

**THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

Complaint Nos.16715 & 16870/QT/CUST/2026

Dated: 16.09.2026 & 18.09.2026* R.O. Quetta

Mr. Matiullah s/o Ahmad Shah & Others,
C/o Mr. Mazhar Ali Khan (ASC),
Sadbar Jan Law Associates,
Office 1-25/20, Entrance Jinnah Cloth Market,
Jinnah Road, Quetta.

... Complainant

Versus

The Secretary,
Revenue Division,
Islamabad.

... Respondent

Dealing Officer	: Mr. Tausif Ahmad Qureshi, Advisor
Authorized Representative	: Mr. Mazhar Ali Khan (ASC)
Departmental Representative	: Dr. Sami Ullah, A.C., Customs Enforcement
Dates of Hearing(s)	: 07.10.2026 & 09.10.2026

FINDINGS/RECOMMENDATIONS

The above two identical complaints are disposed of through this single consolidated order. These were filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against the Collectorate of Customs (Enforcement), Quetta on account of alleged delay to finalize the refund claims of sale proceeds in the light of the judgments passed by the Customs Appellate Tribunal, Quetta Bench.

2. Precisely, the goods of the Complainants were released pursuant to the judgments passed by the Customs Appellate Tribunal. Nevertheless, as the goods had already been auctioned, the Complainants submitted refund claims of sale proceeds, followed by reminders. Despite the passage of considerable time, the said refund claims have neither been finalized nor the sale proceeds released, without any plausible or justifiable reason. The matter is, therefore, brought before the Federal Tax Ombudsman with the prayer that an investigation be initiated into the conduct and inaction of the

*Date of registration in FTO Secretariat

Collectorate with the direction to process and release the admissible refund of sale proceeds at the earliest, within the shortest possible time, in the interest of justice.

3. The complaints were referred for comments to the Secretary, Revenue Division, Islamabad in terms of Section 10(4) of the FTO Ordinance, 2000 read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013. In response thereto, the Collectorate of Customs (Enforcement), Quetta submitted reply bearing letter dated 06.10.2026 that the complaints have been examined, and it has transpired that the matter pertains to refund claims relating to various seizure cases from the years 2023 to 2024. As these are old cases, the relevant record is not readily available at this stage. The efforts are actively underway to trace and retrieve the relevant record pertaining to the aforementioned complaints. Upon retrieval and verification of the record, the refund claims shall be processed in accordance with the prescribed legal procedure and applicable laws, rules, and departmental instructions. The Collectorate has contended that the final compliance report cannot be submitted at this stage. Further submitted that the record will be retrieved and all requisite formalities completed shortly. The Collectorate has prayed that 45 days' time may be granted to enable the Collectorate to submit the final compliance report.

4. During the hearing on 09.10.2026, AR and DR attended hearing. Both averred to the same arguments given in their earlier statements.

FINDINGS:

5. From perusal of the available record, the written submissions of both sides, and the arguments advanced during the course of hearing, it has been observed as under:

- (i) The Collectorate has explained that the refund claims arise from seizure cases relating to the years 2023 to 2024 and that, owing to the age of the cases, the relevant record is presently not

readily available. In this regard, the Collectorate has sought 45 days' time to trace and verify the relevant record, and to process and finalise the refund claims.

- (ii) The Complainants had alleged that the continued delay with regard to non-finalisation of refund claims constitutes maladministration. The delay is manifestation of departmental neglect, inattention and ineptitude in discharge of its duties and the same tantamount to Maladministration in terms of Section 2(3)(ii) of the FTO Ordinance, 2000.



RECOMMENDATIONS:

6. In view of the position stated at preceding paras, FBR to direct:
- (i) the Collector, Collectorate of Customs (Enforcement), Quetta to ensure that the subject refund claims are processed and disposed of as per merits and law in favour of the lawful claimants within twenty five (25) days. If needed, an opportunity of personal hearing may also be afforded to the lawful claimants; and
 - (ii) report compliance within thirty (30) days.

Dated:

15 OCT 2026

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman



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