IN THE HIGH COURT OF SINDH AT KARACHI

Civil Revision Applications No.154, 155, 156, 157 & 179 of 2012

Applicants	:	Through Syed Yousuf, Advocate
Respondent No.3 in CRA No.154/2012, Respondent No.2 in CRA No.155 of 2012 and Respondents in CRA No.179 of 2012	:	Through Mr. Abdus Samad Khattak, Advocate
Respondent No.3 in CRA Nos. 156 & 157 of 2012	:	Through Mr. Ameeruddin, Advocate
Date of Hearing	:	06.08.2026
Date of Announcement	:	13.11.2026

JUDGMENT

SAMAN RAFAT IMTIAZ; J: I intend to decide Civil Revision Application Nos. 154, 155, 156, 157 & 179 of 2012 as they involve similar facts and laws.

2. **Civil Revision Application No.154 of 2012** has been filed by the Applicant [Malik Paper Mart] to challenge the judgment dated 15.05.2012 and decree dated 18.05.2012 **("Impugned Judgment and Decree No.1")** passed in Civil Appeal No.221 of 2009 by the learned VIIth Additional District Judge, Karachi, South **("Appellate Court")**, allowing the appeal of the Respondent No.1 [Seabridge Korea Limited] and setting aside the judgment and decree dated 29.10.2009 **("Impugned Judgment and Decree No.2")** passed by the learned XVth Civil Judge and Judicial Magistrate Karachi, South **("Trial Court")** decreeing Suit No.399 of 2002 filed by the Applicant.

3. **Civil Revision Application No.155 of 2012** has been filed by the Applicant [Noor Mohammad] to challenge the judgment dated 17.05.2012 and decree dated 21.05.2012 **("Impugned Judgment and Decree No.1")** passed by the learned VIIth Additional District Judge, Karachi, South **("Appellate Court")**, dismissing the Civil Appeal No.230 of 2009 of the Applicant and maintaining the judgment and decree dated 29.10.2009 **("Impugned Judgment and Decree No.2")** passed by the learned XVth Civil Judge and Judicial Magistrate Karachi, South **("Trial Court")** dismissing Suit No.2058 of 2003 filed by the Applicant against the Respondents [P&O Ned Lloyd and P&O Ned Lloyd (Pvt.) Ltd.].

4. **Civil Revision Application No.156 of 2012** has been filed by the Applicant [Noor Mohammad] to challenge the judgment dated 17.05.2012 and decree dated 21.05.2012 **("Impugned Judgment and Decree No.1")** passed by the learned VIIth Additional District Judge, Karachi, South **("Appellate Court")**, dismissing the Civil Appeal No.85 of 2010 of the Applicant and maintaining the judgment and decree both dated 24.02.2010 **("Impugned Judgment and Decree No.2")** passed by the learned IVth Civil Judge and Judicial Magistrate Karachi, South **("Trial Court")** dismissing Suit No.899 of 2006 filed by the Applicant against the Respondents [Balaji Shipping (UK) Limited; Riazeda (Pvt.) Limited; and Karachi International Container Terminal].

5. **Civil Revision Application No.157 of 2012** has been filed by the Applicant [Muhammad Anis] to challenge the judgment dated 02.07.2012 and decree dated 03.07.2012 **("Impugned Judgment and Decree No.1")** passed by the learned VIIth Additional District Judge, Karachi, South **("Appellate Court")**, dismissing Civil Appeal No. 449 of 2010 against order dated 08.11.2010 rejecting the plaint file by the Applicant in Suit No.765 of 2005 by the learned Civil Judge-XIV, Karachi, South under Order VII, Rule 11, CPC on application filed by the Respondent No. 3 [Karachi International Container Terminal Limited].

6. **Civil Revision Application No.179 of 2012** has been filed by the applicant [Saeed Abbas] to challenge the judgment dated 07.07.2012 and decree dated 13.07.2012 **("Impugned Judgment and Decree No.1")** passed by the learned VIIth Additional District Judge, Karachi, South **("Appellate Court")**, dismissing the Civil Appeal No.107 of 2010 of the Applicant against the judgment and decree dated 09.03.2010 **("Impugned Judgment and Decree No.2")** passed by the learned IVth Civil Judge and Judicial Magistrate Karachi, South **("Trial Court")**, dismissing Suit No.258 of 2002 filed by the Applicant.

The facts of the cases are set out as follows:

Civil Revision Application No.154 of 2012:

Facts:

7. The Applicant [Malik Paper Mart] is a registered partnership firm that imported light coated printing paper (hereinafter referred to as the "consignment") stuffed in two containers of 20 feet each on board the vessel

"OOCL SAN FRANCISCO OSF 1697" under the Bill of Lading No. CBK00108010 dated 20.08.2001 issued by Respondent No. 1 [Seabridge Korea Limited] (hereinafter referred to the “Vessel”). The Respondent No. 3 [M/s P&O Nelloyd] is a shipping company which carries on business in Karachi through the Respondent No. 2 [M/s P&O Containers Pakistan (Pvt.) Ltd.]. After arrival of the Vessel the clearing agent appointed by the Applicant approached Respondent No. 2 for obtaining delivery order who demanded a sum of Rs.15,920/- as ECL Terminal Handling Dest., Import service dock charges and Pakistan port charges and refused to issue delivery order to the Applicant/clearing agent unless the amount was paid and deposited. The Applicant deposited the amount of Rs.15,920/- on 02.10.2001 under duress which was illegally and unauthorizedly demanded by the Respondent No. 2 in order to clear the consignment without delay and to save demurrage and container detention charges against which the Respondent No. 2 issued receipt of payment dated 02.10.2001. The Applicant filed suit for declaration and recovery of Rs. 15,920/- against the Respondents.

8. The Respondents filed their joint Written Statement denying allegations against them stating that THC (Terminal Handling Charges) and D O and other charges are received by the ship's agent for the services rendered by them at the port of discharge which are notified by them time to time in shipping journals and these charges are not part of freight and as per port procedure, discharge of cargo is arranged by ship's agent through their stevedores into the custody of port authorities for subsequent delivery to the consignees against delivery orders issued by the ship's agent and all expenses in this regard directly born by the ship's agent and further averred that the demand of Respondent No. 2 was justified and bona fide.

9. The Trial Court after hearing the Arguments, decreed the Suit of the Applicant. The Respondents preferred Appeal before the District Judge (South) which was transferred for adjudication before the VII Additional District Judge Karachi South, who after issuing notice upon the Applicant and hearing the parties and submission of Written Arguments, allowed the Appeal and dismissed the Applicant’s suit, hence the instant revision.

Civil Revision Application No.155 of 2012:

Facts:

10. The Applicant [Noor Muhammad] imported a consignment of 37 pallets, offset printing paper and woodfree printing card stuffed in 1x40 GP container

from Indonesia. The Applicant's consignment was booked to Karachi by Respondent No. 1 [P&O Ned Llyods] for shipment from Surabaya on board the vessel "MONTREAL SENATOR LSL0159/CITY OF LONDON CTL3286 under the Bill of Lading No. PONI SUB70002194 for discharge and delivery at Karachi Port. The Bill of Lading specified "CLEAN" "FREIGFHT PREPAID" "FCL/FCL".

11. The Vessel arrived at Karachi port on 04.08.2003 The Applicant appointed Clearing Agent to obtain Delivery Order from the Respondent No. 2 [P&O Ned Lloyds (Pvt.) Ltd.] against the original Bill of Lading but when the Clearing Agent approached the Respondent No. 2 for obtaining Delivery Order, the Respondent No. 2 illegally and unauthorizedly demanded a sum of Rs. 8,700 as FCL TERM HDLG CHARGES DEST IMPORT SERVCICE DOCUMENTS CHARGES CONCISE-DEST and refused to issue the Delivery Order unless the amount is paid and/or deposited. The Applicant, in order to clear the consignment without delay and to save port demurrage and container detention charges, deposited the amounts of Rs 8,700/- under duress and filed the Suit for recovery of Rs. 8,700/ against the Respondents.

12. The Respondents filed the written statement denying the allegations and averring that the payment demanded by the Respondents from the Applicant as notified in the shipping journal was without duress and compulsion. The amount taken from the Applicant by the Respondent No. 2 is legal and justified and it has nothing to do with the contractual obligation of the carrier and the Shipper. It is further stated that the function of Respondent No.2, *inter alia,* is to enter the vessel of Respondent No. 1 for custom purposes and for handling of cargo at their terminal and to issue Delivery Order in consideration whereof the charge terminal handling charges as well as the documentation charges. These charges are duly notified time to time in shipping periodicals /journals for general information or public shippers/freight forwarders and all importers and exporters and are in full knowledge of their liability for payment of these charges to Ship's Agent.

13. The Trial Court after hearing the parties dismissed the Suit of the Applicant. The Applicant preferred Appeal before the District Judge (South) which Appeal bearing No. 230 of 2009 was transferred for adjudication before the Appellate Court, who after issuing notice upon the Respondents and hearing the parties and taking Written Arguments dismissed the Appeal.

Civil Revision Application No.156 of 2012:

Facts:

14. The Applicant [Noor Muhammad] imported a consignment of 40 pallets offset printing paper stuffed in 1x20 container by opening letter of Credit from PT Fabrik Kertas Tjiwi Kimia TBK Jawa Timur Indonesia. The Respondent No. 1 [Balaji Shipping (U.K) Limited] in consideration of freight contracted to carry the consignment from Surabaya, Indonesia the port of loading, to Karachi port, the port of discharge for delivery at Karachi port CY and issued the Bill of Lading No. SUB/KHI/20050104 as evidence of receipt of goods. The Bill of Lading specified "SHIPPED ON BOARD" "FREIGHT PREPAID "CY/CY" and ALLOW 14 FREE WORKING DAYS FOR CONTAINER DETENTION CHARGES". That the Vessel CONTIESPERANCE, carrying the suit consignment arrived at Karachi on or about 12.08.2005. The Applicant after retiring the shipping documents appointed M/s T.J. Brother as their Clearing Agent for the purpose of completing custom and port formalities and obtaining deliver order. The Clearing Agent approached the Respondent No. 2 [Riazeda (Pvt.) Ltd.] for issuing the delivery order but the Respondent No.2 prior to issuance of delivery order of the consignment allegedly demanded a sum of Rs. 8,300/ as THC D/O and insurance charges and refused to issue delivery order of the Suit consignment unless the amount demanded is paid, the said demand took Applicant/his Clearing Agent by surprise because according to the Bill of Lading the Respondents were bound to deliver the Suit consignment at Karachi port CY.

15. The Applicant in order to clear the consignment without delay by obtaining delivery order from Respondent No. 2 and save demurrage and container detention charges had no option but to deposit the amount of Rs. 8,300/- which was deposited under duress. The Respondent No. 2 issued receipt No. 200508220055 dated 22.08.2005. After the receipt of afore said amount the Respondent No. 2 issued delivery order addressed to the KPT for delivery of consignment to the Applicant/his Clearing Agent approached Respondent No.3 for taking delivery of the consignment in exchange of delivery order issued by the Respondent No. 2 and Respondent No. 3 [Karachi International Container Terminal] demanded Rs. 2.868/ "as delivery" "Data transfer storage. The Applicant protested that the demand for Rs. 2,868/-was unlawful. The Applicant in order to clear the consignment without delay to save demurrage and detention charges had no option but to deposit the amount of

Rs. 2,868/- under duress which was not applicable and was illegally and unauthorizedly demanded by Respondent No. 3 as the Applicant took FULL CONTAINER LOAD delivery of the consignment and Respondent No. 2 did not de-stuff/re-stuff the containers before releasing, refunding the deposits against containers. The Respondent No. 2 collected additional Rs. 1,800/ as rent for four days without allowing 14 free working days as specified in the Bill of Lading and including two Sundays, August 13 and 20 in the free working days. The Respondent No. 2 also collected through Premier Mercantile Services Limited Rs. 400/- as LIFT OFF.

16. The Applicant filed the Suit for recovery of Rs. 13,368/ with the prayer for judgment and decree against the Respondent No. 1 and 2 jointly and/or severally for payment/refund of Rs. 10,500/- and from Respondent No. 3 Rs. 2,868/- with loss of profit/markup at 12% per annum from the date of this Suit till payment with proportionate cost and or such other reliefs which the Honorable deems fit and proper in the circumstances of the case.

17. The Respondents filed their written statements and denied all the allegations leveled against the Respondents in the Plaint stating that the Clearing Agent are fully aware a freight charges, the same is to be paid by the Applicant and Respondent No. 2 has rightly asked for the said amount at the port of destination according to general practice of shipping Agents at Karachi Port. The said collection of charges are part of carrier’s tariff and payable by consignee unless mentioned on the face of Bill of Lading and consignees are fully aware of the same and the general universal practice is that such charges are collected by all shipping companies. It is further stated that the said charges were payable by the consignee or from his accounts, the Respondent rightly collected these charges as it is mentioned on the face of Bill of Lading as "IMPORT THE TO BE COLLECTED FROM THE CONSIGNEE" as such the said charges are being collected by all shipping lines at discharge port according to natural and general practice of local shipping companies, which all consignees and/or their Agents are fully cognizant further stated that the Applicants have been paying all said charges since many years including other importers. It was further stated that the said Bill of Lading was qualified by remarks "Custom Duties Wharfage Terminal Handling Charges for receivers account".

18. The Trial Court after hearing the Arguments, dismissed the Suit of the Applicant. The Applicant preferred Appeal before the District Judge South which Appeal bearing No.85 of 2010 was transferred for adjudication before the

Appellate Court, who after issuing notice upon the Respondents and hearing the parties and taking Written Arguments, dismissed the Appeal.

Civil Revision Application No.157 of 2012:

Facts:

19. The Applicant [Muhammad Anis] imported two consignments each of 41 Pallets each consisting 615 Packs Offset Printing Paper, hereinafter called the "consignment" from Indonesia. The Respondent No.1 [ATL Asia Trade Logistics] contracted to carry and deliver the consignments at Karachi Port in consideration of freight, pre-paid, and issued the Bills of Lading Nos. ATL/IK/JKKRC0888/03690/03 and ATL/IK/JKKRC0889/03703/03 dated 12.12.2003 specifying “CLEAN”, “SHIPPED ON BOARD”, “FREIGHT PREPAID”, “CY/CY”. The Respondents No.2 [Pacific Delta Shipping (Pvt.) Ltd. however prior to issuance of delivery order of the suit consignment, demanded a sum of Rs. 17,900/- as I/THC, I/PPS, D/O charges HIP and refused to issue delivery orders of the suit consignment unless the amount demanded is paid whereas the Bills of Lading do not specify any such charges at the time of issuance of delivery order. The Applicant protested against such demand but was to no avail. The Applicant, in order to clear the consignments without delay and to save demurrage and container detention charges, had no option but to deposit a sum of Rs. 17,900/- under duress with Respondent No. 2 against receipts dated 08.01.2004, whereupon Respondent No. 2 issued delivery orders addressed to Respondent No. 3.

20. The Applicant further alleged that Respondent No.3 unlawfully demanded Rs.4,471.90 as “delivery”, Rs. 100,000/- without naming the charge besides Rs.3,600.00 as wharfage against two Bills of Lading. While conceding wharfage, the Applicant protested against the additional charges but paid the same under duress to avoid demurrage and detention charges and sought refund of Rs.4,471.90 as unauthorized recovery. The Applicant filed suit for recovery of Rs. 22,371.90 against the Respondents.

21. The Respondent No.2 stated in its Written Statement that the suit against them is false and frivolous, as Clauses 8(IV) and 8(V) of the Master Bills of Lading explicitly authorize the carrier to collect legal destination charges, including Terminal Handling Charges (THC), Container Detention Charges (CDC), Delivery Order (D/O) Charges, and House Insurance Premium (HIP), a practice followed since 1973, while storage and customs dues remain

the consignee's responsibility. They explained that the consignment arrived under "CY/CY, FCL/FCL" terms consigned to Muslim Commercial Bank Limited, and per the importer's request to destuff cargo at their own premises, stevedores were hired and paid, with those costs billed as destination CY/CY delivery charges. The insurance premium was collected to safeguard consignees against potential container repair costs, and because sealed intact containers were delivered, the plaintiffs sustained no cargo loss or damage. Additionally, charge adjustments in 1996 resulted from the South Asia Rate Agreement (SARA) and Pak Rupee devaluation, with Clause 8 establishing joint and several liability between the shipper and consignee for freight and related charges. Respondent No. 2 maintained that no cause of action ever arose, denied all requested relief, specifically rejecting the 12% per annum markup as unlawful and contrary to the Holy Quran and Sunnah.

22. The Respondent No.3 filed a separate Written Statement, raising preliminary objections that the suit was not maintainable against it as no specific cause of action was disclosed in the plaint and that the suit was bad for non-joinder and mis-joinder of necessary and proper parties. On merits, it contended that the amount charged from the Applicant was lawful, denied that the Applicant had ever protested against the demand of Rs.4,471.90 or that the same was illegal or unlawful. It further denied that the payment was made under duress or that it was liable to refund the said amount, asserting that no cause of action had accrued against it.

23 After hearing the arguments, the Trial Court dismissed the suit of the Applicant under Order VII, Rule 11 CPC. The Applicant preferred Appeal before the District Judge South, which Appeal bearing No.449 of 2010 was transferred for adjudication before the Appellate Court, who after issuing notice upon the Respondents and hearing the parties and taking Written Arguments, dismissed the Appeal.

Civil Revision Application No.179 of 2012:

Facts:

24. The Applicant [Saeed Abbas] imported a consignment of White Garlic hereinafter called the consignment. The Respondent No. 1 [P&O Ned Lloyd] contracted to carry and discharge/deliver the consignment at Karachi Port in consideration of freight, pre-paid, and issued the bill of lading No.

PONLTA001920497 contract of Carriage/Affreightment, which specified "Freight Pre-paid" "FCL/FCL". The consignment was stuffed by the shipper into 6 x 20 GP seal container as per terms & conditions mentioned in the said Bill of Lading. The Applicant surrendered original bill of lading to the Respondent No. 2 [P&O Container Pakistan (Pvt.) Ltd.] for obtaining the delivery order and for taking delivery of the goods but the Respondent No. 2 refused to issue delivery order and recovered unwarranted, unjustified Rs. 43,860.00 without specifying the nature of charges. The Applicant in order to clear the consignment without delay by obtaining delivery order from the Respondent No. 2 and to save the port demurrage and container detention charge had no option but to deposit the amount of Rs. 43,860.00 on 11.08.2000 under duress which was illegally and unauthorizedly demanded by the Respondent No. 2.

25. The Applicant filed the Suit with the prayer for Judgment and Decree against the Respondent No. 1 and 2 jointly and or severally for payment and refund of Rs. 43.860.00 with loss of profit /mark-up at 16% per annum from the date of suit till payment with cost.

26. The Respondents filed written statements stating that the plaintiffs failed to pay carrier tariff charges and surcharges totaling Rs 28,980, which are standard industry practice and payable by the consignee unless prepaid. It is stated that the suit is defective for nonjoinder of Karachi Port Trust (KPT) as a necessary party, since the Applicant challenged KPT's collection of fees. Furthermore, there is no documentary evidence showing the consignee paid 12.13 per ton for general cargo, while destuffing charges and port surcharges remain KPT's legal entitlement which the Applicant failed to clear. The written statement also states that charges collected by the ship’s agents at the port of destination were documentation and terminal handling charges which are not part of the freight.

27. The Trial Court after hearing the Arguments, dismissed the Suit of the Applicant. The Applicant preferred Appeal before the District Judge South, which Appeal bearing No.107 of 2010 was transferred for adjudication before the Appellate Court, who after issuing notice upon the Respondents and hearing the parties and taking Written Arguments, dismissed the Appeal.

Arguments

28. The learned counsel for the Applicants submitted that the Bills of Exchange clearly mention freight as pre-paid. Nevertheless, the Respondents

demanded additional amounts as Terminal Handling Charge etc. which the Applicants had to deposit under duress as otherwise the Respondents were refusing to issue the delivery orders. He submitted that such payment under duress is reflected in invoices. The learned counsel for the Applicants relied upon *Eastern Federal Union Insurance Company Limited Vs. American President Lines Limited,* PLD 1992 Supreme Court 291 whereby it was held that a courier is to deliver what it has undertaken to carry and the determination of this liability is reflected to all such provisions which apply from the first step the parties take for transportation of cargo and continue till delivery.

29. On the other hand, the learned counsel for the Respondent No.3 in Civil Revision Application No. 154 of 2012, and for the Respondent No.2 in Civil Revision Applications No. 155 of 2012 and for both Respondents in Civil Revision Application No. 179 of 2012 submits that in Civil Revision Application No.154 of 2012 the invoice produced as Exhibit P/7 and relied upon by the Applicants refers to Bill of Landing No. PONLSEL70011570 whereas the Bill of Lading relied upon and produced as Exhibit P/6 has number CBK00108010. Even otherwise he submitted that Terminal Handling Charges are not covered under freight. He submitted that the Bill of Lading produced as Exhibit P/1 in Civil Revision Application No.155 of 2012 clearly provides that Terminal Handling / LCL Service Charge will be C KHI. He submitted that this means to be collected at Karachi.

30. The learned counsel for Respondent No. 3 in Civil Revision Applications No. 156 & 157 of 2012 adopted the arguments of the learned counsel for the Respondent No.3 in Civil Revision Application No. 154 of 2012, and for the Respondent No.2 in Civil Revision Applications No. 155 of 2012 and for both Respondents in Civil Revision Application No. 179 of 2012.

31. None appeared for Respondents No. 1 & 2 in Civil Revision Applications No. 154, 156, 157 & 179 of 2012 and for Respondent No. 1 in Civil Revision Application No. 155/2012.

32. Heard the learned counsel for the parties and perused the entire record with their assistance.

Civil Revision Application No.154 of 2012

33. Civil Revision Application No.154 of 2012 arises from Suit No.399 of 2002 which was decreed in favour of the Applicant by the learned Trial Court

vide Judgment dated 29.10.2009. The learned Appellate Court allowed the appeal filed by the Respondents and set aside the Trial Court's Judgment and Decree while dismissing the Applicant's Suit *inter alia* on the ground that the Suit has been instituted by an unauthorized person namely, Mr. Noor Muhammad who was appointed as attorney for the purpose of filing civil suits against carriers and their local agents and/ or freight forwarders and their local agents at Karachi for claiming refunds of charges illegally recovered against the imports made under various letters of credit on behalf of the registered partnership firm by way of the Power of Attorney dated 08.05.2004 (Ex:P/2) executed by only one partner namely, Mr. Naeem Ahmed Malik whereas the registered partnership firm has three partners. The learned counsel for the Applicants relied upon Clause (8) of the Partnership Deed dated 07.06.1994 (Ex:P/3) which designates Malik Naeem Ahmed as the managing partner. On the other hand, the learned counsel for the Respondent No.3 drew the Court's attention to Clause (9) which provides that all major acts and deeds shall be conducted mutually with written consent of the partners.

34. Clearly the learned Appellate Court erred in finding that the suit had been instituted by an unauthorized person as perusal of the plaint on the record filed in Suit 399 of 2002 shows that it was signed and verified by Mr. Naeem Ahmed Malik and not by Mr. Noor Muhammad. Admittedly Mr. Naeem Ahmed Malik is a partner of the Applicant/ Plaintiff, which is a registered partnership firm. Pursuant to Section 69(2) of the Partnership Act, 1932 a suit to enforce a right arising from a contract shall be instituted by or on behalf of a registered firm against a third party by a person shown in the register of firms as partner in the firm[1]. Moreover, Order XXX, Rule 2, CPC specifically provides that where persons sue in the name of their firm, any pleading or document required to be signed or verified or certified by the plaintiff would suffice if it is signed, verified or certified by any one of such persons. Therefore, a suit filed on behalf of a registered firm whereby the plaint is signed and verified by one of the partners has been held to be in compliance of the law as it is considered an implied authority under Section 19 of the Partnership Act, 1932[2].

35. Having said that the learned trial Court had decreed the Applicant's suit praying for refund of Rs. 15,920/-, which was allegedly charged by the Respondent No. 2 illegally as *"FCL Term Hdlg-Dest, Import Service Doc Charge, Concise Inst-Dest and Pakistan Post Surcharge"* and paid by the

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[1] *Gulab v. Coast Lines*, 1994 CLC 2284; *Sainjee Cargo Services v. Cargo Movers*, 1989 CLC 2229
[2] *Fine Enterprises Traders v. Constellation Cooperative Housing Society Limited,* 2019 CLC 1472; *Combined Enterprises v. WAPDA Lahore,* PLD 1988 SC 39

Applicant under duress for release of its consignment. The learned Trial Court found that the Bill of Lading No. CBK00108010 dated 20.08.2001 clearly mentions "OCEAN FREIGHT PREPAID AS ARRANGED" and CY/CY, hence it was concluded that the Applicant had already paid the freight charges to the Respondent No.1 at the port of shipment after which the Respondent No. 1 issued the Bill of Lading. In other words, the learned Trial Court held that freight charges admittedly paid in advance by the Applicant included *"FCL Term Hdlg-Dest, Import Service Doc Charge, Concise Inst-Dest and Pakistan Post Surcharge"* and therefore the Respondent No. 2 was not justified in seeking its payment again at the time of delivery. The learned Trial Court also observed that it is an admitted fact that before issuing the delivery order the Respondent No.2 charged / collected the suit amount from the Applicants which were paid under coercion. Therefore, the learned Trial Court found the Applicant entitled to the relief prayed for.

36. Let us see if that conclusion was correct. The Respondent No. 1 is the foreign shipping company who issued the Bill of Lading while the Respondent No. 3 is a Pakistani shipping company whereas Respondent No. 2 is the shipping agent of Respondents No. 1 and 3 who obtains clearance of the vessels owned and operated by the Respondents No. 1 and 3 that arrive in Pakistan. First and foremost, it may be noted that the carrier simply carries the goods on board a vessel on behalf of the shipper and for the benefit of the consignee[3]. This Court in *Marine Services (Pvt.) Ltd. v. Federal Board of Revenue*, 2025 PTD 903 held that broadly speaking given that the role of the carrier is limited to the release of the goods into the hands of the person nominated as a consignee in the bill of lading, a shipping agent acting as an agent of the carrier therefore simply assists the Master of the vessel in terms of services such as port and terminal liaison, port entry and clearance, berth arrangements and crew services, limiting his role in terms of the cargo to the submissions of bill of lading, port documentation and paperwork and occasionally to cargo surveys[4]. To summarize, it was held that the shipping agent has no responsibility or liability whatsoever in respect of the terms of payment of customs duties[5].

37. With that in mind, we move to the Bill of Lading. Before we consider the terms appearing in the Bill of Lading, however, it is important to understand what a bill of lading is. A bill of lading is a contract between a shipper and the

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[3] *Marine Services (Pvt.) Ltd. v. Federal Board of Revenue*, 2025 PTD 903
[4] *Ibid.*
[5] *Ibid.*

carrier[6]. It is a receipt of goods and acknowledgment of cargo[7] and contains certain admissions as to their quantity and condition when put on board[8]. A bill of lading is the writing signed on behalf of the owner of ship in which goods are embarked, acknowledging the receipt of the goods and undertaking to deliver them at the end of the voyage subject to such conditions as may be mentioned in the bill of lading[9]. The principal use of the bill of lading is as a receipt issued by the carrier once the goods have been loaded onto the vessel which can be used as proof of shipment for customs and insurance purposes and also as commercial proof of completing a contractual obligation[10]. The bill of lading also confers *prima facie* title over the goods to the named consignee or lawful holder[11].

38. Now let us consider the significance of the words "OCEAN FREIGHT PREPAID AS ARRANGED" as appearing on the Bill of Lading No. CBK00108010 dated 20.08.2001 in the instant case. This court in *M/s Dada Limited v. M/s The Trans Oceanic Steamship Co. Ltd,* PLD 1960 Karachi 181 held that 'freight' is a remuneration payable for the carriage of goods in a ship and is payable on arrival of the goods ready to be delivered to the consignee in a merchantable condition. If agreed upon it is also paid in advance on shipment. It was argued on behalf of the carrier that lighterage and demurrage was charged as freight in terms of the bill of lading and as such it was not refundable. The court held that the mere fact that freight and the aforementioned charges were totaled together and the total was stamped as "prepaid freight" will not convert such payment as freight and since there is no evidence that the ships stayed in the outer anchorage beyond the time fixed by the port authorities therefore the amount of demurrage was held to be refundable. Thus, the words "ocean freight prepaid" appearing in the Bill of Lading in the instant case only covers the basic ocean freight payable to the carrier.

39. Similarly, the term, 'CY/CY' is a maritime shipping term, which the Supreme Court in *E,F.U.I Co. Limited v. American President Lines*, PLD 1992 SC 291 held means Container Yard to Container Yard as per the Maritime Encyclopedia-Dictionary by Eric Sullivan Third Edition. CY/CY notation therefore simply signifies that the carrier is liable to take the container from the

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[6] *CGM (Compagnie General Maritime v. Hussain Akbar*, 2002 CLD 1528
[7] *Resoe International Trading (Private) Limited v. ARK Global DWC-LLC*, PLD 2019 Sindh 344
[8],*Cress LPG (Pvt.) Ltd. v. M.T. Maria,* 2018 CLD 972
[9] *CRESS LPG (Pvt.) Ltd. (Supra)*
[10] *Ibid.*
[11] *Ibid.*

original container yard to the destination container yard. It defines the scope of responsibility of the carrier in terms of point of collection and delivery.

40. On the other hand, 'FCL Term Hdlg-Dest' is an abbreviation commonly used in shipping and commercial invoices meaning Full Container Load[12] Terminal Handling-destination. The CY/CY notation has no bearing on the payment of local destination charges which were demanded by the Respondent No. 3 and paid by the Applicant under protest. The International Chamber of Commerce has published the International Commercial Terms or the INCOTERMS, which are a series of predefined commercial terms relating to international commercial law that define the responsibilities of exporters and importers in the arrangement of shipments and the transfer of liability involved at various stages of the transaction. They are widely used in international commercial transactions or procurement processes. A series of three-letter trade terms related to common contractual sales practices, the incoterms rules are intended to primarily clearly communicate the tasks, costs and risks associated with the global or international transportation and delivery of goods. Incoterms inform sales contracts defining respective obligations, costs and risks involved in the delivery of goods from the seller to the buyer. The Incoterms rules are accepted by governments, legal authorities, and practitioners worldwide for the interpretation of most commonly used terms in international trade. They are regularly incorporated into sales contracts worldwide[13]. In Pakistan, paragraph 5 titled Terms of Imports contained in Chapter 13 of the Foreign Exchange Manual recognize the terms of imports as per Incoterms 2020 issued by the International Chamber of Commerce and for import of goods on incoterms other than those mentioned in the said paragraph prior permission of the Foreign Exchange Operations Department, SBP (BSC) Bank is required.[14]

41. The three-letter term 'DDP' is part of the INCOTERMS which stands for Delivery Duty Paid. In a contract on DDP basis almost all the risks costs and tasks are to the account of the seller including duties or taxes payable[15]. According to Wikipedia under the Incoterm DDP the seller arranges and pays for export and import customs clearance and applicable import duties and taxes in the destination country[16].

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[12] *Advani Enterprises, Inc. v. Underwriters at Lloyd's*, 962 F. Supp. 415 (S.D.N.Y. 1997)
[13] *Province of Sindh v. Multiline Enterprises*, PLD 2024 SC 81
[14] *Multiline enterprises (Supra)*
[15] *Ibid.*
[16] https://en.wikipedia.org/wiki/Incoterms

42. No document was produced by the Applicant evidencing that the commercial terms agreed upon between the shipper and the Applicant were on DDP basis or any other basis which would exempt the Applicant from payment of the charges demanded by the Respondent No. 2. Therefore, there is no evidence to suggest that the charges that were demanded by the Respondent No. 2 as *"FCL Term Hdlg-Dest, Import Service Doc Charge, Concise Inst-Dest and Pakistan Post Surcharge"* had already been paid by the Applicant and were not payable to the Respondent No. 2, hence the Applicant was not justified in seeking refund of the amounts paid by it as such purportedly under duress.

43. In view of the foregoing, the instant Civil Revision Application No.154 of 2012 is dismissed.

Civil Revision Applications No.155

44. Civil Revision Application No.155 arises from Suit No.2058 of 2023 which was dismissed by the learned Trial Court by finding that the printed clause in the Bill of Lading clearly states that *"customs duty, wharfage, terminal handling charges for receiver's account"* which makes it crystal clear that it was to be paid by the consignee at the port of Karachi and that admittedly freight was prepaid but terminal handling charges were not included in the freight.

45. The learned Appellate Court upheld the dismissal by relying upon the meaning of freight and terminal handling charges given in the Marine Encyclopedic Dictionary and by specifically observing that the freight pre-paid at the port of shipment did not include the charges received by the Respondent No. 2 and the charges received by the Respondent No. 2 from the clearing agent of the consignee were in accordance with the Bill of Lading.

46. Examination of the Bill of Lading No. PONLSUB70002194 dated 20.07.2003 produced before the Trial Court as Ex.P/1 shows that the shipper was located in Indonesia and under Freight and Charges it *inter alia* lists Origin Terminal Handling/LCL Service Charge as P JKT while the Destination Terminal Handling/LCL Service Charge as C KHI, meaning thereby that while such charges were paid at the origin in Jakarta the destination charges were to be charged in Karachi. No error or infirmity could be highlighted in the concurrent findings by the Applicant.

47. In view of the foregoing, the instant Civil Revision Application No.155 of 2012 is dismissed.

Civil Revision Applications No.156

48. Civil Revision Application No. 156 arises from Suit No. 899 of 2006, which was dismissed by the learned Trial Court by finding that the photocopy of the Bill of Lading produced by the Applicant shows that the unstuffing cost, customs duties, wharfage, terminal handling charges, demurrage, and all other landing charges were to be paid by the Applicant. The learned Appellate Court found that the Trial court judgment was based on sound reasoning and did not suffer from any material irregularity and as such dismissed the appeal.

49. Bare perusal of the bill of lading number SOB/KHI/20050104 Dated 16 dot 7 05 shows that freight was prepaid while import THC (Terminal Handling Charges) to be collected from consignee. In light of the above detailed discussion regarding “freight prepaid” and local destination charges, the concurrent findings do not warrant interference in revisional jurisdiction.

50. In view of the foregoing, the instant Civil Revision Application No.156 of 2012 is dismissed.

Civil Revision Applications No.157

51. Civil Revision Application No. 157 arises from Suit No. 765 of 2005 in which the learned Trial Court rejected the plaint filed by the Applicant by finding that the photocopy of the Bill of Lading nowhere shows that the Applicant was not liable to pay the unstuffing cost, custom duty, wharfage, terminal handling charges, demurrage and all other landing charges of the consignment. The Appellate Court found no reason to interfere with such findings and dismissed the appeal.

52. Nothing has been pointed out from the copy of the Bill of Lading No. ATL/IK/JKKRC0883/03690/03 to show that charges as demanded by the respondents had already been paid by the Applicant.

53. In view of the foregoing, the instant Civil Revision Application No.157 of 2012 is dismissed.

Civil Revision Applications No.179

54. Civil Revision Application No. 179 arises from Suit No.258 of 2002, which was dismissed by the learned Trial Court on similar grounds i.e., that the

Bill of Lading clearly mentioned that only origin terminal handling/local service charges were Prepaid while Destination terminal charges/LCL services charges were to be collected at Karachi while the applicant did not produce any document to prove that the term freight prepaid implies that no destination terminal charges were payable by the applicant to the defendants. The learned Appellate Court found that the Trial court judgment was based on sound reasoning and did not suffer from any material irregularity and as such dismissed the appeal.

55. Examination of the Bill of Lading No. PONLTAO01920497 shows it simply states freight prepaid. In light of the above detailed discussion regarding "freight prepaid" and local destination charges, the concurrent findings do not warrant interference in revisional jurisdiction.

56. In view of the foregoing, the instant Civil Revision Application No.179 of 2012 is dismissed.

Announced in open Court on 13th November, 2026.

[SAMAN RAFAT IMTIAZ]
JUDGE

Imran