

**GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
CENTRAL BOARD OF REVENUE**

Islamabad, the 18th June, 2001

**NOTIFICATION
(CUSTOMS)**

S.R.O. 450(I)/2001.-¹[In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, section 40 of the Federal Excise Act, 2005 and section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to make the following rules, namely:-]

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**CHAPTER V
AUCTION**
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58. Approval of goods for auction.-(1) As soon as the goods at any place in the custody of any person have reached the stage of being sold under the Act, or in the opinion of such person are required to be sold by auction, shall be brought to the notice of the Deputy Collector or the Assistant Collector of the area concerned by that person giving a list of such goods.

(2) The Collector shall, on receipt of such information or on his own motion, pass orders directing the sale of goods referred to in sub-rule (1), after giving due notice to the owner under relevant provisions of the Act, by public auction either departmentally or through an auctioneer and shall cause the reserved price of the goods to be auctioned to be determined in accordance with the provisions of section 25 of the Act, and any duties or taxes which would have been payable under clause (c) of sub-section (2) of that section on the date of fixation of the reserve price of such goods for auction thereof shall be added to this value:

²[Provided that depreciation in the value of goods, excluding vehicles (Chapter 87), construction machinery and Iron I Steel Products, will be allowed after one month from the date of importation, at the rate of one percent per month during the first year, and at the rate of 2% per month during the 2nd year onwards, up to a maximum of fifty percent, in case of imported goods. In case of seized goods the period shall be reckoned from the date of seizure ³[:]

⁴[Provided further that before putting confiscated vehicles to auction, except the uncleared or overstayed vehicles imported through ports, forensic laboratory test may be conducted through a reputable forensic laboratory.]

Provided further that for construction machinery and iron and steel products, the mechanism of depreciation, provided in the first proviso shall be applicable after twelve months from the date of importation.]

⁵[(2A) Notwithstanding the mechanism contained in the proviso to sub-rule (2), where the Reserve Price is required to be further revised downwards, due to physical condition of the goods, the Reserve Price shall be determined by a committee constituted by the Collector and headed by an

1 Existing preamble substituted and shall be deemed always to have been so substituted vide SRO 831(I)/2018 dated 2nd July, 2018. At the time of substitution was as under:-

“In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), the Central Board of Revenue is pleased to make the following rules, namely:--”

2 Substituted vide SRO 564(I)/2017 dated 1st July, 2017

3 Substituted vide SRO 1964(I)/2024 dated 27th November, 2024.

4 Inserted vide SRO 1964(I)/2024 dated 27th November, 2024.

5 Inserted vide SRO 564(I)/2017 dated 1st July, 2017

officer not below the rank of an Additional Collector, allowing extent of depreciation after taking into consideration, the physical condition of the goods.

⁶[The Collector or Director shall ensure that the reserve price of the lots are revised after every three consecutive auctions if found undisposed.]

Explanation.-The reserve price shall consist of the depreciated value, duties and taxes and other charges.]

(3) The following goods shall not be put to auction and be sold or disposed off in the manner as prescribed by the Board, namely:--

- (i) arms and ammunition;
- (ii) liquor/narcotics and like goods;
- (iii) confiscated books, written material which is obscene, subversive, anti-state or anti-religion;

⁷[***] and

(v) diplomatic cargo excluding confiscated goods.

(4) No goods shall be withheld from auction unless,--

- (i) a court of law issues a specified stay order against such auction;
- (ii) the Collector of Customs or the Additional Collector of Customs incharge of auctions orders withholding such auction; or
- (iii) the Deputy Collector or the Assistant Collector incharge of auctions orders withholding of such auction, for reasons to be recorded in writing.

⁶ Added vide SRO 517(I)/2022 dated 13th April, 2022
⁷ clause (iv) was omitted vide SRO 564(I)/2017 dated 1st July, 2017