

**Government of Pakistan
Revenue Division
Federal Board of Revenue
Inland Revenue**

C.No.7(I)TIPU/IR/2020/205371-R Islamabad, December 14, 2021

**Circular No. 4 of 2022 - Operations
(Inland Revenue)**

Subject: Revocation of the condition of Installed Capacity Determination Certificate (ICDC) from the Khyber Pakhtunkhwa Department of Industries or the Ministry of Industries, Government of Pakistan and certain timelines to be adhered to.

Reportedly, Khyber Pakhtunkhwa Department of Industries has shown its inability to issue Installed Capacity Determination Certificate (ICDC) as required under Circular 3 of 2022 dated August 10, 2021 as stated by certain industrial units of FATA/PATA in their representations to the Board and FPCCI's letter No.7756 dated 17-09-2021.

2. Hence, taking into account the ground reality and to facilitate the FATA/PATA domiciled industrial units, the condition of acquiring ICDC as required under Circular No. 3 of 2022 is done away with immediate effect. Henceforth, the CIR concerned will determine the capacity of the installed machinery. The remaining portion of the Circular will be operative.

3. Further, in order to streamline the process of import of raw material and its consumption, the following timelines are being laid down:

(i) **Circular 9 of 2021 – Revocation of Detention Order issued by the Collector Customs, Peshawar**

On an application filed by the importer with the Office of the CIR concerned accompanied with all relevant documents and details, the CIR will complete the verification process through physical visits of the manufacturing premises and issue a Revocation letter (or otherwise) within **six** working days.

In case, the application is not filed within five days of the receipt of the Detention Order by the importer, the CIR concerned may issue a speaking order within seven working days, thereby excluding the defaulting manufacturer / importer from the concessions put forth in the various Circulars.

The CIR, concerned will ensure the **monthly stock-taking** of the raw materials consumed by the manufacturing units and file a monthly report by the 10th of each month to the Board.

(ii) **Circular 5 of 2021 – Consumption Certificates**

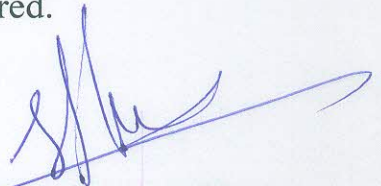
The FATA/PATA domiciled manufacturer will apply with the CIR concerned **within ten days** of consumption of raw material for the issuance a Consumption Certificate (GD wise) along with all documents and evidences detailed in Para 3 of Circular 05 of 2021. The CIR concerned shall take a decision of issuing the Consumption Certificate within **30 working days** from the day the taxpayer applies.

(iii) **Circular 13 of 2021 – Exemption Certificate for import of industrial inputs/machinery by FATA/PATA resident manufacturers**

The CIR concerned shall ensure issuance /rejection of the exemption certificate within **seven** working days of the receipt of application.

In case, the exemption certificate is not issued or rejected by the concerned CIR, the taxpayer shall within **seven** working days apply to the CCIR, RTO Peshawar for redressal of grievance, which will be addressed **within seven days** of receipt of the application in the CCIR's office.

4. It is essential that the concerned Commissioner maintains a close liaison with Collector Custom, Peshawar and receives details of Detention Orders of the raw materials issued by the Collectorate so that a systemic and coordinated effort to enforce the writ of law is ensured.



Salman Ahmad Khan
Secretary (IR-Analysis)