THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

Complaint No.11168/ISB/CUST/2026

Dated: 16.06.2026* HQs Islamabad

Mr. Muhammad Nausherwan Khan,
Block No.5, PHA Flat No.10
Sector I-11/1
Islamabad. ...Complainant

Versus

The Secretary,
Revenue Division,
Islamabad. ... Respondent

Dealing Officer	:	Mr. Muhammad Saleem, Advisor
Authorized Representatives	:	Complainant in person
Departmental Representative	:	Mr. Raza Naqbi, ADC, CoC (Airports)
Date of Hearing(s)	:	14.07.2026

FINDINGS/RECOMMENDATIONS

The above mentioned complaint was filed in terms of Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000, against the Collectorate of Customs, Jinnah International Airport, Karachi for not handing over iPhone 16.

2. As per the Complaint, the sister of the Complainant, settled in Canada, sent him an iPhone 16 through FedEx, IMEI No.354501763213807 and 354501764557541, iPhone 16 plus, 128GB. Delivery address was Islamabad. This mobile phone reached Karachi on 10.12.2024. On its landing in Karachi, it was detained over there and thereafter following happened with him:

"(i) one Mr. Arslan Raz, CNIC No.42301-4168796-3, Mobile No.0310-2741996, House No.75/2, Mohallah Khayaban Hafiz, DHA, Karachi, contacted on my cell number and

Federal Tax Ombudsman Secretariat HQs FTO Islamabad

* Date of registration in FTO Secretariat

intimated that he was clearing agent, he has received the shipment and Detention Receipt/Memo No.74146 dated 15.12.2024. He also intimated that PTA tax is to be paid against the mobile set;

(ii) PTA tax of Rs.138,526/- was paid by him on 28.01.2025 through one of my friends against the PSID generated for the purpose;

(iii) after payment of the PTA tax, I repeatedly requested Mr. Arslan Raz to hand over the original Detention Receipt/Memo and deliver the mobile phone. From December 2024 to April 2025, I made several telephone calls and follow-ups with Mr. Arslan Raza. Nevertheless, despite repeated requests, Mr. Arslan Raza neither handed over the original Detention Receipt/Memo nor delivered the mobile phone to the me;

(iv) having been left with no other option, I travelled from Islamabad to Karachi and met the then Deputy Collector of Customs and other concerned Customs officials. No one paid any heed to my request;

(v) when the Customs authorities failed to provide any relief, I approached the Police Station Airport, Karachi, and lodged a complaint against Mr. Arslan Raza for illegally retaining the original Detention Receipt/Memo and withholding the mobile phone. The police also failed to take any effective action. After exhausting all available remedies and approaching every relevant authority, I returned to Islamabad without obtaining any relief;

(vi) during May and June 2026, I came to know that a fake letter of authority on my behalf has been prepared and submitted to Customs, dated 26.01.2026, to hand over mobile set to one Mr. Zain-ul-Abideen. In this fraudulent manner, my tax paid mobile set was handed over to the above named person by Mr. Arslan Raza in connivance with the Customs authorities;

(vii) after failing at all levels during more than one and half year, I have lodged a complaint with the FTO, Islamabad with the request to take action against the people who have deprived me from my legal right and justice be provided to me."

3. The complaint was referred to the Secretary, Revenue Division, Islamabad, for comments, in terms of Section 10(4) of the FTO Ordinance, 2000, read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act (FOIRA), 2013. In response thereto, the Collector, Collectorate of Customs (Airports), Karachi submitted the following comments vide letter dated 07.07.2026.

Federal Tax Ombudsman Secretariat HQs Islamabad FTO

4. The allegations levelled by the complainant are denied to the extent these are contrary to the record:

(i) It is submitted that devices having IMEI functionality imported through courier companies require PTA compliance before their clearance. Such devices are first detained at the examination stage and a Detention Receipt is issued so the importer can obtain PTA approval. After PTA issues the Certificate of Compliance through WeBOC (or PSID), the importer or clearing agent presents the original Detention Receipt and clears the consignments. The Customs staff examines the documents and clears the shipment after completing all required formalities and hand it over to the authorized clearing agent/person. Furthermore, when duty/taxes are paid, and no revenue remains involved, the request for cancellation of the Detention Receipt under SRO 1109(I)/2020 is entertained and the same is cancelled after verification on merits.

(ii) The complainant, Mr. Muhammad Nausherwan, had appeared before the then Deputy Collector for release of the detained mobile phone. Nevertheless, he failed to produce the Original Detention Receipt/Memo (DR), which was a necessary document for establishing lawful entitlement/claim over the detained consignment. Moreover, the address and contact number mentioned on the invoice did not pertain to the said individual.

(iii) Address and contact number mentioned on the invoice was not that of Mr. Muhammad Nausherwan; rather it pertained to Mr. Arsalan. Therefore, in the absence of the original DR and due to mismatch of particulars, the ownership entitlement of Mr. Nausherwan could not be accepted at that stage.

(iv) Subsequently, Mr. Arsalan approached this Office for clearance of the consignment. The documents provided by him were examined. The contact number and address were matched and the original DR and invoice were also presented.

(v) The mobile phone was checked for PTA payment which was verified and found to be PTA compliant. No leviable government duty/taxes were outstanding.

(vi) After verification of available record and PTA/FBR payment status, Detention Receipt was cancelled in accordance with law since the PTA taxes were paid. Thus, no unlawful detention, harassment, or maladministration was committed by the staff of this Collectorate.

5. In view of the above, the allegations of maladministration are baseless and contrary to the record. The Collectorate processed the matter strictly in accordance with law and cancelled the DR after fulfillment of legal formalities. The complaint may, therefore, be closed.

6. After receipt of the above response of the Collectorate the following eight (8) questions were raised for response by the Collectorate. Question wise response is given below:

(i) Step-by-step process followed for import and clearance of mobile phones imported through courier, both by individuals and companies:

Courier consignments are presented through the courier/console operator and are manifested at the Customs station of arrival. The shipment is subject to scrutiny and examination. Where an imported device has IMEI functionality, it is detained at the examination stage pending for PTA compliance and a Detention Receipt/Memo is issued accordingly. The same is sent to the importer's address by the courier company. The importer, consignee or authorized representative then obtains PTA compliance through the prescribed PTA/FBR mechanism, including generation and payment of PSID and/or issuance of the relevant Certificate of Compliance through WeBOC. Thereafter, the Goods Declaration is filed, (where required i.e. in case of companies), by the importer or authorized customs agent. The Customs Staff verifies the manifest/airway bill, invoice, original

Detention Receipt, identity/authority documents, PTA registration and payment status and completes the examination and assessment process. In case of import of a single mobile phone by an individual which is PTA paid and where no revenue or regulatory liability remains (i.e. within the limits of SRO 1109(I)/2020), the Detention Receipt is cancelled on merits under the applicable procedure, and benefit of SRO 1109(I)/2020 is extended and the shipment is released to the authorized agent or duly entitled person in possession of original documents. Nevertheless, in the case of commercial import by a company, the Goods Declaration and supporting documents are filed through its authorized representative/customs agent.

(ii) If the address of the consignee is other than Karachi, whether the item is still detained in Karachi:

Yes. The place of Customs examination and detention is determined by the port/Customs station where the courier consignment first arrives and is manifested and not by the final residential or delivery address of the consignee. It is informed that the subject consignment had arrived in Karachi.

(iii) Copy of airline manifest to see whether the consignee appears thereon:

A copy of the relevant airline/courier manifest furnished which shows that Mr. Muhammad Nausherwan Khan as consignee.

(iv) Copy of airway bill:

A copy of the relevant airway bill/house airway bill furnished.

(v) Who was the consignee as per the airway bill:

As per the airway bill, the consignee was Mr. Muhammad Nausherwan Khan. Nevertheless, the address mentioned on the airway bill pertained to Mr. Arsalan Raza who was in possession of the original Detention Receipt thereby implying the authorized agent for the clearance of the consignment and was responsible for door-to-door delivery of the consignment. Moreover, the contact number mentioned on the invoice also related to Mr. Arsalan Raza.

(vi) Against whose PSID the leviable duty/tax was paid to PTA:
The PSID paid was in the name of individual namely Mr. Javed Iqbal.

(vii) Whether Customs ensured that the mobile set was given to the person who had actually paid the duty/tax:
It is respectfully informed that the PSID alone does not serve as the final proof of establishing lawful entitlement for clearance and physical delivery. The documents including original Detention Receipt, airway bill/invoice particulars, and others are examined for clearance of consignments. The complainant was initially denied the delivery of the mobile phone as he did not produce the original Detention Receipt and his particulars did not match with that of the detention receipt/invoice record and the PTA taxes were not paid by them. Subsequently, the original Detention Receipt was produced by Mr. Arslan Raza; the invoice particulars were also matched. After verification of these documents and the PTA/FBR payment status, the competent officer cancelled the Detention Receipt and the shipment was released to Mr. Arsalan Raza and he was thereafter responsible for final door-to-door delivery to the lawful recipient.

(viii) The complainant allegedly visited the Collectorate and met the concerned officials; what was done to address his complaint:

The complainant, Mr. Muhammad Nausherwan, had appeared before the then Deputy Collector and requested release of the detained mobile phone. His request was examined; nevertheless, the mobile phone release could not be allowed as he failed to produce the original Detention Receipt/Memo and the address/particulars on the detention record did not match. He was required to establish lawful entitlement through the original document and supporting authority.

7. In view of the foregoing, it is respectfully submitted that the Department acted cautiously, in good faith and strictly in accordance with the prescribed procedure. It is, therefore, respectfully requested that the departmental reply may kindly be taken on record and the complaint may be closed.

8. Hearing was held on 14.07.2026. The Complainant was there in person. Mr. Raza Naqvi, Additional Collector, Customs, represented the Department.

9. The Complainant reiterated his position as stated in his complaint. He was shown copy of invoice and Airway Bill. Below the consignee/Complainant's name, postal address was also given which was 'S9 Progressive Plaza, Beaumond Road, Civil Line, Karachi, Telephone No.923102741996'. The Complainant responded that this was the whole issue. He submitted copy of the Tracking Number/Slip showing booking details from Canada and consignee's name Mr. Muhammad Nausherwan Khan, address, "Azhar Town, Mohammad Yaqoob Street, House No. ON1, near Ali Medical Store, Islamabad, delivery phone No.923335107812. He explained that Karachi address and phone number was that of Mr. Arslan Raza. This all has been done by Mr. Arslan Raza in connivance with FedEx. His consignment

destined from Islamabad was hijacked to Karachi. He also submitted that in the IGM, Airway Bill and Invoice his name was there as consignee, whereas; his address and telephone number was fraudulently substituted with that of Mr. Arslan Raza.

10. The DR was, *'inter alia'* questioned when name of the Complainant was there as consignee in all the documents including IGM, Airway Bill and invoice and he travelled in person from Islamabad to Karachi, then why he was not handed over the 'mobile phone'. He had simply no answer.

11. After the hearing, on 15.07.2026, the Complainant submitted a rejoinder stating that item was booked by his sister from Calgary, Canada whose tracking No. was S1291901116458 and the consignee address was Islamabad Pakistan. Copy of this document was also furnished. This was booked through one Mr. Zahid Pracha whose Cell No. was +1(403)464-4395, who was working for FedEx in Calgary, Canada. He again requested for taking action against Mr. Arslan Raza for not returning his iPhone 16.

12. On July 17th, 2026, Mr. Muhammad Nausherwan Khan, the Complainant visited this office in person and submitted in writing that his grievance has been addressed, therefore, the complaint may be closed as addressed.

FINDINGS:

13. Position stated at para 1-12 ante depicts a phenomena of an organized scam where a lawful consignee was deprived of his duty/tax paid consignment. Foot prints of the characters involved in this scam are transparently visible in the following manners:

(i) FedEx system of booking and transportation is compromised. In the tracking reference name, address and contact number of the actual consignee is located in Islamabad as explained at para 9 ante. In Airway Bill/Invoice, consignee name remains the same but address and contact number is substituted as explained at para 9;

(ii) the above '*modus operandi',* is not possible without involvement of FedEx. How Mr. Arslan Raza has entered in it, is to be responded/explained by FedEx with documentary evidence;

(iii) the Complainant met with the then DC Customs and explained the entire case to her but she did not resolve the matter. He lodged a report to the police as well but no response from that side. Net impact of the whole scam was that a rightful owner of a consignment remained deprived of it for more than one and half year. He shuttled from pillar to post but to no avail. This is a typical example of neglect inattention, delay, incompetence, inefficiency and ineptitude in the administration and discharge duties and responsibilities by all concerned which tantamounted to maladministration; and

(iv) since the Complainant has reported that his grievance has been addressed and he has requested to close the complaint (para 12). Accordingly, the complaint is closed to the extent of grievance of the Complainant but it is not closed with regard to the scam which needs to be taken to the logical end.

RECOMMENDATIONS:

14. In view of the position stated at preceding paras, FBR to direct the Chief Collector of Customs (Airports) to take the following actions:

(i) initiate a targeted inquiry against M/s FedEx regarding the scam explained above;

(ii) copies of the tracking document and the Air Waybill are attached with this order as **Annex-A** and **Annex-B**, respectively. These documents highlight the *'modus operandi'* of the scam;

(iii) import data be acquired from FedEx for recent one and half year (January-December 2025 and January-June 2026) on the format of **Annex-A & B** (that is, where the consignee's name and address are same in tracking document but address in Airway bill/invoice is changed), because the way this scam has taken place it can't be an isolated incident. If need be then time duration can be expanded backwards to un-earth the truth. Appropriate action be initiated against Mr. Arslan Raza and Mr. Zain-ul-Abideen. If either or both of them are licensed Customs Clearing Agents, proceedings under the Customs Clearing Agents Licensing Rules be initiated;

(iv) initiate appropriate legal proceedings against Mr. Arslan Raza and Mr. Zain-ul-Abideen for preparing and submitting a forged authority letter dated 26.01.2026 to the Customs authorities on the basis of which custody of mobile phone was handed over to Mr. Zain-ul-Abideen;

(v) get a meaningful inquiry conducted against the Customs officials/employees posted in Air Freight Unit (AFU) to identify and determine whether any of them acted as a facilitator in the scam, and take appropriate disciplinary action against those found responsible. Posting tenure of each official be scrutinized. The then Deputy Collector of Customs to explain her conduct as to why, despite the complainant/owner of the consignment having met her personally, even then matter was not addressed. Findings of the inquiry and consequent actions taken are to be shared with this Forum;

(vi) a copy of this order be sent to all Collectorates of Customs (Airports) to sensitize whether similar scams have occurred within their respective jurisdictions or otherwise. If no such cases are found, they should nevertheless remain vigilant and take adequate preventive measures to ensure that such scams do not occur over there;

(vii) an internal capacity-building programme be initiated, with training sessions conducted at least twice every month for officers and officials posted in the AFU and at airport arrival/departure terminals. The training should sensitize them regarding their duties and responsibilities, including procedures relating to passenger baggage, public conduct, assessment and clearance of courier as well as other consignments. Particular emphasis be placed on the importance of the Air Waybill, Bill of Lading, and Import General Manifest (IGM), and on identifying which document is determinative of the lawful ownership of a consignment;

(viii) a comprehensive Standard Operating Procedure (SOP) be prepared, setting out the step-by-step process for the clearance of imported goods/items arriving through courier services and other similar channels. The SOP may be enforced for the sake of uniformity and transparency at all International Airports of Pakistan; and

(ix) report compliance within forty five (45) days.

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

Dated: 27 JUL 2026

Approved for reporting.