

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

\*\*\*

Islamabad, the 22<sup>nd</sup> June, 2006.

**NOTIFICATION**  
**(CUSTOMS)**

S.R.O. 656(I)/2006. In exercise of the powers conferred by section 19 of the Customs Act, 1969 (IV of 1969), the Federal Government is pleased to exempt, namely:-

- (a) components (which include sub-components, components, sub-assemblies and assemblies but exclude consumables) mentioned in column (3) of the Table-I below, imported in any kit form, and direct materials for assembly or manufacture of vehicles falling under Pakistan Customs Tariff (PCT) code of Chapter 87 as mentioned in column (2) of the Table-I, from so much of customs duty as specified in the First Schedule to the said Act, as is in excess of the rates specified in column (4) of Table-I, subject to the general conditions (i) to (xiv) in paragraph 2;
- (b) the goods mentioned in column (3) of the Table-II below, imported by an importer-cum-assembler or manufacturer, declared to be an investor under "Category-A Greenfield Investment" and "Category-B Brownfield Investment" by the Ministry of Industries and Production in terms of its Notification No. 2(9)/2013-LED-II dated the 2<sup>nd</sup> June, 2016, for assembly or manufacture of automotive vehicles, falling under Pakistan Customs Tariff (PCT) code of Chapter 87 mentioned in column (2) of the Table-II, customs-duty specified in the First Schedule to the said-Act as is in excess of the rates specified in column (4) of the Table-II, subject to the special conditions in column (5) of Table-II, besides general conditions (i) to (xvi) in paragraph 2; and
- (c) the goods mentioned in column (2) of the Table-III below, imported by an importer-cum-assembler or manufacturer, declared to be an investor under "Category-A Greenfield Investment" by the Ministry of Industries and Production in terms of its Notification No. 2(9)/2013-LED-II dated the 2<sup>nd</sup> June, 2016, for assembly or manufacture of vehicles, falling under PCT code mentioned in column (3), customs-duty specified in the First Schedule to the said-Act to the extent as specified in column (4) of the Table-III, subject to the special conditions mentioned in column (5) of Table-III, besides general conditions (i) to (xvi) in paragraph 2.";

2. The aforesaid exemption shall be subject to the following conditions, namely:-

- (i) the importer-cum-assembler or manufacturer registered under the Sales Tax Act, 1990 having suitable in-house facilities as defined in 'Annexure-A' to this notification for the manufacture of road worthy vehicles or the importer-cum-assembler or manufacturer is in possession of a firm contract with any other manufacturer for manufacture of specified goods, duly registered under the Sales Tax Act, 1990, having the prescribed in-house facilities for manufacture of the said goods, according to the laid down standards and this fact has been certified by the Engineering Development Board (EDB) of Ministry of Industries and Production <sup>14</sup>or **Input Output Co-efficient Organization (IOCO)**;

Provided that the facility of assembly or manufacture under firm contract shall not be admissible for assembly or manufacture of 4-Stoke auto rickshaw of PCT heading 8703.2115, 3-Wheeler Cargo Loader of PCT heading 8704.3150 and vehicles of PCT heading 87.11 or for assembly or manufacture of vehicles specified in Table-II by an investor under Category-A Greenfield Investment or Category-B Brownfield Investment;

- (ia) the input output ratio of the items to be manufactured and total annual requirements of materials shall be determined by the Engineering Development Board (EDB) <sup>14</sup>or **Input Output Co-efficient Organization (IOCO)** or by any other organization as the Federal Board of Revenue may authorize;"
- (ib) the manufacturer-cum-importer, at the time of import of approved items, shall make a declaration on the Goods Declaration (GD) to the effect that the items have been imported in accordance with his entitlement for the manufacture of specified items. The manufacturer shall also declare that the imported items shall be consumed for the purpose of manufacture of the items within a period of one year;

- (ii) the importer is registered under the Sales Tax Act, 1990 with the Sales Tax Department;
- (iii) the importer-*cum*-assembler or manufacturer shall submit hard and soft copy of list of components with parts numbers along with respective PCT headings intended to be imported by him to EDB <sup>14</sup>or IOCO as per 'Annex B'. The description of components and their parts numbers shall be in accordance with that given in the Service Manual/Parts Catalogue of the vehicles. The EDB <sup>14</sup>or IOCO shall verify the list of components identified as aforesaid by the importer on the lists and determine the CKD kit of each vehicle in accordance with the terms set out in the First Schedule of the Customs Act, 1969, and update Customs Computerized System. The Customs department will release the consignments of components for assembly or manufacture of vehicles on the basis of lists (Part number and description) verified by EDB; <sup>14</sup>or IOCO.
- (iv) the relevant customs authority shall check the declaration made by the importer-*cum*-assembler or manufacturer, in order to check its conformity with the lists verified in terms of condition (iii). In case there is any dispute or discrepancy, the importer shall be intimated forthwith and the matter shall be resolved expeditiously. If the importer so desires, pending such resolution, the consignments containing such disputed components shall be released against such "Corporate Guarantee" acceptable to the Collector of Customs;
- (iva) the importer-cum-assembler or manufacturer shall directly import the components as per the lists duly approved by the EDB <sup>14</sup>or IOCO or shall procure them from a sales tax registered local vendor, manufacturing such components and will maintain records accordingly;
- (v) the importer-*cum*-assembler or manufacturer shall maintain records as prescribed under Annexure B. Such records along with reconciliation account of all inputs used in assembly or manufacture of vehicles shall be submitted to the EDB <sup>14</sup>or IOCO on an annual basis latest by 15<sup>th</sup> August, each year, falling which, the manufacturing certificate of the firm shall not be revalidated;
- (vi) in case, the importer-*cum*-assembler or manufacturer fails to provide information as per conditions above to EDB <sup>14</sup>or IOCO or for any other reason to be recorded in writing, the EDB <sup>14</sup>or IOCO may get an audit conducted either by themselves or through designated persons or agency for this purpose to see if all the conditions of this notification are met. The findings of the Audit shall be communicated to the respective Collector of Customs. For any reason to be recorded in writing, the Collector of customs may get an audit conducted by any person or agency designated for this purpose to see if all the conditions of this notification are met. Failure to comply with the conditions of this notification will attract proceedings under relevant provisions of Customs Act, 1969 (IV of 1969);
- (vii) if upon Audit, the import or consumption of the components is not found in conformity with the conditions of this notification or the importer-*cum*-manufacturer fails to comply with other conditions of this notification, the Collector of Customs shall initiate proceedings for the recovery of exempted duties and taxes besides initiating penal action under the relevant provisions of law;
- (viii) the authorized officer of the Engineering Development Board <sup>14</sup>or Input Output Co-efficient Organization shall furnish all relevant information online to Customs Computerized System as per 'Form A' (appended to this notification) against specific ID and password obtained under section 155D of the Customs Act, 1969 (IV of 1969);
- (ix) the chief executive officer of the importing company or his duly authorized officer shall furnish all relevant information online to EDB as per "Form B' (appended to this notification)
- (x) Omitted
- (xi) the manufacturer-*cum*-assembler of automotive vehicles enumerated at serial No. 6 of the Table (except for Auto Rickshaw of heading 8703.2115) shall sell the said vehicles to a valid CNIC holder only and the record of the same shall be furnished to FBR or to any other designated person on monthly basis; and.
- (xii) in case of violation of any of the conditions of this notification, Engineering Development Board <sup>14</sup>or Input Output Co-efficient Organization may suspend or not revalidate certificate for assembly or manufacture of vehicles and lists of importable components, pending removal of cause of suspension or finalization of audit, as the case may be;

- (xiii) all the consignments imported under this notification shall only be cleared through Customs Computerized System
- (xiv) in line with the policy ensuring consumer welfare under Automotive Development Policy (ADP) 2016-21, the said kits imported by importer-cum-assembler or Original Equipment Manufacturer (OEM) of cars must contain immobilizer. The OEM shall confirm the compulsory installation of immobilizer in the cars produced at his facilities. The EDB <sup>14</sup>or IOCO shall ensure compliance of said consumer welfare measure <sup>15</sup>Furthermore, the importer-cum-assembler or OEM shall comply with shortlisted WP-29 Regulations as determined by EDB and EDB or IOCO shall ensure the compliance;
- <sup>15</sup>(xiva) The concessionary customs duty for various models of new entrants under ADP 2016-21 to continue for five years from date of first manufacturing certificate of respective variant issued by Engineering Development Board or upto 30<sup>th</sup> June 2026, whichever is earlier and
- <sup>15</sup>(xivb) The importer-cum-assembler or OEM shall pay KIBOR plus three percent per annum to the customer against late delivery exceeding 60 days of initial booking on the whole of the deposited amount. Statement/ details of reimbursement @ KIBOR + 3% against deliveries beyond 60 days shall be submitted to EDB or IOCO bi-annually.
- (xv) for setting up the new assembly or manufacturing facility of the vehicles the Chief Executive Officer (CEO) of the importing company shall communicate in writing to the EDB <sup>14</sup>or IOCO of the bonafide requirements or detail of new plant and machinery and the EDB <sup>14</sup>or IOCO shall determine or quantify the actual requirement for the purpose of exemption of customs-duty in terms of Sr. No. 2 of the Table-III below;
- (xvi) in case of material deviation from the approved commercial operation schedule, the EDB <sup>14</sup>or IOCO shall initiate suitable action, after necessary verification, for stoppage or withdrawal of incentives allowed in terms of Table-II and Table-III ”; and

Explanation-I The expression “direct materials” means the material used in the direct consumption during the assembly duly approved by the EDB <sup>14</sup>or IOCO.

Explanation-II: For the purpose of Table-II, the expressions “Components in any kit form (CKD) Non-localized” shall mean the components as are not mentioned in Appendix-I and Appendix-II of the Notification No. SRO 693(I)/2006 dated the 1st July, 2006 and the “Components in any kit form (CKD) localized” shall mean the components as are mentioned in Appendix-I and Appendix-II of the said notification;

2. Omitted.

2A. In line with the new entrant policy for motorcycle manufacturing industry with new technology notified by Ministry of Industries and Production *vide* notification No. 4-1/2013/LED-II-(Vol-III), dated the 26<sup>th</sup> September, 2013, the incentive of importing CKD kit in any form @ 10% customs-duty imported in terms of serial No. 11 of the following TABLE by the new entrant for assembly or manufacturing of motorcycles shall be withdrawn on components localized by the new entrant each year in accordance with the approved localization plan. The expressions ‘new entrant’ and ‘new technology’ shall bear the same meaning as declared or notified by the Ministry of Industries and Production in respect of motorcycle manufacturing industry;

**["Provided that in line with Auto Industry Development and Export Policy (AIDEP) 2021-26 approved by the Economic Coordination Committee (ECC) of the Cabinet's decision in case No. ECC-442/43/2021 dated 16.12.2021 and ratified by the Cabinet in case No. 1237/42/2021 dated 21.12.2021 regarding export promotion, the benefit of Notification No. S.R.O 656(I)/2006 dated 22.06.2006 shall be admissible subject to fulfillment of conditions as laid down in Notification No. S.R.O 8(1)/2021-LED-II dated 01.03.2022 issued by the Ministry of Industries and Production, Islamabad,"]<sup>16</sup>**

3. This notification shall take effect on the 1<sup>st</sup> day of July, 2006.

**“TABLE-I**

[See clause (a)]

S. No.	Description of vehicles	Description of imported input goods		Rate of Customs Duty
(1)	(2)	(3)		(4)
1.	Agriculture tractors of PCT heading 87.01	(i)	Components for assembly/ manufacture in any kit form	1%
		(ii)	Tyres / Tubes	20%
2.	Road tractors for semi-trailers (prime movers) less than 280 HP of PCT heading 87.01	(i)	Components for assembly/ manufacture in any kit form	5%
		(ii)	Tyres / Tubes	3%
3.	Road tractors for semi-trailers (prime movers) of 280 HP and above of PCT heading 87.01	(i)	Components for assembly/ manufacture in any kit form	5%
		(ii)	Tyres / Tubes	3%
4.	Buses of PCT heading 87.02 (other than mentioned at S. No. 5 below)	(i)	Components for assembly/ manufacture in any kit form	5%
		(ii)	Tyres / Tubes	3%
5.	Buses (dedicated LNG/ LPG or CNG) of PCT heading 87.02	(i)	Components for assembly/ manufacture in any kit form	1%
		(ii)	Tyres / Tubes	3%
6.	<sup>15</sup> Omitted			
<sup>15</sup> 6(a)	Vehicle of PCT heading 87.03 upto 850cc (excluding specially designed twin cabin type taxi PCT heading 8703.3227 and 4- stroke Auto Rickshaw of PCT heading 8703.2115)	(i)	Components for assembly/ manufacture in any kit form	30% but 15% for new make or model as certified by EDB for two years from the date of issuance of manufacturing certificate or upto 30 <sup>th</sup> June 2024, whichever is earlier
		(ii)	Tyres / Tubes	16%
<sup>16</sup> 6(a)	Cars of PCT heading 87.03 upto 1000cc (excluding specially designed twin cabin type taxi PCT heading 8703.3227 and 4-stroke auto Rickshaw of PCT heading 8703.2115, mini vans and 4x4 vehicles)	(i)	components for assembly/ manufacture in any kit form	30% but 15% for new make or model as certified by EDB for three years from the date of issuance of manufacturing certificate or upto 30th June 2026, whichever is earlier
		(ii)	Tyres/ Tubes	16%
6(b)	Vehicle of PCT heading 87.03 upto 850cc (excluding specially designed twin cabin type taxi PCT heading 8703.3227 and 4- stroke Auto Rickshaw of PCT heading 8703.2115)	(i)	Components for assembly/ manufacture in any kit form	30%
		(ii)	Tyres / Tubes	16%
<sup>16</sup> 6(b1)	Cars of PCT heading 87.03 1000cc (excluding specially designed twin cabin type taxi PCT heading 8703.3227 and 4- stroke auto Rickshaw of PCT heading 8703.2115, mini vans and 4x4 vehicles)	(i)	components for assembly/ manufacture in any kit form	30%
		(ii)	Tyres/ Tubes	16%
7.	4-Stroke Auto Rickshaw of PCT	(i)	Components for assembly/	15%

	heading 8703.2115		manufacture in any kit form	
		(ii)	Tyres / Tubes	16%
8.	Vehicles of g.v.w not exceeding 5 tons (LCVs) falling under PCT heading 87.04 (except 3-Wheeler cargo loader of PCT heading 8704.3150)	(i)	Components for assembly/ manufacture in any kit form	20%
		(ii)	Tyres / Tubes	16%
9.	3-Wheeler cargo loader of PCT heading 8704.3150	(i)	Components for assembly/ manufacture in any kit form	15%
		(ii)	Tyres / Tubes	16%
10.	Vehicles of g.v.w exceeding 5 tons (HCVs) falling under PCT heading 87.04	(i)	Components for assembly/ manufacture in any kit form	15%
		(ii)	Tyres / Tubes	3%
11.	Vehicles of PCT heading 87.11 (except motorcycle rickshaw of PCT heading 8711.3020)	(i)	Components for assembly/ manufacture in any kit form	15% but 10% for motorcycles for new entrant for a period of five years.
		(ii)	Tyres / Tubes	20%
12.	Motorcycle rickshaw of PCT heading 8711.3020	(i)	Components for assembly/ manufacture in any kit form	15%
		(ii)	Tyres / Tubes	20%
13.	Trailer of PCT heading 87.16	(i)	The following component for assembly/ manufacture of trailers:- (1) Axle tube with brake without Hub and Drum. (2) Pneumatic suspension. (3) ABS system. (4) King Pin. (5) Fifth wheel. (6) Axle Complete (7) Mechanical Suspension. (8) ASR Brake system. (9) Pintle Hook. (10) Wheel Rim (size 8.0x20). (11) Hydraulic cylinder (12) Hydraulic pump (13) Hydraulic control/tipping valve (14) Hydraulic tank (15) Fuel/chemical trailer manhole cover (16) Fuel/chemical trailer bottom valve (17) Fuel/chemical trailer API adapter valve (18) Fuel/chemical trailer Overfill sensor (19) Fuel/chemical trailer vapor vent valve (20) Fuel/chemical trailer vapor recovery value	5%
		(ii)	Tyres / Tubes	3%

14.	Assembly kits of all the above categories to the number of their exported units subject to the following conditions:-		-	0%
	(i)	no duty drawback was claimed at the time of export;		
	(ii)	The imported kits relate to the vehicle of same engine capacity as were exported; and		
	(iii)	the importer makes a declaration in the bill of entry or goods declaration (GD) at the time of import that he intends to avail this facility and produces the following evidence of export; namely:-		
	(a)	a copy of the bill of entry or goods declaration (GD) bearing examination report of customs;		
	(b)	bill of lading; and		
	(c)	foreign exchange repatriation certificate.		
15.	Materials for direct use, as are not manufactured locally, in the manufacture of vehicles listed at Sr. No. 1 to 13 above.		-	1%.

**TABLE-II**  
[See clause (b)]

S. No.	Description of vehicles		Description of imported goods	Customs-duty Rate	Special Condition
(1)	(2)		(3)	(4)	(5)
1.	Road tractors for semi-trailers (prime movers) less than 280 HP of PCT heading 87.01	(i)	Components in any kit form (CKD) Localized and Non-localized	5%	For a period of three years for Category-A Investor and Category-B Investor.
2.	Road tractors for semi-trailers (prime movers) of 280 HP and above of PCT heading 87.01	(i)	Components in any kit form (CKD) Localized and Non-localized	5%	- do -
3.	Buses of PCT heading 87.02 (other than mentioned at S. No. 4 below)	(i)	Components in any kit form (CKD) Localized and Non-localized	5%	- do -
4.	Buses (dedicated LNG/ LPG or CNG) of PCT heading 87.02	(i)	Components in any kit form (CKD) Localized and Non-localized	1%	- do -
5.	Vehicles of PCT heading 87.03 (excluding Auto Rickshaw of PCT heading 8703.2115)	(i)	Components in any kit form (CKD) Non-localized	10%	For a period of five years for Category-A Investor and for a period of three years for Category-B Investor.
		(ii)	Components in any kit form (CKD) Localized	25%	- do -
6.	Vehicles of g.v.w not exceeding 5 tons falling under PCT heading 87.04 (excluding	(i)	Components in any kit form (CKD) Non-localized	10%	- do -

	3-Wheeler cargo loader of PCT heading 8704.3150)	(ii)	Components in any kit form (CKD) Localized	25%	- do -
7.	Vehicles of g.v.w exceeding 5 tons falling under PCT heading 87.04	(i)	Components in any kit form (CKD) Localized and Non-localized	10%	For a period of three years for Category-A Investor and Category-B Investor.

**TABLE-III**  
[See clause (c)]

S. No.	Description of goods	PCT Code	Extent of exemption of Customs-duty	Special Condition
(1)	(2)	(3)	(4)	(5)
1.	Vehicles (CBU)	87.01 87.02 87.03 87.04	50% of prevailing rate	The exemption shall be admissible on import of 100 vehicles (CBU) of the same variant to be assembled/ manufactured as mentioned in column (2) of the Table-I above, for test marketing after ground breaking of the project, duly approved/ certified by MoIP on recommendation of the Engineering Development Board (EDB) <sup>14</sup> <b>or Input Output Co-efficient Organization (IOCO).</b>
2.	Plant and machinery	Respective headings	100%	The exemption shall be admissible on one time basis for setting up the new assembly and/ or manufacturing facility of the vehicles mentioned in column (2) of the Table-II above, duly approved/ certified and determined by MoIP on recommendation of the Engineering Development Board (EDB) <sup>14</sup> <b>or Input Output Co-efficient Organization (IOCO).</b> ”; and

**Annexure A**  
[See condition (i)]

**MINIMUM IN-HOUSE ASSEMBLING/ MANUFACTURING FACILITIES REQUIRED FOR ASSEMBLERS / MANUFACTURERS OF VEHICLES**

**A. CARS & LIGHT COMMERCIAL VEHICLES (LCVs)**

**1. Body welding shop**

Following equipment / facilities should be available for sub-assembly/ Assembly covering Under Body, Side Body / Side Panel, Main Body, Shell Body, Engine Compartment etc.

- (a) Welding jigs; for sub assembly / assembly operations covering underbody, Engine Compartment, Side Body / Side Panel, Main Body;
- (b) Welding guns & Other Equipment; for above fixtures;
- (c) Welding transformers;
- (d) Hoists;
- (e) Necessary tools;
- (f) Body handling Equipment;
- (g) Tools & gauges; for body parts fitting & body accuracy.

**2. Body Paint shop**

- (a) Booth for:-

- (i) Pretreatment including Cleaning, Degreasing, Metal preparation for Primer Coat;
  - (ii) E.D paint facility for cabins
  - (iii) Under Coat;
  - (iv) Sealer;
  - (v) Top Coat.
- (b) Dry Off / Baking ovens for:-
    - (i) Pretreatment;
    - (ii) Primer;
    - (iii) Under Coat;
    - (iv) Sealer;
    - (v) Top Coat.

**3. Vehicles Final Assembly:-**

- (a) Trim Line with Multiple Stations:-
  - (i) Trim Line with Multiple Station;
  - (ii) Sealer Pumps;
  - (iii) Conveyors;
  - (iv) Pneumatic Tools;
  - (v) Torque Wrenches;
  - (vi) Other Hand Tools.
- (b) Chassis Line with Multiple Stations Equipped with hoists and underground Pits:-
  - (i) Central Lifter;
  - (ii) Engine Docking Machine/ System;
  - (iii) Axle Lifting Machine/ System;
  - (iv) Wheel Sub-assembly/Balancing;
  - (v) Wheel Assembly;
  - (vi) Pneumatic Tools.
- (c) Final Line:-
  - (i) Coolant Feeder;
  - (ii) Brake Bleeding Machine;
  - (iii) AC coolant filling, if applicable;
  - (iv) Fuel Filling.

**4. Vehicles Performance Testing Facilities:-**

- (a) Toe in Tester;
- (b) Side Slip Tester;
- (c) Brake Tester;
- (d) Drum Tester;
- (e) Turning radius;
- (f) Headlight aiming tester;
- (g) Shower tester  
(With at least sufficient number of nozzles to cover roof, side walls, doors, windows and floor in a rain simulation).

**5. Inspection Equipments:-**

**6. Storage:-**

- (a) Vendorized / In-house Parts;
- (b) CKD Parts;
- (c) Finished Goods.

**B. HEAVY COMMERCIAL VEHICLES (HCVs)**

**1. Main Chassis-Frame Assembly &/ or Riveting Line:-**

- (a) Jigs and fixtures for Drilling, Riveting & Welding Jigs and fixtures suitable for main chassis making (assembling);
- (b) Riveting Guns;



- (c) Overhead Cranes and Hoists;
  - (d) Riling Machines;
  - (e) Dollies;
  - (f) Suitable Welding Equipment.
2. **Axle Assembly:-**
- (a) Tools for Axle Assembly;
  - (b) Hoist(s) / Crane(s);
  - (c) Press for fitting Hub Bearings;
  - (d) Stands;
  - (e) Toe in Toe Out Adjustment Tools;
  - (f) Torque Wrenches.
3. **Welding Shop:-**
- (a) Welding Jigs;
  - (b) Spot Welding Guns;
  - (c) Welding Transformers;
  - (d) Hoists;
  - (e) Necessary Tools.
4. **Paint Shop**
- (a) **Booths for:-**
    - (i) Cleaning, Degreasing, De-rusting etc;
    - (ii) E.D Painting facility for cabins;
    - (iii) Conventional system for body & Structural parts;
    - (iv) Pretreatment / Primer Coat;
    - (v) Top Coat.
  - (b) **Chassis Paint / Touchup Area:-**
    - (i) Spray Guns;
    - (ii) Paint Containers.
  - (c) **Baking Ovens.**
  - (d) **Sealing equipments.**
5. **Vehicles Final Assembly**
- (a) **Trim Line:-**
    - (i) Cranes / Hoists;
    - (ii) Dollies for Bodies / cabins;
    - (iii) Pneumatic Tools;
    - (iv) Other Hand Tools.
  - (b) **Chassis Line:-**
    - (i) Cranes / Hoists;
    - (ii) Lifting Hangers equipment for dropping or docking the engines;
    - (iii) Torque Wrenches;
    - (iv) Wheels Sub assembly;
    - (v) Hanger for Cab Mounting;
    - (vi) Pneumatic Tools.
  - (c) **Final Line:-**
    - (i) Coolant Feeder;
    - (ii) Brake Bleeding Machines.
6. **Vehicles Performance Testing Machines:-**
- (i) Toe in tester;
  - (ii) Side Slip Tester;
  - (iii) Brake Tester;
  - (iv) Speedometer Tester;
  - (v) Headlight aiming Tester;
  - (vi) Shower Tester.

**7. Inspection Tools and equipments.**

**8. Storage:-**

- (a) Vendorised and In house Parts;
- (b) CKD Parts;
- (c) Finished Goods.

**C. TRACTORS**

**1. ENGINE ASSEMBLY**

**Sub Assembly:-**

- (a) Engine assembly line with proper tooling, jigs and fixtures including Degreasing and Washing Machines;
- (b) Gear Box assembly line with proper tooling, jigs and fixtures;
- (c) Rear Axles assembly line with proper tooling, jigs and fixtures;
- (d) Front Axle assembly line;
- (e) Steering assembly;
- (f) Wheel sub assembly.

**2. PAINT SHOP FOR SHEET METAL AND CHASSIS**

- (a) Booth for:-
  - (i) Cleaning, Washing, Degreasing, De-rusting, Metal preparation for Primer Coat;
  - (ii) Phosphating / pretreatment;
  - (iii) Primer Coat;
  - (iv) Top Coat.
- (b) Baking Ovens;
- (c) Paint mixing and spraying equipment;
- (d) Overhead conveyors for Sheet Metal Parts.

**3. VEHICLES FINAL ASSEMBLY:-**

- (a) Conveyors;
- (b) Material Handling Equipment;
- (c) Pneumatic Tools supported by pneumatic air supply infrastructure & balancers;
- (d) Torque Wrenches and Calibrators;
- (e) Engine Docking Equipment;
- (f) Overhead Gantries & Jib Cranes for Electric Hoist.

**4. PERFORMANCE TESTING FACILITIES:-**

- (a) Toe in Tester;
- (b) Brake Tester;
- (c) Turning Radius;
- (d) Headlight aiming Tester;
- (e) Roller Tester for Functional Inspection;
- (f) Diesel Lab for calibration of Fuel Injection Equipment.

**5. INSPECTION TOOLS/EQUIPMENTS:-**

- (a) Engine Dynamometer;
- (b) Engine components contamination measuring equipment;
- (c) Engine Noise Meter;
- (d) Exhaust Gas Analyzer;
- (e) Rear Axle Test rig;
- (f) Hydraulic Test rig;
- (g) Pre-loading equipment;
- (h) Axle and play equipment;
- (i) Paint-gloss and thickness testing equipment;
- (j) Salt Spray testing equipment for paints;
- (k) Material Testing Laboratory.

**6. STORAGE:-**

- (a) Vendorised/In-house Parts;
- (b) CKD Parts;
- (c) Finished Goods.

7. **Test Rigs for Endurance Testing of Safety / Critical items.**
8. **Availability of manufacturing drawings to include:-**
  - (a) Dimensions;
  - (b) Materials;
  - (c) Mechanical and Physical properties;
  - (d) Assembly and Testing Procedures.
9. **Availability of purchase orders on vendors / suppliers.**

#### **D. MOTORCYCLE/ MOTORCYCLE RICKSHAW**

##### **1. MOTORCYCLE FRAME WELDING SHOP**

This shop will be completely equipped with the following:-

- (a) Welding Jigs;
- (b) Spot Welding Machine;
- (c) MIG Welding Machine;
- (d) Frame/Chassis Inspection Jigs;
- (e) Boring Machine for the head pipe.

##### **2. BODY PAINT SHOP**

**Booth for:-**

- (a) Cleaning, degreasing, de-rusting, metal preparation for phosphate;
- (b) Spray Booths, including preparation area, spray, flash off;
- (c) Finish Coat/ Final Coat;
- (d) Baking Ovens.

##### **3. ENGINE ASSEMBLY & TESTING**

**(a) Engine Assembly Line equips with fixtures for the following Sub-assemblies:-**

- (i) Crank Cases and Crank Case Covers;
- (ii) ACG Flywheel;
- (iii) Complete Cylinder with Crankshaft and Connecting Rod;
- (iv) Spindle Kick Starter and Spindle Gear Change/ Shifting;
- (v) Spark Plug, Rocker Arm and Tappet adjusting;
- (vi) Cover Cylinder Head and Oil Filling;

**(b) Engines Assembly Tools:-**

- (i) Pneumatic Tools;
- (ii) Torque Wrenches;
- (iii) Compressor;
- (iv) Press of Pneumatic Jig (for Ball Bearing fitting);
- (v) Engine number Punching Arrangement;
- (vi) Parts/ Material Handling System;
- (vii) Dust Free Environments.

**(c) Engine Testing Tools:-**

- (i) Test Bench of Check Gears and Neutral Light Functioning;
- (ii) Measured Oil Filling Arrangement;
- (iii) Leakage Testing.

##### **4. TESTING INSTRUMENTS/ EQUIPMENTS FOR INSPECTION OF COMPONENTS/ PARTS BEFORE ISSUANCE OF FINAL ASSEMBLY:-**

- (a) Surface Plate;
- (b) Dimensional inspection instruments (e.g. vernier caliper, micrometer, dial indicator & headlight gauge etc);
- (c) Material hardness tester (metal & rubber);
- (d) Destructive test arrangement (especially for chromed parts);
- (e) Coating layer thickness meter;
- (f) Functional tests;

- (g) Peripheral/ run-out accuracy, etc., testing arrangement.

**5. FINAL ASSEMBLY**

**(a) Frame Assembly Fixture:-**

Fixture for complete motorcycle assembly to support/ hold the motorcycle height from the first step of the assembly that/ is putting Engine or Frame Body up to the complete finished product, including assembly of the motorcycle from the following:-

- (i) Rear Fork (or swing arm);
- (ii) Front and Rear Wheel;
- (iii) Front and Rear Fenders;
- (iv) Front and Rear Shock absorber;
- (v) Steering Handle with Switch Assembly, Break Levers and Throttle;
- (vi) Driver Chain and Chain Cases;
- (vii) Fuel Tank Seat and Side Cover;
- (viii) Wiring and Cables routing;
- (ix) Speedometer, Head Light and Tail Light;
- (x) Front and Rear, Right and Left Winkers;
- (xi) Brake Pedal, Brake Rod and Gear Change Pedal;
- (xii) Front and Rear Wheel Panels fitting;
- (xiii) Exhaust Muffler, rubber Step, Bar and Pillion Assembly fitting.

**(b) Final Assembly Tools:-**

- (i) Pneumatic Guns;
- (ii) Torque Wrenches;
- (iii) Compressor;
- (iv) Press or pneumatic Jig (for Cones and Bushes);
- (v) Frame Number punching arrangement;
- (vi) Parts/ Material Handling System.

**6. FINAL INSPECTION:-**

- (a) Test Bench For Brake Testing;
- (b) Speedometer Test Bench;
- (c) Headlight aiming Testing;
- (d) Vehicle Alignment;
- (e) Emission Tester;
- (f) Noise Tester.

**7. STORAGE:-**

- a) Vendorised / In-House Parts;
- b) CKD Parts;
- c) Finished Goods.

**E. STROKE AUTO RICKSHAW**

**1. FRAME WELDING SHOP:-**

- (a) Welding Jigs;
- (b) Spot Welding Machines;
- (c) MIG Welding;
- (d) Frame/ Chassis Inspection Jigs.

**2. BODY PAINT SHOP**

**System for:-**

- (a) Cleaning, degreasing, de-rusting, metal preparation for phosphate;
- (b) Spray Booths, including preparation area, spray, flash off;
- (c) Finish and final coat;
- (d) Baking Ovens.

**3. ENGINE ASSEMBLY AND TESTING**

- (a) Engine leakage Testing;
- (b) Engine running/ endurance test.

4. **TESTING INSTRUMENTS/ EQUIPMENTS FOR INSPECTION OF COMPONENTS/ PARTS BEFORE ISSUANCE OF FINAL ASSEMBLY:-**
- (a) Surface Plate;
  - (b) Dimensional inspection instruments (e.g. veneer caliper, micrometer, dial indicator & height gauge etc);
  - (c) Material hardness tester (metal & rubber);
  - (d) Destructive test arrangement (especially for chromed parts);
  - (e) Coating layer thickness meter;
  - (f) Parts fitting/ functional tests;
  - (g) Peripheral/ run-out accuracy, testing arrangement for the wheels.
5. **FINAL ASSEMBLY**
- (a) **Chassis Assembly Line:**  
Chassis Assembly Line with Fixture / Conveyors for the assembling of complete 4-Stroke Auto Rickshaw to support/ hold the Rickshaw Chassis/ Frame from the first step of the assembly i.e. putting Engine and Rear & Front Body, up to the complete finished product, including assemblies from the following:-
    - (i) Front Fork Assembly;
    - (ii) Front and Rear Wheels;
    - (iii) Differential sub-assembly testing;
    - (iv) Wheel Assembly;
    - (v) Front and Rear Shock absorbers/ Leaf Springs;
    - (vi) Steering Handle with Switch Assemblies, Break Leers and Throttle;
    - (vii) Wiring and Cables Routing;
    - (viii) Dash Board with panel meters;
    - (ix) Head Light, Tail Light and Winkers;
    - (x) Front and Rear, Right and left Winkers;
    - (xi) Front and Rear Body;
    - (xii) Wind screen and Back View Mirrors;
    - (xiii) Hood Frame and Hood Cover;
    - (xiv) Radiator Assy and engine water cooling system;
    - (xv) Exhaust muffler Assy.
  - (b) **Final Assembly Tools:-**
    - (i) Pneumatic Guns;
    - (ii) Torque Wrenches;
    - (iii) Compressor;
    - (iv) Press or pneumatic Jig (for Cones and Bushes);
    - (v) Frame Number Punching arrangement;
    - (vi) Parts/ Material Handling System.
6. **FINAL INSPECTION:-**
- (a) Test Bench for Brake Testing;
  - (b) Speedometer Test Bench;
  - (c) Headlight aiming Testing System;
  - (d) Vehicle alignment;
  - (e) Emission Tester;
  - (f) Noise Tester.
7. **STORAGE:-**
- (a) Vendorised / In-House Parts;
  - (b) CKD Parts;
  - (c) Finished Goods.]

**ANNEXURE B**  
[See clause (iii)]

VERIFICATION OF LISTS AS PER CLAUSE (III) AND RECORDS PRESCRIBED.

FORM- A

(To be filled in by the authorized officer of Engineering Development Board <sup>14</sup> or Input Output Co-efficient Organization)

Header information									
Name of importer	NTN/STN of importer	Approval No.	Vehicle Name & Model	HS Code of vehicle in kit form	Batch ID	Quantity	Unit of Measurement	CD applicable rate	Country of origin

Detail of input goods (to be filled by the authorized officer of Engineering Development Board <sup>14</sup> or Input Output Co-efficient Organization)							
Respective HS Code	Description <sup>6</sup> [as per parts list]	<sup>6</sup> [Description as per 1 <sup>st</sup> Schedule to the Customs Act,1969]	Part No.	UOM	Quantity Per Unit	Total Quantity	Customs Duty rate (applicable) + Additional Customs Duty rate
1	2	3	4	5	6	7	8

Signature \_\_\_\_\_  
 Designation \_\_\_\_\_

**NOTE:-** In case of clearance through 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.

**FORM- B**  
 (To be filled in by the Chief Executive of the importing company)

Name & address of the Importer	NTN/STN
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Vehicle Name & Model	HS Code of vehicle in kit form	Batch ID	Quantity	Unit of Measurement	CD Rate applicable	Country of origin
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S.No	Respective PCT Heading	Description <sup>6</sup> [as per parts list]	Specifications of imported inputs	<sup>6</sup> [Description as per First Schedule to the Customs Act,1969 (IV of 1969)]	Part No.	Applicable rate of duty + Additional Customs duty rate	Quantity	Unit Value	Unit of measure	Total value in Pak Rupees

**CERTIFICATE.**

It is certified that the description and quantity mentioned above are commensurate with the inputs requirement and as per Form-A duly verified by EDB <sup>14</sup> or IOCO. It is further certified that the above items shall not be used for any other purpose.

Signature of Chief Executive \_\_\_\_\_  
 Name of Chief Executive \_\_\_\_\_  
 N.I.C No. \_\_\_\_\_

**Explanation.-** the expression “Chief Executive” means –  
 (a) owner of the firm, in case of sole proprietorship;  
 (b) partner of firm having major share, in case of partnership firm;  
 (c) chief executive officer or the Managing Director in case of limited company or multinational organization; or

(d) Principal Officer in case of a foreign company.

Verification of Import Lists

List 1

Vehicle Name & Model:-

HS Code of Vehicle:-

S.No	Part Name <sup>6</sup> [as per parts list]	<sup>6</sup> [Description as per 1 <sup>st</sup> Schedule to the Customs Act, 1969]	Part No	Quantity per vehicle	Total Quantity	UOM	Respective HS Code	Rate of Custom duty
1	2	(2a)	3	4	5	6	7	8

List 2

S.No	Part Name <sup>6</sup> [as per parts list]	<sup>6</sup> [Description as per 1 <sup>st</sup> Schedule to the Customs Act, 1969]	Part No	Quantity per Vehicle	Total Quantity	UOM	Respective HS Code	Rate of Custom duty +Rate Of Additional Custom Duty
1	2	(2a)	3	4	5	6	7	8

Records to be maintained in respect of imported components

S.No	Part Name	Part No	Respective HS Code	Rate of Customs duty + Additional Custom Duty	Quantity Per Vehicle	Quantity					
						Opening Balance As on	Imported during The Year	Total available 7 + 8	Vehicles produced During the year (Units)	Consumed during the year	Closing Balance As on 9 - 11
1	2	3	4	5	6	7	8	9	10	11	12

<sup>5</sup>[Record to be maintained in respect of locally manufactured inputs from vendors

S.No	Part Name	Part No	Quantity Per Vehicle	Opening balance	Purchased during the year	Name of Vendor	Quantity			
							Total available 5 + 6	Vehicles Produces During the year	Consumed During the year	Closing Balance 8 - 10
1	2	3	4	5	6	7	8	9	10	11

Record to be maintained in respect of in house manufacture of components

S.No	Part Name	Part No	Quantity Per vehicles	Opening Balance	Manufactured In-house	Quantity				
						Total available 5 + 6	Vehicles produced during the year	Consumed during the year	Closing Balance 7 - 9	
1	2	3	4	5	6	7	8	9	10 <sup>7</sup>	

[C.No.2(4)I.I & T-III/2006 (Pt)-43/2006]

(SHAHID AHMAD)  
Additional Secretary

**As amended:**

1.	S.R.O.990(I)/2006	-	dated	18.09.2006
2.	S.R.O.1007(I)/2006	-	dated	25.09.2006
3.	S.R.O.1123(I)/2006	-	dated	10.11.2006
4.	S.R.O.496(I)/2007	-	dated	09.06.2007
5.	S.R.O.563(I)/2008	-	dated	11.06.2008(w.e.f.12.06.2008)
6.	S.R.O.490(I)/2009	-	dated	13.06.2009(w.e.f.14.06.2009)
7.	S.R.O.1402(I)/2012	-	dated	30.11.2012
8.	S.R.O.334(I)/2013	-	dated	18.04.2013
9.	S.R.O.496(I)/2013	-	dated	12.06.2013(w.e.f.13.06.2013)
10.	S.R.O.940(I)/2013	-	dated	21.10.2103
11.	S.R.O.607(I)/2015	-	dated	30.06.2015
12.	S.R.O.483(I)/2016	-	dated	29.06.2016
13.	S.R.O.559(I)/2017	-	dated	01.07.2017
14.	S.R.O.643(I)/2018	-	dated	24.05.2018
15.	S.R.O.837(I)/2021	-	dated	30.06.2021
16.	S.R.O.2069(I)/2022	-	dated	01.12.2022