

**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 8
DETERMINATION OF MATERIALS AND FIXATION OF RATES**

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308. Definitions.-In this sub-chapter, unless there is anything repugnant in the subject or context,-

- (a) “applicability “means and includes,-
- (i) determination of input output ratio of input materials of a class or description used in the manufacture of products permissible for export under any relevant Export Policy Order for the time being in force, on which repayment or drawback of custom duties is allowed, the calculation of input to output ratios and the fixation of rates for the purposes of repayment or drawback thereon;
 - (ii) the determination of input to output ratios of all input materials of a class or description used in the manufacture of products which are exported from Pakistan under any Duty or Tax Remission Scheme as specified under the provisions of the Act or Rules or any notification issued there-under;
 - (iii) determination of the quantity of raw materials, subcomponents, components, sub-assemblies, assemblies and the input to output ratios of all products of a class or description specified under any concessionary import scheme for the local manufacture and supply of goods as specified in the relevant notifications; and
 - (iv) determination of input to output ratios of all input materials of a class or description used in the manufacture of products specified under any concessionary or special import or domestic supply scheme on reference from any authority or agency; and
- (b) “Directorate General of Input Output Coefficient Organization (IOCO)” means an organization established by the Board to authorize, regulate or monitor duty or tax remission or exemption under survey-based concessionary notifications determining

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 Sub-Chapter-8 Substituted vide SRO 831(I)/2018 dated 2nd July, 2018

- input-output ratios, wastages and fixation of rates for repayment or remission or drawback of custom duty and/or any other assignment relating thereto;
- (c) “Association” means a representative trade body of persons engaged in manufacture, production or commercial import or export of goods of a class or description on which repayment or draw back or remission or concession of customs duty or any other tax is allowed and duly registered under the law in force relating to registration of such Association;
 - (d) “Board” means the Federal Board of Revenue;
 - (e) “CC and I” means the respective Chambers of Commerce and Industry recognized and affiliated with the FPCCI;
 - (f) “Director General” means the officer of Customs holding charge as the Director General of IOCO and duly notified by the Board in this regard;
 - (g) “Director IOCO (South)” means the officer of Customs holding the charge of Director IOCO (South) having jurisdiction over areas in Sindh and Balochistan Provinces and duly notified by the Board in this regard;
 - (h) “Director IOCO (North)” means the officer of Customs holding the charge of Director IOCO (North) having jurisdiction over areas in Khyber Pakhtunkhwa, Gilgit-Baltistan³ [Islamabad Capital Territory (ICT)] and Rawalpindi Division and duly notified by the Board in this regard;
 - ⁴[(ha) “Director IOCO (Hqrs)” means the officer of Customs holding the charge of Director IOCO (Hqrs) having jurisdiction over all offices of the Directorate General of IOCO and the Collectorates of Customs as duly notified by the Board;]
 - (i) “Director IOCO (Central)” means the officer of Customs holding the charge of Director IOCO (Central) having jurisdiction over areas in Punjab province excluding Rawalpindi Division and duly notified by the Board in this regard;
 - (j) “EDB” means Engineering Development Board working under the Ministry of Industries and Production, responsible for the determination of input to output ratios and wastages for engineering goods, whenever required;
 - (k) “FPCCI” means the Federation of Pakistan Chambers of Commerce and Industry;
 - (l) “Individual Notification” means a notification relating to the determination of input goods and fixation of Custom Duty repayment or drawback rates in relation to all goods related to sub-clause (a) of clause (i) of this rule and which are applicable in case of a specific manufacturer named therein;
 - (m) “input materials” means all such imported goods or materials used in the manufacture of goods or products which are specified in any of the cases given at clause (a) above to which this sub-chapter is applicable;
 - (n) “manufacture” means any process incidental or ancillary to the completion of such finished goods which are produced or manufactured from input goods;
 - (o) “manufacturer” means a person engaged in any process incidental or ancillary to the manufacture of goods;
 - (p) “products” means all such finished goods manufactured in Pakistan and meant for export or exported outside Pakistan or for local supply inside Pakistan, from time to time;
 - (q) “Schedule” means a Schedule to this Sub-Chapter;

³ Added vide SRO 994(I)/2019 dated 4th September, 2019.

⁴ Added vide SRO 994(I)/2019 dated 4th September, 2019.

- (r) “Sector Specialist” means a qualified person having the required professional expertise in various sectors and appointed as sector specialist in Directorate General of IOCO or an officer of Customs posted as sector specialist by the Board;
- (s) “Standard Notification” means a notification relating to the standard determination of imported input materials and fixation of Custom Duty Repayment or drawback rates in case of goods of a class or description which is not limited or restricted to an individual manufacture but is applicable in general cases; and
- ⁵[(sa) "specific rate notification" means a notification for a product or situation not covered under the standard notification as prescribed under rule 311;]
- (t) “Tax” means tax levied under the Sales Tax Act, 1990 or Income Tax Ordinance, 2001 or any other levy imposed by the Federal Government which has been remitted under any special or general concessionary notification on imported or exported goods for the time being in force.