[1]CHAPTER XIX

APPEALS AND REVISIONS

[2][**193 Appeals to Collector (Appeals).-** [60][(1) Any person including an officer of Customs aggrieved by any decision or order passed under sections 33, 79, 80 [69][,131] [66][,] 179 [66][and 195] by an officer of Customs below the rank of Additional Collector may prefer appeal to the Collector (Appeals) within thirty days of the date of communication to him of such decision or order:

Provided that an appeal preferred after the expiry of thirty days may be admitted by the Collector (Appeals) if he is satisfied that the appellant has sufficient cause for not preferring the appeal within that period.]

(2) An appeal under this section shall be in such form and shall be verified in such manner as may be prescribed by rules made in this behalf.

(3) An appeal made under this Act shall be accompanied by a fee of one thousand rupees to be paid in the manner that may be prescribed by the Board.

[5a][193A. Procedure in appeal.- (1) The Collector (Appeals) shall give an opportunity to the appellant to be heard if he so desires.

(2) The Collector (Appeals) may, at the hearing of an appeal, allow the appellant to go into any ground of appeal not specified in the ground of appeal, if the Collector (Appeals) is satisfied that the omission of that ground from the grounds of appeal was not willful or unreasonable.

[68][(2A) The Collector (Appeals) may, for a period not exceeding thirty days, stay recovery of duty and taxes on filing of appeal and after affording opportunity of being heard to the officer of the concerned Collectorate or Directorate.]

[5b][(3) The Collector (Appeals) may, after making such further inquiry as may be necessary pass an order, within [48,70][ninety] days from the date of filing of appeal or within such extended period as the Collector (Appeals) may for reasons to be recorded in writing, extend, confirm, modify or annul the decision or order appealed against:

Provided that such extended period shall not exceed [49]{sixty] days unless the Board further extends at any time during the pendency of appeal:]

[50][Provided further that any period during which the hearing of an appeal is adjourned on account of a stay order or alternative dispute resolution proceedings or

the time taken through adjournment by the petitioner not exceeding thirty days, shall be excluded for the purpose of computation of aforesaid period.]

Provided further that, where the Collector (Appeals) is of opinion that any duty has not been levied or has been short-levied or erroneously refunded, no order requiring the appellant to pay any duty not levied, short-levied or erroneously refunded shall be passed unless the appellant is given notice within the time-limit specified in section 32 to show cause against the proposed order.

(4) The order of the Collector (Appeals) disposing of the appeal shall be in writing and shall state that points for determination, the decision thereon and the reasons for the decision.

(5) On the disposal of the appeal, the Collector (Appeals) shall communicate the order passed by him to the appellant, the adjudicating authority and the Collector of Customs].

[6,71,76,81][**194. Appellate Tribunal.-** (1) There shall be established a Customs Appellate Tribunal, hereinafter called as the Appellate Tribunal to exercise jurisdiction, powers and perform functions conferred upon it under this Act.

(2) The Appellate Tribunal shall consist of members who shall be appointed by the Federal Government in such numbers, in accordance with such procedure and on such terms and conditions as the Federal Government may prescribe by rules, which shall be made and take effect notwithstanding anything contained in section 219 of this Act or the Federal Public Service Commission Ordinance, 1977 (XLV of 1977) or any other law or rules, for the time being in force:

Provided that the existing members including Chairman of the Appellate Tribunal shall continue to hold office, on the same terms and conditions as applicable to them prior to the commencement of the Finance Act, 2024, till the completion of their term of office unless removed earlier on the grounds provided in the proviso to sub-section (5).

(3) A person shall be eligible to be appointed as a member of the Appellate Tribunal, if he-

(a) is an advocate of a High Court for not less than fifteen years having expertise in Customs Laws and experience of pleading at least fifty Customs cases at various forums; and possesses such other qualifications as may be prescribed by rules;

(b) is an officer of the Customs Service of Pakistan in BS-21 or above; or

(c) is an officer of the Customs Service of Pakistan in BS-20, having served in such grade for three years or more.

(4) The Federal Government shall appoint any member possessing qualifications provided in clause (a) of sub-section (3) as Chairman of the Appellate Tribunal. The Chairman shall hold office for a period of three years provided that the Federal Government may reappoint the Chairman for such further term or terms as it may deem appropriate.

(5) The members including, the Chairman shall cease to hold office on attaining the age of sixty-two years provided that the members falling under clauses (b) and (c) of sub-section (3) shall cease to hold office on attaining the age of superannuation, under the law regulating their service:

Provided that a member including the Chairman may be removed by the Federal Government, on the recommendation of performance review committee, to be constituted by the rules made under sub-section (2), at any time before the expiry of his term or attaining the age of superannuation, as the case may be, on grounds, inter-alia, of inefficiency or misconduct, as prescribed by the rules made under sub-section (2).]

[9,81]**[194A. Appeals to the Appellate Tribunal**.- (1) Any person or an officer of Customs aggrieved by any of the following orders may appeal to the Appellate Tribunal against such orders:-

(a) a decision or order passed by an officer of Customs not below the rank of Additional Collector under section 179;

(b) an order passed by the Collector (Appeals) under section 193;

(c) an order passed under section 195;

(d) an order passed in revision by the Director General Customs Valuation under section 25D:

Provided that such appeal shall be heard by a special bench of at least two members one Judicial Member and one Technical Member, constituted by the Chairman; and

(e) an appellate order or a quasi-judicial order passed by the Chief Collector of Customs under provisions of this Act and the rules made thereunder provided that such appeal shall be heard by a special bench consisting of one technical member and one judicial member:

Provided that the Appellate Tribunal may, in its discretion, refuse to admit an appeal in respect of an order referred to in sub-section (1) where-

(i) the value of the goods confiscated without option having been given to the owner of the goods to pay a fine in lieu of confiscation under section 181; or

(ii) in any disputed case other than a case where the determination of any question having a relation to rate of duty of customs or to the value of goods for purposes of assessment is in issue or is one of the points in issue, the difference in duty involved or the duty involved; or

(iii) the amount of fine or penalty determined by such order does not exceed fifty thousand rupees.

(2) Every appeal in the prescribed form and accompanied by the prescribed fee so specified in sub section (3) under this section shall be filed, within [82][forty-five days] from the date on which the decision or order sought to be appealed against is communicated to the Board or the Collector of Customs, or as the case may be, the other party preferring the appeal.

(3) An application under sub-section (1) by a person other than an officer of customs, shall be accompanied by a fee of twenty thousand rupees in case of a company, and five thousand rupees in case other than a company.

(4) The Appellate Tribunal may, upon application in writing, admit an appeal after the expiration of the period specified in sub-section (2) if it is satisfied that there was sufficient cause for not presenting it within that period.

(5) Notwithstanding that an appeal has been filed under this section, the assessed or adjudged amount of duty and taxes shall be payable, unless recovery thereof has been stayed by the Appellate Tribunal:

Provided that on filing of application for grant of stay, the Appellate Tribunal may after affording an opportunity of being heard to the Collector having jurisdiction, for reasons to be recorded, stay the recovery of duty and taxes for thirty days, during which period a notice shall be issued to the respondents and after hearing the parties, order may be confirmed or varied as the Tribunal deems fit but stay order shall in no case exceed ninety days [82][:

Provided further that such stay order shall be subject to furnishing of pay order or bank guarantee not less than twenty-five per cent of principal amount by the aggrieved person before the register of the Tribunal.]

(6) Notwithstanding anything in this Act, where any reference or appeal was preferred with the approval of Collector of Customs by the officer of lower rank than that of the Collector and the reference or appeal is pending before an appellate forum or the Court, such reference or appeal shall be deemed to have been so filed by the Collector and for removal of doubt it is hereby declared the pending appeals shall not abate solely on this ground.]

[81][**194B. Decision of appeals by the Appellate Tribunal**.-(1) The Appellate Tribunal may after giving the parties to the appeal an opportunity of being heard, pass such orders thereon as it thinks fit confirming, modifying or annulling the decision or order appealed against. The Appellate Tribunal may record additional evidence and decide the case but shall not remand the case for recording the additional evidence:

Provided that the appeal shall be decided within ninety days of filing the appeal:

Provided further that where an appeal is not decided within the aforesaid period, the Appellate Tribunal with the consent of both parties and upon reasons to be recorded in writing may extend for a further period of sixty days.

(2) At the first hearing of appeal, the Appellate Tribunal shall-

(a) bring to the notice of the Appellant; the provisions relating to alternate dispute resolution under section 195C of the Act; and

(b) in case the Appellant decline the option of alternate dispute resolution and wish to continue with the appeal, fix date or dates for hearing and decision of the appeal in consultation with both the Appellant and Respondent and in accordance with the rules.

(3) The Appellate Tribunal shall decide the appeal on the date or dates fixed, and no adjournment shall be granted except-

(a) where there are compelling reasons for adjournment, to be recorded in writing by the Appellate Tribunal; and

(b) on mandatory payment of such cost as the Appellate Tribunal may deem fit, which shall not be less than fifty thousand rupees.]

(4) The Appellate Tribunal may, at any time within fifteen days from the date of communication of order, with a view to rectifying any clerical, arithmetical errors or error arising therein from accidental slip and omission apparent from the record, amend any order passed by it under-sub-section (1) and shall make such

amendments if the mistake is brought to its notice by the Collector of Customs or the other party to the appeal:

Provided that an amendment which has the effect of enhancing the assessment or reducing a refund or otherwise increasing the liability of the other party shall not be made under this sub-section, unless the Appellate Tribunal has given notice to the party of its intention to do so and has allowed a reasonable opportunity of being heard.

(5) The Appellate Tribunal shall send a copy of every order passed by it under this section, disposing of an appeal, to the officer of Customs and in valuation cases also to the Director General Valuation, and the other party to the appeal:

Provided that the order of the Appellate Tribunal shall remain pending for thirty days, if the Collector or other party to the appeal, prefers a reference to the High Court within this period.

(6) Save as otherwise expressly provided in section 196, an order passed by the Appellate Tribunal in appeal shall be final.]

[81]**[194C. Procedure of Appellate Tribunal**.—(1) The powers and functions of the Appellate Tribunal may be exercised and discharged by Benches constituted by the Chairman from amongst the members thereof.

(2) Subject to the provisions contained in sub-sections (3) and (4), the procedure of the Appellate Tribunal including constitution of benches, case management system, distribution of cases and other matters ancillary or incidental thereto shall be regulated by the rules under this Act.

(3) Every appeal against a decision or order deciding a case involving duty, tax, penalty or fine exceeding five million rupees shall be heard by a Special Bench for hearing such appeals and such Bench shall consist of not less than two members and shall include at least one judicial member and one technical member:

Provided that the Chairman may, for reasons to be recorded in writing, constitute Benches including special Benches consisting of two or more –

(a) technical members; or
(b) judicial members.

(4) The Chairman or any other member of the Appellate Tribunal authorized in this behalf by the Chairman may, sitting singly, dispose of any case which has been allotted to the bench of which he is a member where,-

(a) the value of the goods confiscated without option having been given to the owner of the goods to pay a fine in lieu of confiscation under section 181; or
(b) In any disputed case, the difference in duty or tax involved, or the amount of fine or penalty involved does not exceed five million rupees.

(5) If the members of a Bench differ in opinion on any point, the point shall be decided according to the opinion of the majority, if there is a majority, but if the members are equally divided, they shall state the point or points on which they differ and the case shall be referred by the Chairman for hearing on such point or points by one or more of the other members of the Appellate Tribunal, and such point or points shall be decided according to the opinion of the majority of the members of the Appellate Tribunal who have heard the case including those who first heard it:

Provided that, where the members of a Special Bench are equally divided, the points on which they differ shall be decided by the Chairman.

(6) The Appellate Tribunal shall, for the purposes of discharging its functions, have the same powers as are vested in a court under the Code of Civil Procedure, 1908 (V of 1908), when trying suit in respect of the following matters, namely:-

(a) discovery and inspection;
(b) enforcing the attendance of any person and examining him on oath;
(c) compelling the production of books of account and other documents; and
(d) issuing commissions.

(7) Any proceeding before the Appellate Tribunal shall be deemed to be judicial proceeding within the meaning of sections 193 and 228 and for the purpose of section 196 of the Pakistan Penal Code (Act XLV of 1860), and the Appellate Tribunal shall be deemed to be a Court for all the purposes of sections 480 and 482 of the Code of Criminal Procedure, 1898 (Act V of 1898).]

[30,77][**195. Powers of Board or Chief Collector or Collector to pass certain orders,-(1)** The Board or the Chief Collector [82][or Director General] or the Collector of Customs [82][or Director] may, within his jurisdiction, call for and examine the records of any proceedings under this Act for the purpose of satisfying itself or, as

the case may be, himself as to the legality or propriety of any decision or order passed by a subordinate officer:

[67][(1A) Where it is deemed necessary to pass fresh orders, in respect of proceedings [82][including adjudication proceedings] referred to in sub-section (1), the Board or Collector of Customs [82][or Director] or [73][Chief Collector] [82][or Director General] may pass the order itself or himself, as the case may be, or assign the case to an officer of higher rank, who may have passed the earlier order, for passing such order as he may think fit:]

Provided that no order confiscating goods of greater value or enhancing any fine in lieu of confiscation, or imposing or enhancing any penalty, or requiring payment of any duty not levied or short-levied shall be passed unless the person affected thereby has been given an opportunity of showing cause against it and of being heard in person or through a counsel or other person duly authorized by him.

(2) No record of any proceedings relating to any decision or order passed by an officer of customs shall be called for or examined under sub-section (1) after the expiry of two years from the date of such decision or order.]

[74][(3) The cases records of which are called and examined under sub-section (1) shall be decided within a period of one twenty days further extendable by the Board for another sixty days subject to recording of reasons in writing.]

[33][**195A**. Omitted].

195B. Deposit, pending appeal, of duty demanded or penalty levied.- Where, in any appeal under this Chapter, the decision or order appealed against relates to any duty demanded in respect of goods which are not under the control of the customs authorities or any penalty levied under this Act, the person desirous of appealing against such decision or order shall, pending the appeal, deposit with the proper officer the duty demanded or the penalty levied:

[34][Provided that where in any particular case the Collector (Appeals) or the Appellate Tribunal is of the opinion that the deposit of duty demanded or penalty levied would cause undue hardship to such person, the Collector (Appeals) or, as the case may be, the Appellate Tribunal may dispense with such deposit subject to such conditions as he, or it, may deem fit to impose so as to safeguard the interest of revenue.]

[35][Provided further that an order dispensing with such deposit shall, without effecting the appeal, cease to have effect on the expiration of a period of six months following the day on which it is made unless the appeal is finally decided earlier and nothing in the order dispensing with such deposit which as ceased to have effect

shall debar the appropriate officer to recover the amount of the duty demanded or penalty levied.]

[36,75,81][**195C. Alternative dispute resolution (ADR).-** (1) Notwithstanding anything contained in this Act, or the rules made there under, any aggrieved person, in connection with any dispute pertaining to liability of customs-duty, admissibility of refund or rebate, waiver or fixation of penalty or fine, confiscation of goods, relaxation of any time period or procedural and technical condition which is under litigation in any court of law or an appellate authority, except in the cases where criminal proceedings have been initiated or where interpretation of question of law having larger revenue impact in the opinion of the Board is involved, may apply to the Board for the appointment of a committee for the resolution of dispute in appeal.

(2) The application for alternate dispute resolution under sub-section (1) shall be accompanied by an initial proposition for resolution of the dispute, including an offer of payment of duties and taxes.

(3) The Board may, subject to the provisions of sub-section (1) and (2), after examination of the application of an aggrieved person, appoint a committee, within fifteen days of receipt of such application, consisting of-

(a) a retired judge not below the rank of a judge of a High Court, who shall also be the Chairperson of the Committee, to be nominated by the Board from a panel notified by the Law and Justice Division for such purpose;

(b) an officer of customs not below the rank of Chief Collector having jurisdiction over the case;

(c) a person to be nominated by the applicant from a panel notified by the Board, comprising-

(i) chartered accountants, cost and management accountants and advocates, having minimum ten years experience in the field of taxation;

Provided that the taxpayer shall not nominate a chartered accountant or cost and management accountant or an advocate if the said chartered accountant, cost and management accountant or the advocate is or has been an auditor or an authorized representative of the taxpayer;

(ii) reputable businessmen as nominated by Chambers of Commerce and Industry; and

(iii) officer of Customs Service of Pakistan who stood retired in BS 21 or above:

(4) The Board shall communicate the order of appointment of committee to the aggrieved person, court of law or the appellate authority where the dispute is pending and the concerned Collector.

(5) The committee constituted under sub-section (3) shall examine the issue and may, if it deems necessary, conduct inquiry, seek expert opinion, direct any officer of customs or any other person to conduct an audit and shall decide the dispute by majority, within forty-five days of its constitution extendable by another fifteen days for the reasons to be recorded in writing.

(6) The recovery of duties and taxes payable by the applicant in connection with any dispute for which a committee has been appointed under sub-section (3) shall be deemed to have been stayed from the date of appointment of the committee up to the date of decision of committee or its dissolution, as the case may be.

(7) If the aggrieved person is satisfied with the decision of the committee, he shall withdraw the appeal pending before the court of law or any appellate authority and communicate the order of withdrawal to the Collector within thirty days of the service of the decision.

(8) The decision of the committee under sub-section (5) shall be binding on the Collector subject to the provision of sub-section (7).

(9) Subject to sub-section (7), the Collector shall also withdraw the appeal, if any, pending before any court of law or an appellate authority in respect of dispute as mentioned in sub-section (1) within thirty days of the communication of the order of withdrawal by the aggrieved person to the Collector.

(10) If the committee fails to make recommendations within a stipulated period of sixty days under sub-section (5), the Board shall dissolve the committee by an order in writing and the matter shall be decided by the appellate authority where the dispute is pending.

(11) The Board shall communicate the order of dissolution to the court of Law or the appellate authority and the Collector and the aggrieved person.

(12) The aggrieved person, on receipt of the order of dissolution, shall communicate the order to the appellate authority, which shall decide the appeal

within the stipulated period as provided under the relevant provision, of the communication of the said order.

(13) The aggrieved person shall make payment of customs duty and other taxes as determined by the committee under sub-section (5) and all decisions, orders and judgments made or passed shall stand modified to that extent.

(14) The Board may prescribe the amount to be paid as remuneration for the services of the members of the committee, other than the member appointed under clause (b) of sub-section (3).

(15) The Board may, by notification in the official Gazette make rules for carrying out the purposes of this section, including the procedures and manner of conducting of ADR committee meetings.]

[43,81][**196. Reference to High Court.** – (1) Within thirty days of the [82][date of receipt of] the order of the Appellate Tribunal [82][omitted], the aggrieved person or any officer of Customs not below the rank of Deputy Collector or Deputy Director, authorized by the Collector or Director in writing , may file a reference, in the prescribed form, along with a statement of the case, before the High Court, stating any question of law or a mixed question of law and fact arising out of such order:

Provided that the applicant shall also file complete record of the Appellate tribunal within fifteen days of preferring an application under this section.

(2) A reference to the High Court under this section shall be heard by a Special Bench, constituted for hearing cases under this section, comprising of not less than two judges of the High Court and, the provisions of section 98 of the Code of Civil Procedure, 1908 (Act V of 1908), shall apply to the extent possible to such cases, notwithstanding anything contained in any other law for the time being in force.

(3) The Special Bench shall decide a reference within six months from the date of its filing. The High Court upon hearing a reference under this section shall decide the question of law or a mixed question of law and fact raised in the reference and pass judgment thereon specifying the grounds on which such judgement is based and the Appellate Tribunal's order shall stand modified accordingly. by the reference and pass judgment thereon specifying the grounds on which such judgment is based and the Appellate Tribunal's order shall stand modified accordingly.

(4) The High Court shall establish a case management system to ensure that sufficient number of Special Benches are constituted, so as to ensure that a reference filed under this section is decided within the stipulated six months.

(5) Notwithstanding that a reference has been made to the High Court, the duty shall be payable in accordance with the order of the Appellate Tribunal:

Provided that the recovery shall not be made by the Collector for fifteen days from the date of communication of the order of the Appellate Tribunal:

Provided further that, the amount of duties and taxes if reduced as a result of the judgment in the reference, and any amount of duty and tax is found refundable, the High Court may, on application submitted by an officer of Customs authorized by the Collector or Director , within thirty days of the judgment of the High Court, that he wants to prefer petition for leave to appeal to the Supreme Court, make an order authorizing the Collector to postpone the refund until the disposal of the appeal by the Supreme Court.

(6) Where recovery of duty has been stayed by the High Court by an order, such order shall cease to have effect on the expiration of a period of six months following the day on which it is made unless the reference is decided, or such order is withdrawn by the High Court earlier:

[82][Provided that such stay order shall be subject to furnishing of pay order or bank guarantee not less than twenty-five per cent of the principal amount by the aggrieved person before the nazir of the court.]

(7) Section 5 of the Limitation Act, 1908 (IX of 1908), shall apply to an application made to the High Court under sub-section (1).

(8) An application under sub-section (1) by a person other than the officer of Customs authorized by the Collector or Director shall be accompanied by a fee of fifty thousand rupees.

(9) Notwithstanding anything in this Act where any reference or appeal was preferred with the approval of Collector by the officer below the rank of Collector, and the reference or appeal is pending before appellate forum or the Court, such reference or appeal shall be deemed to have been preferred and shall be deemed always to have been so preferred by the Collector or Director.

(10) The Court shall send a copy of the judgment under the seal of the Court to the Appellate Tribunal.]

[46]**[196H. Exclusion of time taken for copy.-** In computing the period of limitation specified for an appeal or application under this Chapter, the day on which the order complained of was served, and if the party preferring the appeal or making

the application was not furnished with a copy of the order when the notice of the order was served upon him, the time requisite for obtaining a copy of such order, shall be excluded.

196I. Transfer of certain pending proceedings.- (1) Every appeal which is pending before the Board under section 193 as it stood immediately before the appointed day and any matter arising out of or connected with such proceedings shall stand transferred on the appointed day to the Appellate Tribunal and the Appellate Tribunal may proceed with such appeal or matter from the stage at which it then was or may re-hear the same, as it may deem fit.

(2) Every proceeding which is pending immediately before the appointed day before the Board or the Collector of Customs under section 195 as it stood immediately before that day, and any matter arising out of or connected with such proceedings and which is so pending shall continue to be dealt with by the Board or the Collector of Customs, as the case may be, as if the said section had not been substituted.

(3) Every proceeding pending before the Federal Government under section 196 as it stood immediately before the appointed day and any matter arising out of or connected with such proceedings which is so pending shall stand transferred to the Appellate Tribunal and Appellate Tribunal may proceed with such proceedings or matter from the stage at which it then was or may re-hear the same, as it may deem fit, as if such proceedings or matter were an appeal filed before it:

Provided that if any such proceeding or matter relates to an order where-

(a) the value of the goods confiscated without option having been given to the owner of the goods to pay a fine in lieu of confiscation under section 181; or

(b) in any disputed case, other than a case where the determination of any question having a relation to the rate of duty of customs or to the value of goods for purposes of assessment is in issue or is one of the points in issue, the difference in duty involved or the duty involved; or

(c) the amount of fine or penalty determined by such order; does not exceed ten thousand rupees, such proceeding or matter shall continue to be dealt with by the Federal Government as if the said section 196 had not been substituted:

Provided further that the applicant or the other party may make a demand to the Appellate Tribunal that, before proceeding further with that proceeding or matter; he may be re-heard.

196J. Definitions.- In this Chapter;

(a) "Appointed day" means the date of the coming into force of the Finance Act,1989;

(b) "High Court" means in relation to any province, the High Court for the Province;

(d) "Chairman" means the Chairman of the Appellate Tribunal.]

LEGAL REFERENCE

1. *Chapter XIX substituted by the Finance Act, 1989 (V of 1989), S.5(6), page 107. The previous Chapter contained Sections 193, 194, 195 and 196. At the time of substitution Chapter XIX was as under:-*

"193. Appeal.- Any person aggrieved by any decision or order passed by an officer of customs under this act may, [1a][within thirty days of the date of receipt of such decision or order], appeal there from to the Board, or, in such cases as the [1b][Federal Government] directs, to any officer of customs not lower in rank than a Deputy Collector of Customs, and the appellate authority may thereupon make such further inquiry as it may consider necessary, and, after giving him an opportunity of being heard if he so desires, pass such order as it thinks fit, confirming, altering or annulling the decision or order appealed against:

Provided that no order confiscating goods of greater value, or enhancing any fine in lieu of confiscation, or imposing or enhancing any penalty, or requiring payment of any duty not levied or short-levied shall be passed unless the person affected thereby has been given an opportunity of showing cause against it and of being heard in person or through a counsel or other person duly authorised by him.

194. Deposit, pending appeal, of duty demanded or penalty levied.- (1) Any person desirous of appealing under section 193 against any decision or order relating to any duty demanded in respect of goods which have ceased to be under the control of customs authorities or to any penalty levied under this Act shall, at the time of filing his appeal or if he is so permitted by the appellate authority at any later stage before the consideration of the appeal, deposit with the appropriate officer the duty demanded or levied.

Provided that such person may, instead of depositing an aforesaid the entire amount of the penalty, deposit only fifty per cent thereof and furnish a guarantee from a scheduled bank for the due payment of the balance:

Provided further that where, in any particular case, the appellate authority is of the opinion that the deposit of duty demanded or penalty levied will cause undue hardship to the appellant, it may dispense with such deposit either unconditionally or subject to such conditions as it may deem fit to impose.

195. Power of the Board to call for and examine records etc.- [1c](1) The Board or the Collector of Customs, within his jurisdiction may call for and examine the records of any proceedings under this Act for the purpose of satisfying itself

196. or, as the case may be, himself as to the legality or propriety of any decision or order passed therein by a subordinate officer and may pass such order as it to he may think fit:

Provided that no order confiscating goods of greater value, or enhancing any fine in lieu of confiscation, or imposing or enhancing any penalty or requiring payment of any duty not levied or short-levied shall be passed unless the person affected thereby has been given an opportunity of showing cause against it and of being heard in person or through a counsel or other person duly authorised by him.]

(2) No record of any proceedings relating to any decision or order passed by an officer of customs shall be called for and examined under sub-section (1) after the expiry of two years from the date of such decision or order.

196. Revision by the [1b]{Federal Government].- The [1b][Federal Government] may, on the application of any person aggrieved by any decision or order passed under section 193, [1d][194 or 195], if the application is made [1e][within thirty days of the date of receipt of such decision or order], pass such order in relation thereto as it thinks fit:

Provided that no order confiscating goods of greater value, or enhancing any fine in lieu of confiscation, or imposing or enhancing any penalty, or requiring payment of any duty not levied or short-levied shall be passed unless the person affected thereby has been given an opportunity of showing cause against it and of being heard in person or through a counsel or other person duly authorised by him."

1a. Substituted for the words "within three months of the date of such decision or order" by the Finance Ordinance, 1972 (XXI of 1972).
1b.. Substituted for the words "Central Government" by the Finance Ordinance, 1972 (XXI of 1972), S.3, page 56 and Second Schedule, S.1, page 76.
1c. Substituted by the Finance Act, 1975 (L of 1975). At the time of substitution was as under:-
(i) The Board may on its own motion call for an examine the records of any proceedings under this Act for the purpose of satisfying itself as to the legality or propriety of any decision or order passed therein by an officer subordinate to it and may pass such orders as it thinks fit:

Provided that no order confiscating goods of greater value, or enhancing any fine in lieu of confiscation, or imposing or enhancing any penalty, or requiring payment of any duty not levied or short levied shall be passed unless the person affected thereby has been given an opportunity of showing cause against it and of being heard in person or through a counsel or other person duly authorised by him.

1d. Substituted for the words and figure "by an officer of Customs or the Board, or an order passed under Section 195 by the Board confiscating goods of greater value or enhancing any fine in lieu of confiscation or imposing or enhancing any penalty or requiring payment of any duty not levied or short-levied" by the Finance Act, 1975.

1e. Substituted for the words "within four months of the date of such decision or order" by the Finance Ordinance,1972 (XXI of 1972)"

2. Section 193 was omitted by the Finance Ordinance, 2000 (XI of 2000) and added by the Finance Ordinance, 2002 (XXVII of 2002), S.4(10), page 224. At the time of omission section 193 was as under:-

"[2a]{**193. Appeals to Collector (Appeals).-** (1) Any person aggrieved by any decision or order passed under this Act by an officer of customs lower in rank than a Collector of Customs [2b][, other than a notice of demand served under section

202,] may appeal to the Collector (Appeals) within thirty days of the date of the communication to him of such decision order:

Provided that an appeal filed after the expiry of thirty days may be admitted by the Collector (Appeals) if he is satisfied that the appellant had sufficient cause for not filing the appeal within that period.

(2) An appeal under this section shall be such form and shall be verified in such manner as may be specified by rules made in this behalf.]
[2c][(3) An appeal made under this Act shall be accompanied by a fee of one thousand rupees to be paid in the manner prescribed.]"

2a. Substituted by the Finance Act, 1989, S
2b. Inserted by the Finance Act, 1995 (I of 1995), S.
2c. Added by the Finance Act, 1989

3. Substituted by Finance Act, 2005
4. Substituted for the word and figure "section 179 of this Act by an officer of Customs" by the Finance Act, 2006.
5. Omitted Finance Act, 2005..

5a. Omitted by the Finance Ordinance, 2000 (XXI of 2000), S.4(8), page 202, at the time of omission section 193-A was as under and added by the Finance Ordinance, 2002 (XXVII of 2002):

"**193-A. Procedure in appeal.-** (1) The Collector (Appeals) shall give an opportunity to the appellant to be heared if he so desires.

(2) The Collector (Appeals) may, at the hearing of an appeal, allow the appellant to go into any ground of appeal not specified in the grounds of appeal, if the Collector (Appeals) is satisfied that the omission of that ground from the grounds of appeal was not wilful or unreasonable.

(3) The Collector (Appeals) may, after making such further inquiry as may be necessary, pass such order as he thinks fit conforming, modifying or annulling the decision or order appealed against, or may refer the case back to the adjudicating authority with such direction as he may think fit for a fresh adjudication or decision, as the case may be, after taking additional evidence, if necessary:

Provided that an order enhancing any penalty or fine in lieu of confiscation or confiscating goods of greater value or reducing the amount of refund shall not be passed unless the appellant has been given a reasonable opportunity of showing cause against the proposed order:

Provided further that, where the Collector (Appeals) is of the opinion that any duty has not been levied or has been short-levied or erroneously refunded, no order requiring the appellant to pay any duty not levied, short levied or erroneously refunded shall be passed unless the appellant is given notice within the time limit specified in section 32 to show cause against the proposed order.

(4) The order of the Collector (Appeals) disposing of the appeal shall be in writing and shall state the points for determination, the decision thereon and the reasons for the decision.

(5) On the disposal of the appeal, the Collector (Appeals) shall communicate the order passed by him to the appellant, the adjudicating authority and the Collector of Customs.]

5b. *Substituted by the Finance Act, 2007. Before substitution it was as under:-*

"(3) The Collector (Appeals) may, after making such further inquiry as may be necessary, pass such order as he thinks fit, confirming, modifying or annulling the decision or order appealed against, or may refer the case back to the adjudicating authority with such direction as he may think fit for a fresh adjudication or decision, as the case may be, after taking additional evidence, if necessary:

Provided that an order enhancing any penalty or fine in lieu of confiscation or confiscating goods of greater value or reducing the amount of refund shall not be passed unless the appellant has been given a reasonable opportunity of showing cause against the proposed order:"

6 *Substituted by the Finance Act, 1989 (V of 1989), S.5(6), page 108. At the time of substitution section 194 was as under:-*

"194. Deposit, pending appeal, of duty demanded or penalty levied.- (1) Any person desirous of appealing under section 193 against any decision or order relating to any duty demanded in respect of goods which have ceased to be under the control of customs authorities or to any penalty levied under this Act shall, at the time of filing his appeal or if he is so permitted by the appellate authority at any later stage before the consideration of the appeal, deposit with the appropriate officer the duty demanded or the penalty levied:

Provided that such person may, instead of depositing as aforesaid the entire amount of the penalty, deposit only fifty per cent thereof and furnish a guarantee from a scheduled bank for the due payment of the balance: Provided further that where, in any, particular case, the appellate authority is of the opinion that the deposit of duty demanded or penalty levied will cause undue hardship to the appellant, it may dispense with such deposit, either unconditionally or subject to such conditions as it may deem fit to impose.

(2) If, upon an appeal it is decided that the whole or any portion of the aforesaid duty or penalty was not leviable, the appropriate officer shall return to the appellant such amount or portion as the case may be.

7. *Substituted by the Finance Act, 1999 (IV of 1999), S.5(10)(11)(a), page 769. At the time of substitution sub-section (2) was as under:-* "(2) A judicial member shall be a person who is a Judge of a High Court who has for a period of not less than five years exercised the powers of a District Judge and is qualified to be a Judge of a High Court or who is or has been an Advocate of a High Court and is qualified to be a Judge of High Court.".

7a. *Substituted by the Finance Act, 2007. Before substitution it was as under:-*

"(3) A technical member shall be an officer of Customs and Excise Group equivalent in rank to that of a Member, Central Board of Revenue."

8. *Proviso omitted by the Finance Act, 1999 (IV of 1999), S.5(10(11)(b), page 769. At the time of omission this proviso was as under:-*

"Provided that where a Judge of High Court is appointed as the Chairman of the Appellate Tribunal his term and conditions shall be the same as those of a Judge of the High court.".

9. *Added by the Finance Act, 1989 (V of 1989), S.5(6), page 107.*
10. *Inserted by the Finance Ordinance, 2000 (XXI of 2000), S.4(9)(a)(I), page 202.*
11. *Substituted by the Finance Ordinance, 2001 (XXV of 2001), S.4(8)(a)(I), page 307. At the time of substitution this was as under:-*
"(a) a decision or order passed by the [11a][an officer of customs] as an adjudicating authority]"
11a. Substituted for the words "the Collector of Customs" by the Finance Ordinance, 2000 (XXI of 2000),S.4(9)(a)(ii), page 202.

12. *Inserted by the Finance Ordinance, 2002 (XXVII of 2002), S.4(11)(a)(I), page 226.*
13. *Omitted by the Finance Ordinance, 2000(XXV of 2000), S.4(9)(a)(iii) at the time of mission this was a under:-*
"(b) an order passed by the Collector (Appeals) under section 193;".

14. *Omitted the comma and words ",as it stood immediately before the appointed day" by the Finance Act, 1995 (I of 1995), S.6(2)(I), page 511.*
15. *The first proviso omitted by the Finance Ordinance, 2002 (XXVII of 2002), S.4(11)(a)(ii), page 226. At the time of omission this proviso was as under:-*
"Provided that no appeal shall lie to the Appellate Tribunal, and the Appellate Tribunal shall not have jurisdiction to decide any appeal, in respect of any order referred to in sub-section (1) if such order relates to –
(a) any goods imported or exported as baggage;
(b) any goods loaded in a conveyance for importation into Pakistan, but which are not unloaded at their place of destination in Pakistan; or so much of the quantity of such goods as has not been unloaded at any such destination if goods unloaded at such destination are short of the quantity required to be unloaded at that destination;
(c) repayment of customs-duty under clause (c) of section 21;
(d) payment of drawback as provided in Chapter VI, and the rules made thereunder :"

16. *The word "further" omitted by the Finance Ordinance, 2002 (XXVII of 2002), S.4(11)(iii), page 226.*

17. *Substituted for the word "ten" by the Finance Ordinance, 2000 (XXI of 2000), S.4(9)(a)(iv), page 202.*
18. *Substituted by the Finance Act, 2007. Before substitution it was as under:-*

[18a][(2) The Board or the Collector of Customs may, if it or, as the case may be, he is of the opinion that an order passed by the Collector (Appeals) under section 193 is not legal or proper, direct the appropriate officer to appeal on its or, as the case may be, his behalf to the Appellate Tribunal against such order.]

18a. Omitted by the Finance Ordinance, 2000 (XXI of 2000), S.4(9)(b), page 203 and added by the Finance Ordinance, 2002 (XXVII of 2002), S.4(11)(b), page 226. At the time of omission this sub-section was as under:-
"(2) The Board or the Collector of Customs may, if it or, as the case may be, he is of the opinion that an order passed by the Collector (Appeals) under section 193 is not legal or proper, direct the appropriate officer to appeal on its or, as the case may be, his behalf to the Appellate Tribunal against such order.".

19. *The words brackets and figure "an appeal referred to in sub-section (2) or" omitted by the Finance Ordinance, 2000 (XXI of 2000), S.*

20. *Substituted for the word "[20a][seven hundred fifty]" by the Finance Ordinance, 2002 (XXVII of 2002), S.4(11)(c), page 226.*

    20a. *Substituted for the words "two hundred" by the Finance Ordinance, 2001 (XXV of 2001), S.4(8)(b), page 307.*

21. *Added by the Finance Ordinance, 2000 (XXI of 2000), S.4(9)(d), page 203.*

21a. *Added by the Finance Act, 2007.*

21b. *Substituted by the Finance Act, 2007.Before substitution it was as under:-*

"(1) The Appellate Tribunal may, after giving the parties to the appeal an opportunity of being heard, pass such orders thereon as it thinks fit, confirming, modifying or annulling the decision or order appealed against or may refer the case back to the authority which passed such decision or order with such directions as the Appellate Tribunal may think fit, for a fresh adjudication or decision, as the case may be, after taking additional evidence, if necessary [22][:]

[23][Provided that the appeal shall be decided within sixty days of filing the appeal or within such extended period as the Tribunal may, for reasons to be recorded in writing fix, provided that such extended period shall not in any case exceed ninety days.]"

21c. *For the word "three" the word "one" was substituted by the FA,2007.*

22. *Substituted for full stop by the Finance Ordinance, 2000 (XXI of 2000), S.4(10)(I), page 203.*

23. *Inserted by the Finance Ordinance, 2000 (XXI of 2000), S.4(10(I), page 203.*

24. *Substituted for the words "Collector of Customs" by the Finance Ordinance, 2000 (XXI of 2000), S.4(10)(ii), page 203.*

25. *Substituted for the words and figures "section 196 and 19G" by the Finance Act, 1997.*

25a *For the words " relating, among other things, to the determination of any question having a relation to the rate of duty of customs or to the value of goods for purposes of assessment," the words "deciding a case involving duty, tax, penalty or fine exceeding five million rupees" were substituted by the Finance Act, 2007.*

26. *Substituted for the full stop by the Tax Laws (Amendment) Ordinance, 2001 (XIII of 2001).*

27. *Added by Tax Laws (Amendment) Ordinance, 2001 (XIII of 2001).*

28. *Inserted by the Tax Laws (Amendment) Ordinance, 2001 (XIII of 2001).*

28a. *Following explanation was omitted by the FA, 2007:-*

"Explanation:- For the purposes of this sub-section, the expression "cases" means the matters involving decisions other than decisions in relation to a question of law under this Act or the Central Excises Act, 1944 (I of 1944) or as the case may be, the Sales Tax Act, 1990.]"

28b. *Omitted by the FA, 2007.At the time of omission it was as under :-*

(b)in any disputed case, other than a case where the determination of any question having a relation to the rate of duty of customs or to the value of goods for purposes of assessment is in issue or is one of the points in issue, the difference in duty involved or the duty involved; or"

28c. *Substituted by the FA, 2007.At the time of substitution it was as under :-*

"(c) the amount of fine or penalty involved does not exceed [29&29a][fifteen hundred thousand rupees]."

29. *Substituted for the words "one hundred thousand rupees" by the Finance Act, 2003 (I of 2003), S.5(33), page 40.*

29a. *Substituted for the word "five" by the Finance Act, 2006.*

30. *Substituted by the Finance Act, 1995 (I of 1995), S.6(3), page 511. At the time of substitution section 195 was as under:-*

"195. Powers of Board or Collector of Customs to pass certain orders.- (1) The Board may, of its own motion, call for and examine the record of any proceeding in which a Collector of Customs as an adjudicating authority has passed any decision or order under this Act for the purpose of satisfying itself as to the legality or propriety of any such decision or order and may, by order, direct the Collector to apply to the Appellate Tribunal for the determination of such points arising out of the decision or order as may be specified by the Board in its orders.

(2) The Collector of Customs, may, of his own motion, call for and examine the record of any proceeding in which an adjudicating authority subordinate to him has passed any decision or order under this Act for the purpose of satisfying himself as to the legality or propriety of any such decision or order and may, by order, direct such authority to apply to the Collector (Appeals) for the determination of such points arising out of the decision or order as may be specified by the Collector of Customs in his order.

(3) No order shall be made under sub-section (1) or sub-section (2) after the expiry of one year from the date of the decision or order.

(4) Where in pursuance of an order under sub-section (1) or sub-section (2) the Collector of Customs or any officer of Customs authorised in his behalf by him makes an application to the Appellate Tribunal or the Collector (Appeals) within a period of thirty days from the date of communication of the order under sub-section (1) or sub-section (2), such application shall be heard by the Appellate Tribunal or the Collector (Appeals), as the case may be, as if such application were an appeal made against the decision or order of the adjudicating authority and the provisions of the Act regarding appeals including the provisions of sub-section (4) of section 196 shall, so far as may be, apply to such application.

(5) The Board, or the Collector of Customs within his jurisdiction, may call for and examine the record of any decision or order where the decision or order is of the nature referred to in the first proviso to sub-section (1) of section 194A for the purpose of satisfying itself or, as the case may be, himself as to the legality or propriety of the decision or order passed therein by a subordinate officer and may pass such order as it or he may think fit:

Provided that no order confiscating goods of greater value, or enhancing any fine in lieu of confiscation, or imposing or enhancing any penalty, or requiring payment of any duty not levied or short levied or reducing the amount of repayment of customs duty or drawback shall be passed unless the person affected thereby has been given an opportunity of showing cause against it and of being heard in person or through a counsel or other person duly authorised by him:

Provided further that no record of any proceedings relating to any decision or order passed by an officer of customs shall be called for and examined after the expiry of two years from the date of such decision or order.".

31. *Omitted the words "of Customs" by the Finance Act, 2003 (I of 2003), S.5(34)(I), page 41.*

32. *Inserted by the Finance Act, 2003 (I of 2003), S.5(34)(ii), page 41.*

32A. *Omitted the words "or the Collector of Customs (Adjudication)" by the Finance Act, 2006.*

33. *Omitted by the Finance Act, 2000 (XXI of 2000), S.4(11), page 203. At the time of omission section 195-A was as under:-*

"[33a][195-A. Revision by the Federal Government.- (1) The Federal Government may, on the application of any person aggrieved by any order passed under section 193, where the order is of the nature referred to in the first proviso to sub-section (1) of section 194-A annual or modify such order.

(2) An application under sub-section (1) shall be made within thirty days from the date of the communication to the applicant of the order against which the application is being made:

Provided that the Federal Government may permit the filing of application after the expiry of relevant period referred to in sub-section (2) if it is satisfied that there was sufficient cause for not presenting it within that period.

(3) An application under sub-section (1) shall be in such form and shall be verified in such manner as may be specified by rules made in this behalf and shall be accompanied by a fee of two hundred rupees.

(4) The Federal Government may, of its own motion, annual or modify any order referred to in sub-section (1).
(5) No order enhancing any penalty or fine in lieu of confiscation or confiscating goods of greater value shall be passed under this section --
(a) in any case in which an order passed under section 193 has enhanced any penalty or fine in lieu of confiscation or has confiscated goods of greater value; and (b) in any other case, unless the person affected by the proposed order has been given notice to show cause against it within one year from the date of the order sought to be annulled or modified.
(6) Where the Federal Government is of the opinion that any duty of customs has not been levied or has been short levied or has been erroneously refunded, no order levying or enhancing the duty shall be made under this section unless the person affected by the proposed order is given notice to show cause against it within the time limit specified in section 32.]"
33a. Substituted for section 196 by the Finance Act, 1989.

34. Substituted by the Finance Ordinance, 2002 (XXVII of 2002), S.4(12), page 227. At the time of substitution this proviso was as under:-,

"Provided that, where in any particular case the Appellate Tribunal is of opinion that the deposit of duty demanded or penalty levied would cause undue hardship to such person. the Appellate Tribunal may dispense with such deposit subject to such conditions as it may deem fit to impose so as to safeguard the interests of revenue:

35. Added by the Tax Law (Amendment) Ordinance, 1999.
36. Inserted by the Finance Act, 2004 (II of 2004), S.3(20), page 17
36a. By the Finance Act, 2006 the word "Alternate" were substituted .
36b. Substituted by the Finance Act, 2007. Before substitution it was as under:-

"(1) Notwithstanding any other provision of this Act, or the rules made there under, any aggrieved person in connection with any matter of Customs pertaining to liability of customs duty, admissibility of refund or rebate, waiver or fixation of penalty or fine, confiscation of goods, relaxation of any time period or procedural and technical condition may apply to the Central Board of Revenue for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application [36c][:]

[36c][Provided that only those disputes which are under litigation, in any court of law or an appellate authority, shall be entertained for dispute resolution under the provisions of this section.]

(2) The Central Board of Revenue, after examination of the application of an aggrieved person, shall appoint a committee consisting of an officer of customs and two persons from a notified panel of [37][retired District and Sessions Judge and retired Judges of High Court or] Chartered or Cost Accountants, Advocates Tax Consultants or reputable taxpayers for the resolution of the hardship or dispute."

36c. Substituted/Added by the Finance Act, 2006
37. Inserted by the Finance Act, 2006.
38. Inserted by the Finance Act, 2006.
38a. For the words "forty-five", the word "sixty" was substituted by the FA,2007.
39. Substituted for the full stop by the Finance Act, 2006.
40. Added by the Finance Act, 2006.
41. Inserted by the Finance Act, 2006.

42. *Omitted by Finance Act, 2005.*
43. *Substituted "Sections 196 to 196G" by the Finance Act, 1997 (XXII of 1997), S.5, page 1219. At the time of substitution these sections were as under:-*

"196. Statement of case to High Court.- (1) The Collector of Customs, or the other party may, within thirty days of the date upon which he is served with notice of an order under section 194-B (not being an order relating among other things, to the determination of any question having a relation to the rate of duty of customs or to the value of goods for purposes of assessment), by application in such form as may be specified by rules made in this behalf, accompanied, where the application is made by the other party, by a fee of two hundred rupees, require the Appellate Tribunal to refer to the High Court any question of law arising out of such order and subject to the other provisions contained in this section, the Appellate Tribunal shall, within one hundred and twenty days of the receipt of such application, draw up a statement of the case and refer it to the High Court:

Provided that the Appellate Tribunal may, if it is satisfied that the applicant was prevented by sufficient cause from presenting the application within the period herein before specified, allow it to be presented, within a further period not exceeding thirty days.

(2) On receipt of notice that an application has been made under sub-section (1), the person against whom such application has been made, may, notwithstanding that he may not have filed such an application, file, within forty-five days of the receipt of the notice, a memorandum of cross-objectives verified in such a manner as may be specified by rules made in this behalf against any part of the order in relation to which an application for reference has been made and such memorandum shall be disposed of by the Appellate Tribunal as if it were an application presented within the time specified in sub-section (1).

(3) If, on an application made under sub-section (1), the Appellate Tribunal refuses to state the case on the ground that no question of law arises, the Collector of Customs, or, as the case may be, the other party may, within one hundred twenty days from the date on which he is served with notice of such refusal, apply to the High Court and the High Court may, if it is not satisfied with the correctness of the decision of the Appellate Tribunal, require the Appellate Tribunal to state the case and to refer it, and on receipt of any such requisition, the Appellate Tribunal shall state the case and refer it accordingly.

(4) Where in the exercise of the powers under sub-section (3), the Appellate Tribunal refuses to state a case which it was required by an applicant to state, the applicant may, within thirty days from the date on which he receives notice of such refusal, withdraw his application and, if he does so, the fee, if any, paid by him shall be refunded.

196-A. Statement of case to Supreme Court in certain cases.- If, on an application made under section 196, the Appellate Tribunal is of the opinion that, on account of conflict in the decision of High Court in respect of any particular question of law, it is expedient that a reference should be made direct to the Supreme Court, the Appellate Tribunal may draw up a statement of the case and refer it through the Chairman direct to the Supreme Court.

196-B. Power of High Court or Supreme Court to require statement to be amended.- If the High court or the Supreme Court is not satisfied that the statement in a case referred to it is sufficient to enable it to determine the questions raised thereby, the court may refer the case back to the Appellate Tribunal for the purpose of making such additions thereto or alterations thereto or alterations therein as it may direct in this behalf.

196-C. Case before High Court to be heard by not less than two Judges.- (1) When any case has been referred to the High Court under Section 196, it shall be heard by a Bench of not less than two Judges of the High Court and shall be decided in accordance with the opinion of such Judges or of the majority, if any, of such Judges. (2) Where there is no such majority, the Judges shall state the point of law upon which they differ and the case shall then be heard upon that point only by one or more of the other Judges of the High

Court designated by the Chief Justice, and such point shall be decided according to the opinion of the majority of the Judges who have heard the case including those who first heard it.

196-D. Decision of High Court or Supreme Court on the case stated.- (1) The High Court or the Supreme Court hearing any such case shall decide the question of law raised therein, and shall deliver its judgment thereon containing the grounds on which such decision is founded and a copy of the judgment shall be sent under the seal of the Court and the signature of the Registrar to the Appellate Tribunal which shall pass such orders as are necessary to dispose of the case in conformity with such judgment.

(2) The costs of any reference to the High Court or the Supreme Court, which shall not include the fee for making the reference, shall be in the discretion of the Court.

196-E. Appeal to Supreme Court.- An appeal shall lie to the Supreme Court from –

(a) any judgment of the High Court delivered on a reference made under section 196 in any case which, on its own motion or on an oral application made by or on behalf of the party aggrieved, immediately after the passing of the judgment, the High Court certifies to be a a fit one for appeal to the Supreme Court, or

(b) any order passed by the Appellate Tribunal relating, among other things, to the determination of any question having a relation to the rate of duty of customs or to the value of goods for purposes of assessment.

196-F. Hearing before Supreme Court.- (1) The provisions of the Code of Civil Procedure, 1908 (V of 1908), relating to appeals to the Supreme Court shall, so far as may be, apply in the case of appeals under section 196 as they apply in the case of appeals from decrees of a High Court:

Provided that nothing in this sub-section shall be deemed to affect the provisions of sub-section (1) of section 196 or section 196G.

(2) The cost of the appeal shall be in the discretion of the Supreme Court.

(3) Where the judgment of the High Court is varied or reversed in the appeal, effect shall be given to the order of the Supreme Court in the manner provided in section 196 in the case of a judgment of the High Court.

196-G. Sums due to be paid notwithstanding reference etc.- Notwithstanding that a reference has been made to the High Court or the Supreme Court or an appeal has been preferred to the Supreme Court, sums due to the Government as a result of an order passed under sub-section (1) of section 194-B shall be payable in accordance with the order so passed.".

44. *Substituted sub-section(1)of section 196 by the Finance Act, 2006 At the time of substitution the sub-section (1) was as under:-.*

"(1) Within ninety days of the communication of order of the Appellate Tribunal under sub-section (3) of section 194B, the aggrieved person or the Collector may prefer an application, in the prescribed form along with a statement of the case, to the High Court, stating any question of law arising out of such order."

44a. *Inserted by the Finance Act, 2007.*

45. *Inserted by the Finance Act, 2006.*

46. *Added by the Finance Act, 1989*

47. *Substituted and inserted by the Finance Act,2008(I of 2008) (Page-46).*

48. *The word "ninety" substituted with the word "one hundred and twenty" by FINANCE ACT,2009.*

49. *The words "ninety" substituted with the word "Sixty" by Finance Act,2009.*

50. Inserted by Finance Act,2009.

51. *This proviso "P*rovided further that such extended period shall in no case exceed ninety days.] " substituted by Finance Act,2009.

52. The proviso "Provided further that any Bench referred to in clause (a) shall not hear the matters involving question of law." Omitted by Finance Act,2009.

53. The word "ten" substituted with the word "five" by Finance Act,2009.

54. The word "sixty" substituted with word "ninety" by Finance Act,2009.

55. The colon substituted with the words full stop and proviso "Provided that the period of [38a][sixty] days stipulated for making the recommendations may be extended by the Board for another [38a][sixty] days on specific request of the committee", omitted by Finance Act,2009.
56. Inserted by Finance Act,2009.
57. Inserted by Finance Act,2009.
58. The words "Excise and Sales Tax", omitted by Finance Act,2010.
59. Added by Finance Act,2010.
60. Substituted for the words "(1) Any person [3] [other than] an officer of customs aggrieved by any decision or order passed under [4][sections 79, 80 and 179 of this Act by an officer of customs not below the rank of an Assistant Collector] [5][*****] may prefer appeal to the Collector (Appeals) within thirty days of the date of communication to him of such decision or order:
 Provided that an appeal preferred after the expiry of thirty days may be admitted by the Collector (Appeals) if he is satisfied that the appellant had sufficient cause for not preferring the appeal within that period." by Finance Act, 2012
61. Inserted by Finance Act, 2012.
62. Inserted by Finance Act, 2013.
63. Substituted for the words "Customs and Excise Group" by Finance Act, 2014.
64. Substituted for the word "five" by Finance Act, 2014.
65. Added vide Finance Act, 2016.
66. Inserted by Finance Act, 2017, At the time of substitution the position was :
 "an order passed by the Board or the Collector of Customs under section 195"
67. Inserted by Finance Act, 2017.
68 Inserted by Finance Act, 2018.
69. Inserted by Finance Act, 2019.
70. Substituted by Finance Act, 2019. At the time of substitution the words was "one hundred and twenty"
71. Substituted by Finance Act 2019. At the time of substitution the section was:

[**194. Appellate Tribunal.-** (1) The Federal Government shall constitute an Appellate Tribunal to be called the Customs [58][Omitted] Appellate Tribunal consisting of as many judicial and technical members as it thinks fit to exercise the powers and discharge the functions conferred on the Appellate Tribunal by this Act.

[7][(2) A judicial member shall be a person who has been a Judge of the High Court, or is or has been a District Judge and is qualified to be a Judge of High Court, or is or has been an advocate of a High Court and is qualified to be a Judge of a High Court.]

[7a][(3) A technical member shall be an officer of [63][Pakistan Customs Service] equivalent in rank to that of a Member of the Board or Chief Collector of Customs or Director General or a senior Collector with [64][three] years experience in that position.]

(4) The Federal Government shall appoint one of the members of the Appellate Tribunal to be the Chairman thereof.

(5) The terms and conditions of appointment of the Chairman and judicial and technical members shall be such as the Federal Government may determine.

[8][* * * * * * *].

72. Inserted by Finance Act, 2019
73. Substituted by Finance Act, 2019. At time of substitution the words was "Collector of Customs (Adjudication)".
74. Added by Finance Act, 2019.
75. Substituted by Finance Act, 2019. At the time of substituteion the 195C section was :

[195C. [36a][Alternative] Dispute Resolution.- [36b][(1) Notwithstanding anything in this Act, or the rules made there under, any aggrieved person, in connection with any dispute pertaining to liability of customs-duty, admissibility of refund or rebate, waiver or fixation of penalty or fine, confiscation of goods, relaxation of any time period or procedural and technical condition which is under litigation in any Court of law or an Appellate Authority, except in the cases where first information reports (FIRs) have been lodged or criminal proceedings have been initiated or where interpretation of question of law having larger revenue impact in the opinion of the Board is involved, may apply to the Board for the appointment of a Committee for the resolution of dispute in appeal.

(2) Subject to the provision of sub-section (1), the Board, after examination of the application of an aggrieved person, may appoint a committee, within thirty days of receipt of such application, consisting of an officer of customs [not below the rank of Collector]

and two persons from a notified panel of retired District and Sessions judge and retired judges of High Court or Chartered or Cost Accountants, Advocates, Tax consultants or reputable taxpayers for the resolution of the hardship or dispute.]

(3) The committee constituted under sub-section (2) shall examine the issue and may, if it deems necessary, conduct inquiry, seek expert opinion, direct any officer of customs or any other person to conduct an audit and make recommendations [38][, within [38a, 54][ninety] days of its constitution,] in respect of the resolution of dispute as it may deem fit [39, 55][.]

[40, 55][Omitted]

[56][(3A) If the Committee constituted under sub-section (2) fails to make recommendations within a stipulated period of ninety days, the Board may dissolve the committee and constitute a new committee which shall decide he matter within a further period of ninety days, and after expiry of that period, if the dispute is not resolved, the matter shall be taken up the by the appropriate forum for decision.]

(4) The Board may, on the recommendation of the committee, pass such order, as it may deem appropriate [57][,within [65][ninety] days of the receipt of recommendations of the committee] [65][;

Provided that if such order is not passed within the aforesaid period, recommendations of the committee shall be treated to be an order passed by the Board under this sub-section.]

[47][4A Notwithstanding anything contained in sub-section (4), the Chairman and a member nominated by him may, on the application of an aggrieved person, for reasons to be recorded in writing and on being satisfied that there is an error in the order or decision, pass such order as may be deemed just and equitable.]

(5) The aggrieved person may make the payment of customs duty and other taxes as determined [41][if any] by the Board in its order under sub-section (4) [65][or as per recommendations of the committee in terms of proviso to sub-section (4), as the case may be,] and all decisions, orders and judgments made or passed shall stand modified to that extent and all proceedings under this Act or the rules made thereunder by any authority shall abate:

Provided that, in case the matter is already sub-judice before any authority, or tribunal or the court, an agreement made between the aggrieved person and the Board in the light of recommendations of the committee shall be submitted before that authority, tribunal or the court for consideration and order as deemed appropriate.

[42][(6) **Omitted.**

(7) The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.]

76. Finance Act, 2020 (Second amendment(30th March)
77. Inserted by Finance Act, 2021 (June)
78. Inserted through Ordinance No.XXII (15.09.2021)
79. Substituted by Finance Act, 2022 (June)
80. Substituted/Inserted by Finance Act, 2023(June)
81. Substituted/Inserted by Finance Act, 2024(June)
82. Substituted/inserted by Finance Act, 2025 (June)