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PART I

**Acts, Ordinances, President's Orders and Regulations**

**NATIONAL ASSEMBLY SECRETARIAT**

*Islamabad, the 30th March, 2020*

**No. F. 22(7)/2020-Legis.**—The following Act of *Majlis-e-Shoora* (Parliament) received the assent of the President on the 27th March, 2020 is hereby published for general information:—

**ACT NO. XVII OF 2020**

*An Act further to amend certain tax laws*

WHEREAS it is expedient further to amend certain tax laws for the purposes hereinafter appearing;

It is hereby enacted as follows:—

1. **Short title and commencement.**—(1) This Act shall be called the Tax Laws (Amendment) Act, 2020.

(2) It shall come into force at once.

(113)

*Price: Rs. 80.00*

2. **Amendments in the Customs Act, 1969 (IV of 1969).**—In the Customs Act, 1969 (IV of 1969), the following further amendments shall be made, namely:—

(1) after section 3CC, the following new section shall be inserted, namely:—

“3CCA. **Directorate General of Law and Prosecution.**—The Directorate General of Law and Prosecution shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors, Assistant Directors, Special Public Prosecutors and such other officers as the Board may, by notification in the official Gazette, appoint.”;

(2) in section 6, in sub-section (1), after the word “Banks”, the expression “in accordance with the legal framework notified by the Board” shall be inserted;

(3) in section 7, after full stop at the end, the expression “The provision of assistance so requested shall be binding.”, shall be added;

(4) in section 139, the existing provision thereof shall be renumbered as sub-section (1) thereof and after the proviso to the re-numbered sub-section (1), the following new sub-section shall be added, namely:—

“(2) In case of recovery or seizure subsequent to false declaration or failure to declare under sub-section (1) of the items notified under clause (s) of section 2, offence shall be treated at par with clause (s) of section 2.”;

(5) in section 156, in sub-section (1), in the Table, in column zero,—

(a) in serial 8, after sub-serial (ii) and entries relating thereto in columns (1), (2) and (3), the following new serials shall be inserted, namely:—

“(iii)	if the smuggled or prohibited goods comprise currency of all types.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to;	General
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	(a) if the amount of the currency over and above permissible limit is upto US dollars 10,000/- or equivalent in value (currency of other denomination) etc.	such currency shall be liable to the confiscation and any person concerned in the offence shall be liable to a penalty not exceeding the value of the excess amount of the currency;	
	(b) if the amount of the currency over and above the permissible limit is US dollars 10,001/- to 20,000/- or equivalent in value (currency of other denomination) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding two times the value of the excess amount of the currency;	
	(c) if the amount of the currency over and above the permissible limit is US dollars 20,001/- to 50,000/- or equivalent in value (currency of other denomination) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding three times the value of the currency; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding two years;	
	(d) if the amount of the currency over and above the permissible limit is US dollars 50,001/- to 100,000/- or equivalent in value (currency of other denomination) etc.	Such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding four times the value of the currency; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding seven years;	

	(e) if the amount of the currency over and above the permissible limit is US dollars 100,001/- to 200,000/- or equivalent in value (currency of other denomination) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding five times the value of the currency; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding ten years:  Provided further that the sentence of the imprisonment shall not be less than three years.	
	(f) if the amount of the currency over and above the permissible limit exceeds US dollars 200,000/- or equivalent in value (currency of other denomination) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding ten times the value of the currency; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding fourteen years:  Provided further that the sentence of the imprisonment shall not be less than five years.	
(iv)	If the smuggled/ prohibited goods comprise of gold, silver, platinum or precious stones in any form;	such goods shall be liable to confiscation and any person concerned in the offence shall be liable to;	General
	(a) if the quantity of such goods is up to 15 tola gold or	such goods shall be liable to confiscation and any person	

	equivalent in value (silver or platinum) etc.	concerned in the offence shall be liable to a penalty not exceeding the value of the goods;	
	(b) if the quantity of such goods is from 16-30 tola gold or equivalent in value (silver or platinum) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding two times the value of the currency;	
	(c) if the quantity of such goods is from 31-50 tola gold or equivalent in value (silver or platinum) etc.	such goods shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding three times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding one year;	
	(d) if the quantity of such goods is from 51-100 tola gold or equivalent in value (silver or platinum) etc.	such goods shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding three times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding three years;	
	(e) if the quantity of such goods is from 101-200 tola gold or equivalent in value (silver or platinum) etc.	such goods shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding	

		four times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding five years;	
	(f) if the quantity of such goods is from 201-500 tola gold or equivalent in value (silver or platinum) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding five times the value of the currency; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding ten years:  Provided further that the sentence of the imprisonment shall not be less than three years.	
	(g) if the quantity of such goods exceeds 500 tola gold or equivalent in value (silver or platinum) etc.	such goods shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding ten times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding fourteen years:  Provided further that the sentence of the imprisonment shall not be less than five years.”;	

- (b) against serial 47A, in entry related thereto in column (2), in the proviso, for full stop at the end, a colon shall be substituted and thereafter the following second proviso shall be added, namely:—

“Provided further that the aforesaid penalty shall not apply in cases where goods are imported or received as gift by individuals without NTN or STRN through courier or air cargo, diplomatic cargo and imports made by the Federal Government or Provincial Government or Local Government.”; and

- (c) for serial 70 and entries relating thereto in columns (1), (2) and (3), the following shall be substituted, namely:—

“70	if the owner of any baggage fails to declare or makes a false declaration with respect to his baggage or refuses to answer any questions put to him by the appropriate officer with respect to his baggage or any of its contents including articles carried with him or fails to produce baggage or any such article for examination, and if such goods are:		
	(i) Other than currency, gold, silver & platinum and precious stones in any form	Such owner shall be liable to a penalty not exceeding three times the value of the goods; and such goods shall also be liable to confiscation.	139(1)
	(ii) currency of all types.		139(2)
	(a) if the amount of the currency over and above the permissible limit is upto US dollars 10,000/- or equivalent in value (currency of other denomination) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding the value of the excess amount of the currency;	

	(b) if the amount of the currency over and above the permissible limit is US dollars 10,001- to 20,000/- or equivalent in value (currency of other denomination) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding two times the value of the excess amount of the currency;	
	(c) if the amount of the currency over and above the permissible limit is US dollars 20,001/- to 50,000/- or equivalent in value (currency of other denomination) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding three times the value of the currency; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding two years;	
	(d) if the amount of the currency over and above the permissible limit is US dollars 50,001/- to 100,000/- or equivalent in value (currency of other denomination) etc	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding four times the value of the currency; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding seven years;	
	(e) if the amount of the currency over and above the permissible limit is US dollars	Such currency shall be liable to confiscation and any person concerned in the offence shall be	



	100,001/- to 200,000/- or equivalent in value (currency of other denomination) etc.	liable to a penalty not exceeding five times the value of the currency; and upon conviction by a Special Judge he shall) further be liable to imprisonment for a term not exceeding ten years:  Provided further that the sentence of the imprisonment shall not be less than three years.	
	(f) if the amount of the currency over and above the permissible limit exceeds US dollars 200,000/- or equivalent in value (currency of other denomination) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding ten times the value of the currency; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding fourteen years:  Provide further that the sentence of the imprisonment shall not be less than five years.	
	(iii) gold, silver, platinum and precious stones in any form;		139(2)
	(a) if the quantity of such goods is up to 15 tola gold or	such goods shall be liable to confiscation and any person	

	equivalent in value (silver or platinum) etc.	concerned in the offence shall be liable to a penalty not exceeding the value of the goods;	
	(b) if the quantity of such goods is from 16-30 tola gold or equivalent in value (silver or platinum) etc.	such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding two times the value of the currency;	
	(c) if the quantity of such goods is from 31-50 tola gold or equivalent in value (silver or platinum) etc.	such goods shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding three times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding one year;	
	(d) the quantity of such goods is from 51-100 tola gold or equivalent in value (silver or platinum) etc.	such goods shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding three times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding three years;	

	<p>(e) if the quantity of such goods is from 101-200 tola gold or equivalent in value (silver or platinum) etc.</p>	<p>such goods shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding four times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding five years;</p>	
	<p>(f) if the quantity of such goods is from 201-500 tola gold or equivalent in value (silver or platinum) etc.</p>	<p>such currency shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding five times the value of the currency; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding ten years:</p> <p>Provided further that the sentence of the Imprisonment shall not be less than three years.</p>	
	<p>(g) if the quantity of such goods exceeds 500 tola gold or equivalent in value (silver or platinum) etc.</p>	<p>such goods shall be liable to confiscation and any person concerned in the offence shall be liable to a penalty not exceeding ten times the value of the goods; and upon</p>	

		<p>conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding fourteen years:</p> <p>Provided further that the sentence of the imprisonment shall not be less than five years.</p>	
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- (6) in section 164, after sub-section (2), the following new sub-section shall be added, namely:—

“(3) For the execution of the above, the officers or officials shall be empowered to use all necessary force including use of firearms subject to section 97 of the Pakistan Penal Code, 1860 (Act XLV of 1860) in the line of duty.”;

- (7) in section 169, in sub-section (4), for full stop at the end, a colon shall be substituted and thereafter the following provisos shall be added, namely:—

“Provided that where the seized goods liable to confiscation are produced during any inquiry or trial before the court of Special Judge Customs and if such goods are subject to speedy or natural decay, the court may on an application after recording evidence, as it thinks necessary, order the goods to be sold or otherwise dispose of in terms of this section:

Provided further that if the property is a dangerous drug, intoxicant, intoxicating liquor or any other narcotic or psychotropic substance seized or taken into custody, the Court may, either on an application or of its own motion and under its supervision and control, obtain and prepare such number of samples of the property as it may deem fit for safe custody and production before it or any other court and cause destruction of the remaining portion of the property under a certificate issued by it in that behalf:

Provided also that such samples shall be deemed to be whole of the property in an inquiry or proceedings in relation to such offence before any authority or court.”;

- (8) in section 185A, in sub-section (2), for full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that such cases shall be disposed of within six months of the receipt of report or within such extended period as the Special Judge may, for reasons to be recorded in writing, fix.”;

- (9) for section 194, the following shall be substituted, namely:—

- “194. **Appellate Tribunal.**—(1) There shall be established an Appellate Tribunal to be called the Customs Appellate Tribunal to exercise the powers and perform the functions conferred on the Customs Appellate Tribunal by this Act.
- (2) The Customs Appellate Tribunal shall consist of a chairman and such other judicial and technical members who shall be appointed in such numbers and in such manner as the Prime Minister may prescribe by rules, which may be made and shall take effect notwithstanding anything contained in section 219 or any other law or rules for the time being in force.
- (3) No person shall be appointed as judicial member of a Customs Appellate Tribunal, unless he—
- (a) has been a Judge of a High Court;
  - (b) is or has been a District Judge; or
  - (c) is an advocate of a High Court with a standing of not less than ten years; or
  - (d) possesses such other qualification as may be prescribed under sub-section (2) of this section.
- (4) No person shall be appointed as a technical member of a Customs Appellate Tribunal, unless he—
- (a) is an officer of the Pakistan Customs Service equivalent in rank to that of member of the Board or Chief Collector of Customs or Director General; or
  - (b) is a Collector or Director or Chief of the Board having not less than three years experience in that position.
- (5) The constitution, functioning of benches and procedure of the Customs Appellate Tribunal shall be regulated by rules which the Prime Minister may prescribe.

(6) The rules in respect of the matters covered under this section made prior to commencement of the Tax Laws (Second Amendment) Act, 2020 shall continue in force unless amended or repealed.”;

(10) in section 196, in sub-section (5), for full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that the reference filed under sub-section (1) shall be decided within six months of filing the application or within such extended period as the High Court may, for reasons to be recorded in writing, fix.”.

3. **Amendments in the Sales Tax Act, 1990.**—In the Sales Tax Act, 1990, the following further amendments shall be made, namely:—

(1) in section 2,—

(a) after clause (12), the following new clause shall be inserted, namely:—

“(12A) “greenfield industry”, in relation to the entry at serial number 150 of the Table-1 of the Sixth Schedule, means—

(a) a new industrial undertaking which is—

- (i) setup on land which has not previously been utilized for any commercial, industrial or manufacturing activity and is free from constraints imposed by any prior work;
- (ii) built without demolishing, revamping, renovating, upgrading, remodeling or modifying any existing structure, facility or plant;
- (iii) not formed by the splitting up or reconstitution of an undertaking already in existence or by transfer of machinery, plant or building from an undertaking established in Pakistan prior to commencement of the new business and is not part of an expansion project;

(iv) using any process or technology that has not earlier been used in Pakistan and is so approved by the Engineering Development Board; and

(b) is approved by the Commissioner on an application made in the prescribed form and manner, accompanied by the prescribed documents and, such other documents as may be required by the Commissioner:

Provided that this definition shall be applicable from the 1st July, 2019 and onwards.”.

(b) in clause (43A),—

(i) for the expression “Tier-1 retailers means,—”, the expression ““**Tier-1 retailer**” means a retailer falling in any one or more of the following categories, namely:—” shall be substituted;

(ii) in sub-clause (c), for the word “six”, the word “twelve” shall be substituted;

(iii) in sub-clause (d), the word “and” at the end shall be omitted; and

(iv) in sub-clause (e), for full stop at the end, the expression “; and” shall be substituted and thereafter the following new sub-clause shall be added, namely:—

“(f) any other person or class of persons as prescribed by the Board.”.

(2) in section 33, in the Table, in column (1), after serial 23 and entries relating thereto in columns (2) and (3), the following new serial numbers and entries relating thereto shall be added, namely:—

“24. Any person, who is integrated for monitoring, tracking, reporting or recording of sales, production and similar business transactions with the Board or its computerized system, conducts such	Such person shall pay a penalty of five hundred thousand rupees or two hundred per cent of the amount of tax involved, whichever is higher. He shall, further be liable, upon conviction by a	sub-section (9A) of section 3 and section 40C
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<p>transactions in a manner so as to avoid monitoring, tracking, reporting or recording of such transactions, or issues an invoice which does not carry the prescribed invoice number or barcode or bears duplicate invoice number or counterfeit barcode, or any person who abets commissioning of such offence.</p>	<p>Special Judge, to simple imprisonment for a term which may extend to two years, or with additional fine which may extend to two million rupees, or with both. Any person who abets commissioning of such offence, shall be liable, upon conviction by a Special Judge, to simple imprisonment for a term which may extend to one year, or with additional fine which may extend to two hundred thousand rupees, or with both.</p>	
<p>25. Any person, who is required to integrate his business for monitoring, tracking, reporting or recording of sales, production and similar business transactions with the Board or its computerized system, fails to get himself registered under the Act, and if registered, fails to integrate in the manner as required under law.</p>	<p>Such person shall be liable to pay a penalty up to one million rupees, and if continues to commit the same offence after a period of six months after imposition of penalty as aforesaid, his business premises shall be sealed and an embargo shall be placed on his sales.</p>	<p>sub-section (9A) of section 3 and section 40C</p>
<p>26. Any person, being a manufacturer or importer of an item which is subject to tax on the basis of retail price, who fails to print the retail price in</p>	<p>Such person shall pay a penalty of ten thousand rupees or five <i>per cent</i> of the amount of tax involved, whichever is higher:</p>	<p>sub-section (27) of section 2 and clause (a) of sub-section (2) of section 3</p>



<p>the manner as stipulated under the Act.</p>	<p>Further, such goods shall also be liable to confiscation.</p> <p>However, the adjudication authority, after such confiscation, may allow redemption of such goods on payment of fine which shall not be less than twenty percent of the total retail price of such goods.</p>	
<p>27. Any person, being owner of the goods, which are brought to Pakistan in violation of section 40D.</p>	<p>Such person shall pay a penalty of ten thousand rupees or five <i>per cent</i> of the amount of tax involved, whichever is higher:</p> <p>Further, such goods shall also be liable to confiscation. However, the adjudication authority, after such confiscation, may allow redemption of such goods on payment of fine which shall not be less than twenty percent of value, or retail price in case of items falling in the Third Schedule, of such goods.</p>	<p>section 40D”;</p>

- (3) after section 40C, the following new section shall be inserted, namely:—

**“40D. Provisions relating to goods supplied from taxes exempt areas.—**(1) The conveyances carrying goods supplied from the tax-exempt areas, shall be accompanied by such documents in respect of the goods carried as may be prescribed under rules.

(2) The Regional Tax Office having jurisdiction may establish check-posts on the routes originating from tax-exempt areas for the purpose of examining the goods carried and the documents related thereto. An officer not below the rank of Inspector, Inland Revenue, as authorized by the Commissioner, Inland Revenue, and assigned to such check-posts, may stop vehicles on such routes as coming from tax-exempt areas and examine documents for ascertaining their validity and conformity to the goods carried.

(3) In the absence of the prescribed documents or any discrepancy in such documents, the goods so carried shall be seized along with the vehicle carrying the goods by the officer as aforesaid under proper acknowledgment.

(4) The notices to the owner of the goods and the vehicle to show cause against imposition of penalty shall be issued within fifteen days of the seizure as aforesaid.

(5) For the purposes of this section, the expression “tax-exempt areas” means Azad Jammu and Kashmir, Gilgit Baltistan, Tribal Areas as defined in Article 246 of the Constitution of the Islamic Republic of Pakistan and such other areas as may be prescribed.”;

(4) in section 73, after sub-section (3) and explanation thereunder, the following new sub-section shall be added, namely:-

“(4) A registered manufacturer or producer shall not be entitled to deduct input tax (credit adjustment or deduction of input tax) which is attributable to such taxable supplies exceeding, in aggregate, one hundred million rupees in financial year or ten million rupees in a tax period as are made to a certain person who is not a registered person under this Act:

Provided that the aforesaid shall not apply to supplies made to.—

- (a) Federal/provincial/local Government departments, authorities, etc. not engaged in making of taxable supplies;
  - (b) Foreign Missions, diplomats and privileged persons; and
  - (c) all other persons not engaged in supply of taxable goods.”.
- (5) in section 76, for the words “Federal Government”, the expression “Board with approval of the Federal Minister-in-charge” shall be substituted;
- (6) in the Sixth Schedule, in Table-1, in column (1),—
- (i) against serial number 24, in column (2), in the Explanation, for the word “to”, the expression “on local supplies made by importers,” shall be substituted;
  - (ii) against serial number 82, in column (2), after the word “offal”, the expression “, excluding those sold in retail packing under a brand name or a trademark” shall be added; and
  - (iii) against serial number 83, in column (2), after the word “fish”, the expression “, excluding those sold in retail packing under a brand name or a trademark” shall be added;
- (7) in the Eighth Schedule, in Table-1, in column (1),—
- (a) against serial number 5, in column (4), for the expression “5%”, the expression “10%” shall be substituted;
  - (b) against serial number 68, in column (5), the expression “If sold in retail packing under a brand name or trademark” shall be inserted; and
  - (c) against serial number 69, in column (5), the expression “If sold in retail packing under a brand name or trade mark” shall be inserted;
- (8) in the Ninth Schedule, in Table, in column (1), against serial number 2,—

- (a) against sub-serial A, in columns (3) and (4), for the expression "Rs. 135", the expression "Rs. 130" shall be substituted respectively;
  - (b) against sub-serial B, in columns (3) and (4), for the expression "Rs. 1320", the expression "Rs. 200" shall be substituted respectively;
- (9) in the Tenth Schedule,—
- (a) for the PCT heading "6901.1000", the PCT heading "6901.0000" shall be substituted; and
  - (b) the expression "on monthly return," shall be omitted;
- (10) in the Twelfth Schedule, under the heading "Procedure and conditions",—
- (a) in clause (2),—
    - (i) in sub-clause (viii), the word "and" at the end shall be omitted; and
    - (ii) in clause (ix), for full stop at the end, the expression ";and" shall be substituted and thereafter the following new clause shall be added, namely:—
      - "(x) plant, machinery and equipment falling in Chapters 84 and 85 of the First Schedule to the Customs Act, 1969 (IV of 1969), as are imported by a manufacturer for in-house installation or use."; and
  - (b) for clause (4), the following shall be substituted, namely:—
    - "(4) The refund of excess input tax over output tax, which is attributable to tax paid under this Schedule, shall not be refunded to a registered person in any case, except that as used for making of zero-rated supplies."

**4. Amendments in the Income Tax Ordinance, 2001 (Ordinance XLIX of 2001).—**In the Income Tax Ordinance, 2001 (XLIX of 2001),—

- (1) in section 2, after clause (27), the following new clause shall be inserted, namely:—

“(27A) “greenfield industrial undertaking” means—

- (a) a new industrial undertaking which is—
- (i) setup on land which has not previously been utilized for any commercial, industrial or manufacturing activity and is free from constraints imposed by any prior work;
  - (ii) built without demolishing, revamping, renovating, upgrading, remodeling or modifying any existing structure, facility or plant;
  - (iii) not formed by the splitting up or reconstitution of an undertaking already in existence or by transfer of machinery, plant or building from an undertaking established in Pakistan prior to commencement of the new business and is not part of an expansion project;
  - (iv) using any process or technology that has not earlier been used in Pakistan and is so approved by the Engineering Development Board; and
- (b) is approved by the Commissioner on an application made in the prescribed form and manner, accompanied by the prescribed documents and, such other documents as may be required by the Commissioner:

Provided that this definition shall be applicable from the 1st July, 2019 and onwards.”;

(2) for section 130, the following shall be substituted, namely,—

“130. **Appellate Tribunal.**—(1) There shall be established an Appellate Tribunal to be called the Appellate Tribunal Inland Revenue to exercise the powers and perform the functions conferred on the Appellate Tribunal Inland Revenue by this Ordinance.

(2) The Appellate Tribunal Inland Revenue shall consist of a chairman and such other judicial and accountant members who shall be appointed in such numbers and in such manner as the Prime Minister may prescribe by rules, which may be made and shall take effect notwithstanding anything

contained in section 237 or any other law or rules for the time being in force.

- (3) No person shall be appointed as judicial member of an Appellate Tribunal Inland Revenue, unless he—
  - (a) has been a Judge of a High Court;
  - (b) is or has been a District Judge; or
  - (c) is an advocate of a High Court with a standing of not less than ten years; or
  - (d) possesses such other qualification as may be prescribed under sub-section (2) of this section.
- (4) No person shall be appointed as an accountant member of an Appellate Tribunal Inland Revenue, unless he—
  - (a) is an officer of the Inland Revenue Service equivalent in rank to that of Regional Commissioner;
  - (b) is a Commissioner Inland Revenue or Commissioner Inland Revenue (Appeals) having not less than three years experience as Commissioner or Collector;
  - (c) has for a period of not less than ten years practiced professionally as a chartered accountant within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961); or
  - (d) has for a period of not less than ten years practiced professionally as a cost and management accountant within the meaning of the Cost and Management Accountants Act, 1966 (XIV of 1966).
- (5) The constitution, functioning of benches and procedure of the Appellate Tribunal Inland Revenue shall be regulated by rules which the Prime Minister may prescribe.
- (6) The rules in respect of the matters covered under this section made prior to commencement of the Tax Laws (Second Amendment) Act, 2020 shall continue in force unless amended or repealed.”;

- (3) in section 152, after sub-section (1C), the following two new sub-sections shall be inserted, namely:—

“(1D) Every banking company or a financial institution maintaining special convertible rupee account (SCRA) of a non-resident company having no permanent establishment in Pakistan shall deduct tax from capital gain arising on the disposal of debt instruments and Government securities including treasury bills and Pakistan investment bonds invested through SCRA at the rate specified in Division II of Part III of the First Schedule.

(1E) The tax deductible under sub-section (1D) shall be a final tax on the income of the non-resident company arising out of such capital gain.”;

- (4) in section 181D,—

(i) the existing provision of that section shall be renumbered as sub-section (1) thereof;

(ii) after sub-section (1), re-numbered as aforesaid, the following new sub-sections shall be added, namely:—

“(2) Where a person fails to obtain business licence under sub-section (1), the Commissioner may, in addition to and not in derogation of any punishment to which the person may be liable under this Ordinance or any other law, impose a fine of—

(a) twenty thousand Rupees, in case of a taxpayer deriving income chargeable to tax under this Ordinance; or

(b) five thousand Rupees, in all other cases.

(3) The Commissioner may, by an order in writing, cancel a business licence issued under sub-section (1) after providing an opportunity of being heard to the person, if—

(a) such person fails to notify any change in particulars within thirty days of such change; or

(1) such person is convicted of any offence under any federal tax law.”;

(5) in section 214E,—

(a) the existing provisions of that section shall be re-numbered as sub-section (1) thereof;

(b) after sub-section (1), re-numbered as aforesaid, the following new sub-sections shall be added, namely:—

“(2) Notwithstanding anything contained in sub-section (1), the Board may prescribe procedure for conclusion of audit of income tax affairs of a person automatically selected for audit under omitted section 214D.

(3) The prescribed procedure under sub-section (2) may include acceptance of declared income of a taxpayer for a tax year subject to conditions specified therein.”;

(6) in section 216, in sub-section (3), in clause (r), for full stop at the end, a semi colon and the word “or” shall be substituted and after clause (r), amended as aforesaid, the following new clause shall be added, namely:—

“(s) to the Financial Monitoring Unit (FMU) for the purposes of performing functions as laid down in the Anti-Money Laundering Act, 2010 (VII of 2010).”;

(7) in section 222A, for the words “Federal Government”, the expression “Board with approval of the Federal Minister-incharge” shall be substituted;

(8) in section 230E, after sub-section (4), the following new sub-sections shall be inserted;

“(5) Transfer pricing audit of cases selected under clause (d) of sub-section (3) shall be conducted as per procedure given in section 177 and all the provisions of the Ordinance, except the first proviso to sub-section (1), sub-sections (6A), (10) and (14) of section 177, shall apply accordingly.

(6) Nothing contained in this section shall prevent the Commissioner from determination of transfer price at arm’s length in transactions between associates while conducting audit of income tax affairs of a taxpayer under section 177 or 214C or during proceedings under section 122.”;

(9) in the First Schedule,—



- (a) in Part-I, in Division III, in paragraph (a), for the word "Purchasers", the word "Producers" shall be substituted; and
- (b) in Part-II, in clause (B), in the proviso, in the Table, in column (1), against serial number 2, in column (3), for the figure "730", the figure "100" shall be substituted;
- (c) in Part-III,—
- (i) in Division I, in paragraph (a), for the word "Purchasers", the word "Producers" shall be substituted."; and
- (ii) in Division II, after clause (3), the following new clause shall be inserted, namely:—
- “(3A) The rate of tax to be deducted under sub-section (1D) of section 152 shall be 10% of the amount of capital gain.”;

(10) in the Second Schedule,—

- (A) in Part-I, in clause (103C), after the expression "59B", the expression "computed according to the following formula-

$$A \times B / C$$

Where

**A** is the amount of dividend;

**B** is the shareholding of the company receiving the dividend in the company distributing the dividend; and

**C** is the total ordinary share capital of the company distributing the dividend" shall be omitted;

- (B) in Part-II, after clause (28C), the following new clauses shall be inserted, namely:—

“(28D) The rate of minimum tax under section 113 for tax year 2020 shall be 0.5% in the case of a trader having turnover upto one hundred million Rupees:

Provided that the tax liability of traders for tax year 2019 and 2020 in case of traders who filed return of income for tax year 2018 shall not be less than the tax paid for the tax year 2018.

*Explanation.*—For the purpose of this clause, ‘trader’ shall mean an individual engaged in business of buying and selling of goods in the same state including a retailer and a wholesaler but shall not include a distributor.

(28E) The rate of minimum tax under section 113 for tax year 2020 shall be 0.5% in case of a trader of yarn being an individual.”;

(C) in Part-III, in clause (9A), for full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be inserted, namely:—

“Provided that for capital gains arising after completion of three years from the date of acquisition of immovable property the amount of tax payable shall be reduced by seventy-five percent.”;

(D) in Part-IV, —

(a) in clause (45A),—

(i) in sub-clause (a), for the proviso, the following shall be substituted, namely:—

“Provided that the rate of deduction of withholding tax under clauses (a) and (b) of sub-section (1) of section 153 shall be 0.5% on local sales, supplies and services made by traders of yarn to the above mentioned categories of taxpayers.”;

(ii) in sub-clause (b), for the expression “; and” at the end, a full stop shall be substituted; and

(iii) sub-clause (c) shall be omitted.

(b) in clause (66), the words “who fall under the zero rated regime of sales tax and” shall be omitted;

(c) in clause (72B),—

(i) after the word “paid”, the words “in the manner as may be prescribed” shall be inserted;

- (ii) after the first proviso, the following new provisos shall be inserted, namely:—

“Provided further that the Commissioner shall be deemed to have issued the exemption certificate in cases where the certificate is automatically processed and issued by IRIS upon expiry of prescribed time period:

Provided also that the Commissioner may modify or cancel the certificate issued automatically by IRIS on the basis of reasons to be recorded in writing after providing an opportunity of being heard.”;

- (d) after clause (111), the following new clauses shall be added, namely:—

- “(112) The provision of section 236P shall not apply to special convertible rupee account (SCRA) of a non-resident company having no permanent establishment in Pakistan.
- (113) The provision of sub-section (5B) of sections 147 shall not apply in respect of capital gains arising to a non-resident company having no permanent establishment in Pakistan from investment in debt instruments and Government securities including treasury bills and Pakistan investment bonds through special convertible rupee account (SCRA) maintained with a banking company or financial institution in Pakistan.
- (114) The provisions of section 115(4) and 181 shall not apply to a non-resident company having no permanent establishment in Pakistan solely by reason of capital gain or profit on debt earned from investments in debt securities and Government securities including treasury bills and Pakistan investment bonds through special convertible rupee account maintained with a banking company or financial institution in Pakistan.
- (115) The provisions of section 153 shall not apply to traders being individuals having turnover upto one hundred million Rupees as a prescribed person.

*Explanation.*—Trader in this clause shall have the meaning as provided in clause (28D) of Part-II of the Second Schedule.”; and

- (11) in the Tenth Schedule, in rule 10, after clause (b), the following shall be inserted, namely:—

“(ba) Tax deducted under clause (5A) of Part-II of the Second Schedule read with sub-section (2) of section 152.”.

5. **Amendments in the Federal Excise Act, 2005.**—In the Federal Excise Act, 2005, in section 49, for the words “Federal Government”, the expression “Board with approval of the Federal Minister-in-charge” shall be substituted.

**No. F. 22(15)/2020-Legis.**—The following Act of *Majlis-e-Shoora* (Parliament) received the assent of the President on the 27th March, 2020 is hereby published for general information:—

ACT NO. XVIII OF 2020

*An Act to provide for registration and effective protection of geographical indications*

WHEREAS it is expedient to provide for registration and protection of geographical indications of goods;

AND WHEREAS it is necessary to recognize and protect the geographical indications of the Islamic Republic of Pakistan for public interest and advancing the economic reform and development of the least developed areas of Pakistan;

AND WHEREAS it is expedient to provide the legal means for interested parties to prevent the use of any means in the designation or presentation of goods that indicates or suggests that the goods in question originate in a geographical area and to prevent any use which constitutes an act of unfair competition within the meaning of Article 22 of the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS);

It is hereby enacted as follows:-

CHAPTER-I

PRELIMINARY

1. **Short title, extent and commencement.**—(1) The Act may be called the Geographical Indications (Registration and Protection) Act, 2020.

(2) It extends to the whole of Pakistan.

(3) It shall come into force on such date as the Federal Government may by notification in the Official Gazette appoint.

2. **Definitions.**—(1) In this Act, unless there is anything repugnant in the subject or context;—

- (i) **“Applicant”** means a natural or legal person, government organization or statutory body, association, or group of producers, or producer organization, or operator having an interest in the registration;
- (ii) **“authorized user”** means authorized user of a geographical indication registered under this Act;
- (iii) **“book of specifications”** means a document elaborated by the applicant, specifying the geographical area of goods, production standards or product specifications, and qualification process for Geographical Indication goods;
- (iv) **“certification body”** means an organization issuing a certificate of conformity with the book of specifications ;
- (v) **“deceptively similar”** means a geographical indication which so nearly resembles to another geographical indication so as to be likely to deceive or cause confusion;
- (vi) **“Director General”** means Director General, Intellectual Property Organization of Pakistan appointed under section 12 of the Intellectual Property Organization of Pakistan Act, 2012 (XXII of 2012);
- (vii) **“geographical indication”** or **“GI”** in relation to goods includes an indication which identifies such goods as agricultural goods, natural goods or manufactured goods originating or manufactured or produced in a territory or a region or locality as determined by the country, where a given quality, reputation or other characteristics of the goods or the ingredients or components, is essentially attributable to its geographical origin and in the case of manufactured goods one of the activities of either the production or processing or preparation of the goods concerned takes place in such territory, region or locality as the case may be. For the purpose of this clause any name which is not the name of a territory or a region a locality or a country shall also be considered as a geographical indication if such name refers to or indicates the

- origin of goods within or from a specific geographical area within that country and is used upon or in relation to particular goods originating from or with in that country or a territory or a region or locality within that country;
- (viii) **“geographical origin”** means an area of a country, region, locality and shall also include the sea, lake, river, island, mountain or any other area of a similar nature;
- (ix) **“foreign geographical indication”** means a geographical indication that identifies a product as originating in a country other than Islamic Republic of Pakistan;
- (x) **“generic name or indication”** means a name which, may correspond to the name of a territory, region or locality, does not have in Pakistan any meaning as an indication or reference of geographical origin and has become a commonly used name for the goods in question;
- (xi) **“goods”** include any agricultural, horticulture, natural, raw or manufactured goods or goods of any industry or handicraft or any food or drink product, whether in a processed or semi-processed or semi-finished form;
- (xii) **“indication”** includes any words, letters or numerals, geographical name or other name, device or any figurative representation, label or any combination thereof indicating or referring or suggesting or conveying the geographical origin of the goods to which it is applied;
- (xiii) **“IPO-Pakistan”** means the Intellectual Property Organization of Pakistan, established under the Intellectual Property Organization of Pakistan Act, 2012 (XXII of 2012);
- (xiv) **“limitation”** with its grammatical variations means any limitation of the right to use of geographical indication given by registration to a registrant or an authorized user thereof including limitations of that right as to mode of use, as to use in relation to goods to be sold or otherwise traded within Pakistan or as to use in relation to goods to be exported outside Pakistan;
- (xv) **“name”** includes any abbreviation of a name;
- (xvi) **“operator”** means a natural or legal person involved in the collection, transformation, processing, trading, or distribution of geographical indication goods;

- (xvii) **“organization”** means any entity, body, department, authority or organization so designated by the Division concerned;
- (xviii) **“Pakistan geographical indication”** means a geographical indication that identifies a product as originating in the Islamic Republic of Pakistan;
- (xix) **“Paris Convention”** means the Paris Convention of 20<sup>th</sup> March, 1883 for the protection of industrial property, as revised or amended from time to time;
- (xx) **“package”** includes any case, box, container, covering, folder, receptacle, vessel, casket, bottle, wrapper, label, band, ticket, reel, frame, capsule, cap, lid, stopper and cork;
- (xxi) **“Policy Board”** means the Policy Board constituted under section 4 of Intellectual Property Organization Act, 2012 (XXII of 2012);
- (xxii) **“prescribed”** means prescribed by rules made under this Act;
- (xxiii) **“producer”**, in relation to goods, means any person who—
- (a) if such goods are natural goods, exploits the goods;
  - (b) if such goods are agricultural goods, produces the goods and includes the person who is an operator or processes or packages such goods; and
  - (c) if such goods are handicrafts or industrial goods, makes or manufactures the goods, and includes an operator or any person who trades or deals in such production, exploitation, making or manufacturing, as the case may be, of the goods;
- (xxix) **“qualifying country”** means any country or territory which is—
- (a) a member of the World Trade Organization;
  - (b) a member of the World Intellectual Property Organization;
  - (c) a party to the Paris Convention ; or
  - (d) any other country which the competent authority may designate as a qualifying country on the basis of reciprocity;
- (xxv) **“register”** means the register of geographical indications provided under section 6;

- (xxvi) **“registered”** with its grammatical variations means registered under this Act;
- (xxvii) **“registered geographical indication”** means a geographical indication which is actually on the register;
- (xxviii) **“registrant”** means any statutory body, public body, local or provincial administration, government enterprise or any government organization which is a juristic person having area of responsibility covering the geographical indication of the goods as referred to in this Act having obtained registration and entered in the register as proprietor of a geographical indication ;
- (xxix) **“Registrar”** means the Registrar of Geographical Indications referred to in section 4;
- (xxx) **“Registry”** means the geographical indications registry mentioned in section 3;
- (xxxi) **“Intellectual Property Tribunal”** or **“IP Tribunal”** means the Intellectual Property Tribunal established under the Intellectual Property Organization of Pakistan Act, 2012 (XXII of 2012); and
- (xxxii) **“use of a geographical indication”** shall include but not be limited to, use in production, manufacturing, packing, stocking, importing, exporting, distributing, selling, dealing and advertising or exploiting in any other manner and any reference to such use shall be construed to include a reference to the use of a printed or other visual representation of the geographical indication.

(2) Words and expressions used and not defined in this Act shall have the same meaning as are assigned to them in the Trade Marks Ordinance, 2001(XIX of 2001).

## CHAPTER-II

### GEOGRAPHICAL INDICATION REGISTRY

3. **Geographical Indications Registry.**—(1) For the purposes of this Act, the concerned Division shall establish a Geographical Indications Registry under the management and control of IPO Pakistan. The Trade Marks Registry and its branches established under the Trade Marks Ordinance, 2001(XIX of 2001) shall carry out functions of the Geographical Indications Registry and its branches till such time a separate GI Registry is established under this Act.



(2) The GI Registry shall maintain a register of record to be called the register of geographical indications. GI Register shall be maintained at Trade Marks Registry for the time being and shall be handed over and transferred to the GI Registry once it has been established under this Act.

(3) For the facilitation of applicants, the IPO Pakistan with the prior approval of Policy Board may set up offices of the Registry at such places, as deems necessary, as and when required.

(4) The Geographical Indications Registry shall have its own seal.

**4. Registrar geographical indications and other functionaries.—**The IPO Pakistan may, by notification in the official Gazette, appoint an officer who shall serve as the Registrar:

Provided that the Registrar of Trade Marks, appointed under sub-section (1) of section 7 of the Trade Marks Ordinance, 2001 (XIX of 2001) shall perform the functions of Registrar Geographical Indications till the appointment of an officer as Registrar under this section, to carry out his functions under this Act:

Provided further that the appointment of Registrar under this section shall be made within three hundred and sixty days after the commencement of this Act.

**5. Delegation of Authority of the Registrar.—**(1) The IPO Pakistan shall with the prior approval of the Policy Board appoint one or more deputy registrars and assistant registrars for the purposes of this Act.

(2) Under direction of IPO Pakistan, the Registrar may delegate its powers to the deputy registrars and assistant registrars who shall discharge such functions of the Registrar under this Act as the Registrar may delegate from time to time.

(3) Any reference in this Act to the Registrar shall include a reference to any deputy registrar or assistant registrar in the discharge of such functions.

(4) IPO Pakistan may authorize the Registrar to delegate any function of the Registrar to any other officers of the GI Registry other than the deputy and assistant registrars.

**6. Register of geographical indication.—**(1) There shall be kept at each branch, a copy of the register of geographical indication which shall contain all registered geographical indications with names, addresses and descriptions of the registrants, the names and addresses and descriptions of authorized users and such registers may be maintained wholly or partly in electronic form. The register shall be open for inspection of the public at all convenient times in the same manner as the originals thereof.

(2) The register shall contain list of registrants and authorized users of geographical indications.

(3) The register shall be divided into two Parts called respectively Part A and Part B.

(4) The particulars relating to the registration of the registrant of geographical indications shall be incorporated and included in Part A of the register in the prescribed manner.

(5) The particulars relating to the registration of the authorized users shall be incorporated and included in Part B of the register in the prescribed manner.

(6) Any person may obtain extracts from the register in the prescribed manner.

### CHAPTER-III

#### REGISTRATION OF GEOGRAPHICAL INDICATION

7. **Registration of registrant of geographical indication.—**(1) Registration of proprietor of geographical indication of any or all goods subject to definite territory of a country shall comprise of such class of goods as may be classified by the Registrar in accordance with the international classification of goods for the purposes of registration of geographical indications.

8. **Prohibition of registration of a geographical indication.—**(1) An indication shall not be registered as a geographical indication,—

- (i) which does not correspond to the definition of geographical indication contained in clause (vii) of sub-section (1) of section 2; or
- (ii) the use of which is likely to deceive or cause confusion; or
- (iii) which is not or has ceased to be protected in its country of origin; or
- (iv) which has fallen into disuse in that country; or
- (v) which is determined by the Registrar to be a generic name or an indication; or
- (vi) which is opposed to morality or public policy.

9. **Registration of homonymous geographical indication.**—(1) A homonymous geographical indication is entitled to be considered for registration under this Act.

(2) Prior to registration under sub-section (1) the Registrar shall satisfy himself that he has considered—

- (i) all practical conditions under which the homonymous indication in question shall be differentiated from other homonymous indication;
- (ii) equitable treatment of the producers of the goods concerned; and
- (iii) that the consumers of such goods shall not be confused or misled in consequence of such registration.

*Explanation.*—Homonymous geographical indications (GI) are those that are spelled or pronounced alike, but which identify products originating in different places, usually in different countries. In principle, these indications should coexist, but such coexistence may be subject to certain conditions. For example, it may be required that they be used only together with additional information as to the origin of the product in order to prevent consumers from being misled. A GI may be refused protection if, due to the existence of another homonymous indication, its use would be considered potentially misleading to consumers with regard to the product's true origin.

10. **Registration of foreign geographical indication.**—(1) A geographical indication of a foreign country shall be registered in the Islamic Republic of Pakistan as long as it is registered in accordance with the local legislation in its country of origin. The title and date of the legislative or administrative provisions or of judicial decisions regarding protection to the geographical indication in the country of origin shall be considered for accepting foreign GI application.

(2) The Registry shall not allow the registration of a foreign Geographical Indication which is not or has ceased to be protected in its country of origin or which has fallen into disuse in that country.

(3) The application for registration of foreign geographical indication shall be made at the Registry by its legal representative in Pakistan.

(4) During the registration procedure, the Registry may require the applicant or its legal representative to submit any information related to registration in the country of origin which may affect its registration in Pakistan.

## CHAPTER-IV

## PROCEDURE FOR REGISTRATION OF REGISTRANT OF GI

11. **Right to own and register geographical indication.**—(1) The Federal Government shall be the holder and exclusive owner of all the geographical indications of the Islamic Republic of Pakistan.

(2) The Federal Government may allow any statutory body, public body, local or provincial administration, government enterprise or any government organization which is a juristic person having area of responsibility covering the geographical indications in the territory of Islamic Republic of Pakistan to apply for and register the product as a geographical indication as a registrant in such form, manner and accompanied by such fees as may be prescribed.

(3) When a product bearing geographical indication is registered at the Registry in accordance with the provisions of this Act, such producers or operators whose practices are in compliance with the book of specification shall have the right to use the geographical indication as authorized users. The producers or operators, with the formal assent of the Registrant, shall apply to the Registry for obtaining registration as authorized users.

(4) The concerned Division shall be responsible for conciliating any conflicts and engage in advocacy in relation to drafting of book of specification during pre-registration phase of geographical indications.

(5) The concerned Division shall regulate cooperation agreement with organizations to enable pre-registration processes of geographical indication and facilitate in arranging consultations with producers and operators in drafting book of specification.

12. **Content of Application for registration of geographical indication.**—(1) The application for registration of a geographical indication by the Applicant shall contain the following documents for registration, namely:—

- (i) name and address of applicant filing the application;
- (ii) geographical indication for which registration is sought;
- (iii) class of goods to which the geographical indication shall apply;
- (iv) geographical area to which the geographical indication applies and a map of that area;

- (v) title and date of the legislative or administrative provisions or of judicial decisions regarding the protection to the geographical indication in the qualifying country of origin;
- (vi) statement of such particulars in relation to the producers or operators of the concerned goods, if any;
- (vii) goods for which the geographical indication applies;
- (viii) quality, reputation or other characteristics of the goods, geographical origin and other details as may be prescribed for which the geographical indication is used;
- (ix) book of specifications containing product standards or product specifications; and
- (x) such other particulars as may be prescribed and shall be subject to the payment of prescribed fee.

(2) In addition to other factors, the reputation of products may also be determined on the basis of their being widely known to and selected by consumers.

(3) The quality and characteristics of products of geographical indication shall be defined by one or several qualitative, quantitative or physically, chemically, microbiologically perceptible criteria which can be tested by technical means or experts with appropriate testing methods as may be prescribed.

### 13. Conformity of geographical indication with book of specification.—

(1) The concerned Division, by notification in the official Gazette shall designate a certification body to guarantee, inspect, test and monitor quality, reputation or other characteristics of products seeking registration of geographical indications in a prescribed manner.

(2) The designated certification body shall confirm the specifications identified in the book of specifications from accredited confirmatory assessment bodies or research institutes or impartial public authority or public organization or organization approved by concerned Division for this purpose.

(3) In case there is non-compliance with the book of specifications by the producers or operators as authorized users of registered geographical indication, following measures may be adopted by the certification body, namely:—

- (i) notice served to the authorized user for non-compliance;
  - (ii) warning made to the producer or operator or authorized user;
  - (iii) in case no remedial action is taken within reasonable time, temporary disqualification of the rights to use the geographical indication by the producer or operator or authorized user by making an application to the Registrar; and
  - (iv) application to the Registrar for suspension or cancellation of the rights to use the geographical indication by the non-compliant authorized user.
- (4) The Registrar may approve the suspension after investigation and scrutiny as deemed fit.
- (5) The cost of such confirmation of compliance with the book of specifications shall be borne by the authorized users. The registrant may contribute to these costs as the case may be.

**14. Technical assistance of experts.**—The Registrar may, if so require, be assisted in technical aspects in various fields such as geology or meteorology involved in any case by any expert who has experience and expertise in the matter in order to consider or make a decision or ascertain the correctness of the particulars furnished in the application.

**15. Examination for registration.**—(1) The Registrar shall cause the application to be examined to determine whether it fulfills the criteria and other requirements.

(2) In examining the application, the Registrar may call the applicant or any person concerned to give explanation or furnish additional evidence to him. Where it is necessary to have opinion of an expert in the field related to matter under consideration, the Registrar shall send the matter to the expert for his consideration and opinion in the prescribed manner.

**16. Grant of registration of registrant.**—(1) When an application for registration of a geographical indication has been accepted, the Registrar shall register the registrant of the product bearing geographical indication mentioned in the application and the geographical indication shall stand registered from the date of making of said application and it shall be deemed to be the date of registration.

(2) On the registration of a geographical indication, the Registrar shall issue to the registrant, a certificate in such form as may be prescribed, sealed with the seal of the Registry.

(3) Subject to the provisions of this Act, the Registrar may accept an application absolutely or subject to such amendments, modifications, conditions or limitations, if any, as he may deem fit.

(4) In case of conditional acceptance of application, the Registrar shall record in writing the grounds for such conditional acceptance and the reasons to be recorded in writing for arriving at such decision.

(5) The Registrar may amend the register or a certificate of registration for the purpose of correcting a clerical error or an obvious mistake.

**17. Application for registration of authorized user.**—(1) Any natural or juristic person or group of persons claiming to be an operator, producer or group of producers interested in the right to use registered geographical indication, may apply in writing to the Registrar subject to the formal assent of the registrant in the prescribed manner for registering him as an authorized user of such geographical indication.

(2) The application under sub-section (1) shall be accompanied by a statement confirming compliance with the book of specifications and such documents of facts as may be prescribed and required by the Registrar to determine as to whether such person is the producer or operator of the goods referred to in the application and such fee as may be prescribed.

(3) The Registrar shall cause the application to be examined to determine whether it fulfills the criteria and other requirements.

(4) In examining the application, the Registrar may call the applicant or any person concerned to give explanation or furnish additional evidence to him.

(5) Where registration of a geographical indication as authorized user, is not completed within twelve months from the date of the application by reason of default on the part of the applicant, the Registrar may, after giving notice to the applicant in the prescribed manner, treat the application as abandoned unless it is completed within the time specified.

**18. Withdrawal of acceptance.**—(1) Where, after the acceptance of an application for registration of an authorized user of geographical indication but before its registration, the Registrar is satisfied,—

- (i) that the application has been accepted in error; or
- (ii) that in circumstances of the case the application for use of geographical indication should not be registered; or

- (iii) that it should be registered subject to conditions or limitations; or
- (iv) that it should be registered subject to conditions, additional to or other than the conditions or limitations subject to which the application has been accepted, he may, after hearing the applicant, if he so desires, withdraw the acceptance and proceed as if the application had not been accepted.

19. **Advertisement.**—(1) When an application for registration of an authorized user of the product bearing geographical indication has been accepted, whether absolutely or subject to conditions or limitations, the Registrar shall advertise that application immediately in such manner as may be prescribed.

(2) Where after the advertisement of an application,—

- (i) an error in the application has been corrected; or
- (ii) the application has been permitted to be amended,

the Registrar in his discretion may either cause the application to be advertised afresh, a new or may notify such correction which has been made in the application in the prescribed manner.

20. **Opposition to registration.**—(1) Within a period of three months from the date of advertisement or re-advertisement of the application for registration of authorized user of a product bearing geographical indication, any interested person may give to the Registrar notice of opposition in writing in prescribed manner for opposition to the registration.

(2) This notice of opposition under sub-section (1) shall be made in such manner and on payment of such fee as may be prescribed.

(3) The Registrar shall serve a copy of the notice of opposition to the Applicant for registration as authorized user and within two months from the receipt by the applicant of the notice of opposition, the applicant shall send to the Registrar in the prescribed manner a counter-statement of the grounds on which he relies for his application and if he does not do so, he shall be deemed to have abandoned the application.

(4) Within two months from the receipt of copy of notice of opposition, the applicant may send a counter-statement of the grounds on which he relies upon to the Registrar in the prescribed manner.

(5) If he fails to do so in the prescribed time limit he shall be deemed to have abandoned the application.



(6) If the applicant sends such counter-statement, the Registrar shall cause a copy thereof to be served on the person giving notice of opposition.

(7) Any evidence upon which the opponent and the applicant may rely shall be submitted in such manner and within such time as may be prescribed to the Registrar, and the Registrar shall give an opportunity to them to be heard, if they so desire.

(8) After hearing the parties, considering the evidence and taking into account ground of objection whether relied upon by the opponent or not, the Registrar shall decide whether the registration is to be permitted absolutely or subject to conditions or limitations, if any, or not to be permitted.

(9) If any party does not appear for hearing, the Registrar may *ex parte* decide on the notice of opposition on merits, upon consideration of the evidence available on record.

(10) Where a person giving notice of opposition or an applicant sending a counter statement neither resides nor carries on business in Pakistan, the Registrar may require him to give security for the costs of proceeding before him.

(11) The Registrar may, on request, permit correction of any error or any amendment in a notice of opposition or a counter-statement in the prescribed manner.

**21. Extension of time.—**(1) If the Registrar is satisfied, on application made to him in the prescribed manner and accompanied by the prescribed fee, that there is sufficient cause for extending the time for doing any act not being a time expressly provided in this Act, whether the time so specified has expired or not, he may subject to such conditions as he may think fit to impose, extend the time and inform the parties accordingly.

(2) Nothing in sub-section (1), shall be deemed to require the Registrar to hear the parties before disposing of an application for extension of time and no appeal shall lie from any order of the Registrar under this section.

**22. Correction and Amendment.—**(1) The Registrar may, at any time, whether before or after acceptance of an application for registration, permit the correction of any error or permit an amendment of the application.

**23. Grant of registration of an authorized user.—**(1) Where the Registrar finds that conditions provided for in this Act are fulfilled and either—

- (i) the registration of an authorized user has not been opposed within the prescribed time limit; or

- (ii) the authorized user has provided statement affirming compliance with the book of specifications; or
- (iii) the registration of the authorized user has been opposed by notice and the opposition has been decided in the Applicant's favour; or
- (iv) no appeal has been filed against the Registrar's decision for registration as an authorized user,

the Registrar shall, unless the concerned Division otherwise directs, register the said authorized users mentioned in the application.

(2) The authorized users, when registered under sub-section (1), shall be registered from the date of filing of said application.

(3) The Registrar shall issue a certificate of the registration to the authorized users bearing the seal of the Registry and shall publish a reference to the said registration in the prescribed manner.

(4) The Registrar may amend the register for addition, correction or omission of entries relating to authorized users.

(5) Where an application is made by any aggrieved person or any legal person or an organization or designated certification body or registrant that an authorized user is dealing with a registered geographical indication in a manner which is detrimental to the public interest at large and in non-compliance of book of specifications and the Registrar is satisfied according to all legal considerations contained in this Act, he may pass an order for rectification of the register or cancel the registration as he may deem legally fit.

(6) Such orders of the Registrar shall be binding on all the parties including the aggrieved party or authorized user, provided that appeal against the Registrar's decision shall lie to the High Court.

**24. Regulatory mechanism for registered geographical indication.—**

(1) The procedure for inspection and monitoring shall be prepared by concerned Division for regulatory mechanism including scope, frequency, and procedures of monitoring activities and penalties to ensure the compliance of geographical indication products with the book of specification.

(2) The use of registered geographical indication by the authorized users shall be subject to compliance with the book of specification.

(3) IPO Pakistan shall facilitate in promotion, marketing and effective use of products bearing geographical indications.

(4) The designated certification body conforming product specification and product standards of geographical indication goods shall present an annual report to the concerned Division at the end of each calendar year containing a list of authorized users including but not limited to goods, quantity and quality acknowledged and actions taken against non-compliance of the book of specification.

(5) Concerned Division shall oversee the efficiency of the designated certification body or bodies.

**25. Duration, renewal, removal and restoration of registration.—**

(1) The registration of a Registrant of geographical indication shall be perpetual.

(2) The registration of an authorized user shall be for a period of ten years.

(3) The Registrar shall, on application made in the prescribed manner, by the authorized user, within the prescribed period and subject to the payment of the prescribed fee, renew the registration of the authorized user, for a period of ten years from the date of expiration of the original registration or of the last renewal of registration, as the case may be (which date is in this section referred to as the expiration of the last registration).

(4) At the prescribed time, before the expiration of the last registration of the authorized user, the Registrar shall send notice in prescribed manner to the authorized user regarding the date of expiration and the conditions as to payment of fees and otherwise upon which a renewal of registration may be obtained, and, if at the expiration of time prescribed in the notice, the said conditions are not been duly complied, the Registrar may remove the authorized user from the register:

Provided that the Registrar shall not remove the authorized user from the register, if an application is made in the prescribed form and the prescribed fee and surcharge is paid within six months from the expiration of the last registration of the authorized user, as the case may be, and shall renew the registration of the authorized user for a period of ten years.

(5) Where an authorized user has been removed from the register for non-payment of the prescribed fee, the Registrar shall, after six months and within one year from the expiration of the last registration of the authorized user, on receipt of an application in the prescribed form and on payment of the prescribed fee, if satisfied that it is just so to do, restore the authorized user, as the case may be, to the register and renew registration of authorized user, either generally or subject to such condition or limitation as he thinks fit to impose, for a period of ten years from the expiration of the last registration.

## CHAPTER- V

**RIGHTS CONFERRED BY REGISTRATION OF GEOGRAPHICAL INDICATION**

26. **Rights conferred by registration.**—(1) The registration of a geographical indication shall give,—

- (i) to the registrant of the geographical indication and the authorized user to get relief in respect of infringement of the registered geographical indication;
- (ii) to the authorized user, the exclusive right to use the geographical indication in relation to the goods in respect of which the geographical indication is registered;
- (iii) right to take action against an infringer or counterfeiter; and
- (iv) right to prevent the use of a registered geographical indication by any person in any manner in relation to the concerned products to which the geographical indication relates.

27. **Use of geographical indication.**—(1) When Geographical Indication has been registered for any particular product, the producers or operators of such product who is entered in the Register as authorized users, is entitled to use the registered geographical indication for goods, subject to compliance with product specification.

(2) The use of registered geographical indication includes applying it on products, packages, advertising material and any other document related to registered geographical products.

28. **National logo for certifying geographical indication products.**—(1) The Registry shall establish a National Geographical Indication logo to certify all geographical indication products registered in Pakistan.

(2) National Geographical Indication logo along with registered name of product and any other mark and detail shall appear on the label of marketed products in a prescribed manner.

29. **Registration to be *prima facie* evidence of validity.**—(1) In all legal proceedings relating to a geographical indication, the certificate of registration granted under this Act, being a copy of the entry in the register under the seal of the Geographical Indications Registry, shall be *prima facie* evidence of the validity thereof and be admissible in all courts without further proof or production of the original.

(2) Nothing in this section shall be deemed to affect right of action in respect of an unregistered geographical indication.

## CHAPTER- VI

### INFRINGEMENT OF REGISTERED GEOGRAPHICAL INDICATION

**30. Infringement of geographical indication.**—(1) A person shall infringe a registered geographical indication if such person uses a geographical indication which is identical with the registered geographical indication.

(2) A person shall infringe a registered geographical indication, if such person uses it in the course of trade on following grounds, namely:—

- (i) the use of a geographical indication in respect of goods of the same or similar description but not originating in the country indicated by the geographical indication in question or the true place of origin of the goods is falsely indicated or the geographical indication is used in translation or accompanied by expressions such as “kind”, “type”, “style”, “imitation” used in such a manner which misleads the persons as to the geographical origin of such goods; or
- (ii) any use of a geographical indication that, even if it identifies goods truly originating in the place designated by that geographical indication, designates products that do not comply with the relevant book of specification as recorded on the register shall be deemed as an infringement; or
- (iii) the mark is deceptively similar to the geographical indication and there exists a likelihood of confusion on the part of public, which includes the likelihood of association with the geographical indication.

**31. When a geographical indication is not infringed.**—(1) A person shall not infringe a registered geographical indication when the—

- (i) person uses it in good faith; or
- (ii) person's name or the name of the person's place of business is used but such use does not result in a likelihood of confusion or otherwise interfere with an existing geographical indication; or
- (iii) name of the predecessor in business of the person or the name of the predecessor's place of business is used;

- (iv) person uses the geographical indication in good faith to indicate the intended purpose of goods, in particular as accessories or spare parts, or services; or
- (v) person uses the geographical indication for the purposes of comparative advertising.

## CHAPTER- VII

### INFRINGEMENT PROCEEDINGS

32. **Action for infringement.**—(1) Save as otherwise provided in this Act, an infringement of a registered geographical indication shall be actionable by the holder or registrant and the authorized user of the geographical indication.

(2) In an action for infringement all such relief by way of damages, injunctions, accounts or otherwise shall be available to the holder or registrant and the authorized user of the geographical indication as is available in respect of the infringement of any other property right.

(3) Nothing in this Act shall be deemed to affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof.

33. **Infringement of unregistered geographical indications.**—(1) No proceedings to prevent, or recover damages for, infringement of an unregistered geographical indication shall be instituted by any person.

(2) Nothing in this Act shall be deemed to affect rights of action against any person for passing off goods as goods of another person or any remedies available therein.

34. **Infringement proceedings.**—(1) No person shall be entitled to institute any proceeding to recover damages for an unregistered geographical indication.

(2) Any interested person and any interested group of producers or consumers may institute proceedings in the IP Tribunal to prevent infringement in respect of a registered geographical indication.

(3) Following use of registered geographical indication shall constitute infringement,—

- (i) use in the designation or presentation of a good that indicates or suggests that the goods in question originates in a geographical

area other than the true place of origin in a manner which misleads the public as to the geographical origin of the goods; or

- (ii) use which constitutes an act of unfair competition within the meaning of Article 10 bis of the Paris Convention; or
- (iii) use of a geographical indication in respect of goods of the same or similar description but not originating in the place indicated by the geographical indication in question, even where the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expressions such as "kind", "type", "style", "imitation" or the like; or
- (iv) use of a geographical indication that, even if it identifies goods truly originating in the place designated by that geographical indication, designates goods that do not comply with the relevant specification as recorded on the register.

(4) The relief which a court may grant in any suit for infringement under this section may include —

- (i) an injunction and confiscation of the products; and
- (ii) damages or share in the profits at the option of the plaintiff.

**35. Suits for infringement to be instituted before IP Tribunals.—**

(1) No suit in matters relating to infringement of a geographical indication or otherwise relating to any right in a geographical indication shall be instituted in any other court except an IP Tribunal.

**36. Order for erasure of offending mark.—**(1) Where a person is found to have infringed a registered geographical indication, the High Court or an IP Tribunal may make an order requiring him—

- (i) to cause the offending geographical indication to be erased, removed or obliterated from any infringing goods, material or articles in his possession, custody or control; or
- (ii) to secure the destruction of the infringing goods, material or articles, if it is not reasonably practicable for the offending geographical indication to be erased, removed or obliterated.

(2) If an order under sub-section (1) is not complied with or it appears to the High Court or IP Tribunal, as the case may be, that such an order may not be complied with, the High Court or IP Tribunal may order that infringement goods, material or articles be delivered to such person and may further direct for

erasure, removal or obliteration of the mark or for destruction, as the case may be.

**37 Infringing goods, material or articles.**—(1) Subject to sub-section (2), goods shall be infringement goods in relation to a geographical indication, if those or packaging there of bear a mark identical or deceptively similar to that mark and—

- (i) application of the mark to the goods or packaging thereof was an infringement of the registered geographical indication;
- (ii) the goods are proposed to be imported into Pakistan and application of the mark in Pakistan to those or packing thereof is an infringement of the registered geographical indication; or
- (iii) the mark otherwise been used in relation to the goods in such a way as to infringe the registered geographical indication.

(2) Nothing in sub-section (1) shall be construed as affecting the importation of goods which may be lawfully imported into Pakistan.

(3) Material shall be infringing material in relation to a registered geographical indication, if it bears a mark identical or deceptively similar to that mark and either it is,—

- (i) used for labeling or packaging goods as a business paper or for advertising goods, in such a way as to infringe the registered geographical indication; or
- (ii) intended to be so used and such use would infringe the registered geographical indication.

(4) Infringing articles in relation to a registered geographical indication means such articles which—

- (i) are specifically designed or adapted for making copies of a mark identical or similar to that mark; and
- (ii) a person has in his possession, custody or control, knowing or having reason to believe that those have been or are to be used to produce infringing goods or material.

**38. Order as to disposal of infringing goods, material or articles.**—

(1) Where infringing goods, material or articles have been confiscated, an application may be made to the High Court or IP Tribunal,—



- (i) for an order that those be destroyed or forfeited; or
- (ii) for a decision that no such order may be made.

(2) In considering what order, if any, should be made, the IP Tribunal shall consider whether other remedies available in an action for infringement of the registered geographical indication may be adequate to compensate the aggrieved party and protect their interests.

(3) Where there are more persons than one interested in the goods, materials or articles, the IP Tribunal shall make such order as it thinks just.

(4) If the IP Tribunal decides that no order should be made under this section, then the person, in possession of the goods shall be entitled to retain them.

## CHAPTER-VIII

### PENALTIES AND PROCEDURES

39. **Meaning of applying Geographical Indications.**—(1) A person shall be deemed to apply a geographical indication for goods who—

- (i) applies to the goods themselves or uses it in relation to goods;
- (ii) applies to any package in or with which the goods are sold or exposed for sale or had in possession for sale or for any purpose of trade or manufacture; or
- (iii) places, encloses or annexes any goods which are goods which are sold or exposed for sale or had in possession for sale or for any purpose of trade or manufacture in or with any package or other thing to which a trade description has been applied; or
- (iv) uses a geographical indication in any manner reasonably likely to lead to the belief that the goods in connection with which it is used are designed or described by that geographical indication ; or
- (v) in relation to the goods uses a geographical indication in any sign, advertisement, invoice, catalogue, business letter, price list or other commercial documents and goods are delivered or services are rendered to a person in pursuance of a request or order made by reference to the geographical indication as so used.

(2) A geographical indication shall be deemed to be applied to goods whether it is woven in, impressed on, otherwise worked into or annexed or affixed to the goods or to any packaging or other thing.

40. **False application of geographical indication.**—(1) A person shall falsely apply geographical indication if such person uses in the course of trade a geographical indication which—

- (i) is used without the consent of the registrant or authorized user of geographical indication makes the geographical indication or deceptively similar geographical indication; or
- (ii) falsifies any genuine geographical indication, whether by alteration, addition, effacement or otherwise; or
- (iii) where the geographical indication is a well-known geographical indication or has a reputation in Pakistan and the use of the Geographical Indication being without due cause, takes unfair advantage of or is detrimental to the distinctive character or the repute of the geographical indication; or
- (iv) uses such registered geographical indication as his trade name or part of his trade name; or
- (v) uses such registered geographical indication as his domain name or part of his domain name or obtains such domain name without consent of the proprietor of the registered geographical indication, with the intention of selling such domain name to another including the proprietor of the registered geographical indication; or
- (vi) uses any package bearing a geographical indication which is identical with or deceptively similar to the geographical indication of such registrant or authorized user, for the purpose of packing, filling or wrapping therein any goods other than the genuine goods of the authorized user of the geographical indication.

(2) Any geographical indication falsely applied as mentioned in subsection (1), is in this Act referred to as a false geographical indication.

(3) In all legal proceedings, a person who sells or offers goods for sale or puts those on the market or has in possession for sale or any purpose of trade or manufacture any goods bearing a mark which infringes a registered geographical indication, the burden of proving the consent of the registrant or authorized user shall lie on the accused and be treated as a party to infringement of a registered geographical indication, unless he proves that,—

- (i) having taken all reasonable precautions, he had reasons to suspect the genuineness of the geographical indication;
- (ii) on demand made by IP Tribunal or High Court, as the case may be, he gave all the information in his power with respect to the persons from whom he obtained such goods; and
- (iii) he had otherwise acted innocently.

**41. Penalty for applying false geographical indication, etc.—(1)**  
Any person who,—

- (i) falsely applies geographical indication to goods; or
- (ii) applies to any goods to which an indication of the country or place in which they were made or produced or the name and address of manufacture or person for whom the goods are manufactured is required
- (iii) tampers with, alters or effaces an indication of origin which has been applied to any goods; or
- (iv) causes any of the aforementioned things to be done, shall, unless he proves that he acted without intent to defraud,

shall be punished with imprisonment of either description for a term which shall not be less than six months but which may extend to three years, or with fine which shall not be less than ten hundred thousand rupees, or with both.

**42. Penalty of falsely representing a geographical indication as registered.—(1)** No person shall make any representation—

- (i) with respect to a mark not being a registered geographical indication to the effect that it is a registered geographical indication;
- (ii) with respect to a part of a registered geographical indication not being a part separately registered as a geographical indication, to the effect that it is separately registered as a geographical indication;
- (iii) to the effect that a registered geographical indication is registered in respect of any goods in respect of which it is not, in fact, registered; or
- (iv) to the effect that the registration of a geographical indication gives an exclusive right to the use thereof in any circumstances in which,

having regard to limitations entered on the register, the registration does not, in fact, give that right.

(2) If any person contravenes any of the provisions of sub-section (1), he shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to six months, or with fine which shall not be less than five hundred thousand rupees, or with both.

(3) For the purposes of this section, the use in Pakistan in relation to a geographical indication of the word "registered", or of any other expression referring whether expressly or impliedly to registration, shall be deemed to import a reference to registration in the register, except,—

- (i) where that other expression is of itself such as to indicate that the reference is to such registration as is mentioned in clause (i); or
- (ii) where that word is used in relation to a mark registered as a geographical indication under the laws of a country other than Pakistan and in relation solely to goods to be exported to that country.

(4) The Registrar may, either himself or upon a complaint in writing made to him, call upon any person who is allegedly contravening any of the provisions of clauses (i) to (iii) of sub-section (1) to show cause as to why action should not be taken against him:

Provided that power of the Registrar shall be limited to the imposition of fine as provided under sub-section (2), in addition he may refuse the application for registration of the geographical indication if his application for registration of GI as authorized user is pending. In case the authorized user of geographical indication is registered, Registrar may order invalidation of the registration or any combination thereof, as the case may be.

## CHAPTER-IX

### PROHIBITION ON ASSIGNMENT AND TRANSMISSION

43. **Prohibition on transfer etc.**—Notwithstanding anything contained in any law for the time being in force, any right to a registered geographical indication shall not be the subject matter of assignment, transmission, licensing, pledge, mortgage, licensing or any such other agreement by the authorized user, provided that on the death of an authorized user his right in a registered geographical indication shall devolve on his successor in title under the law for the time being in force.

## CHAPTER-X

**RECTIFICATION AND CORRECTION OF THE REGISTER****44. Power to vary a registration, and rectify or correct the Register.—**

(1) Any person having a sufficient interest may apply for the rectification of an error or omission in the Register:

Provided that an application for rectification may not be made in respect of a matter affecting validity of registration of a geographical indication.

(2) The effect of rectification of the register shall be that the error or omission in question shall be deemed never to have been made.

(3) The Registrar may, on application made in prescribed manner, by the registrant or an authorized user enter any change in his name or address as recorded in the register.

(4) The Registrar may, if he considers it necessary, implement any amended or substituted classification of goods for purposes of registration of a geographical indication as may be prescribed.

(5) The existing entries on the register may be amended to record any new classification as may be prescribed.

**45. Power to vary or cancel registration as an authorized user.—**

(1) The registration of a person as an authorized user may be —

- (i) amended, corrected or cancelled by the Registrar on the application by the Registrant of the geographical indication or certification body or organization in the prescribed manner for failure to observe such conditions and restrictions which were pre-requisites of registration as an authorized user;
- (ii) amended, corrected or cancelled by the Registrar on the application in writing in the prescribed manner by an authorized user of the geographical indication; and
- (iii) cancelled by the Registrar as envisaged under clauses (i) and (ii).

(2) Registration of authorized user may be varied or cancelled by IP Tribunal in case of infringement of a registered geographical indication. It may be varied or cancelled by High Court in case an appeal is filed against a decision of registrar or an appeal filed against the order of IP Tribunal; in the prescribed manner by any person aggrieved or organization on the grounds that the

authorized user has used the geographical indication in violation of the provisions of this Act.

46. **Rectification of registration of a trademark.**—The Registrar of Trade Marks Registry may, on his own motion or on application of an interested party, refuse or rectify the registration of a trademark which consists of a geographical indication with respect to goods not originating in the territory indicated, if use of the indication in the trademark for such goods is of such a nature so as to mislead the public with regard to the actual place of origin.

47. **Power of Registrar to withdraw or transfer cases.**—The Registrar may, by order in writing and for reasons to be recorded therein, withdraw any matter pending before an officer appointed under section 5 and deal with such matter himself either *de novo* or from the stage it was so withdrawn or transfer the same to another officer so appointed who may, subject to special directions in the order of transfer, proceed with the matter either *de novo* or from the stage it was so transferred.

48. **Conflicting marks.**—The Registrar shall, *ex officio* or at the request of an interested person, refuse or invalidate registration of an authorized user which contains or consists of a geographical indication to be used with respect to goods of the same or similar description as those designated by that geographical indication.

### MISCELLANEOUS

49. **Procedure before the Registrar.**—(1) In all proceedings before the Registrar under this Act,—

- (i) the Registrar shall have all the powers of a civil court for the purposes of receiving evidence, administering oaths, enforcing attendance of witnesses, compelling discovery and production of documents, issuing commissions for examination of witness and granting a certificate of contested validity; and
- (ii) evidence shall be given by affidavit, provided that the Registrar may, if he thinks fit, take oral evidence in lieu of or in addition to such evidence by affidavit.

(2) The Registrar shall not exercise any powers vested in him under this Act or the rules made thereunder adversely to any party duly appearing before him, without giving such party an opportunity of being heard.

50. **Appeal against decision of the Registrar.**—(1) Save as otherwise expressly provided in this Act, an appeal shall lie, within the prescribed period,

against any decision of the Registrar under this Act or rules made thereunder to the High Court having jurisdiction:

Provided that if any suit or other proceedings concerning the geographical indication in question is pending before an IP Tribunal, the appeal shall lie to the High Court within whose jurisdiction that IP Tribunal is situated.

(2) Subject to the provision of this Act and of rules made thereunder, the provisions of the Code of Civil Procedure, 1908 (Act V of 1908), shall apply to appeal before the High Court.

**51. Application of certain provisions of the Trade Marks Ordinance 2001 (XIX of 2001), including provisions in relation to importation of infringing goods, material or articles.**—The provisions of sections 52 to 68, 101, 104, 113, 119, 126 of the Trade Marks Ordinance 2001 (XIX of 2001) shall have effect to proceedings under this Act, in relation to all such matters referred to and provided therein as they have effect in relation to similar matters under the said Ordinance with respect to goods, except that references to the Ordinance, trademark, Trademarks Registry and district court they shall be deemed to be a reference to this Act, geographical indication, Geographical Indications Registry and IP Tribunal respectively.

**52. Adaptation of classification of goods.**—For the purposes of this Act, the Registrar shall use prescribed classifications, as revised or amended from time to time.

**53. Revocation.**—Any interested person may request the Registrar within twelve months of registration of an authorized user of geographical indication; or the High Court at any time after registration of an authorized user to revoke the registration of a geographical indication on the grounds provided under section 8:

Provided that if any suit or other proceedings concerning the same geographical indication are pending before an IP Tribunal, the application shall be made to the High Court within whose jurisdiction that IP Tribunal is located.

**54. Power of fee setting and collection.**—The concerned Division shall prescribe a schedule of fee and charges for services rendered to the applicants and the public or as otherwise required under this Act. Any fee collected under this Act or the rules shall be deposited in the name of Director General IPO as demand draft or as may be prescribed.

**55. Power to make rules.**—The concerned Division shall make rules, by notification in the official Gazette.

56. **Registrar and other officers not compellable to produce register.**—The Registrar or any officer of the Registry shall not, in any legal proceedings to which he is not a party, be compellable to produce the register or any other document in his custody, the contents of which can be proved by the production of a certified copy issued under the Act or to appear as a witness to prove the matters therein recorded unless by order of the IP Tribunal made for special cause.

57. **Power to remove difficulties.**—If any difficulty arises in giving effect to the provisions of this Act, the Federal Government may, by notification in the official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty.

58. **Repeal and savings.**—(1) Clause (xix) of section 2 of the Trade Marks Ordinance, 2001(XIX of 2001) is hereby repealed.

(2) On the commencement of this Act any geographical indication registered under the Trade Marks Ordinance, 2001(XIX of 2001), shall automatically stand repealed and a fresh registration process under this Act shall require to be initiated. A non-exhaustive indicative list of prospective geographical indications of Islamic Republic of Pakistan is provided for fresh registration process in the Schedule of the Act.

TAHIR HUSSAIN,  
*Secretary.*