

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

Islamabad, the 5th June, 2006.

NOTIFICATION
(CUSTOMS)

S.R.O. 565 (I)/2006.- In exercise of the powers conferred by section 19 of the Customs Act, 1969 (IV of 1969), and in suppression of Notification No. S.R.O. 565(I)/2005, dated the 6th June, 2005, the Federal Government is pleased to exempt raw materials, **sub-components and component** as are not manufactured locally, specified in column (3) of the Table below, imported for the manufacture of goods specified in column (2) of the said Table, from so much of customs-duty leviable under the First Schedule to the Customs Act, 1969 (IV of 1969), as are in excess of the rates specified in column (5) of that Table, subject to certain exclusion specified below, the special conditions as specified in column (6) of the Table and the following general conditions, namely: -

- (i) 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 Director Input Output Co-efficient Organization (IOCO) having jurisdiction or to any other organization or person as authorized by the Federal Board of Revenue;
- (ii) the importer-cum-manufacturer shall file a request containing a declaration of input-output ratios to the Director of IOCO or the person duly authorized by him. The Director or the authorized person may accept the declaration of input-output ratio as declared by the applicant and determine the annual requirement of inputs. In case the Director or authorized person is not satisfied with declared input-output ratios of the items to be manufactured because of their being *prima-facie* not in accordance with the prevalent average of the relevant industry or for any other reason, he may, after allowing a reasonable provisional quantity, verify input output-ratios or through Sector Specialist of IOCO or make a reference to any other recognized authority for determination thereof. The Director 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;
- (iii) the clearance of inputs shall be allowed through any port or dry port to the importers having user ID of Customs Computerized System. However, importers using One Customs System for clearance of goods under this concession shall import through one port or dry port only. In case of liquid bulk cargo imported at Karachi, the facility of clearance from either port i.e. Port Qasim or Karachi Port shall be allowed subject to maintenance of centralized record of quota debiting at the port for which the Provisional or Final Certificate is issued;
- (iv) the authorized officer of Director IOCO having jurisdiction shall furnish all relevant information online to Customs Computerized System omitted 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 Collectorate/Customs stations where the Customs Computerized System is not yet operational, the Project Director or any other authorized person shall feed the requisite information obtained from the Director IOCO in Customs Computerized System on daily and weekly basis;
- (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 duty/ and concessionary duties.
- (vi) the importer-cum-manufacturer shall maintain records of the inputs and the goods manufactured from imported inputs in such form as may be prescribed by the Federal Board of Revenue or required under any other law for the time being in force;

- (vii) the importer-cum-manufacturer shall in writing communicate to the concerned Director of IOCO about the consumption of imported items within sixty days of consumption of goods. After carrying out reconciliation by the concerned Directorate of IOCO, the clearance certificate shall be issued by the Director of IOCO or his authorized person on the basis of which the post dated cheque shall be released or cancelled by the Collector of Customs of concerned import Collectorate. In case of non-consumption of imported goods within one year from the date of import, the importer shall pay the customs-duty and other taxes involved or obtain extension for further period from the concerned Director of IOCO after giving plausible reasons for seeking extension in utilization period;
- (viii) Director of IOCO may, 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, Director of IOCO shall communicate the audit findings to the concerned Collector of Customs of the import Collectorate who shall initiate proceedings for the recovery of leviable customs-duty and other taxes besides penal action under the relevant provisions of the laws in force.
- (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,
- (i) the vendor shall have a firm contract with the importer-cum-manufacturer;
 - (ii) the importer-cum-manufacturer may provide the imported raw materials, sub-components, components, sub-assemblies or assemblies mentioned in column (3) to the vendor;
 - (iii) the vendor shall not be entitled to import the raw materials, sub-components, components, sub-assemblies or assemblies under this SRO for manufacturing of goods to be supplied to the importer-cum-manufacturer;
 - (iv) the vendor after manufacturing the sub-components, components, sub-assemblies or assemblies supply them only to the importer-cum-manufacturer with whom he held a firm contract; and
 - (v) the vendor shall also maintain proper record of the raw materials, sub-components, components, sub-assemblies or assemblies consumed or utilized and goods supplied to the importer-cum-manufacturer.
- (x) Under circumstances of exceptional nature and for reasons to be recorded in writing, the 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.

¹² [Omitted]

³¹[Omitted]

TABLE

S. No.	Description of goods to be manufactured.		Description of raw materials, sub-components and component	Heading or Sub-heading Nos.	Customs duty Rates	Special conditions
(1)	(2)		(3)	(4)	(5)	(6)
1.	Articles of Stationery.		<u>Raw Materials</u>			Nil
		(1)	Potato starch	1108.1300	0%	

		(2)	Acid dyes whether or not premetallised, and preparations based thereon; mordant dyes and preparations based thereon (acid dyes / dyestuff) , non- textile grade	3204.1200	0%	
		(3)	Pigments and preparations based thereon (pigments)), non-textile grade	3204.1710 3204.1720 3204.1790	0%	
		(4)	Stamping foil	3212.1000	0%	
		(5)	Inks for ball points pens, fine liners	3215.9010	0%	
		(6)	Edenol	3824.9999	0%	
		(7)	Hardners	3824.9999	0%	
		(8)	Acrylic polymer (fast drying)	3906.9090	0%	
		(9)	Alkyd resins (fast drying)	3907.5000	0%	
		(10)	Amino-resins (fast drying)	3909.3900	0%	
		(11)	Cellulose nitrate	3912.2010	0%	
		(12)	Carboxyl-methyl cellulose and its salts (carboxy methyl cellulose)	3912.3100	0%	
		(13)	Porous fibre rods for making marker nibs	3916.9000	0%	
		(14)	Heat transfer film	4908.9000	0%	
		(15)	Electro galvanized wire	7217.2000	0%	
		(16)	Spring wire	7217.9000	0%	
		(17)	Brass alloy wire	7408.2100	0%	
		(18)	Wood sandwich blocks with lead encased	9609.9000	0%	
			<u>Sub-components and Components</u>			
		(1)	Carbon for lead	2803.0090	5%	
		(2)	Steel balls not exceeding 1mm diameter	7326.9040	3%	
		(3)	Sharpener blades	8214.1000	5%	
		(4)	Synthetic fiber reservoirs of the kind used in writing instruments (ink reservoirs)	9608.6000	5%	
		(5)	Nibs made of special metal for use in manufacture of writing instruments (fountain pen nibs)	9608.9100	5%	
		(6)	Nibs points(for fiber tip	9608.9100	5%	
		(7)	pens and markers) Tips for fine liners	9608.9100	5%	
		(8)	Raw cores used for making black lead	9609.2010	5%	
		(9)	Color lead	9609.9000	5%	

2.	Electrical Capacitors		<u>Raw Materials</u>			Nil
		(1)	Epoxy Resin	3907.3000	10%	
		(2)	Polyurethane Resin	3907.3000	10%	
		(3)	BOPP Film (Plain capacitor grade)	3920.2010	10%	
		(4)	BOPP Film (Metalized capacitor grade)	3920.2030	10%	
		(5)	Polyester / Polypropylene seal Film	3920.2090	10%	
		(6)	Insulating Paper	4823.9090	10%	
		(7)	Aluminum Foil (99.9 purity electrolytic grade, plain and etched)	7607.1100	10%	
			<u>Sub-components & Components</u>			
		(1)	Silicon Rubber Seals	4016.9320	15%	
		(2)	Supporting Kernels	8532.9090	15%	
		(3)	Insulating Cover Sleeve	8546.9000	15%	
3.	Manufacture or formulation of Agricultural pesticides by manufacturers or formulators duly recognized and approved by the Ministry of National Food Security and Research.	(i)	<u>Raw Materials</u> Oils and other products of distillation of high temperature, coal-tar and similar products in which the weight of the aromatic constituents exceeds that of non-aromatic constituents.	2707.5000 2707.9100 2707.9990 2710.9900	5%	Nil
		(ii)	Following active ingredients for pesticides registered by the Department of Plant Protection under the Agricultural Pesticides			
		(1)	Xylol (xylenes)	2707.3000	0%	
		(2)	Solvent C-9	2707.5000	0%	
		(3)	- Beta Pinene / Agrotin 527 / Terpenic derivative	2902.1990	0%	
		(4)	Toluene	2902.3000	0%	
		(5)	Mixed xylene isomers	2902.4400	0%	
		(6)	Naphthalene	2902.9010	0%	
		(7)	Ingredients for pesticides	2903.3960	0%	
		(8)	Cadusafos Technical Material	2903.3960	0%	

		(9)	Methanol (methyl alcohol)	2905.1100	0%	
		(10)	Propylene glycol (propane- 1, 2- diol)	2905.3200	0%	
		(11)	Adhesives Polyvinyl Acetate, Polyvinyl Alcohol	2905.4900	0%	
		(12)	Ingredients for pesticides	2906.2910	0%	
		(13)	Other Ingredients for pesticides	2906.2990	0%	
		(14)	Solvenon MP / 1-Methoxy 2- Propanol, Methyglycol Acetate	2909.4910	0%	
		(15)	Methanal (formaldehyde)	2912.1100	0%	
		(16)	Cyclo-hexanone and methyl- cyclo- hexanones	2914.2200	0%	
		(17)	Cyclohexanon, Cyclohexanone Mixed petroleum Xylene (1,2 & 1,3 & 1,4 dimethyl benzene and ethyle benzene)	2914.2990	0%	
		(18)	Acetic anhydride	2915.2400	0%	
		(19)	Ingredients for pesticides	2916.3920	0%	
		(20)	Diocetyl orthophthalates	2917.3200	0%	
		(21)	Ingredients for pesticides	2918.9910	0%	
		(22)	Ingredients for pesticides	2919.9010	0%	
		(23)	Other Ingredients for pesticides	2919.9090	0%	
		(24)	Endosulfan Technical Material	2920.9020	0%	
		(25)	Other Ingredients for pesticides	2920.9090	0%	
		(26)	Diethylamine and its salts	2921.1990	0%	
		(27)	Ingredients for pesticides	2921.4310	0%	
		(28)	Other Ingredients for pesticides	2921.4390	0%	
		(29)	Ingredients for pesticides	2921.5110	0%	
		(30)	Triethanolamine and its salts	2922.1990	0%	
		(31)	Ingredients for pesticides	2924.2950	0%	
		(32)	Methidathion Technical	2924.2950	0%	
		(33)	Other Ingredients for pesticides	2924.2990	0%	
		(34)	Lufenuron Technical	2924.2990	0%	

		(35)	Alpha cyano, 3- phenoxybenzyl (-) cis, trans 3-(2,2-dicloro vinyl) 2,2 dimethyl cyclopropane carboxylate	2926.9010	0%	
		(36)	(S) Alpha cyano, 3- phenoxybenzyl (S)-2-(4, chloro phenyl)-3 mehtyl butyrate	2926.9020	0%	
		(37)	Cyano, 3-phenony benzyl 2,2,3,3 tetra methyl cyclopropane carboxalate	2926.9030	0%	
		(38)	Cypermethrin, Alpha Cypermethrin, Beta- Cypermethrin, Zeta- Cypermethrin, Lambda Cylalothrin, Deltamethrin, Fenpropathrin, Esfenvalerate, Bifenthrin Technical Material- Acetamiprid, Imidacloprid Technical Material- Monomehypo, Chlorothalonil Technical Material- Bromoxynil Technical Material	2926.9050	0%	
		(39)	Other nitrite compounds- Cyfluthrin, Beta Cyfluthrin Technical Material	2926.9090	0%	
		(40)	2-N, N-Dimethyl amino-I sodium thiosulphate, 3- thiosulfourpropane	2930.2010	0%	
		(41)	S-S (2 dimethyl amino (trimethylene) bis (thio carbamate)	2930.2020	0%	
		(42)	Ingredients for pesticides	2930.2030	0%	
		(43)	2- N,N-dimethyamino 1,3 disodium thiosulphate propane	2930.9010	0%	
		(44)	O,S-dimethyl phosphoramidothioate	2930.9020	0%	
		(45)	Diafethiuran technical (itertbutyl) 3-2-6 disopropyl (4- phenoxyphenyl) thiourene	2930.9030	0%	
		(46)	O-O diethyl O-(3,5,6 trichloro pyridinyl) phosphorothioate	2930.9040	0%	
		(47)	O-(4-bromo, 2-chloro phenyl) o-ethyl s-propyl (phosphorothioate)	2930.9050	0%	
		(48)	O,O duethyl O-(3,5,6- trichloro 2- pyridyl) phosphorothioate	2930.9060	0%	
		(49)	Ingredients for pesticides	2930.9070	0%	

		(50)	Other organosulphur compounds - Ethion, Methamidophos Technical Material - Dimethylsulfoxid	2930.9099	0%	
		(51)	Other Ingredients for pesticides	2930.9099	0%	
		(52)	Other Ingredients for pesticides	2930.9099	0%	
		(53)	Ingredients for pesticides	2931.9040	0%	
		(54)	Other Ingredients for pesticides	2931.9090	0%	
		(55)	Ingredients for pesticides	2932.1900	0%	
		(56)	2,3 Dihydro 2,2 dimethyl-7 benzo furanyl methyl- carbamate	2932.9910	0%	
		(57)	Other ingredients for pesticides - Carbosulfan Technical Material	2932.9990	0%	
		(58)	Ingredients for pesticides	2932.2030	0%	
		(59)	Other Ingredients for pesticides	2933.3990	0%	
		(60)	- Chlorpyrifos, Triazophos, Diazinon Technical Material	2933.5950	0%	
		(61)	Pyrimethanin	2933.6910	0%	
		(62)	Ingredients for pesticides	2933.6940	0%	
		(63)	- Atrazine Technical Material	2933.6990	0%	
		(64)	Isatin (lactam of indole-3-carboxylic acid)	2933.7910	0%	
		(65)	1-Vinyl-2-pyrrolidone	2933.7920	0%	
		(66)	- Triazophos Technical Material Penconazole Technical	2933.9910	0%	
		(68)	Ingredients for pesticides	2934.1010	0%	
		(69)	Ingredients for pesticides	2934.9920	0%	
		(70)	Difenoconazole Technical	2934.9920	0%	
		(71)	-Methyl benzimidazol – 2 – ylcarbamate.	2938.9010	0%	
		(72)	Ingredients for pesticides	2939.8010	0%	
		(73)	- Abamectin	2941.9070	0%	
		(74)	Sulphonic acid (Soft)	3402.1110	0%	
		(75)	Other surface active agents	3402.1190	0%	
		(76)	Cationic	3402.1290	0%	
		(77)	Non ionic surface active agents	3402.1300	0%	
		(78)	Other organic surface active agents and preparation	3402.1990 3402.9000	0%	

		(79)	Chemical preparations	3824.9999	0%	
		(iii)	Following raw materials for manufacture of Technical Grade Emamectin Benzoate (Registered by the Department of Plant Protection under the Agricultural Pesticides Ordinance, 1971):-			
		(1)	Ethyl alcohol	2207.1000	10%	
		(2)	Phosphoric acid (H3P04)	2809.2010	0%	
		(3)	Sodium borohydride (NaBHB)	2850.0000	0%	
		(4)	Dichloromethane (methylene chloride)	2903.1200	0%	
		(5)	Isopropyl acetate	2915.3990	0%	
		(6)	Trifluoroacetic Acid	2915.9000	0%	
		(7)	Allylchloroformate (Esters of Acrylic Acid)	2916.1200	0%	
		(8)	Benzoic Acid	2916.3110	0%	
		(9)	Phenyl Dichlorophosphate	2920.9090	0%	
		(10)	Tetramethylethylene Diamine	2921.2990	0%	
		(11)	Heptamethyl disilazane	2921.2990	0%	
		(12)	Dimethyl Sulfoxide	2930.9099	0%	
		(13)	1-methyl propyl-25-1-methylavermectin	2932.1900	0%	
		(14)	Palladium	3815.9000	0%	
4.	Stearic Acid/ Fatty Acid (DFA)Distilled	(1)	Palm Stearin.	1511.9010	5%	Nil
		(2)	Inedible Animal Or Vegetable Oil and Fats	1518.0000	15%	
5.	³⁵ Omitted					
6.	Fans.	(1)	Insulation Varnish (Polyurithene / Polyester / Polyesterimide with Baking Temperature Ranging from 100 ^C to 220 ^C)	3208.1010	10%	Nil
		(2)	Composite paper and paperboard (made by sticking flat layers of paper or paperboard together with an adhesive), not surface- coated or impregnated, whether or not internally reinforced, in rolls or sheets.	4807.0000	10%	

		(3)	Paper & Paper Board Cellulose Wadding & Webs of Cullulose Fibers, Cated, Impregnated Covered Surface	4811.4900	10%	
		(4)	Non Grain Oriented Electrical Steel Sheet	7225.1900 7226.1900	0% 5%	
7.	Transformers		Grain Oriented Electrical Steel Sheet	7225.1100 7226.1100	³⁵ 0%	
8.	Electric Motors		Non Grain Oriented Electrical Steel Sheet	7225.1900 7226.1900	5%	Nil

2. This notification shall come into force on 6th June, 2006.

FORM-I

See clause (i)

(To be filled in by the importer or any person or persons duly authorized by him form his organization)

Name & address of the Importer	NTN/FTN	
Port of clearance		Clearing Agents Name/No.

S.No.	H.S. Code	Description	Specifications of imported inputs	Applicable rate of duty	Quantity	Unit value	Unit of measure	Total value in Pak Rupees
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

CERTIFICATE

It is certified that the description and quantity mentioned above are commensurate with the inputs requirement ¹²[and that the same are not manufactured locally] and that the same are not manufactured locally. It is further certified that the above items shall not be used for any other purpose.

Signature _____
Name _____
N.I.C. No. _____

FORM-II

(See clause iv)

(To be filled in by the **Director of IOCO**)

Header information										
NTN/FTN of importer					Name of importer			Approval No.		
(1)					(2)			(3)		
Details of input goods (to be filled by the authorized officer of the Regulatory Authority)							Goods imported (Collectorate of import)			
HS code	Description	Specs	Applicable Customs Duty rate	Quantity	UOM	Quantity imported	Collectorate	CRN/ No.	Mach. No.	Date of CRN/ Mach. No.
(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(13)

It is certified that the description and quantity mentioned above are commensurate with the input requirement, ¹²[omitted].

Signature -----
Name -----
Stamp -----

Note:- In case of clearance through Pakistan Customs Computerized System, 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.

[C.No.1(5)LI & T-III/2006

(MUSARRAT JABEEN)
Additional Secretary

As amended

1.	S.R.O.694(I)/2006	dated	30.06.2006.
2.	S.R.O.1087(I)/2006	dated	31.10.2006
3.	S.R.O.42(I)/2007	dated	17.01.2007
4.	S.R.O.499(I)/2007	dated	09.06.2007(w.e.f. 10.06.2007)
5.	S.R.O.676(I)/2007	dated	04.07.2007(w.e.f.10.06.2007)
6.	S.R.O.908(I)/2007	dated	07.09.2007.
7.	S.R.O.981(I)/2007	dated	25.09.2007
8.	S.R.O.1228(I)/2007	dated	17.12.2007
9.	S.R.O.201(I)/2008	dated	29.02.2008
10.	S.R.O..269(I)/2008	dated	10.03.2008
11.	S.R.O.384(I)/2008	dated	21.04.2008
12.	S.R.O.564(I)/2008	dated	11.06.2008(w.e.f.12.06.2008
13.	S.R.O.712(I)/2008	dated	02.07.2008
14.	S.R.O.107(I)/2009	dated	03.02.2009
15.	S.R.O.337(I)/2009	dated	14.04.2009 (w.e.f.10.03.2009)
16.	S.R.O.488(I)/2009	dated	13.06.2009(Budget(w.e.f.14.06.2009)
17.	S.R.O.589(I)/2009	dated	23.06.2009
18.	S.R.O.836(I)/2009	dated	01.10.2009
19.	S.R.O.934(I)/2009	dated	28.10.2009
20.	S.R.O.392(I)/2010	dated	05.06.2010)w.e.f.06.06.2010)
21.	S.R.O.847(I)/2010	dated	31.08.2010
22.	S.R.O.475(I)/2011	dated	03.06.2011(w.e.f.04.06.2011)
23.	S.R.O. (I)/2011	dated	28.12.2011
24.	S.R.O.573(I)/2012	dated	01.06.2012(w.e.f.02.06.2012)
25.	S.R.O.767(I)/2012	dated	22.06.2012
26.	S.R.O.120(I)/2013	dated	19.02.2013
27.	S.R.O.164(I)/2013	dated	01.03.2013
28.	S.R.O.221(I)/2014	dated	31.03.2014
29.	S.R.O.565(I)/2014	dated	26.06.2014
30.	S.R.O.606(I)/2015	Dated	30.06.2015
31.	S.R.O.474(I)/2016	dated	24.06.2016
32.	S.R.O.561(I)/2017	dated	01.07.2017
33.	S.R.O.1276(I)/2018	dated	18.10.2018
34.	S.R.O.676(I)/2019	dated	28.06.2019
35.	S.R.O.838(I)/2021	dated	30.06.2021