

SRO 573(1)/2012 dated 1st June 2012 with effect from 2nd June 2012

In exercise of the powers conferred by section 19 of the Customs Act, 1969 (IV of 1969), the Federal Government is pleased to direct that the following further amendments shall be made in its Notification No. S.R.O 565(I)/2006, dated the 5th June, 2006, namely

Condition (i)	A sales tax registered An importer-cum-manufacturer having suitable in-house facilities and registered with the Sales Tax Department as manufacturer shall submit a complete list in the prescribed format [appended as Form-I] of his annual requirement of permissible items (inputs) he intends to import for the manufacture of goods mentioned in column (2) of the table to the Collector of Sales Tax and Federal Excise Customs having jurisdiction or to any other organization or person as authorized by the ¹² [Federal Board of Revenue]
Condition (ii)	the importer-cum-manufacturer shall file a request containing a declaration of input/ output ratios to the Collector of Sales Tax and Federal Excise Customs or the authorized person person duly authorized by him. The Collector or the authorized person may accept the declaration of input output ratio as declared by the applicant and determine the annual requirement of inputs ⁴ [omitted]. In case the Collector or authorized person is not satisfied with declared input output ratios of the items to be manufactured because of their being <i>prima-facie</i> not in accordance with the prevalent average of the relevant industry or for any other reason, he may, after allowing a reasonable provisional quantity, make a reference to the Engineering Development Board or IOCO or to any other recognized authority for final determination thereof. The collector or authorized person shall then determine the final annual quantitative entitlement of inputs and the applicant shall proceed to consume imported inputs in accordance with the input output ratios and quantities so determined;
Condition (iv)	the authorized officer of Sales Tax Collectorate Collectorate of Customs having jurisdiction shall furnish all relevant information online to Customs Computerized System (PACCS) as per Form-II appended to this notification against a specific user ID and password obtained under section 155D of the Customs Act, 1969. In already computerized Collectorate/Customs stations where the PACCS is not yet operational, the Project Director or any other authorized person shall feed the requisite information in the PACCS Customs Computerized System on daily basis and on weekly basis of the data obtained from the stations which have not yet been computerized obtained from the Collectorates/Customs stations in Customs Computerised System on daily and weekly basis;
Condition (v)	the importer-cum-manufacturer shall file Goods Declaration on the prescribed format and manner with complete details of authorization of imported inputs for clearance. The Collector of Customs on satisfaction of correct declaration shall allow clearance of imported inputs after obtaining post dated cheque for the differential amount of statutory tax duty and concessionary taxes duties
Condition (vii)	the importer-cum-manufacturer shall communicate to the concerned Collector of Sales Tax and Collector of Customs in writing about the consumption of imported items within sixty days of consumption of goods. The post dated cheque shall be released or cancelled on receipt of written confirmation regarding consumption of goods by the importer-cum-manufacturer. In case of non-consumption within one year from the date of import, the importer shall pay the customs-duty and other taxes involved or obtain extension from the Collector of Sales Tax and Federal Excise under intimation to Collector of Customs of the import Collectorate giving plausible reasons for a reasonable period;

Condition (viii)	the Collector of customs of the import Collectorate may, on its own or through the Collector of Sales Tax and Federal Excise or through any other department working under Revenue Division, whenever deemed necessary get the records of the importer-cum-manufacturer audited and may also get the stocks verified. In case it is found that the inputs have not been properly accounted for or consumed for the manufacture and supply of goods as prescribed, the Collector of the import of Collectorate may initiate proceedings for the recovery of leviable customs-duty and other taxes besides penal action under the relevant provisions of the laws in force.
Condition (ix)	The importer-cum-manufacturer may also get manufactured any of the item from the raw materials, sub-components, components, sub-assemblies or assemblies mentioned in column 3 of the Table below, to be used in manufacturing of goods mentioned in Column 2 of the Table below, from another manufacturer (vendor), duly registered with Sales Tax department, having suitable in-house facility subject to approval of the Collector of Customs. In such case,
Condition (x)	Under circumstances of exceptional nature and for reasons to be recorded in writing, the 12[Federal Board of Revenue] may relax any of the conditions, if it is satisfied that such condition is detrimental to the bonafide purposes of importer-cum-manufacturer's business, subject to such surety or guarantee as it may deem appropriate to secure to ensure proper accountable and utilization of the imported goods: Provided the mild steel bars, mild steel rods, mild steel wire rods and plastics (excluding specified in the Table below) shall not be entitled for exemption under this notification.

TABLE

S.No 4 Entry no 5	Refrigerators / Viscoolers. Sub-Components and Components Evaporator(Roll bond type/Fin type) Roll bond/Fin/Tube on plate types
S.No 6 Entry no 29 Entry no 33 Entry no 34 Entry no 35 Entry no 37	Car Air-conditioners Sub-Components and Components- Following entries omitted. Filter Drier (8421.3910) Motor (8501.1000) Resistor (8533.3100) Thermister (8533.2100) Relay (8536.4100)
S.No 13 Entry no. 8	Articles of Stationery - Raw material 5% exemption removed. Acrylic polymer (fast drying) (3906.9080) substitute by (3906.9090) Articles of Stationery - Parts and Components 10% exemption reduced to 5% (i) Carbon for lead (ii) Steel balls not exceeding 1mm diameter (steel balls) (iii) Sharpener blades (iv) Synthetic fiber reservoirs of the kind used in writing instruments (ink reservoirs) (v) Nibs made of special metal for use in manufacture of writing instruments (fountain pen nibs) (vi) Nibs points(for fiber tip pens and markers) (vii) Tips for fineliners (viii) Raw cores used for making black lead (ix) Color lead
S.No 46 Entry no 18	Footwear Non-woven lining material (5603.0000) (56.03)
S.no 53 Entry no 7 Entry no 8 Entry no 32 Entry no 33	Manufacture or formulation of Agricultural pesticides by manufacturers or formulators duly recognized and approved by the Ministry of Food and Agriculture. Ingredients for pesticides "2903.3940", the figure "2903.3960" shall be substituted Cadusafos Technical Material "2903.6900", the figure "2903.9900" shall be substituted Ingredients for pesticides "2924.2930", the figure "2924.2950" shall be substituted Methidathion Technical "2924.2930", the figure "2924.2950"
S.no 54 Entry no 19	Master Batches Other Acrylic Polymers "3906.9080", the figure "3906.9090" shall be substituted

Item (i) Entry no 1	Car Audio System- 10% exemptions removed following items omitted. Remote control.
S.no 84 Item (B) Entry no 5	Mobile phones, Payphones, WLL phones, CDMA phones, GSM phones - 5% exemption removed following items omitted Following CKD Kits for assembly of Payphones, WLL phones, CDMA phones & GSM phones Sealed lead acid batteries
Item (C) Entry no 6	Kits for CDMA Fixed Wireless Terminals (FWT). 0% adv val. Removed from following items. Sealed lead acid batteries
S.no 85 Entry no 7	Viscose staple fiber - 0% adv val. Removed from following items. Wood Pulp
S.no. 88 Item (d)	Welded Steel Pipes - New Item inserted - 5% ad val. Exemption applied HRC (Prime Quality) of a thickness exceeding 10 mm "7208.3690"
S.no 97 Entry no 16	Aluminum Processing Industry. Acrylic Polymer based on Butyl Methacrylate & Methyl Methacrylate "3906.9090"
S.no 98 Entry no 1	Fans Insulation Varnish (Polyurethane / Polyester / Polyesterimide with Baking Temperature Ranging from 100C to 220C) 3208.1020 3208.1010 3208.9010
Entry no 4	Non Grain Oriented Electrical Steel Sheet
S.no 113 Entry no 1	Scratch or Magnetic Strip Cards Rigid PVC "3919.9010", the figure "3920.4910" shall be substituted
Entry no 2	PVC Sheets "3919.9010" and "3919.9010" shall be substituted
Entry no 3	PVC Magstrip - HiCO "3920.4990" and "3920.4990" shall be substituted
Entry no 13	Entreoise Lamination "3919.9090" and "3919.9090" shall be substituted
Entry no 14	Polish Guard "3920.6200" and "3920.6200" shall be substituted
S.no 114 Entry no 9	Acrylic/Pigment Thickner Cross Linker "3809.9100", the figure "3809.9190" shall be substituted
S.no 118 Entry no 6	CNG Compressors Water flow switch "9026.1000", the figure "9026.9000" shall be substituted
S.no 129 Entry no 1	Polystyrenes (HIPS, EPS & GPPS) Pentene "2710.1190", the figure "2710.1290" shall be substituted
S.no 130 Entry no 1	Shoe Adhesive Solvent Oil "2710.1150", the figure "2710.1250" shall be substituted
S.no 133 Entry no 2	Fortified Rosin - 5% exemption removed following items omitted Maleic Anhydride
	after the Table, in Form-II, in the heading, for the words "Sales Tax", the word "Customs" shall be substituted
NOTE	In case of clearance through Pakistan Customs Computerized System (PACCS), the above information shall be furnished on line against a specific user I.D. and password obtained under section 155D of the Customs Act, 1969.