

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

Islamabad, the 18th June, 2001

**NOTIFICATION
(CUSTOMS)**

S.R.O. 450(I)/2001.-¹[In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, section 40 of the Federal Excise Act, 2005 and section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to make the following rules, namely:-]

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**CHAPTER XII
EXPORTS**

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²[**SUB-CHAPTER 7
DUTY AND TAX REMISSION FOR EXPORTS**

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300. Grant of DTRE approval.-(1) On the basis of DTRE application, a Regulatory³[Authority], if he is satisfied with the bona fides of the DTRE applicant, shall grant DTRE approval and each such approval shall be fed into PACCS over the web in the format as given in Appendix II.

(2) The amounts suspended by the Regulatory⁴[Authority] in respect of leviable customs-duties, excise duty, sales tax and withholding tax shall be secured⁵[for a period of⁶[eighteen] thirty months] against,--

- (a) indemnity bond along with the post-dated cheque from a direct and indirect exporter;
 - (b) bank guarantee from a commercial exporter; and
 - (c) corporate guarantee from exporters in the corporate sector.
- (3) The Regulatory⁷[Authority] may, at the time of granting DTRE approval,--
- ⁸[(a) verify the manufacturing facility of DTRE applicant through inspection and determine the production capacity of such facility by physical survey, in addition to verifying the business turnover from the sales tax profile or other available records of such DTRE applicant to ensure that quantity of the input goods applied for commensurate with the actual production and business capacity of such applicant; and]
 - (b) consult the records of Input-Output Coefficient Organization for identical or similar output goods if available to ensure that the input-output ratios and

1 Existing preamble substituted and shall be deemed always to have been so substituted vide SRO 831(I)/2018 dated 2nd July, 2018. At the time of substitution was as under:-
"In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), the Central Board of Revenue is pleased to make the following rules, namely:--"

2 Substituted for sub-Chapter 7 vide SRO 563(I)/2005 dated 6th June, 2005

3 Substituted for the word "Collector" vide SRO 994(I)/2019 dated 4th September, 2019.

4 Substituted for the word "Collector" vide SRO 994(I)/2019 dated 4th September, 2019.

5 Inserted vide SRO 510(I)/2010 dated 11th June, 2010

6 Substituted for the word "thirty" vide SRO 831(I)/2018 dated 2nd July, 2018

7 Substituted for the word "Collector" vide SRO 994(I)/2019 dated 4th September, 2019.

8 Substituted for clause (a) vide SRO 506(I)/2007 dated 9th June, 2007

wastages as claimed by the DTRE applicant are as per industry standards.

(4) Where an existing DTRE approval does not cater to the quantitative or other requirements of a contract or supply order due to any valid reasons, the Regulatory ⁹[Authority] may suitably amend the existing DTRE approval.

(5) Where an exporter proves to the satisfaction of the Regulatory ¹⁰[Authority] that export under a separate contract can not be arranged out of his regular production due to valid reasons, past export performance as well as contract-based DTRE approval may be granted concurrently for the output goods of the same or different description.

(6) Where the indirect exporter is granted DTRE approval on the basis of contract or order entered with a direct exporter or commercial exporter, the entitlement of the direct exporter or commercial exporter to duty suspension under this sub-chapter in respect of his export contract or order with a foreign buyer shall proportionately be reduced to the extent of entitlement of the indirect exporter.

(7) No DTRE application shall be rejected without affording opportunity of being heard to the DTRE applicant.

¹¹[(8) The Regulatory ¹²[Authority] shall endorse a copy of the DTRE Approval to Director, Input Output Coefficient Organization (IOCO) Karachi ¹³[.]]

¹⁴[Provided that notwithstanding the above provision, the Risk Management System of WeBOC may select DTRE application, on the basis of applicant's profile, for automatic processing and approval against securities specified in this sub-chapter. Such DTRE applications shall be subject to post approval verification by the respective Collectorate.]

9 Substituted for the word "Collector" vide SRO 994(I)/2019 dated 4th September, 2019.

10 Substituted for the word "Collector" vide SRO 994(I)/2019 dated 4th September, 2019.

11 Inserted vide SRO 945(I)/2006 dated 5th September, 2006

12 Substituted for the word "Collector" vide SRO 994(I)/2019 dated 4th September, 2019.

13 Substituted vide SRO 6(I)/2021 dated 4th January, 2021.

14 Added vide SRO 6(I)/2021 dated 4th January, 2021.