nationalized commercial banks. The quantity of gold imported by banks for supply to individuals and firms in Pakistan should be indicated separately in this report. The report must invariably reach the Board and State Bank of Pakistan by 7th day of the ensuing month.

#### PROFORMA

REPORTED FOR THE MONTH OF----- /19

A. Gold imported by Overseas Pakistanis

Quantity (Troy ounces.)

Amount of duty collected

B. Gold imported by Banks

(i) On behalf of Overseas Pakistanis

Quantity (Troy ounces.)

Amount of duty collected.

(ii) For delivery to local buyers

Quantity (Troy ounces.)

Amount of duty collected.

C. Total A+B

Quantity (Troy ounces.)

Amount of duty collected.  
Signature and Stamps of the Collector

**95. Industrial policy-recognized industry.**--The Government has liberalized its industrialization policy and sanctioning procedures have been deregulated. According to this policy, the sanction of the Government is require (: only in the following cases:-

- (i) Projects costing over Rs. one billion:
- (ii) Arms and Ammunitions.
- (iii) Security Printing, Currency and Mint.
- (iv) High Explosives.
- (v) Radio-active substances.
- (vi) Alcoholic and Synthetic beverage industry based on imported concentrates.
- (vii) Manufacture of automobile, Tractors and Farm Machinery.
- (viii) Petroleum Blending Plants.
- (ix) Projects involving foreign equity beyond a certain limit.

2. Keeping in view the liberal policy to industrialize the country, it has been decided that the Collectors may allow the benefit of the recognized status to a unit on the import of plant, and machinery provided such a unit is registered with the Registrar of Joint Stock Company and is also duly registered with Income Tax Department for paying income tax.

3. As regards, the S.R.Os relating to concession on raw materials the importers-cum-manufacturers should further fulfill the following conditions:--

- (i) They must have in house facility for the manufacture of goods.
- (ii) They should possess a manufacturing licence issued by the Central Excise Collectorate (if the finished item is chargeable to excise duty or sales tax).

**96. Procedure regarding issuance of consumption certificates imported under concessionary notifications.**--The Industrialists of Azad Jammu and Kashmir have pointed out that they are facing problems in respect of issuance of consumption certificates of raw materials imported under various concessionary Notifications granting concessionary rate of duties which are used in the manufacture of goods by industrial units set up in the territory of Azad Jammu and Kashmir. Such raw materials are released against bank/insurance guarantees covering the differential amount of duty and bank/insurance guarantees are released on production of consumption certificates by the concerned Assistant Collector of Central Excise. According to the provision of some other Notifications, the installation certificates in respect of plant and machinery installed in Azad Jammu and Kashmir can be issued by the Secretary Kashmir Affairs Division or an officer authorized by him in this behalf.

2. The issue has been examined in consultation with the Justice Division. In the case of units set up in Mirpur, the Excise Control is administered by the Deputy Collector, Excise and Taxation, Azad Kashmir. Customs Act. 1969 (IV of 1969) has already been adopted by the Azad Jammu and Kashmir Council under the Azad Jammu and Kashmir Council (Extension of Laws) Act. 1980 and all rules, Notifications and orders made or issued under the Customs Act. 1969 have also been adopted in Azad Jammu and Kashmir.

3. in order to facilitate the completion of formalities required to be fulfilled under various concessionary SROs by the units set up in Azad Jammu and Kashmir, it has been decided that consumption certificates in respect of raw materials as well as installation certificates in respect of plant and machinery will henceforth be issued by the Deputy Collector, Excise and Taxation, Azad

Jammu and Kashmir instead of Assistant Collector, Central Excise and Land Customs Azad Jammu and Kashmir. Secretary Industries, Azad Jammu and Kashmir has concurred with the above arrangement on behalf of the Government of Azad Jammu and Kashmir.

**97. Instructions regarding export of C.I.T.E.S. controlled species.**--The export of exotic birds and live animals is subject to special procedure as laid down in Ministry of Commerce Notification No. S.R.O. 759(1)/94 dated the 4th August, 1994. The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) to which Pakistan is a signatory has also put a large number of mammals, lizards, snakes and birds on a restricted list. Accordingly the trade of almost all species of mammals and reptiles is restricted.

2. The customs officials dealing with the export may therefore ensure that the intended export of live animals/birds is covered by:

- (a) An NOC for export from the National Council of Conservation of Wildlife (NCCW), Ministry of Food, Agriculture and Livestock;
- (b) A health and caging certificate issued by the Animal/Plant Quarantine Department;
- (c) A CITES export certificate issued by the NCCW, except for the case where the exemption is given in the Ministry of Commerce S.R.O. 759(1)/94, dated 4.8.1994;
- (d) An Export permit issued by the Ministry of Commerce covering the intended export.

3. No export of any live animals or birds should be allowed without fulfilling all the aforesaid conditions.

4. While allowing export, the concerned officials of the Provincial wildlife should be associated for mandatory verification of species viz-a-viz the permit, NOC etc. , covering the intended export.

#### HEAD OFFICE OF PROVINCIAL WILDLIFE DEPARTMENTS

NAME	DESIGNATION	PLACE	ADDRESS	PH. NO.
Mr. A.R. Tariq	Conservator Wildlife & Darks. Punjab	Lahore	2-Sandi Road. Lahore.	322138 213746
Mr. Abrar Mirza	Conservator (Wildlife) Sindh wildlife Department.	Karachi	Maulana Din Mohammad Qafai Road. Karachi	523176 5687176
Mr. Mumtaz Malik	Conservator (Wildlife NWFP Wildlife Department.	Peshawar	Forest Department Shami Road. Peshawar	273184 276489
Mr. Abdul Jabbar	DFO (Wildlife) Balochistan Forest	Quetta	Forest Offices Spinny Road Quetta	823557
Mr. Unwed Khalid	Deputy Conservator W.M.). NCCW.	Islamabad	485.St.84 G-614. Islamabad.	826881 829756

**98. Benefit of SRO <sup>162</sup>[456(I)/2004], against international tenders in the capacity of sub-contractors.**--The Board decided to extend the facilities as envisaged under <sup>163</sup>[456(I)/2004] to the

<sup>162</sup> Substituted vide CGO No. 11 of 2004, dated 2<sup>nd</sup> October, 2004



extent of sub-contractors subject to the same terms and conditions as stipulated in the SRO so that the local manufacturers can pool their resources and can successfully compete with international suppliers while offering bids for the international tenders. The Collectors shall, however, satisfy themselves as to the genuineness of the case before extending this facility in order to avoid misuse.

**99. Import of raw material for manufacture of oral and injectable contraceptive procedure for regularization.**--Government of Pakistan has entered into an agreement with Social Marketing Pakistan Guarantee Ltd. (SMP) (the project executing agency) and Kreditanstalt for Wiederaufbau (KfW) Government of Germany, with a view to streamlining the availability of contraceptives etc. to the population of Pakistan. Besides Family Planning of Pakistan through Ministry of Population is executing another project out of United Nations Fund for Populations Activities (UNFPA) funding/imports.

2. M/s. SMP have been allowed duty free imports vide Board's O.M. No. 10(77)/94-Cus. Exm dated 23rd October, 1994, whereas UNFPA is entitled to effect imports for their projects without duty and taxes under United Nations Privileges and Immunities Act. 1948. The said O.M/Act allows import of contraceptives by M/s. SMP/UNFPA free of duty and taxes. However, if they purchase locally manufactured contraceptives etc., exemption from customs duty on imported inputs used therein is not covered.

3. The Central Board of Revenue in compliance with Finance Division's decision dated 17.11.1996 has allowed exemption from customs duty on the import of pharmaceutical raw material for manufacture of contraceptives, norigest/novaject etc. for providing exclusively to M/s. SMP/UNFPA by amending <sup>164</sup>[HS code 9927] subject to following procedure:

(I) FILING OF BILL OF ENTRY

The importer (M/s. Medipharm) or any other company authorized by M/s. SMP/UNFPA intending to import pharmaceutical raw materials for manufacture of oral or injectable contraceptives (Norigest/Novaject or any other product ordered by M/s. SMP/UNFPA) shall apply to the concerned Collectorate of Customs on the format (Annex-1) at the time of filing of home consumption bill of entry under the provisions of <sup>165</sup>[HS code 9927]

(II) RELEASE OF RAW MATERIAL

The Collector of Customs under whose jurisdiction such import is effected shall on the receipt of request on the prescribed format (Annex-1) release the pharmaceutical raw materials meant for manufacture of oral or injectable contraceptives free of duty and such imports shall be recorded against bank guarantee.

(III) CONSUMPTION CERTIFICATE

The importer shall furnish a consumption certificate from the Director General of Health or any other officer deputed by him for this purpose on the format at (Annex-II) within a period of 15 months from date of tiling the home consumption bill of entry of the imported raw materials to the Collector of Customs from whose jurisdiction the imported raw materials were cleared.

(IV) RELEASE OF BANK GUARANTEE

On receipt of the consumption certificate from Director General Health and receipt certificate of locally manufactured oral or injectable contraceptives from M/s. SMP/UNFPA, the Collector on being satisfied with the veracity of the documents will release the bank guarantee.

163. In Chapter XV, against Sr. No. 98, in the paragraph, for the figures and brackets "671(1)/94" the figures and brackets "456(1)/2004" were substituted vide CGO No. 11 of 2004 dated 2<sup>nd</sup> October, 2004

164. In Para 99, the words & figures "SRO 555(1)/98 dated 12.06.1998" wherever occur, was substitute with the words and figures "HS code 9927" vide CGO No.11 of 2003 dated 11<sup>th</sup> October, 2003

165. In Para 99, the words & figures "SRO 555(1)/98 dated 12.06.1998" wherever occur, was substitute with the words and figures "HS code 9927" vide CGO No.11 of 2003 dated 11<sup>th</sup> October, 2003

- (V) In case the importer of pharmaceutical raw materials under this scheme fails to furnish the consumption certificate and receipt certificate to the Collector within the stipulated period and also fails to submit any extension authorization from the Central Board of Revenue in this regard. The Collector of Customs shall proceed under the relevant provisions of law for the recovery of amount of duty and taxes involved in such imports besides any fine and penalty imposed under the relevant provisions of the Customs Act or any rule made thereunder.

(VI) **CHANGE IN THE PROCEDURE**

The Central Board of Revenue may affect changes in this procedure as and when deemed necessary keeping in view the exigencies of carrying out of government orders or due to any change in the tariff in vogue or revision of any concession or revoking any exemption order keeping in view the broad parameters of the government policy directive effective at that time.

**ANNEX-I**

**APPLICATION FOR RELEASE OF DUTY/TAX FREE PHARMACEUTICAL RAW MATERIAL UNDER <sup>166</sup>[HS code 9927] FOR MANUFACTURE OF ORAL/INJECTABLE CONTRACEPTIVES**

To

The Collector of Customs

.....  
.....

We M/s. (Medipharma) .....  
..... NTN.....are registered  
drug manufacturers vide Ministry of Health authorization No .....  
dated ..... and intend to manufacture the contraceptives details below:--

Trade Name Pharmaceutical (chemical) involved .....(Injectable) Registration  
No.....

.....(Oral)

Registration No.....

2. The input-output ratio of the above cited contraceptives is in accordance with the registration of the product and is as follows:--

INPUT	OUTPUT	WASTAGE
I Kg of.....	Will produce.....No.	.....%
.....	of Tablets or.....No. of injections.	

3. It is also certified that:--

- (a) that the import is based on an order received from M/s. SMP or UNFPA and is in accordance with the registration of the product.
- (b) that the said raw materials are such as are importable under the current Import Policy Order.
- (c) that the Ministry of Health has already registered M/s for manufacture of Norigest/Novaject.
- (d) that the imported raw materials have enough shelf life so as they do not expire before conversion thereof into the finished products.

166. In Para 99, the words & figures "SRO 555(I)/98 dated 12.06.1998" wherever occur, was substitute with the words and figures "HS code 9927" vide CGO No.11 of 2003 dated 11<sup>th</sup> October, 2003

- (e) that all the finished products produced for the local pharmaceutical unit from the raw materials imported under this procedure for production of contraceptives are meant for supply to M/s. SMP/UNFPA and non of its portion would be sold by the said pharmaceutical unit to any other party.

Date.....

Signature

Director M/s. Medipharm

4. ENDORSEMENT BY M/S. SMP/UNFPA.

We hereby certify that we have placed purchase order No..... dated..... for (quantity) of (package form) of..... (Trade name) out of local manufacture with (pharmaceutical unit).

Signature

Date.....

Director M/s.SMP/UNFPA

**ANNEX-II**

**CONSUMPTION CERTIFICATE**

Certificate No.....dated.....

I,.....Director General Health/Officer authorized by D.G. Health certify that pharmaceutical law materials (description and quantity) imported by M/s.....without duty and taxes under <sup>167</sup>[HS code 9927] against bill of entry bearing IGM No.....dated..... and Index No..... has been used in the manufacture of oral/injectable contraceptives for providing exclusively to M/s. SMP/UNFPA under the provisions of CGO No. 17/98 dated..... August, 1998. The input-output ratio of the above product as certified by M/s..... in accordance with the registration as approved by the Ministry of Health.

(Stamp and Signature of the Officer)

**100. Exemption of duty and taxes on import of generating sets for export processing units (EPUs) under SRO 554(I)/98, dated 12.6.1998 (Previously SRO 424(I)/97, dated 13.06.1997).**--A question has arisen whether the import of generating sets effected by Export Processing Units, set up with specified export targets, are entitled for the concession of duty and taxes as is admissible to plant and machinery under SRO 554(I)/98 dated 12.06.1998.

2. The matter has been examined in the Board. The plant machinery and equipment, -as is not manufactured locally, is permissible for import without duty and taxes for setting up manufacturing unit or for the expansion, balancing modernization and replacement of existing units under SRO 554(I)/98 dated 12.06.1998. The generating sets, by virtue of the note (S) of explanatory notes to Section XVI, of the Pakistan Customs Tariff fall within purview of machinery. It is, therefore, clarified that the generating sets, as are not manufactured locally are also entitled for concession of duty and taxes under SRO 554(I)/98 dated 12.06.1998. The Collector of Customs, having jurisdiction of import of such generating sets, however, shall satisfy himself to the following, namely:-

- (i) that the prime movers and the generator of the imported generating set (whether or not fitted on common base) match each other in capacity; and.
- (ii) that the import of the generating set incorporated in the bond which is furnished for other machinery imported under SRO 554(I)/98 dated 12.06.1998.

167. In Para 99, the words & figures "SRO 555(I)/98 dated 12.06.1998" wherever occur, was substitute with the words and figures "HS code 9927" vide CGO No.11 of 2003 dated 11<sup>th</sup> October, 2003

**101.** <sup>168</sup>[374(I)/2002]--**Problems regarding import of banned & restricted goods.**--The Central Board of Revenue issued Notification No. <sup>169</sup>[S.R.O.374(I)/2002 DATED 15-06-2002].under section 181 of the Customs Act, 1969 to ensure uniformity and transparency in the adjudication of offences under Customs Act, 1969 or any other Act relating to Import and Export of goods. According to the Notification redemption fines were prescribed for various categories of goods and offences. In order to address these problems, the following instructions/guidelines shall be followed.

**(A) Problems being faced by importers of second hand clothing.**--Second hand clothing's are imported in bales. However, these may contain certain percentage of industrial wastage or dress makers/tailors shipping's or pieces of fabrics of different sizes, length, width, colour and texture and real leather was & fur coats. The following difficulties are being encountered on this account:-

- (i) During the random 5% examination if goods are not found according to the declaration, in order to ascertain the extent of offending goods, goods are required to be examined in full. However, 100% bales cannot be opened at port because it renders the goods unmarketable.
- (ii) As a result of confiscation of offending goods it is difficult to son out the offending goods from non-offending goods, even storage thereof poses various problems. Being second hand in nature when these are put to auction they don't fetch any value.
- (iii) The quantity of pieces of fabric, toys, leather jackets and fur coats usually constitutes a very small percentage of the whole consignments.
- (iv) Because of time consumed in the adjudication proceedings, heavy demurrage accrues on account of very small portion of offending goods.

In order to resolve the above cited problems it is ordered that:--

- (i) In case of second hand clothing where 95% of the consignment is undisputedly classifiable as second hand clothing under PCT heading 6309 the whole consignment shall be treated as second hand clothing under PCT 6309. No action for violation of section 16 and 32 of the Customs Act, 1969 will be initiated in case the offending goods are up to 5% of the total consignment by weight.
- (ii) Where the pieces of fabrics of different sizes and colours if found upto 10% of the weight of the consignment and having sizes of less than 2 metres in length the same shall be assessed as "Rags", to be classified under PCT heading 6310 without initiating action under section 32 of the Customs Act, 1969.
- (iii) In case where consignment consists (more than 5% by weight) of fabrics more than 2.0 meter of length, or in the shape of "than" and other items which are on the negative list of the import policy, then proceedings for ITC contravention read with section 16 and 32 of the Customs Act, 1969 shall be initiated.

**(B) Question of taking cognizance of misdeclarations of description, value and PCT headings.**--For invoking provisions of mis-declaration under section 32 of the Customs Act, 1969 prima facie, an element of "mens rea" should be present i.e. there should be an attempt of wilful and deliberate false declaration. The importers may not

<sup>168</sup> Substituted vide CGO No. 1 of 2003, dated 17<sup>th</sup> February, 2003

<sup>169</sup> . "In Para 101 of the aforesaid Customs General Order , the words figures and brackets "S.R.O. 1374(I)98 dated 17-12-1998", shall be substituted by the words , figures and brackets S.R.O. 374(I)/2002 DATED 15-06-2002" vide CGO No. 1 of 2003 dated 17<sup>th</sup> February, 2003

be charged for mis-declaration under Section 32 of the Customs Act, 1969, in the following situations:-

- (i) where an importer makes a correct declaration on bill of entry or opts for 1st appraisement for determination of correct description, PCT heading of quantity of goods.
- (ii) when a consignment is found to contain goods of description other than the one declared falling under separate PCT heading but chargeable to same rate of duty.
- (iii) where the description of goods is as per declaration but incorrect PCT heading has been mentioned in the bill of entry no mis-declaration case under Section 32 of the Customs Act, 1969, be made out provided there is no change in the rate of customs duty as a result of ascertained PCT heading.

The following instructions/guideline are issued.

2. In case of mis-declaration of actual transaction value, confirmed on the basis of record prescribed under SRO 375(I)/2000 dated 17.06.2000 or upon audit under sub-section (12) of section 25, action for mis-declaration be initiated regardless of extent of difference between the declared value and the actual transaction value.

3. If the appropriate officer of Customs has 'reasons to doubt the truth or accuracy of the declaration made by an importer on documents produced in support of the declaration and explanation provided by the importers is not satisfactory or in the absence of explanation, such officer is not able to determine the customs valuation of imported goods under the provisions of sub-section (I) of section 25 of the Customs Act, 1969, such appropriate officer shall then proceed with determination of customs value according to the sequential methods of valuation provided in the section 25. If the difference between the customs value so determined and the declared value is more than 30%, the importer may be charged for offence of mis-declaration under section 32 of the Customs Act, 1969.

4. However, due care must be exercised to establish that there must be an element of mens rea. before decision regarding punitive action is taken.

<sup>170</sup>**[102. CUSTOMS CLEARANCE OF EXPORT CARGO OF M/S NESTLE PAKISTAN LIMITED AT THEIR FACTORY PREMISES, KABIRWALA/ SHEIKHUPURA.**

In order to facilitate the containerized export of food products of M/s Nestle Pakistan Limited (hereinafter referred to as "the exporter") being manufactured in their factory at Kabirwala/Sheikhupura and meant for export to Afghanistan via land route, the Federal Board of Revenue is pleased to lay down the following procedure:--

(1) The exporter shall submit an application to the Assistant Collector of Customs Dry Port, Multan/Lahore at least 48 hours prior to the filling of their products meant for export.

(2) The exporter shall produce invoice alongwith the packing list showing the name of the consignee/importer, quantity/weight, brand, unit price and value indicating the shipping marks and serial number of the packages to the appropriate officer of Customs at the time of examination.

(3) The appropriate officer of Customs shall examine 5% to 10% of packages in detail as per export documents with regard to quantity, brand of productions and shall endorse his examination report in the export invoice in his own handwriting with the name in block letters and office stamp. He shall also prepare a separate examination report in duplicate. One copy of such examination report and the export documents including duly endorsed invoice shall be given to the exporter for further necessary action and one copy of all such documents shall be kept for record at the dryport Lahore/Multan. The appropriate officer of Customs will also carry out 2% checkweighment of the

<sup>170</sup> . For para 102, the new para and relating entries thereto were substituted vide CGO 4 of 2009 dated 13<sup>th</sup> June, 2009

total packages or cartons by random selection. Each package or carton shall be legibly and clearly printed with the word "MEANT FOR EXPORT TO AFGHANISTAN, NOT FOR USE IN PAKISTAN" and such packages shall also be stamped/embossed to show date of manufacture and date of expiry of goods.

(4) Loading of the containers shall be carried out in the presence of the appropriate officer of Customs and it will be sealed with tag or label as indicated in proforma annexed "A". The tags or label used will be printed and serially numbered which will be recorded in the invoice and examination report. After examination, the officer of customs shall affix the customs seal in vogue as prescribed in Custom General Order 04 of 2007.

(5) The package or cartons showing consecutive numbers shall be packed serially and these serial number will appear in the examination report, invoice and tag/label attached with the container. The packages or cartons shall be stored/stacked inside the container in such a manner that the packages or cartons bearing last number are placed at the opening lid of the container. Container's number shall be shown in the invoice for the purpose of shipment.

(6) The exporter/clearing agent shall file the Goods Declaration (GD) for Export at Customs station Torkham/Chaman alongwith a duly signed invoice, packing list and examination report of the appropriate officer of Customs showing the number of packages and number of containers processed. The export examination staff at the post will check the customs seal and signatures of the appropriate officer of Customs on tag/label and verify the particulars shown in the GD for export and invoice without opening the container. In case of suspicion or where the Customs seal is found broken, the Customs staff at the Customs Station Torkham/Chaman shall open the container after obtaining a written order of the Assistant/Deputy Collector and examine the goods in the presence of the representative of the exporter and/or clearing agent.

(7) When the inspection is over by the appropriate officer of export at Torkham/Chaman confirming the customs seal intact, GD for export will be presented to the Principal Appraiser who will allow the consignments out of charge for export. The officer of customs at Torkham/Chaman shall send an attested copy of the GD for export to the respective Assistant Collector of Customs, Dryport Lahore/Multan for confirmation of export and reconciliation.

(8) Safe transportation of the container/containers from the factory of the exporter at Kabirwala/Sheikhupura to Customs station Torkham/Chaman shall be the sole responsibility of the exporter.

(9) The correct and accurate examination of goods loaded in the container, completion of formalities, sealing of containers, maintenance of record of export and compliance of the foregoing procedure shall be the responsibility of the appropriate officer of Customs deputed for the purpose at the factory premises.

(10) The expression, "Appropriate Officer of Customs" used in this Order means an Officer not below the rank of an Examiner.]

**103. Collection of customs duties and taxes, in foreign exchange on passenger's baggage and on the import of motor vehicles.**--Consequent upon Federal Government's decision, vide the budgetary measures 1999-2000, that customs duties and taxes on the passenger's accompanied and unaccompanied baggage and on the import of motor vehicles under the relevant schemes/rules shall be charged in foreign exchange, the following procedure is laid down for implementation in the light of the State Bank of Pakistan's letter No. 44/5/FEP/5-37/99 dated 28th June, 1999, addressed to the Executive Vice President, International Division, National Bank of Pakistan, Head Office, I.I. Chundrigar Road, Karachi:

**A. COLLECTION OF CUSTOMS DUTIES AND TAXES ON PASSENGER'S ACCOMPANIED & UNACCOMPANIED BAGGAGE:**

- (i) The appropriate Customs Officer shall assess customs duties and taxes on the baggage assessment slip in US dollars with respect to passenger's accompanied and



unaccompanied baggage. If the ITP/value of the said item is in Pak Rupees, it shall be converted to US dollars on the exchange rate applicable on the day of assessment.

- (ii) National; Bank of Pakistan is designated to collect duties and taxes as will be assessed by the appropriate Customs Officer on the baggage assessment slip. The duties and taxes shall be surrendered to the State Bank of Pakistan instead of selling, it to inter-bank market. If duties and taxes are paid in currencies other than U.S. dollars, National Bank of Pakistan shall sell to State Bank of Pakistan its equivalent in US dollars. The National Bank of Pakistan shall surrender to the State Bank of Pakistan all duties and taxes on a weekly basis with a statement of daily collection.
- (iii) The bank shall maintain record on the format at Annex-I and shall furnish a daily return on the same format to the relevant Assistant Collector of Customs. The bank shall also furnish a monthly return for the duties and taxes collected on the format at Annex-II.
- (iv) The Assistant Collector of Customs incharge of accompanied/unaccompanied baggage section shall ensure that the above instructions are complied with.
- (v) In the Customs Arrival halls and in unaccompanied baggage sections, the instructions for the payment of duties and taxes in foreign exchange shall be displayed both in Urdu and English.
- (vi) Collectors incharge shall monitor the progress of the decision by overseeing the process and co-ordinating with banks, where necessary. A monthly report as regards the implementation of the decision together with the details of duties and taxes so collected shall be sent to the Board by the Collectors.

**B. COLLECTION OF CUSTOMS DUTY ON MOTOR VEHICLES FALLING UNDER PCT HEADING 87.03:**

- (i) The assessment of motor vehicles shall be made on Bill of Entry in US dollars only, at the applicable rates.
- (ii) The National Bank of Pakistan is designated to collect duty as per the assessment made by appropriate Customs Officer on the Bill of Entry. The duty shall be collected in US dollars and the same shall be surrendered to the State Bank of Pakistan instead of selling it to inter-bank market. The National Bank of Pakistan shall surrender the duty collected to State Bank of Pakistan on weekly basis with a statement of daily collection. A copy of the aforesaid daily statement shall also be submitted to Chief Accounts Officer of the Collectorate.
- (iii) The bank and the Accounts Section of the Collectorate shall simultaneously maintain record on the format as prescribed at Annex-III. The bank and the Accounts Section shall reconcile figures of revenues collection on daily basis.
- (iv) The Chief Accounts Officer shall ensure that the above instructions are fully complied with.

**ANNEXURE-I**

**DAILY RETURN OF DUTY COLLECTION IN FOREIGN EXCHANGE**

Date	Name of Passenger	Value for duty Purpose (in US\$)	DUTY COLLECTED					Rate of Exchange prevalent	Pak. Rs. Equivalent for Duty amount	Remarks
			US\$	British Pound /EURO	S. Riyals	U.A.E. Dinars	Others			
(1)	(2)	(3)	(4)					(5)	(6)	(7)



--	--	--	--	--	--	--

Total  
Assistant  
(Customs)

Collector

Total  
Prepared By

Verified

Signed R.E.P.

## AXURE-II

### MONTHLY RETURN OF DUTY COLLECTED IN FOR IGN EXCHANGE

Month	DUTY COLLECTED					Total Equivalent in Pak Rs.	Remarks
	US\$	British Pound/EUR O	S. Riyals	U.A.E. Dinars	Others		
(1)	(2)					(3)	(4)

Total:

## ANNEXURE-III

### STATAMENT SHOWING DAILY COLLECTION OF CUSTOMS DUTY IN FOREIGN EXCHANGE (US \$)

S.No.	Cash	date	IGM No. & index	Name of the Importer	Clearing Agent	Duty Payment		Exchange Rate	Pak. Rs.-	Remarks
						Pay Order/ Cash	Amount			
(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)	(9)	(10)

### NATIONAL BANK (S-ACCOUNTS)

**104. Reporting of cases of tax frauds and tax evasion to the audit in order to comply with the provisions of General Financial Rules.**--In the past, Board issued instructions regarding reporting of cases of tax frauds and tax evasion to the audit vide C. No. 9(500)CA/96, dated 19.05.1999. According to para 20 of the Central Financial Rules, Vol. 1, any loss of public money, departmental revenue, stores or property etc. held by or on behalf o' the Government caused by defalcation or otherwise is required to be reported. to Audit immediately, even if such loss has been made good by the party responsible for it.

**2.** In the audit reports for the year 1993-94, for example, certain major cases of losses/defalcation of public revenue are mentioned. These cases were either detected by Audit or came to its notice through formal or informal information media. However, none of these cases were

reported to Audit by the concerned authorities as required under the Rules nor were details thereof intimated.

3. The PAC in its meetings appreciated the above requirements of Audit. Upon this, CBR issued directions to the subordinate offices to comply with the codal provisions but in actual practice, their compliance was not visible. In fact, every audit report contains such observations which have to be replied by the Board. Such a situation also puts the Board in an embarrassing position before the PAC.

4. It has, therefore, been decided that in order to comply with the provisions of the General Financial Rules, to streamline the procedure, and to avoid inclusion of such observations, every Collector in future would personally ensure that all cases of tax fraud, defalcation and cases of tax evasions of substantial amounts are reported, without fail to Audit. In case of Collectorates situated in the provinces of Punjab/NWFP such reports shall be sent to Director General, Audit Revenue Receipt, Lahore, whereas the Collectorates situated in the provinces of Sind/Baluchistan shall be sent to the Director General, Audit Revenue Receipt, Karachi.

5. Any lapse in this regard shall be seriously viewed.

**105. Transportation of import containers between Port Muhammad Bin Qasim and Karachi Port except Afghan transit containers.--**The following procedure regarding transportation of import containers between Port Qasim and Karachi Port/approved off-dock terminals is for information and compliance of all concerned:-

- (a) Requirements for transportation of import containers from Port Qasim to Karachi Port/Off-Dock terminals and vice-versa.
  1. The shipping lines carrying import containers meant for transportation from Port Qasim to Karachi Port/ approved off-dock terminals and vice versa, shall submit a copy of IGM on floppy diskette containing information in respect of all such containers to the Assistant Collector (Imports) of the entry port as well as, to the Port authorities of the port of destination.
  2. Only those Import containers shall be allowed transportation from Port Qasim to Karachi Port or approved off-dock terminals, which are manifested for Karachi Port or such off-dock terminal and vice versa.
  3. Only those shipping lines shall be allowed transportation of import containers between Port Qasim and Karachi Port/off-dock terminals, which are holding their plots/terminals at any of the two ports/off-dock terminals or alternatively their stevedores hold the plots/terminals at any of the two ports/off-dock terminals.
  4. In case, the shipping lines or their stevedores do not have their plots/terminals at the port of delivery, permission for Inter-Port transportation shall be allowed subject to prior N.C.C. from the respective destination port/off-dock terminal.
  5. Inter-Port transportation of import containers shall be allowed through approved bonded carriers only who are holding Custom House Agent License and are authorized by the concerned shipping lines or their agents for transportation of cargo from Port Qasim to Karachi Port and vice versa.
  6. The cargo in transit to Afghanistan will not be allowed inter-port movement under this procedure.
  7. The cargo destined for Dry Ports under T.P. will also not be allowed inter-port movement.
  8. Inter-Port transportation of container(s) carrying vehicles, spirits, dangerous drugs, explosives, arms & ammunition, narcotics, acetic anhydride or any

such chemicals, as notified by the Federal Government from time to time in the light of "Chemical Weapon Convention", shall not be allowed.

9. Flat-bed containers shall be used for transportation of heavy packages, heavy coils, electric & telephone poles, heavy generators boilers, etc. from Port Qasim to Karachi Port/Off-dock terminal and vice versa. Such goods shall be covered with tarpaulin in sound condition and a cable passed through the eyelets so as to secure the goods to the satisfaction of Customs Officer. The Customs seal shall then be applied to the ends.
  10. All the transport units carrying transportation cargo shall be safe, secured and locked properly and shall not contain any concealed spaces where any goods can be hidden.
- (b) Responsibilities of Shipping Agent/Bonded Carriers during Inter-Port Transportation.
11. The Shipping Agent shall apply to the Assistant Collector of Customs (Imports) of Appraisalment/ Port Qasim Collectorate, as the case may be, on the prescribed application form set out at (Annex-A) alongwith the copy of bill of lading <sup>171</sup>[\*\*\*] during office hours.
  12. The application of inter-port transportation of import container(s), shall be submitted in quintuplicate. After completion of necessary customs formalities, the carrier shall collect all live copies from the office of Assistant Collector.
  13. First copy of the application shall be submitted to the Customs Officer posted at the Exit Gate of the entry port. The second copy of the application shall be submitted to concerned port authorities of the entry port, who will issue the preliminary out-turn report accordingly. The third copy will be retained by the concerned Shipping Agents for their record. The fourth copy shall be submitted in the office of Assistant Collector (Imports) of the destination port for manifest clearance of the goods. The fifth copy showing receipt of containers at the destination port, should be submitted to the Assistant Collector(Imports) of the port of entry for discharge of Insurance guarantee, furnished by the bonded carrier there.
  14. Prior to submission of application for transportation of Import cargo from one port to other, the bonded carrier shall satisfy himself that the declaration regarding weight, quantity and description of goods is in accordance with the declaration given to the IGM.
  15. The carrier or his authorized agent shall, after the goods have actually been loaded in the conveyance, prepare "Carrier's Manifest" (Annex-B) in triplicate on the basis of delivery position record on the transshipment manifest submitted by the concerned shipping agent(s).
  16. The person incharge of conveyance shall hand over all the three copies of "Carrier's Manifest" to the appropriate officer of Customs posted at the Exit Gate of the Port of entry who shall retain one copy thereof and hand over the remaining two copies to the person incharge of the conveyance; one copy to be presented under sealed cover to the appropriate officer of Customs at the Port of destination and the other to be retained by the carrier for his own use.
  17. The Bonded Carrier and the Shipping Agent, shall be jointly and completely responsible for duty and taxes involved and the value diminished as a result

171 . In Para 105, in sub-Para (b) 11, the words "and invoice" were deleted vide CGO No. 9 of 2003 dated 25<sup>th</sup> September, 2003

of any damage/pilferage, notwithstanding any other action under the law and this procedure. The Carrier shall bear all expenses incurred on re-stuffing/re-packing of bonded goods including the duty/taxes leviable on goods pilferaged or damaged.

18. <sup>172</sup>[A revolving bank guarantee/Defence Saving Certificates, submitted by the bonded carrier at the time of licensing, except NLC, shall be taken into account for covering the amount of duty, and taxes, fine and penalty, if any, involved on the cargo intended to be transported from one port to other in case of any eventuality like damage, pilferage, theft, fire accident causing loss to the Government revenue;]
19. The insurance guarantee will be discharged once the bonded Carrier submits the fifth copy of the application form showing receipt of container(s) at the destination port, to the Assistant Collector (Imports) of the entry port. Procedure at the Port of Entry.
20. After getting approval from the concerned Assistant Collector, the bonded carrier shall move the container(s) to the respective exit-gate.
21. The Customs Officer posted at the exit-gate of entry port shall get the import container(s) weighed at the weighbridge and tally the weight with the weight mentioned in the IGM. He shall record the weight in the prescribed form of application, as well.
22. In case a difference of 5% or more is found in the actual weight viz-a-viz the weight declared in IGM transportation will not be allowed unless a revised Transportation Permit is obtained from the Assistant Collector (Imports) of the entry port.
23. The permission granted for transportation of import container(s) shall be deemed cancelled, if the goods are not transported within 24 hours from obtaining such permission. <sup>173</sup>[Inter-port movement of the containers, after 24 hours, shall be allowed on case to case basis subject to approval by the Additional Collector of Customs.]
24. The Customs Officer posted at the respective exit gate shall verify the particulars of container(s) as mentioned to the application form and affix the Customs bullet seal as well as sticker on the respective container(s). The Customs Officer shall duly endorse the seal number and the container number on the application form. He shall also record the date and time of exit on the application form.
25. The charges for each set of Customs bullet seal and sticker shall be Rs. 100/- which shall be deposited in the concerned branch of National Bank in the account of Custom House Common Pool Trust (CPT). The receipt obtained from the bank shall be presented to the Customs Officer posted at the exit gate of the port of entry.

(c) Procedure at the Destination Port.

26. The Customs Officer posted at the respective entry gate shall verify the seal and the container number and ensure that the Customs seal affixed by the Customs Officer of the entry port on the container is intact. He shall also endorse such verification in the prescribed application form.

---

172 . Sub-Para (b) 18, was substituted with new Para vide CGO No. 9 of 2003 dated 25<sup>th</sup> September, 2003

173 . At the end of Para (b) 23, after full stop, the new words were added vide CGO No. 9 of 2003 dated 25<sup>th</sup> September, 2003

27. In case the Customs seal affixed on a container is found broken/tempered with, the respective container shall be examined 100% by the Customs staff in the presence of terminal operator or representative of respective Port authorities, as the case may be, and a representative of the bonded carrier. An inventory of the goods contained in such container(s) will be prepared and signed by all witnesses. This inventory shall form a part of the bill of entry tiled subsequently for clearance purposes.
28. The container(s) carrying transshipment goods shall be weighed at the Weighbridge of destination port and the Customs Officer posted there shall tally the weight with the one recorded at the entry port.
29. In case, there is a difference of more than 1% between the weight recorded at entry port viz-a-viz the weight found at destination port, the Carrier shall be held liable for penal action.
30. The Customs Officer posted at the entry gate of destination port shall also record the date & time of entry on the application form and detach a copy thereof for record purposes.
- (d) Time limit and route prescribed for transportation of Import Cargo from one Port to other.
31. <sup>174</sup>[The inter-port movement of the containers shall be allowed round the clock. The movement after sunset shall be allowed only under Customs escort. The container(s) moved from exit gate of the entry port on a given day, shall reach at the entry gate of the entry port on a given day, shall reach at the entry gate of the destination port during the time as determined by the two ports/two Customs station while keeping in view the movement track of the containers.
- In case of any delay enroute, a joint report shall be submitted by the bonded carrier/ Customs escort to designated Customs officer regarding reasons of delay in reaching the port of destination. A copy of the said report shall be deposited with concerned Customs officer of port of entry also.]
32. The prescribed route for transportation of Import containers from Port Qasim to Karachi Port/Off dock terminals and vice versa is through National Highway via Korangi Industrial Area en-route Mai Kolachi Bypass. Any container being transported from one port to other, if found travelling through any other route, will render the concerned bonded carrier liable to penal action for contravention of this procedure.
33. In case of any eventuality/accident, if the container does not reach the destination port within prescribed time. The incident shall be reported to the Assistant Collector (Imports) of the destination port. Such container(s) shall be examined 100% by the Customs staff in the presence of terminal operator or representative of respective Port authorities, as the case may be, and a representative of bonded carrier. An inventory of the goods contained in such container(s) will be prepared and signed by all witnesses. This inventory shall form a part of the bill of entry tiled subsequently for clearance purposes.
- (e) Contravention of this Procedure.
34. Contravention of any provision of this procedure shall be deemed contravention of sections 32 & 121 of the Customs Act, 1969 and the Customs Agents (Licensing) Rules, 2001 (SRO 450(I)/2001 dated

174 . Sub-Para (d) 31 as amended vide Customs General Order 06/2003 dated 22.07.2003, were substituted vide CGO No. 9 of 2003 dated 25<sup>th</sup> September, 2003

18.06.2001) made thereunder and will render the bonded carrier liable to penal action under the relevant provisions of law and rules.

- (f) Exchange of information between the Customs Authorities of the two Ports.

35. The Assistant Collectors (Imports) of the two ports exchange information in respect of Import container(s) transported from one port to other, on a weekly basis in the format set out at (Annex C), so as to ensure that the container(s) allowed transportation from entry port have been duly reached at the destination port.

<sup>175</sup> [Goods Declaration GD-I]

<b>CARRIER'S MANIFEST</b>				
No. _____		Date: _____		
Total No. of Container(s) (in words)		20 Ft	40 Ft	45 Ft
Port of Shipment:		Designation Port:		
Vessel Name & Voyage No.		IGM No. & Date:		
Index No.		Total Net Weight of the goods (MT)		
Description of Goods				
Container no.	Marks & No.	Seal no.	Vehicles No.	Net Weight (in M. Tons)

  

Certified that the details on this document are correct.  <div style="text-align: right; padding-right: 10px;">Signature &amp; Seal of Carrier</div>	Certified that the above mentioned goods have been sealed & transported in my presence.  <div style="text-align: right; padding-right: 10px;">Signature &amp; Seal of Customs Officer</div>	Certified that the above mentioned goods have been received on with the seal intact.  <div style="text-align: right; padding-right: 10px;">Signature &amp; Seal of Customs</div>
--	---	--

<b>ANNEX - C</b>	
INFORMATION IN RESPECT OF IMPORT CONTAINERS, TRANSPORTED	
FROM _____ TO _____ DURING THIS WEEK	
Ref. No. _____ Date _____.	

<sup>175</sup> "Goods Declaration" substituted for "Annex-A" vide CGO No. 9 of 2013, dated 25th September, 2005

--

The Assistant Collector of Customs (Imports),  
Appraisalment/Port Qasim Collectorate,  
Karachi.

It is to inform that following import containers have been transported from Port Qasim to Karachi Port/Off Dock terminals during the aforementioned period in terms of SRO \_\_\_\_\_(1)/99 dated.

2. It is requested to confirm whether all the below mentioned import containers have duly reached at the Karachi Port or not.

Signature & Seal of the Assistant Collector (Import), Appraisalment/Port Qasim Collectorate.

Total No. of Container(s) (in words)		20 Ft	40 Ft	45 Ft
Container No. per IGM		IGM No. & date		Index No.
				Description of Goods as per IGM

CONFIRMATION REGARDING IMPORT CONTAINERS,  
TRANSPORTED  
FROM \_\_\_\_\_ TO \_\_\_\_\_ DURING THE WEEK  
FROM \_\_\_\_\_ TO \_\_\_\_\_.  
Date: \_\_\_\_\_  
Ref. No. \_\_\_\_\_ Date: \_\_\_\_\_

The Assistant Collector of Customs (Imports),  
Appraisalment/Port Qasim Collectorate,  
Karachi.

Please refer to your letter No. \_\_\_\_\_ dated

2. It is to inform that the containers mentioned in your aforesaid letter,  
which were allowed transportation from \_\_\_\_\_ to \_\_\_\_\_ during the period  
from \_\_\_\_\_ to \_\_\_\_\_ have reached safely at\_.

3. . Information in respect of the containers mentioned in your aforesaid letter, which were  
transported during the above mentioned period but did not reach at is given hereunder:-

Container No.	IGM No. & date	Index No.	Remarks



Signature & Seal of the Assistant Collector

(Imports), Appraisement/Port Qasim  
Collectorate

**106. Procedure regarding inland transportation of the consignments imported and customs cleared from different land customs stations of Balochistan.**--In order to mitigate the genuine grievances of the traders/ importers of Balochistan province the following instructions are issued for immediate-compliance by the concerned agencies/organizations:-

- (i) The imported consignments of metal scrap timber and dry fruits shall be transposed to up-country destinations under Customs escort (Sepoy), accompanied by the triplicate copy of the bill of entry in original shape (No photo copy acceptable).
- (ii) The triplicate copy of the bill of entry shall contain a complete examination report to be written by the Examining Officer containing description. Category wise quantity, origin, PCT heading etc. etc. and shall be endorsed by the countersigning officer. The registration No. chassis and engine numbers of the truck shall also be recorded in the examination report. The consignment shall be out of charge by the incharge customs station showing the date of out of charge both in figures and words.
- (iii) The importer shall make a declaration in the column of "Misc: Official Use" on the reverse of the bill of entry during the filing of the documents to the effect that the consignment is meant for inland country destination. The name of the final destination shall also be indicated therein. The Incharge Customs station on the request of the importer shall, provide escort up to destination on payment of advance escort charges in the form of daily allowance and return travelling allowance of the Sepoy for the required days and destination by the importer before removal of the consignments from the customs area.
- (v) The consignment carried in open truck shall be covered with tarpaulin and properly sealed in the presence of examining officer. The seals shall not be tampered or broken until the consignment reaches its final destination.
- (vi) The consignments transported to the inland destination under the Customs escort (Sepoy) and accompanied by the triplicate copy of the bill of entry shall not be subjected to any inroad stoppage and checking at any check post or by mobile squads of the Anti-Smuggling Organization/Agency up to the declared upcountry destination.
- (vii) However, the anti-smuggling agencies, on receipt of a credible information or in case they found the seals tampered or broken, can subject such consignments to detailed examination after obtaining written approval from Assistant Collector/Assistant Director Incharge to that effect.
- (vii) The above mentioned arrangement/facility is provided to the importers only to safeguard public interest and the Government revenue. For any infringement found during the transportation, the importers/clearing and forwarding agent shall be personally responsible as to legal or penal proceedings under the law.
- (viii) Escort facility is optional for the importers and the consignments transposed without Customs escort can be checked enroute on suspicion by the anti-smuggling agencies.

<sup>176</sup>[A. **ARRIVALS:**

- (i) For clearance of the passenger at all international airports, dual channel system i.e. a "Green Channel" and a "Red Channel", shall be operative:

176 Para Nos. 7 & 8 were Substituted vide SGO No. 10 of 2006, dated 7<sup>th</sup> August, 2006

- (a) Green Channel for passengers having with them no goods or only goods which can be admitted free of import duties and taxes and which are not subject to import prohibitions or restrictions; and
- (b) Red Channel for other passengers.
- (ii) The passenger opting for the Green Channel shall not be subject to examination or scanning and they shall be allowed unhindered walk through the Customs area.
- (iii) The accompanied baggage of the passengers choosing the Green Channel shall neither be scanned nor checked in routine by the customs staff. However, the baggage may be selected for examination on reasonable suspicion or on an apparent misuse of the green channel. The baggage so selected would be first scanned and if the process of scanning gives support to the suspicion, then physically examined.
- (iv) The passengers carrying baggage in excess of their duty free allowances shall pass through Red Channel and their baggage shall be examined for assessment of duty and taxes.
- (v) To facilitate the operation of dual channel system, separate channels, Green and Red, will be provided with prominent indication in the form of sign boards displayed at the appropriate places so that the same are easily recognizable by the passengers. The sign boards shall be painted in green and red colours for the respective Channels.
- (vi) Baggage Rules, Import and Export restrictions and conditions, the amounts of duties and taxes payable on dutiable items and the rights and obligations of the passengers shall be prominently displayed inside the arrival halls all over the country in uniform design and size.
- (vii) A Help Desk, staffed by courteous and helpful officers, well conversant with the law and procedures, shall be located at prominent places inside the arrival halls for information and facilitation of all the passengers. The disabled, elderly, ladies and children shall be attended by these Desks on priority.
- (viii) In case of goods liable to duty and taxes, the same will be assessed by Customs on the Assessment Slip as per the format given at Annex-A (in triplicate). The duty and taxes so assessed shall be deposited by the passenger in foreign currency or equivalent amount in Pakistani rupees at the National Bank of Pakistan booths. One copy each of the Assessment Slip shall be retained by the Customs and the bank whereas the third copy shall be handed over to the passenger. The calculation and amount of duties and taxes assessed, along with relevant provisions of law, shall be explained to the passengers by the customs staff for their satisfaction.

**B. DEPARTURES:**

- (i) The practice of hundred percent checking and examination of each outgoing passenger shall be discontinued immediately.
- (ii) The baggage and body of passengers shall be examined on the basis of specific information, risk profiling, suspicious behavior or any other reasonable doubt.
- (iii) Baggage Rules and applicable Export restrictions for outgoing passengers shall be prominently displayed inside the departure halls all over the country in uniform design and size.
- (iv) A Help Desk, staffed by courteous and helpful officials, located at a prominent place inside the departure halls shall be made available and fully functional for information and facilitation of all outgoing passengers. Priority shall be given to the disabled, elderly, women and children.

**C. STAFFING:**

- (i) An officer, not below the rank of an Assistant Collector, shall invariably be available at the time of the clearance of international flights.
- (ii) It shall be ensured that smart, well behaved and efficient staff is posted for passengers' facilitation.
- (iii) The number of Customs staff to be posted in different shifts shall be determined in a rational manner. Size of the shifts shall also be determined in accordance with the peak, normal and off-peak passenger rush hours.
- (iv) The staff posted at the airport shall be properly trained and well conversant with Customs laws and procedures, risk profiling, passengers facilitation, image management and inter personal communication skills. Short courses for the staff be arranged periodically focusing on the above areas.

<b><u>ASSESSMENT SLIP</u></b>						<b><u>ANNEX-"A"</u></b>														
Customs station: _____																				
Date: _____																				
(a)	Name of the passenger:	_____																		
(b)	Nationality	_____																		
(c)	Passport No.	_____																		
(d)	Flight No.	_____																		
(e)	Scanning Machine No.: (if applicable)	_____																		
(f)	Place of arrival:	_____																		
(g)	No. of visit in the year:	_____																		
(h)	Duration of stay abroad:	_____																		
(i)	Address of the passenger:	_____																		
<table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 10%;">S.No.</th> <th style="width: 25%;">Description of Goods</th> <th style="width: 20%;">Assessed C&amp;F Value</th> <th style="width: 15%;">Customs Duty</th> <th style="width: 15%;">Sales Tax</th> <th style="width: 10%;">Misc</th> <th style="width: 15%;">Total</th> </tr> </thead> <tbody> <tr> <td colspan="7" style="height: 40px;"> </td> </tr> </tbody> </table>							S.No.	Description of Goods	Assessed C&F Value	Customs Duty	Sales Tax	Misc	Total							
S.No.	Description of Goods	Assessed C&F Value	Customs Duty	Sales Tax	Misc	Total														
Name, designation and stamp of the customs officer]																				

**109. Permission for regional transshipment of chemical from EVTL.**--The following special procedure is prescribed in respect of chemicals imported for subsequent storage and transshipment through the storage facility of Messrs Engro Vopak Terminal Limited, Plot No. OZ/IP-8I, South Western Zone, Berth No. 13, Port Muhammad Bin Qasim, District Malir, Karachi.

**1 Definitions:**--In this procedure, unless there is anything repugnant in the subject or context:

- (a) "Act" means the Customs Act, 1969 (IV of 1969).

- (b) "Transshipment" means the transfer of transshipment chemicals from the storage facility of Ws. Engro Vopak Terminal Ltd. (EVTL) in destination outside Pakistan without payment of customs duty and other leviable taxes from EVTL tanks to a vessel either through pipelines or through ISO tanks/ containers.
- (c) "Transshipment chemicals" means chemicals brought into Pakistan for subsequent storage and transshipment from the storage facility of M/s. Engro Vopak Terminal Ltd. (EVTL,) whether or not chemicals meant for home consumption.
- (d) Transshipment of chemicals" means shifting of chemicals means shifting of chemicals from the storage facility of M/s. Engro Vopak Terminal Ltd. (EVTL) to a vessel either through pipe lines or through ISO tanks/containers.
2. (i) At the time of tiling the import General Manifest. the shipping agent shall specifically declare the exact quantity meant for both home consumption and transshipment abroad.
- (ii) The chemicals meant for subsequent transshipment shall be discharged in the tanks of M/s. Engro Vopak Terminal Ltd. (EVTL) alongwith the quantity meant for home consumption and those on which duty and taxes have been paid.
- (iii) Before receiving the entire quantity, the terminal operator shall provide complete details in respect of chemicals already stored in their facility i.e. IGM/Index-wise, tank-wise details viz quantity already stored and likely to be transhipped on which duty and taxes have not been paid.
- (iv) The chemicals meant for home consumption shall be cleared against bill of entry for home consumption after verification of description and payment of leviable duty/taxes.
- (v) The terminal operator before effecting the transshipment, shall apply to the Assistant/Deputy Collector concerned seeking permission for transshipment against transshipment permit. At the time of applying, he shall also enclose stocks report showing the exact outstanding IGM/Index number along with quantity of chemicals on which duty/taxes have not been paid. The terminal operator shall pay the prescribed transshipment tee in respect of each application for transshipment.
- (vi) The Custom Officer Incharge posted at the facility of M/s. Engro Vopak Terminal Ltd. (EVTL) shall maintain a register showing the following details:
- (a) Name of Vessel
  - (b) IGM Number and date
  - (c) Index Number
  - (d) Quantity received for home consumption
  - (e) Quantity received for transshipment
  - (f) Quantity transhipped
  - (g) Details of i.e. Export General Manifest and Import General Manifest
  - (h) Date of Export
  - (i) Balance Quantity
- (vii) The terminal operator shall without fail provide a fortnightly statement showing the stocks/inventory position tank-wise of IGM and index wise.
- (viii) Before effecting the transshipment, the shipping agent shall file Export General Manifest, clearly indicating the description and quantity of chemicals to be transhipped.

- (ix) The terminal operator shall prepare and issue gate passes of distinct color for each quantity either meant for home consumption or transshipment. In case of transshipment, removal from the premises of M/s. Engro Vopak Terminal Ltd. (EVTL) to the vessel can be allowed either through pipelines or through ISO tanks/containers.
- (x) The Customs Officer Incharge posted at M/s Engro Vopak Terminal Ltd. (EVTL) shall record the details of gate pass in the register to be maintained by him. In case of removal through pipeline, he shall specifically note the timing of valve opening and closing. He shall also record the readings of the gauges fixed with the tanks manually and record the same in the register.
- (xi) The chemicals actually meant for transshipment can also be cleared for home consumption after payment of surcharge in terms of Import Trade and Procedure Order treating them as frustrated cargo after payment of duty, taxes and leviable surcharge on the value of goods.
- (xii) Chemicals on which duty has been paid for the purposes of home consumption can also be exported in terms of relevant Import Trade & Procedures Order after seeking approval from the appropriate officer.
- (xiii) In case of Acrylo nitrite the quantities 0.25% may be ignored in terms of instructions contained in Board's letter C. No. I(30)Tar-I/88, dated 11.03.1989.
- (xiv) M/s. Engro Vopak Terminal Ltd. (EVTL) shall furnish an indemnity bond and insurance guarantee binding themselves to pay all government levies (i.e. duty and taxes) if found short levied or occurred because of some accident or damage.
- (xv) M/s. Engro Vopak Terminal Ltd. (EVTL) shall furnish fortnightly details of each tank in the prescribed format to the Assistant/Deputy Collector concerned.
- (xvi) The audit shall be conducted in the 2nd week of each month to avoid any mis-use of the facility. The monthly statements to be maintained by the Collectorate are enclosed as Annexures-A, B and C.

**TRANSACTIONS MADE DURING THE MONTH OF 2601 IN TANK  
NO. \_\_\_\_\_ OF EVTL CONTAINING \_\_\_\_\_**

- (A) Quantities added during the month

S. NO.	IGM NO.	INDEX NO.	IMPORTER'S NAME	CHAL. NO.
1	2	3	4	5

QUANTITY AS PER MANIFEST	QUANTITY STORED FOR HOME CONSUMPTION	CASH NO. & DATE	QUANTITY STORED FOR TRANSSHIPMENT
6	7	8	9

**“B”**

- (B) Quantities cleared during the month

S .NO.	IGM NO. DATE	INDEX NO.	IMPORTER'S NAME CHAL. NO	QUANTITY STORED	BALANCE AT THE END OF PREVIOUS MONTH
1	2	3	4	5	6

QUANTITY CLEARED FOR HOME CONSUMPTION	CASH NO. & DATE	QUANTITY CLEARED FOR TRANSSHIPMENT	EGM NO. DATE	BALANCE QUANTITY LEFT
7	8	9	10	11

“C”

TRANSACTION MADE DURING THE MONTH OF \_\_\_\_\_ 2001 IN  
TANK NO. OF EVTL CONTAINING \_\_\_\_\_

- (1) Previous balance
- (2) Added during the month
- (3) a. Delivered for Home Consumption b.  
b. Delivered for Transshipment  
c. Total Quantity Delivered
- (4) Net balance at the end of month

**110. Grant of depreciation of old and used goods imported in baggage.**--It has been observed that passengers bring-in old and used goods in their baggage and claim depreciation in value when assessment is made under the Baggage Rules. In order to address this situation, the Central Board of Revenue Is pleased to direct that in all deserving cases, depreciation in value to a maximum of 50% shall be allowed in respect of accompanied baggage, unaccompanied baggage and transfer of residence:-

The aforesaid depreciation will not be allowed in routine but on merits of each case, for the reasons to be recorded in writing, by the following officers to the extent mentioned against each:

- (a) Additional Collector of Customs up to 50%
- (b) Assistant/Deputy Collectors of Customs up to 35%
- (c) Superintendent/SPS (Provisionally subject up to 15% to approval of higher authority)

**111. Procedure for repayment of customs duty and sales tax paid on palm oil (excluding palm stearin) consumed in the manufacture of hydrogenated vegetable oil (vegetable ghee):-**

- I In pursuance of Central Board of Revenue's Notification No. S.R.O. 892(1)186, dated 24th September, 1986 (Reported as PTCL 1987 St. 66) the following procedure is prescribed for the repayment of customs duty and sales tax paid on palm oil (but not palm stearin) actually

used in the manufacture of hydrogenated vegetable oil (commonly known as vegetable ghee) to the extent that it does not exceed 65% of quantity of Vegetable ghee produced:-

- (i) The manufacturers of Vegetable Ghee shall maintain a stock account of the palm oil imported directly or purchased from other importers in the form prescribed as Annex-I.
- (ii) On production of hydrogenated vegetable ghee, the manufacturer shall issue a certificate in triplicate in the form prescribed as Annex-II.
- (iii) The authorized Central Excise Officer shall verify the manufacturer's certificate with the prescribed register in Annex-1 and with such other record and registers, as he may deem fit and appropriate, and shall endorse the same in appropriate columns thereat. In addition the authorized officer shall also attest the photocopies of the triplicate copy of the Bill of Entry against which the palm oil was imported and duly consumed for the manufacture of vegetable ghee for which the consumption certificate has been issued.
- (iv) The authorized Central Excise Officer after due endorsement, shall send the copies of the certificates as' hereunder:-
  - I. Original to the manufacturer of Vegetable Ghee.
  - II. Duplicate to the Customs Collector of (Preventive), Custom House, Karachi.
  - III. Triplicate Office Copy.
- (v) Within 45 days of the issue of the certificate the manufacturer shall apply, for the repayment of the customs duty and sales tax to the Collector of Customs (Preventive), Customs House, Karachi.
- (vi) The Assistant Collector of Customs duly authorized by the Collector after satisfying that the customs duty and sales tax was paid on importation shall sanction the claim of repayment of duty in terms of the Notification and shall maintain a record as prescribed by the Collector of Customs (Preventive), Karachi.
- (vii) The Collector of Customs of the jurisdiction (where the warehouse is situated and the Ex-bond bill of entry is filed), will ensure that the repayment is made expeditiously. " will send a monthly statement of repayment in the form appended as Annex-III by 7th of the following month to the Central Board of Revenue and the Ministry of Industries.

## II. FOR UNITS OF GHEE CORPORATION OF PAKISTAN

In view of the above, the Central Board of Revenue is pleased to relax the provisions of clauses (i) and (ii) above of this order for the units of Ghee Corporation of Pakistan (Pvt.) Limited only to the extent that columns 1 to 17 of Annexure I may be filled up by the authorized officer of Ghee Corporation of Pakistan (Pvt.) Limited at Karachi, on behalf of the ghee manufacturing units of the Corporation and columns 18 to 23 of the same Annexure may be filled by the Individual units of the Corporation

### ANNEX-I

#### **STOCK ACCOUNT OF PALM OIL IMPORTED DIRECTLY OR PURCHASED FROM OTHER IMPORTERS**

Quantity of Palm oil imported directly on Payment of Customs duty Rs:..... Per tonne and 12-1/2% sales Tax.	Quantity of Palm oil purchased from other Importers who have paid customs duty Rs:..... per tonne and 12-1/2 % Sales Tax.
--	---



No.	Date	Opening Balance of palm	B/E No. & Date	Cash No. & Date	IGM No. Date and Index No.	Quantity received in the factory
1	2	3	4	5	6	7

Name of Importer	Import Regn No.	B/E No. & date.	Cash No. & date	IGM No. Date and Index No.	Purchase Receipt No. and Date	Quantity Purchased	Total Qty. of Palm oil (Col. 3+7+14)
8	9	10	11	12	13	14	15

Quantity issued for the manufacture of Vegetable Ghee in Mill	Quantity of Vegetable ghee manufactured	Quantity issued for other purposes	Closing Balance [cols.15-(16+18)]	Remarks if any
16	17	18	19	20

#### ANNEX-II

Consumption Certificate No. \_\_\_\_\_ dated \_\_\_\_\_

I. Mr. \_\_\_\_\_  
(Designation)

of M/s. \_\_\_\_\_

(Manufacturer's name and address of the factory) do hereby declare that we:

(i) Imported \_\_\_\_\_ tonnes of palm oil per  
(Quantity)

S.S. \_\_\_\_\_ from \_\_\_\_\_  
(Vessels' Name) (country's name)

per IGM No. \_\_\_\_\_ Index No. \_\_\_\_\_

and cleared \_\_\_\_\_ tonnes thereof for the  
(Quantity)

manufacture of hydrogenated vegetable ghee in our factory and paid customs duty thereon Rs.

\_\_\_\_\_ per tonne and 15% Sales Tax vide Bill of Entry No. \_\_\_\_\_ dated

\_\_\_\_\_ Cash No. dated \_\_\_\_\_ of the Collectorate of Customs \_\_\_\_\_ and  
entered the same at S. No. \_\_\_\_\_ (Location)

Dated \_\_\_\_\_ of the prescribed register, and

(ii) Purchased \_\_\_\_\_ tonnes, of the palm oil from the importer  
M/s. \_\_\_\_\_

(Name and address of the importer)

import Reg. No. \_\_\_\_\_ who had imported the same per SS

(Vessels Name)

from \_\_\_\_\_ per IGM No. \_\_\_\_\_

(Country's name)

dated \_\_\_\_\_ Index No. \_\_\_\_\_ and had

paid customs duty Rs. \_\_\_\_\_ per tonne and 15% sales tax tide Bill of Entry  
\_\_\_\_\_ dated \_\_\_\_\_ Cash No. \_\_\_\_\_ dated \_\_\_\_\_  
in Collectorate of Customs \_\_\_\_\_

(Location).

We have entered the receipt of the said oil at S. No. \_\_\_\_\_ of the prescribed register.

2. We certify that we manufactured \_\_\_\_\_ tonnes of hydrogenated vegetable ghee in our premises out of tonnes of palm oil.

3. Certified that the information given above is true and correct and no other such certificate has been issued or will be issued for the consumption of the palm oil covered by this certificate

Signature \_\_\_\_\_

Name \_\_\_\_\_

Factory's Name and Address \_\_\_\_\_

**GOVERNMENT OF PAKISTAN  
COLLECTORATE OF CUSTOMS AND CENTRAL EXCISE**

No. \_\_\_\_\_

Dated \_\_\_\_\_

Certified that the above information in the certificate has been verified with the prescribed register and all other records and register and the undersigned is satisfied about the correctness of the certificate. It is therefore, recommended that a payment /amounting to Rs. \_\_\_\_\_ may be sanctioned, If otherwise due and admissible in terms of Notification No. SRO 892(I)/86, dated 24 September 1986.

Signature \_\_\_\_\_  
(Official Staff)

Designation \_\_\_\_\_

Official Address \_\_\_\_\_

**ANNEX-III**

**MONTHLY STATEMENT OF REPAYMENT OF CUSTOMS DUTY  
MADE ON PALM OIL (BUT NOT PALM STEARIN) IN TERMS OF  
SRO 892(I)/86, DATED 24<sup>TH</sup> SEPTEMBER, 1986,  
FOR THE MONTH OF \_\_\_\_\_, 200 \_\_\_\_\_**

Name and Address of the claimant	Consumption certificate & Date	Name and Designation of Issuing authority	Date of filling of Repayment claim	Date of payment of Claim	Amount Sanctioned
1.	2.	3.	4.	5.	6.

**112. Petroleum Sector Exploration /concession holding companies,--**In order to effectively implement the Provisions of Act No. LXXXIII of 1976, it has been decided that service companies duly approved time to time, by the Director General, Petroleum concessions, Ministry of Petroleum and Natural Resources will be eligible to import all such Machinery ancillary equipment, materials and supplies for which they have been authorized by the Ministry of Petroleum and Natural Resources, on payment of a consolidated rate of duty of 5-1/4% ad val. (this is inclusive of sales tax and surcharge).

**113. Petroleum sector companies,--** The list of companies, corporations organizations for the purpose of condition (I) of SRO 1215(I)/96, dated 7<sup>th</sup> October, 1996 is asunder.

S. No.	Name of the Company
1.	M/s. Saleemi CNG Autogas Co. (Pvt.) Ltd.. Saleemi Chowk, Satiana Road, Faisalabad.
2.	M/s. Stanley House Industries (Pvt.) Ltd., GRE 461, Lasbela Chowk, Nishtar Road, Karachi.
3.	Hydrocarbon Development Institute of Pakistan, 232. Nazimuddin Road, Islamabad.

**114. Refund of development surcharge to oil marketing companies** - procedure regarding.--The import prices of the refined products of petroleum imported into Pakistan are higher than the ex-refinery prices of similar products refined locally in Pakistan. The importers are required to sell the imported products to the marketing companies at the ex-refinery prices. In order to compensate the importers, the Government reimburses to them the price differential between the import price and the ex-refinery price out of the "Development Surcharge" on petroleum products realised by the Govt. The present procedure of reimbursement to the importing companies requiring them to submit claims on quarterly basis to the Natural Resources Division, which, after examination, issues sanction to Collector of C.E. & L.C. Karachi through Central Board of Revenue, was found to be very cumbersome and involved abnormal delay. In order to arrange expeditious payment it has been decided that the work of payment of the price differential on petroleum products to the importing company/Marketing Companies be entrusted to the Karachi Custom House, where all particulars of the imported products are available. The following procedure is accordingly laid down for reimbursement of the price differential to the importing companies:--

- (i) The importing company shall submit, its claim for each vessel covering the total imported products placed in bonded tanks to the Assistant Collector of Customs for Refund & Rebate, Karachi Custom House. This letter will clearly specify the bonded tonnage of the product shared by each company, the rate per ton of price differential, and the total amount due to each company. The following documents shall be submitted in support of the claims:--
  - (a) A letter from the Director (Marketing), or Director General (Oil) or Director Refineries or Director Oil Movement Operations, Natural Resources Division specifying the approved import price for the product imported relative refinery price in respect of that product and the price differential in Rupees per ton payable to the importing company.
  - (b) Triplicate copy of the Into Bond Bill of Entry specifying the bonded quantity in tons. For this purpose the importing company shall obtain triplicate copies of the Into Bond Bills of Entry from those marketing companies who have shared the imported product and shall attach the same with the claim.
  - (c) Refund payment order Form (Appendix-I) duly pre-receipted by each company and duly stamped with 80 paisas revenue stamp.
- (ii) After receipt of the claims, the Assistant Collector of Customs, for Refund & Rebate shall get them processed within seven days, and if found in order, he shall sign the refund payment orders. The fact of refund shall be endorsed on all triplicate copies of Bills of Entry to avoid doubt payment.
- (iii) After sanction, the files shall be sent at once to the Accounts Department for payment of the refund amount by cheque to the companies concerned. Payment shall be debited to the head of Accounts XXXVI-Misc. Department Development Surcharge on Petroleum Product Refunds, Maximum period 7 (seven) days.

- (iv) The maximum time to be taken in finalization of refund cases will not be more than 21 days.
- (v) According to T.R. 400 every refund is required to be noted against original credit in the Departmental Accounts or other documents in which moneys received are entered in detail and a certificate of such a note having been made must be given in all vouchers. Since the refunds cannot be linked with the moneys received, the provisions of T.R. shall stand waived in the cases and the refund will be governed by the above procedure.
- (vi) At the end of the month, Chief Accounts Officer of the Custom House, Karachi shall send a statement (Appendix-II) to the Director Oil Operation, Ministry of Fuel, Power and Natural Resources, Islamabad, showing full particulars of payment made out of the Development Surcharge on petroleum products. It will be the responsibility of the Ministry of Natural Resources to ensure availability of funds in the Development Surcharge Pool. This can be done conveniently as the statement of receipts of Development. Surcharge on Petroleum are sent monthly to the Director of Oil Operations. Natural Resources Division by the Karachi Custom House and the Collectors of Central Excise & Land Customs Collectorate.

#### **APPENDIX-I**

#### **IMPORT PRICE DIFFERENTIAL PAYMENT ORDER**

Customs House, Karachi

To,

Messers,

Sir,

With reference to your application for payment of Import price Differential dated \_\_\_\_\_ I have the honour to inform you that your claim has been admitted for the sum of Rs. \_\_\_\_\_ in respect of the import Price Differential and that on Presentation of this order, duly receipted below the above sum will be paid . Noted In

(Bill of Entry)

and certified that

(Shipping Bills)

(Register of Miscellaneous receipts)

no previous order for the payment of the same sum has been issued.

I have the honour to be  
Sir,

Your most obedient servant,

Assistant Collector  
of Customs

Received the above sum

(Signature of Payee)

One anna receipt stamp

For sum exceeding Rs.20/-

---

Passed

Accountant, Customs

Pay

Treasury Officer,  
Customs House.  
19

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**APPENDIX-II**

**STATEMENT SHOWING PAYMENT MADE ON ACCOUNT OF PRICE  
DIFFERENTIAL OUT OF THE DEVELOPMENT' SURCHARGE  
ON PETROLEUM PRODUCT FOR THE  
MONTH OF \_\_\_\_\_**

Name of the Company	Quantity on which refund Paid	Rate at which the refund is Worked out
Amount of Refund	Natural Resources Letter No. _____ and date communicating Price differential	Remarks

**115. Decisions to resolve the difficulties being faced by the oil drilling companies.**--In order to remove difficulties faced by the oil drilling companies in clearance of the machinery/equipment a "one window" facility has been provided by Customs Department. The following decisions have also been taken for strict compliance by all concerned:--

- (i) Clearance of vehicles under the agreements already signed will be strictly in accordance with the terms of the agreement, and type of vehicles specified therein shall only be allowed release on concessional duty. While seeking clearance from the Customs of various vehicles the Oil Companies will specifically attach the terms and conditions of the agreement under which the said vehicle/vehicles are being claimed for release.
- (ii) Where jeeps and trucks are specifically mentioned in the agreements, single or double cabin pick-ups will be eligible for benefit as substitutes for trucks and jeeps wherever necessary. Saloon cars are not covered under the agreements and will not be allowed.
- (iii) For classification of equipment/vehicles imported by the oil companies the harmonised system of classification will be followed. Future agreements with Oil Drilling Companies shall be specifically provided for this.
- (iv) Clearance and appraisal of material imported under the terms of the concessions Agreements will be done by a centralised appraisal group instead of current system of dealing in respective group where the item is specifically dealt.
- (v) Transfer of equipment/materials from one company to another company shall be allowed as per concession available to the buying company. If buying company is liable to pay taxes the same shall be charged and where the selling company has already paid any taxes but the buying company is entitled to import free or at reduced duty rates no refund shall be allowed to the selling company. Ministry of Commerce will in future give clearance for transfer of equipment/materials from one company to another on receipt of their request.
- (vi) The service companies shall not be entitled to any concession and shall be charged the duty.

- (vii) Export of Crude Oil and machinery by the Oil Companies as per agreements are free of export taxes. The Export Development Surcharge being levied on the companies on these items will not be charged in future and the amount charged previously shall be refunded.
- (viii) A new list of equipment being manufactured locally shall be prepared by the Ministry of Industries and circulated first to the Oil Companies and after receipt of their response it shall be finalized and made applicable. Till such time as the list of locally manufactured items is finalized, the disputed goods will continue to be released on DG(PC)'s recommendations.
- (ix) The issue of undertaking submitted by the Oil Companies to the Collector (Customs) in the past for getting release of their equipment shall be submitted by the Oil Companies to DGPC). On the recommendations of DG(PC) to this effect the Collectorate of Customs shall release all the undertakings.
- (x) On inter-agency disputes a committee was formed consisting of Chief (Customs) as a representative of the CBR and Director General (PC) as representative of the Ministry of Petroleum and Natural Resources. In case of the non-agreement amongst the committee members, the matter shall be referred to the appellate authority which shall comprise Member (Customs) and Secretary, Petroleum and Natural Resources.
- (ix) The matter pertaining to the disposal of scrap and levy of duty thereon shall be resolved by the committee.

**116. Specifications and accessories of a standard ambulance.--Vehicles to be treated as Ambulances must have the following minimum facilities:-**

- |                                      |                                    |
|--------------------------------------|------------------------------------|
| (i) Rear Panel and Rear Step.        | (ii) Stretcher.                    |
| (iii) Folding seats for 2-4 persons. | (iv) Oxygen Cylinder.              |
| (iv) Red Rotary Lamp and Siren.      | (v) Fire Extinguisher.             |
| (vi) Hooks for intravenous bottle.   | (vii) Small cabinet for medicines. |

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[File C. No.1(1)CC/CGO/2002]

(JAWWAD UWAIS AGHA)  
SECRETARY CUSTOMS