

**THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

Complaint No.16308/ISB/CUST/2026

Dated: 09.09.2026* HQs Islamabad

Mr. Muhammad Ahsan Sarwar,
Shopper (PvT) Ltd, House No.890,
St. No.34, G-10/4,
Islamabad.

... Complainant

V e r s u s

The Secretary,
Revenue Division,
Islamabad.

... Respondent

Dealing Officer	: Mr. Khalid Javed, Advisor
Authorized Representative	: Complainant in person
Departmental Representative	: Ms. Huda Khalid, DC, CoC, Airport, Islamabad
Date of Hearing(s)	: 13.10.2026

FINDINGS

This complaint has been filed under Section 10(1) of the Establishment of the Office of Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013, against M/s Gerry's Dnata Pakistan (Pvt.) Ltd., Islamabad Airport, regarding the imposition of storage/demurrage charges amounting to Rs. 878,786/- despite the issuance of a Delay and Detention Certificate by Pakistan Customs dated 29.06.2026.

2. Briefly, the complainant imported a consignment of bulletproof glass for vehicles from Jordan via Airway Bill No. 176-22441366 and filed Goods Declaration (GD) No. IPAF-HC-64532-04-06-2026. The Customs authorities initiated a detailed scrutiny, leading to the goods being shifted to the State Warehouse. Subsequently, the Pakistan Customs authorities, issued a Delay and Detention Certificate No. C.No. V-Cust/Import/DDC/ 65/2026/499 dated 29.06.2026 under Section 14A(2) read with Section

* Date of registration in FTO Sect.

156(1)(7A) of the Customs Act, 1969. Nevertheless, M/s Gerry's Dnata charged storage/demurrage charges amounting to PKR 878,786/- vide Pay Order No. 06662535 dated 30.06.2026. The Complainant asserted that charging these fees violated the statutory certificate and requested a full refund/reversal of the same.

3. The complaint was referred to the Secretary, Revenue Division, for comments under Section 10(4) of the FTO Ordinance, 2000 read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013. In response, the Collectorate of Customs (Airport), Islamabad, vide letter dated 24.09.2026, stated as under:

- The delay occurred because the imported bulletproof glass exceeded the allowed quota granted in the Complainant's NOC issued by the Ministry of Interior and the importer failed to timely provide a fresh NOC.
- To facilitate the importer, the cargo was shifted to the State Warehouse on 12.06.2026.
- Customs department duly issued a Delay and Detention Certificate (DDC) on 29.06.2026 to waive of storage charges under Section 14A(2) of the Customs Act, 1969.
- Upon inquiry by Collectorate of Customs, M/s Gerry's Dnata replied that the Complainant paid the storage charges voluntarily. The department contended that this is a bilateral dispute between the importer and the ground handling agent.

4. Hearing in the case was conducted on 13.10.2026

5. The arguments from both sides and the available record have been meticulously examined. During the course of hearing, the complainant stated that they did not pay the charges on voluntarily basis but rather they were asked by the Agent, either to pay the charges or go for litigation.



Resultantly, just to avoid prolonged litigation and further delay they paid the charges as per compulsion. The DR affirmed that M/s Gerry Dnata, the ground handling operator did not entertain the DDC and charged the storage/demurrage charges from the complainant.



6. It is an established legal principle that once a competent Customs authority issues a Delay and Detention Certificate under Section 14A(2) of the Customs Act, 1969, the terminal operator or ground handling agent is legally bound to waive of the storage and demurrage charges for the period specified in the certificate. The apex court vide CPLA No. 99 of 2025 has also reinforced the sanctity of these statutory provisions.

FINDINGS:

7. M/s Gerry Dnata's contention, as communicated through parawise comments of the Department, that the "complainant paid the charges voluntarily" carries no legal weight. The complainant paid the charges just to avoid litigation and further delay. Importers are frequently forced to pay such disputed charges under duress to prevent further accumulation of commercial costs or likely damage to seasonal/sensitive cargo. Payment under protest or out of commercial necessity does not absolve the terminal operator from complying with the statutory provisions, nor does it relieve Customs department of its regulatory oversight duty. By failing to enforce the DDC against its licensee (M/s Gerry's Dnata) and dismissing the matter as a private dispute between the two private parties, the department has neglected its statutory obligations and the same constitutes maladministration under Section 2(3)(ii) of the FTO Ordinance, 2000.

RECOMMENDATIONS:

8. In view of the above, FBR to:



- (i) direct the Collector of Customs, Islamabad International Airport to get the Delay and Detention Certificate dated 29.06.2026 implemented and ensure that M/s Gerry's Dnata refunds PKR 878,786/- to the complainant; and
- (ii) report compliance within 30 days.

Dated: 15 OCT 2026

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

