

**THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

COMPLAINT NO.16460/LHR/CUST/2026

Dated: 11.09.2026 * RO Lahore

Mr. Fateh Muhammad S/o Hashim,
Goth Faqeer Muhammad Gador,
Post Office Lakhra, Tehsil Lakhra,
District Lasbela

... Complainant

Versus

The Secretary,
Revenue Division,
Islamabad

... Respondent

Dealing Officer	:	Ms. Adila Rehman, Advisor
Authorized Representative	:	Mr. Muhammad Adnan Moton, Advocate
Departmental Representative	:	Nemo
Date of Hearing	:	09.10 .2026

FINDINGS

This Complaint was filed against the Collector, Collectorate of Customs, Appraisement-East, Customs House, Karachi, in terms of Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000, for failure to process the Goods Declaration No.KAPE-BD-7515-17-08-2026.

2. Precisely, facts of the case, as reported by the Complainant, are that the Complainant's Clearing Agent filed Goods Declaration No.KAPE-HD-7515-17-08-2026 through Pakistan Single Window (PSW/WeBOC) for clearance of the goods. The consignment was grounded for examination on 07.09.2026 after an unexplained and considerable delay and the assessment process had still not been finalized by the Appraising Officer. The Complainant was ready to pay the leviable duty and taxes as determined by the Department. The delay had caused serious hardship and financial loss to the Complainant. It was further submitted that the consignment was initially covered by 21 days free container detention at the destination





port but owing to the prolonged delay in examination and processing by the Department, the available free period had been consumed and the Complainant was exposed to continuing container detention/demurrage liability accumulating on daily basis. The Complainant had repeatedly requested the Department to process and finalize the subject GD, conduct the necessary examination and assessment and permit the Complainant to pay the leviable duty and taxes. The Complainant prayed that the Department be directed to process the GD and release the goods. Directions be also issued to the Department to issue Delay and Detention Certificate.

3. The Complaint was referred to Secretary Revenue Division for comments, in terms of Section 10(4) of the FTO Ordinance, read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013. In response, the Collector, Collectorate of Customs, Appraisement-East, Customs House, Karachi, through letter dated 26.09.2026, submitted parawise comments, raising preliminary objections with regard to the jurisdiction of the FTO that the matter related to determination of duty, classification or valuation of goods, or the interpretation of law concerning such matters, where a remedy of appeal, review or revision was available under the relevant legislation, therefore, the Complaint was not maintainable in terms of Section 9(2)(b) of the FTO Ordinance, 2000. On merits, it was submitted that the Complainant filed GD No.KAPE-BD-7515-17-08-2026 for clearance of the goods under the Baggage Scheme. As reflected in the enclosed GD log, the GD was marked to the terminal operator on 18.08.2026 for grounding of the container. The container was subsequently grounded on 07.09.2026, after a lapse of 20 days. Subsequently, the GD was assigned to the Examination Officer and opened for examination on the same day. The examination was



completed on 10.09.2026 In view of the examination findings, the Assessment Officer framed a contravention and forwarded the case to the Collectorate of Custom (Adjudication) for further proceedings in accordance with law which is presently pending. The Adjudicating Officer had issued a Show Cause Notice. Accordingly, the current status of the GD is reflected as: "Show Cause Notice Issued, Hearing date and time assigned by Adjudicating Officer." It was, therefore, evident from the GD log that the period from 18.08.2026 to 07.09.2026 was consumed in grounding of the container by the terminal operator and was not attributable to Customs. Upon grounding of the container, the examination proceedings were initiated on the same day and completed on 10.09.2026, where after the matter preceded for adjudication Collectorate in accordance with law. In view of the foregoing, no delay or maladministration was attributable to Customs. The Department prayed for rejection of the Complaint.

4. The AR attended the hearing on 09.10.2026 and requested for release of goods on priority, especially re-export of goods. The case was decided by the DC (Adjudication) vide Order-in-Original No.2048080-30092026 dated 30.09.2026. The AR further submitted that the Complainant had submitted an application dated 03.10.2026 to the Collectorate for re-export of goods.

5. Arguments of the AR heard and available record perused.

Findings:

6. It is observed that the Adjudicating Authority has passed an Order-in-Original No.2048080-30092026 dated 30.09.2026, the relevant paragraphs are as under:

"7. In view of the above, the charge of mis-declaration in respect of "polyester ladies woven embroidered fabric, total net wt. 1400 kgs"



stands established. The said goods are hereby confiscated under clause (14) of Section 156(1) of the Customs Act, 1969, for violation of Sections 32(1), 32(2) and 79(1) of the Customs Act, 1969, read with SRO 666(1)/2006 dated 28-06-2006, Sections 3 and 6 of the Sales Tax Act, 1990, and Section 148 of the Income Tax Ordinance, 2001. However, an option is given to the respondent to redeem the confiscated goods under Section 181 of the Customs Act, 1969, read with SRO 499(1)/2009 dated 13-06-2009, on payment of a redemption fine of Rs.599,475/-, equal to 20% of the value of the offending goods (ascertained value Rs.2,997,379/-), In addition to leviable duty and taxes, if otherwise in order. A personal penalty of Rs.10,000/- is also imposed on the respondent under clause (14) of Section 156(1) of the Customs Act, 1969. The respondents are warned to be careful, exercise due care in future and to ensure strict compliance with customs laws and regulations.

8. The item "food supplement (gold creatine), net weight 150 kgs approx." is not adjudicated through this order and stands referred to the Collectorate of Customs Appraisement (East) for decision in terms of para 6 above. The case-making Collectorate shall verify the offending goods' particulars and value, recover all leviable duties, taxes, fine and penalties, and release only legally eligible goods after completion of the required formalities. Prohibited or absolutely restricted goods shall not be released. The Show Cause Notice is disposed of accordingly".

7. In view of the above, the complainant has the remedy to file an appeal against the Order-in-Original, if aggrieved, before the appellate authority. Accordingly, no maladministration has been established on behalf of the Department. The Collectorate may decide the Complainant's request dated 03.10.2026 regarding re-export of goods and issuance of Delay and Detention Certificate on merit in accordance with law.

8. The Complaint is disposed of in the manner hereinabove. File be consigned to record.

Dated: 20 OCT 2026

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman