

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** **Deletion or Omitted** **Substituted**

**TABLE - 1 (IMPORTS OR SUPPLIES)**

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969(IV of 1969)
137	Paper weighing 60 g/m <sup>2</sup> for printing of Holy Quran imported by Federal or Provincial Governments and Nashiran-e- Quran as per quota determined by IOCO	4802.5510
138	Fish Feed	Respective heading
139	Fans for dairy farms	8414.5990
140	Bovine semen	0511.1000
141	Preparations for making animal feed	2309.9000
142	Promotional and advertising material including technical literature, pamphlets, brochures and other give-aways of no commercial value, distributed free of cost by the exhibitors	9920(3)
143	(i) Hearing aids (all types and kinds) (ii) Hearing assessment equipment; (a) Audiometers (b) Tympanometer (c) ABR (d) Oto Acoustic Omission	9937
144	Liquefied Natural Gas imported by fertilizer manufacturers for use as feed stock	2711.1100
145	Plant, machinery, equipment including dumpers and special purpose motor vehicles, if not manufactured locally, imported by M/s China State Construction Engineering Corporation Limited (M/s CSCECL) for the construction of Karachi - Peshawar Motorway (Sukkur - Multan Section) and M/s China Communication Construction Company (M/s CCCC) for the construction of Karakorum Highway (KKH) Phase-II (Thakot - Havellian Section) subject to the following conditions: (i) that the exemption under this Notification shall only be available to contractors named above; (ii) that the equipment and construction machinery imported under this Notification shall only be used for the construction of the respective allocated projects; (iii) that the importer shall furnish an indemnity bond, in the prescribed manner and format as set out in Annex-A, at the time of import to the extent of customs-duties exempted under this Notification on consignment to consignment basis; (iv) that the Ministry of Communications shall certify in the prescribed manner and format as set out in Annex-B that the imported equipment and construction machinery are	Respective heading

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** Deletion or Omitted Substituted

	<p>bonafide requirement for construction of Sukkur- Multan Section (392.0 km) of Karachi -Peshawar Motorway or for the construction of Karakorum Highway(KKH) Phase-II - Thakot to Havellian Section (118.057 km) as the case may be;</p> <p>(v) for the clearance of imported goods through Pakistan Customs Computerized System the authorized officer of the Ministry shall furnish all relevant information, as set out in Annex- B, online against a specific user ID and password obtained under section 155D of the Customs Act, 1969 (IV of 1969). In Collectorates or Customs stations where the Pakistan Customs Computerized System is not operational, the Director Reforms and Automation or any other person authorized by the Collector in this behalf shall enter the requisite information in the Pakistan Customs Computerized System on daily basis, whereas entry of the data obtained from the customs stations which have not yet been computerized shall be made on weekly basis;</p> <p>(vi) that the equipment and construction machinery, imported under this Notification, shall not be re-exported, sold or otherwise disposed of without prior approval of the FBR. In case goods are sold or otherwise disposed of with prior approval of FBR the same shall be subject to payment of duties as may be prescribed by the FBR;</p> <p>(vii) in case the equipment and construction machinery, imported under this Notification, is sold or otherwise disposed of without prior approval of the FBR in terms of para (vi) above, the same shall be subject to payment of statutory rates of customs duties as were applicable at the time of import;</p> <p>(viii) notwithstanding the condition at para (vi) and (vii) above, equipment and construction machinery, imported under this Notification, may be surrendered at any time to the Collector of Customs having jurisdiction, without payment of any customs duties, for further disposal as may be prescribed by the FBR;</p> <p>(ix) the indemnity bond submitted in terms of para (iii) above by the importer shall be discharged on the fulfillment of conditions stipulated at para (vi) or (vii) or (viii) above, as the case may be; and</p> <p>(x) that violation of any of the above mentioned conditions shall render the goods liable to payable of statutory rate of customs duties leviable on the date of clearance of</p>	
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**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** Deletion or Omitted Substituted

	goods in addition to any other penal action under relevant provisions of the law.	
<b>146</b>	<p>Equipment, whether or not locally manufactured, imported by M/s China Railway Corporation to be furnished and installed in Lahore Orange Line Metro Train Project subject to the following conditions:</p> <p>(a) that the equipment imported under this Notification shall only be used in the aforesaid Project;</p> <p>(b) that the importer shall furnish an indemnity bond, in the prescribed manner and format as set out in Annex-C to this Notification, at the time of import to the extent of sales tax exempted under this Notification on consignment to consignment basis;</p> <p>(c) that the Punjab Mass Transit Authority, established under the Punjab Mass Transit Authority Act, 2015 (ACT XXXIII of 2015), hereinafter referred as the Regulatory Authority, shall certify in the prescribed manner and format as set out in Annex-D to this Notification that the imported equipment is bona fide requirement of the Project under the Contract No. PMA-CRNORINCO-OL, dated 20.04.2015, hereafter referred as the contract, signed between the Regulatory Authority and CR-NORINCO;</p> <p>(d) in the event a dispute arises whether any item is entitled to exemption under this Notification, the item shall be immediately released by the Customs Department against a corporate guarantee, valid for a period of six months, submitted by the importer. A certificate from the Regulatory Authority duly verified by the Transport and Communication Section of the Ministry of Planning, Development and Reform, that the item is covered under this Notification shall be given due consideration by the Customs Department towards finally resolving the dispute. Disputes regarding the local manufacturing only shall be resolved through the Engineering Development Board of the Federal Government;</p> <p>(e) for the clearance of imported equipment through Pakistan Customs Computerized System the authorized officer of the Regulatory Authority shall furnish all relevant information, as set out in Annex-D to this Notification, online against a specific user ID and password obtained under section 155D of the Customs Act, 1969 (IV of 1969). In Collectorates or Customs stations where the</p>	Respective heading

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** Deletion or Omitted Substituted

Pakistan Customs Computerized System is not operational, the Director Reforms and Automation or any other person authorized by the Collector in this behalf shall enter the requisite information in the Pakistan Customs Computerized System on daily basis, whereas entry of the data obtained from the customs stations which have not yet been computerized shall be made on weekly basis;

- (f) that the equipment, imported under this Notification, shall not be reexported, sold or otherwise disposed of without prior approval of the Federal Board of Revenue (FBR). In case goods are sold or otherwise disposed of with prior approval of FBR the same shall be subject to payment of sales tax as may be prescribed by the FBR.;
- (g) in case the equipment, imported under this Notification, is sold or otherwise disposed of without prior approval of the FBR in terms of condition (f), the same shall be subject to payment of statutory rates of sales tax as were applicable at the time of import;
- (h) notwithstanding the condition (f) and (g), equipment imported under this Notification may be surrendered at any time to the Collector of Customs having jurisdiction, without payment of any sales tax, for further disposal as may be prescribed by the FBR;
- (i) the indemnity bond submitted in terms of condition (b) above shall stand discharged on submission of a certificate from the Regulatory Authority to the effect that the equipment has been installed or consumed in the said Project. In case the equipment is not consumed or installed in the project the indemnity bond shall be discharged on fulfillment of conditions stipulated at (f) or (g) or (h), as the case may be; and
- (j) that violation of any of the above conditions shall render the goods liable to payment of statutory rate of sales tax leviable on the date of clearance of goods in addition to any other penal action under relevant provisions of the law.

Explanation. For the purpose of this provision, "equipment" shall mean machinery, apparatus, materials and all things to be provided under the contract for incorporation in the works relating to

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** Deletion or Omitted Substituted

	Lahore Orange Line Metro Train Project	
<b>147</b>	Goods supplied to German Development Agency (Deutsche Gesellschaft für Internationale Zusammenarbeit) GIZ	Respective heading
<b>148</b>	Imported construction materials and goods imported by M/s China State Construction Engineering Corporation Limited (M/s CSCECL), whether or not locally manufactured, for construction of Karachi-Peshawar Motorway (Sukkur-Multan Section) subject to fulfilment of same conditions, limitations and restrictions as are specified under S. No. 145 of this table, provided that total incidence of exemptions of all duties and taxes in respect of construction materials and goods imported for the project shall not exceed ten thousand eight hundred ninety-eight million rupees.	Respective heading

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** Deletion or Omitted Substituted

**Annex -A**

[See condition 145(iii)]

**INDEMNITY BOND**

(On appropriately stamped non-judicial paper)

THIS DEED OF INDEMNITY is made on the \_\_\_\_\_ date of \_\_\_\_\_  
BETWEEN Messrs \_\_\_\_\_ having registered office at \_\_\_\_\_  
(hereinafter called "the importers" which means and includes their successors, administrators, executors and assignees) of the one part, AND the President of Pakistan through the Collector of Customs \_\_\_\_\_ (hereinafter called the "Collector of Customs"), of the other part.

WHEREAS the Federal Government, by its decision contained in Notification No. S.R.O \_\_\_\_\_ dated the \_\_\_\_\_ and subject to the conditions given in the said Notification, has been pleased to direct that such equipment and construction machinery, as are not manufactured locally, shall be exempt from the whole of customs-duties leviable thereon, in accordance with the said Notification, if imported for :-

- (i) construction of Sukkur-Multan Section (392.0 km) of Karachi - Peshawar Motorway or
- (ii) for the construction of Karakorum Highway (KKH) Phase-II- Thakot to Havellian Section (118.057 km).

AND WHEREAS M/S \_\_\_\_\_ having registered office at \_\_\_\_\_ (hereinafter called the importers) have imported the equipment and/or construction machinery mentioned in the said Notification for purpose of construction of above mentioned project(s) in accordance with the conditions given in the said Notification;

NOW, THEREFORE, in consideration of the release of the equipment and/or construction machinery without recovery of leviable duties, the importers bind themselves to pay on demand to the Government of Pakistan the sum of Rs. \_\_\_\_\_ being the customs duties and charges leviable on the machinery, if the importers fail the fulfill the condition (vi) or (vii) or (viii) of the said Notification as the case may be.

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** ~~Deletion or Omitted~~ Substituted

The importers further agree and bind themselves that the amount covered by this Bond shall be recovered as arrears of customs duties under section 202 of the Customs Act, 1969. This Bond shall become void when the Collector of Customs is satisfied that the importers have fulfilled all the conditions of the said Notification.

Signed by importers on this \_\_\_\_\_ day of \_\_\_\_\_ 201\_.

Managing Director  
(Name and permanent address)  
Collector of Customs  
(On behalf of President)

Witness \_\_\_\_\_  
(Signature, name, designation and full address)

Witness \_\_\_\_\_  
(Signature, name, designation and full address)

Note: The bond shall be written on appropriate non-judicial stamp paper and shall be witnessed by a Government servant in BPS 17 or above, an Oath Commissioner, a Notary Public or a Schedule Bank.

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** Deletion or Omitted Substituted

**Annex-B**

[See condition 145(iv) & (v)]

NTN or FTN Importer	Approval No.
(I)	(II)

Description and specification	Quantity / UOM	L/C No. or bank contract No. and B/L.	IGM No. Date & Index No.	Remarks, if any.
(1)	(2)	(3)	(4)	(6)

CERTIFICATE BY THE AUTHORIZED OFFICER OF REGULATORY AUTHORITY: It is hereby certified that the description, quantity and other details mentioned above are true and correct. Goods imported are in commensuration with the project requirement and are bonafide requirement of the project. It is further certified that the above items shall be used for any other purpose except for the project.

Signature \_\_\_\_\_

Name & Designation \_\_\_\_\_

Official Stamp: \_\_\_\_\_

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

Note: For the purpose of this notification, the expression "not manufactured locally" shall means the goods which are not listed in the locally manufactured items in the Customs General Order issued by the Federal Board of Revenue from time to time.

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** ~~Deletion or Omitted~~ Substituted

**Annex-C**

[See condition 146(b)]

**INDEMNITY BOND**

(On appropriately stamp non-judicial paper attested by a Government Servant in SPS 17 or above, an Oath Commissioner, a Notary Public or an officer of a Schedule Bank).

THIS DEED OF INDEMNITY is made on the \_\_\_\_\_ date of \_\_\_\_\_ BETWEEN Messrs \_\_\_\_\_ having registered office at \_\_\_\_\_ (hereinafter called "the importers" which means and includes their successors, administrators, executors and assignees) of the one part, AND the President of the Islamic Republic of Pakistan through the Collector of Customs \_\_\_\_\_ (hereinafter called the "Collector of Customs"), of the other part.

WHEREAS the Federal Government, by its decision contained in Notification No. S.R.O. \_\_\_\_\_ dated the \_\_\_\_\_ and subject to the conditions given in the said Notification, has been pleased to direct that such equipment shall be exempt from the whole of customs-duties leviable thereon, in accordance with the said Notification, if imported for Lahore Orange Line Metro Train Project.

AND WHEREAS M/S. \_\_\_\_\_, the importers have imported the equipment mentioned in the said Notification for the above mentioned project in accordance with the conditions given in the said Notification; NOW, THEREFORE, in consideration of the release of the equipment without recovery of leviable duties, the importers bind themselves to pay on demand to the Government of Pakistan the sum of Rs. \_\_\_\_\_ being the customs duties and charges leviable on the equipment, if the importers fail to fulfil the condition (f) or (g) or (h) of the said Notification, as the case may be.

The importers further agree and bind themselves that the amount covered by this Indemnity Bond shall be recovered as arrears of customs duties under section 202 of the Customs Act, 1969. This Bond shall stand revoked automatically when the Collector of Customs is satisfied that the importers have fulfilled all the conditions of the said Notification.

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** ~~Deletion or Omitted~~ **Substituted**

Signed by importers on this \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_.

Managing Director or person next in hierarchy duly authorized by MD  
(Name and permanent address)  
Collector of Customs  
(On behalf of President)

Witness (1) \_\_\_\_\_  
(signature, name, designation and full address)

Witness (2) \_\_\_\_\_  
(signature, name, designation and full address)

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** ~~Deletion or Omitted~~ **Substituted**

**Annex-D**

[See condition 146 (c) & (e)]

NTN or FTN of Importer		Approval No		
Details of equipment (to be filled by the authorized officer of the Regulatory Authority) to be imported				
Description and specifications.	Quantity / UOM	L/C No. or bank contract No. and B/L.	IGM No. Date & Index No.	Remarks if any.
(1)	(2)	(3)	(4)	(6)

**CERTIFICATE BY THE AUTHORIZED OFFICER OF REGULATORY AUTHORITY:**

It is hereby certified that the description, quantity and other details mentioned above are true and correct. Goods imported are in commensuration with the project requirements and are bona fide requirement of the Project under the Contract. It is further certified that the above items shall not be used for any other purpose except for the Project.

Signature \_\_\_\_\_  
 Name and Designation \_\_\_\_\_  
 Official Stamp: \_\_\_\_\_  
 Date: \_\_\_\_\_

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** **Deletion or Omitted** **Substituted**

**TABLE - 3 (IMPORTS OR SUPPLIES)**

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969(IV of 1969)
<p>The plant, machinery, equipment and apparatus, including capital goods, specified in column (2) of the Annexure below, falling under the HS Codes specified in column (3) of that Annexure, shall be exempt from the whole of sales tax, subject to the following conditions, besides the conditions specified in column (4) of the Annexure, namely:-</p>		

**ANNEXURE**

S.No	Description	PCT heading	Conditions
(1)	(2)	(3)	(4)
<b>17</b>	Machinery, equipment, raw materials, components and other capital goods for use in building, fittings, repairing or refitting of ships, boats or floating structures imported by Karachi Shipyard and Engineering Works Limited.	Respective heading	NIL
<b>18</b>	<p>The following parts for assembling and manufacturing of personal computers and laptops:</p> <ul style="list-style-type: none"> <li>i. Bare PCBs</li> <li>ii. Power Amplifier.</li> <li>iii. Microprocessor/Controllers</li> <li>iv. Equipment for SMT Manufacturing</li> <li>v. Laptop batteries</li> <li>vi. Adapters</li> <li>vii. Cooling fans</li> <li>viii. Heat sink</li> <li>ix. Hard Disk SSD</li> <li>x. RAM/ROMS</li> <li>xi. System on Chip/FPGA-IC</li> <li>xii. LCD / LED Screen</li> <li>xiii. Motherboards</li> <li>xiv. power supply</li> <li>xv. Optical Drives</li> <li>xvi. External Ports</li> <li>xvii. Network cards</li> <li>xviii. Graphic cards</li> <li>xix. wireless cards</li> <li>xx. micro phone</li> <li>xxi. Track pad</li> </ul>	<ul style="list-style-type: none"> <li>8534.0000</li> <li>8542.3300</li> <li>85.42</li> <li>8486.2000</li> <li>8506.5000</li> <li>8504.4020</li> <li>8414.5190</li> <li>7616.9920</li> <li>8471.7020</li> <li>8471.7060 and 8471.7090</li> <li>85.42</li> <li>8528.7211</li> <li>8534.0000</li> <li>84.73</li> <li>8471.7040</li> <li>8536.2090</li> <li>8517.6990</li> <li>8471.5000</li> <li>8517.6970</li> <li>8518.3000</li> <li>8471.6020</li> </ul>	<p>If imported by manufacturers and assemblers of computers and laptops, registered with and certified by Engineering Development Board in accordance with quota determined by IOCO</p>

**THE SIXTH SCHEDULE [see section 13(1) ]**

Finance Act 2018-19 update **NEW / inserted** ~~Deletion or Omitted~~ Substituted

<b>19</b>	Plant and machinery, except the items listed under Chapter 87 of the Pakistan Customs Tariff, imported for setting up of a Special Economic Zone (SEZ) by zone developers and for installation in that zone by zone enterprises, on one time basis as prescribed in the SEZ Act, 2012 and rules thereunder subject to such condition, limitations and restriction as a Federal Board of Revenue may impose from time to time.	9917(2)	NIL ; and