

**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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²[Chapter XXXIX
CHINA PAKISTAN ECONOMIC CORRIDOR (CPEC)

**Sub-Chapter 4
SPECIAL ECONOMIC ZONE RULES**

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870. Facilities for customs operations.-(1) All customs formalities shall be completed within the Customs-station located in a Special Economic Zone through one-window operation which will operate on 24x7 basis.

(2) All goods imported from abroad shall be transported to the SEZ in accordance with rules notified under Chapter XIV of Customs Rules, 2001 and will be examined, assessed and cleared within a Special Economic Zone in the customs station and bonded area earmarked for that purpose in accordance with and Act and rules made thereunder.

(3) BOI or the developer authorized by it to manage a Special Economic Zone shall be responsible to provide space and facilities in a Special Economic Zone for establishing customs-house with assessment and examination areas for smooth functioning of customs the operations as provided under section 14A of the Customs Act, 1969.

(4) Each Special Economic Zone shall be a delimited area with well defined boundary limits and shall have proper customs-house and ample space and facilities for examinations including scanners and cargo handling. The location of the customs house and examination area within a SEZ shall be in accordance with the layout plan approved by the Collector of Customs.

(Appendix-I)

[see rule 844(1)]

**ANALYSIS CERTIFICATE
(One Analysis Certificate for each Finished Product)**

C. No. _____

Date: _____

1. Name, Address and License No. of the Industrial Unit/investor
2. Finished Product

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 Added vide SRO 264(I)/2021 dated 24th February, 2021

Output/Finished Item (Description)	HS Code	Quantity (Per Unit)		Per Unit Value in Rs	Value Addition
		UoM	Kgs		

3. Input Goods

S. No.	Input Goods (Description)	HS Code	Import Abroad/ Import Tariff	Quantity (Per Unit Requirement)		Value (Per Unit) (Rs)	I/O Ratio	Duty-Tax (Per Unit) (Rs)
				UoM	Kgs			
1	2	3	4	5	6	7	8	9
(i)								
(ii)								
Total								

Wastage		
Uom	Kgs	%age
10	11	12

IOCO/EDB Ref No. & Date. _____ (If applicable)

Prepared/Declared By: (Investor)

Accepted/Countersign by: (Customs)

Name & Designation (Signature & Seal)

Name & Designation (Signature & Seal)

(Appendix-II)

[see rule 845(1)]

The Assistant/Deputy Collector of Customs

Gwadar Free Zone

Karachi

Subject: APPLICATION FOR PERMISSION OF SUB-CONTRACTING AT GWADAR FREE ZONE

Kindly permit us to transfer raw material /semi-finished goods from tariff area to Gwadar Free Zone for further processing. Necessary particulars are given below:

1. NAME, ADDRESS, NTN AND STRN OF THE FIRM/ ENTERPRISE IN THE TARIFF AREA

2. MATERIAL TO BE TRANSFERRED TO ZONE

Description

Quantity (In UoM and in Kgs)

Unit Value (in Foreign Currency)

Total Value (in Foreign Currency)

3. **DUTY FREE IMPORTED MATERIAL TO BE USED BY THE INVESTOR**

Description _____

Quantity _____ (In UoM and in Kgs)

4. **PROCESS TO BE CARRIED OUT:**

(i) _____

(ii) _____

(iii) _____

(iv) _____

5. **INPUT TO OUTPUT RATIO OF GOODS/ MATERIALS USED IN PER UNIT PRODUCTION OF PROCESSED GOODS** _____

(use separate sheet to give the details
as per Analysis Certificate Format)

6. **MANUFACTURED / PROCESSED GOODS ULTIMATELY TO BE CLEARED FOR TARIFF AREA:**

Description _____

Quantity _____ (In UoM and in Kgs)

Unit of Value _____

Total Value _____

7. **VALUE ADDITION AS PER TERMS OF CONTRACT**

8. **DUTY AND TAXES LEVIABLE (ON VALUE ADDITION AND ON DUTY/TAX FREE GOODS USED IN PROCESSING):**

Custom Duty _____

Sales Tax _____

Income Tax _____

9. (i) Indemnity Bond Number & Date _____

(ii) PDC Number & Date _____

(iii) Others _____

It is certificated that the above mentioned particulars given in this application are true and correct and we undertake that the goods shall be sent back to the tariff area as per declaration given above.

Name Signature and Seal of the
Authorized person of the Investor

PART-II

PERMISSION FOR TRANSFER OF GOODS FROM TARIFF ARE TO GFZ

This is to certify that the above referred particulars have been verified and found correct. It is therefore recommended that permission may please be granted in respect of aforementioned incoming goods to be transferred to GFZ from Tariff Area.

1. Name, Signatures and seal of _____
Authorized Officer of Gwadar Free Zone Company _____

Forwarded to Assistant / Deputy

Collector of Customs, Incharge GFZ

(Appendix-III)

[see rule 845(2)]

The Assistant Collector of Customs,
Gwadar Free Zone,
Karachi.

SUBJECT:- APPLICATION FOR PERMISSION OF SUB-CONTRACTING IN TARIFF AREA

Kindly permit us to transfer raw-material /semi-finished goods to Tariff Mea for further processing. Necessary Particulars are given below:-

1. Name and address, NTN and STRN of the firm/Enterprise in the Tariff Area to whom the sub-contract is awarded.

2. Nature of sub-contract work _____
(use separate sheet to give the details)

3. Description and Quantity of goods/material to be transferred to Tariff Area
_____ (in UoM and in Kgs)

4. Form & Shape of processed goods

5. Input to Output ratio of goods/materials used in per unit production of processed goods

(use separate sheet to give the details as per
Analysis Certificate Format)

6. Value added in the Tariff Area that will
Be surrendered to State Bank of Pakistan _____

(Attached the terms & conditions of
subcontract in support of it)

7. Quantity of Processed goods that will
Be brought back to the Zone. (inUoM and in Kgs) _____

8. Expected date of return of processed goods back to the Zone. _____

9. Description of Security attached _____

It is certified that the above mentioned particulars given in this application are true and correct and we undertake that goods shall be brought back to the zone as per declaration given above.

Name, Signature and seal of the
Authorized person of the
Investor/Industrial Unit

PART-II

CERTIFICATE FOR TRANSFER OF GOODS TO TARIFF AREA

10. Permission is hereby granted to transfer the raw material / semi processed material / goods to Tariff Area that will eventually return to Gwadar Free Zone after partial processing in the form, shape and quantity as stated above.

Name, signature and seal of
Authorized Officer of Gwadar Free
Zone Company

Forwarded to
Assistant Collector
Of Customs, In-charge,
Gwadar Free Zone.

NOTE: Issuance of this certificate of transfer of goods is based on the statement & representations contained in this application. Any false statement or mis-representation in this application will render the applicant liable to legal action by Customs.

PART-III

11. Goods as per declaration against serial number 3 above are allowed to be removed from the zone to Tariff Area.

Seal of Custom Officer at GFZ

Note: (Any discrepancy in the quantity actually removed and those declared must be recorded below).

PART-IV

12. I/We hereby certify that an amount of _____ has been paid to Messrs
.....

(Name of Tariff Area Firm)

With the details of work and payment in respect thereof vide Bank Draft No. / Pay Order /
Cheque No.....

Signature & Seal of Investor / or his
Authorized representative.

PART-V

13. Description of Processed Goods actually brought back into the Zone.

14. Quantity of Processed Goods actually brought back into the Zone. _____ (in
UoM and in Kgs)

NAME OF INDUSTRIAL UNIT/INVESTOR:

GFZ LICENCE NO: _____

DATED: _____

Appendix-IV

[see rule 845(3)]

**PROCEDURE OF TRANSFER OF GOODS FROM GWADAR FREE ZONE TO
TARIFF AREA FOR PARTIAL PROCESSING**

The following procedure is laid down to avail the facility of sub-contracting in the Tariff Area by the Investors of Gwadar Free Zone:-

1. The facility of sub-contracting shall be restricted to only such type of goods which are capable of identification before leaving the GFZ area, and re-entry in to the GFZ after the goods have been processed, embellished, worked and further manufactured.
2. The investor in the GFZ area shall make out an application as per Appendix-III for rules in the name of Assistant Collector.
3. The processing staff in the GFZ shall examine the consignment in the place within the zone approved for the purpose and tally particulars given already in the application made by the investors and would calculate the amount of duty and taxes involved on the goods.
4. The investor shall then furnished a bank guarantee equivalent to the amount of duty and taxes involved from a scheduled bank of Pakistan in case the goods are importable in the Tariff area of Pakistan and if the goods are not importable then in addition to the amount of duty and taxes leviable an amount equal to the value of the goods. After a certificate in the form set out in Part-II of the Appendix-III issued by the Gwadar Free Zone Company is produced and the bank guarantee is furnished, the Assistant Collector of Customs Incharge GFZ may then allow the removal of the goods to the Tariff Area for the purpose of processing by another party by way of sub-contracting.
5. No Customs escort would be provided as it would be the responsibility of the investor to safely transfer the goods to the destination and bringing it back to zone. The investor will then take the goods outside the Zone at his own risk and cost for purpose of further processing and would be responsible to return the goods back to the zone within the specified time for the purpose. The samples of outgoing and incoming goods shall be signed and retained by Customs Examination Staff for cross-matching.
6. After the completion of the processing, the goods shall be brought back to the GFZ and would be examined, verified and cross matched by the examination staff. On satisfaction that outgoing goods have been received back, the Assistant Collector of Customs will release the bank guarantee to the investor.
7. Where the investor thinks that the job of further processing is not expected to be completed within the specified time due to certain reasons beyond the control of the other party to whom the job of the sub-contracting has been given, he may apply to the Assistant Collector before the expiry of the said period for granting extension in time limit. The Assistant Collector after satisfying himself would allow the extension in the time period upto a maximum limit of two months.
8. In case investor fails to bring back the goods to the GFZ, the Assistant Collector of Customs shall forthwith encash the bank guarantee lying already with the Customs and the investor shall for such violation also be liable to pay penalty laid down in the Act and the rules made thereunder.

Appendix-V

[see rule 845(3)]

**ON APPROPRIATE NON JUDICIAL STAMPED PAPER
INDEMNITY BOND**

Date of issue: _____
Dale of expiry: _____
Amount Rs. _____

This indemnity is made on the _____ day of 2 year between the M/s. _____ (Industrial Unit Investors in GPZ), through Deputy Collector/ Assistant Collector of Customs Gwadar Free Zone.

Whereas, the Assistant/ Deputy Collector of Customs has in accordance with terms of Gwadar Free Zone Rules has allowed us to release the consignment for transfer of goods from Gwadar Free Zone to Tariff Area for sub-contracting under the conditions that we shall:

- i Observe rules, procedure and instructions that have been prescribed in respect of subcontracting in terms of Gwadar Free Zone Rules.
- ii Pay on demand a sum of rupees _____ that become the double the value of the goods in question as penalty imposed by the Collector of Customs/ Adjudicating Officer for violation of rules and act.
- iii Maintain record of input goods and output goods.
- iv. Abide by such further conditions imposed by the Collector of Customs as may be necessary for the purposes of identification and accounting of input goods used in the sub-contracting of the goods.
- v. We shall complete the sub-contracting work within the time period allowed by Deputy/ Assistant Collector (GFZ).
- vi. Bring back the input goods which have not undergone sub-contracting within the stipulated period. If not so, abide by the decision of Collector of Customs/ Adjudicating Officer, regarding imposition of penalties and other action.

Now therefore in pursuance of this Bond the Manufactures M/s. _____ hereby agrees to indemnity if the said Collector of Customs (MCC Gwadar) to the extent of Rs. _____ (Rupees _____) and also against costs and expenses which may be incurred by the Collector of Customs in recovery of the above amount.

It is further agreed that the above amount may be recovered by Customs as an arrears of Land Revenue under sub-section (2) of section 202 of the Customs Act, 1969 (IV of 1969), if the Manufactures fail to abide by any condition laid down in rules and act.

In witness of the parties hereto have heron put their hands and seals the day above mentioned.

1. M/s _____
Name (Director of the Firm) _____
Signature: _____
GFZ Licens No. _____
NIC/Passport No. _____
2. Deputy / Assistant Collector of Customs
Gwadar Free Zone for and on behalf of the
Collector of Customs (MCC Gwadar).

Appendix-VI/A

[see rule 848]

M/s _____

Monthly Return for the Month of _____ F. Year _____

GD-Wise Details - Income Goods

Date	Imports		Value of Goods	Quantity of Goods		Duty/Tax Exempted				
	GD	GD		In Uom	In Kgs	C. Duty	Sales Tax	Income Tax	Add Tax	Total

	No.	Date								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1 st Day of Month										
Last Day of Month										

GD-Wise Details - Outgoing Goods

Date	Exports		Sales to Tariff Area		Value of goods	Quantity of goods		Duty/Tax Paid, if any				
	GD No.	GD Date	GD No.	GD Date		In Uom	In Kgs	C. Duty	Sales Tax	Income Tax	Add Tax	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1 st Day of Quarter												
Last Day of Quarter												

Appendix-VI/B

[see rule 848]

M/s _____

Item-Wise Summary for the Month-Incoming Goods, Consumption, and Outgoing goods

Description of Incoming goods	PCT	Opening Balance As on 1 st day of the Mont			Imports During the Month			Consumption During the Month		
		Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Exports/ Sales During the month, if any			Closing Balance as on Last Day of the Month			Total duty/tax exemption availed on item				
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	C. Duty	Sales Tax	Income Tax	Add Tax	Total

Duty/tax Paid, If any				
(23)	(24)	(25)	(26)	(27)
C. Duty	Sales Tax	Income Tax	Add Tax	Total

Appendix-VII/A

[see rule 848]

(Part-A: Imports)

Quarterly Return for the 1st Quarter of F: Year _____ For Industrial unit M/s _____

Date	Import Abroad		Import Tariff		Value of goods	Quantity of goods		Duty/Tax exempted				
	GD No.	GD Date	GD No.	GD Date		In Uom	In Kgs	C. Duty	Sales Tax	Income Tax	Add Tax	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1 st Day of Quarter												

Last Day of Quarter												

Item-Wise Summary for the Quarter- Incoming Goods

Description of Incoming goods	PCT	Opening Balance As on 1 st day of the Quarter			Imports Abroad/Import Tariff During the Quarter			Export Abroad/Export Tariff During the Quarter		
		Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Closing Balance as on Last Day of the Quarter			Duty/taxes exempted on closing stock				
Quantity (UoM)	Quantity (Kg)	Value (Rs)	C. Duty	Sales Tax	Income Tax	Add Tax	Total
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Total							

Appendix-VII/B

[see rule 848]

(Part-B: Export of Finished Goods)

Quarterly Return for the 1st Quarter of F: Year _____ Investor: M/s _____

GD-Wise Details - Outgoing Goods: Finished Goods

Date	Exports Abroad		Export Tariff		Value of goods	Quantity of goods	
	GD No.	GD Date	GD No.	GD Date		In Uom	In Kgs
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1 st day of Quarter							
Last day of Quarter							
Total							

Item-Wise Summary for the Quarter- Incoming Goods: Finished Goods

Description of Incoming goods	PCT	Opening Balance As on 1 st day of the Quarter			Export Abroad During the Quarter			Export Tariff During the Quarter		
		Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Closing Balance as on Last Day of the Quarter			Duty/taxes exempted on closing stock				
Quantity (UoM)	Quantity (Kg)	Value (Rs)	C. Duty	Sales Tax	Income Tax	Add Tax	Total
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Total							

Appendix-VII/C

[see rule 848]

(Part-B: Export of Factory Rejects)

Quarterly Return for the 1st Quarter of F: Year _____ Investor: M/s _____
GD -Wise Details –Outgoing Goods Factory Reject

Date	Exports Abroad		Export Tariff		Value of goods	Quantity of goods	
	GD No.	GD Date	GD No.	GD Date		In Uom	In Kgs
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1 st day of Quarter							
Last day of Quarter							
Total							

Item-Wise Summary for the Quarter- Outgoing Goods: Factory Rejects

Description of Income goods	PCT	Opening Balance As on 1 st day of the Quarter			Export Abroad During the Quarter			Export Tariff During the Quarter		
		Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Closing Balance as on Last Day of the Quarter			Duty/taxes exempted on closing stock				
Quantity (UoM)	Quantity (Kg)	Value (Rs)	C. Duty	Sales Tax	Income Tax	Add Tax	Total
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Total							

Appendix-VII/D

[see rule 848]

(Part-B: Export of Wastages)

Quarterly Return for the 1st Quarter of F: Year _____ Investor: M/s _____ GD-
Wise Details - Outgoing Goods: Wastages

Date	Exports Abroad		Export Tariff		Value of goods	Quantity of goods	
	GD No.	GD Date	GD No.	GD Date		In Uom	In Kgs
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1 st day of Quarter							
Last day of Quarter							
Total							

Item-Wise Summary for the Quarter- Outgoing Goods: Wastages

Description of Income goods	PCT	Opening Balance As on 1 st day of the Quarter			Export Abroad During the Quarter			Export Tariff During the Quarter		
		Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Closing Balance as on Last Day of the Quarter			Duty/taxes paid, if any				
Quantity (UoM)	Quantity (Kg)	Value (Rs)	C. Duty	Sales Tax	Income Tax	Add Tax	Total
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)

Total							

Appendix-VIII/A

[see rule 863]

M/s _____

Quarterly Return for the Month of _____ F: Year _____

GD-Wise Details - Income Goods

Date	Imports		Value of Goods	Quantity of Goods		Duty/Tax Exempted				
	GD No.	GD Date		In Uom	In Kgs	C. Duty	Sales Tax	Income Tax	Add Tax	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1 st Day of Quarter										
Last Day of Quarter										

GD-Wise Details – Outgoing Goods

Date	Exports		Sales to Tariff Area		Value of goods	Quantity of goods						
	GD No.	GD Date	GD No.	GD Date		In Uom	In Kgs	C. Duty	Sales Tax	Income Tax	Add Tax	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1 st Day of Quarter												
Last Day of Quarter												

Closing Balance as on Last Day of the Quarter				Duty/taxes exempted on closing stock				
Quantity (UoM)	Quantity (Kg)	Value (Rs)		C. Duty	Sales Tax	Income Tax	Add Tax	Total
(12)	(13)	(14)		(15)	(16)	(17)	(18)	(19)
Total								

Appendix-VIII/B

[see rule 863]

M/s _____

Item-Wise Summary for the Quarter- Incoming Goods, Consumption and Outgoing Goods

Description of Income goods	PCT	Opening Balance As on 1 st day of the Quarter			Import During the Quarter			Consumption During the Quarter		
		Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total										

Exports/ Sales During the Quarter, if any			Closing Balance as on Last Day of the Quarter			Total duty/tax exemption availed on item up to day				
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Quantity (UoM)	Quantity (Kg)	Value (Rs)	Quantity (UoM)	Quantity (Kg)	Value (Rs)	C. Duty	Sales Tax	Income Tax	Add Tax	Total

