

THE FEDERAL TAX OMBUDSMAN ISLAMABAD

COMPLAINT NO.16811/FSD/IT/2026

Dated 17.09.2026 R.O Faisalabad

M/s Vertex Chemicals (Pvt) Ltd,

Plot No. 1-A, Miscellaneous Zone, Value Addition City,
Sahianwala Road, Khurrianwala,
Faisalabad.

...Complainant

Versus

The Secretary,
Revenue Division,
Islamabad.

...Respondent

Dealing Officer	: Dr. Tariq Mahmood Khan, Advisor
Appraisal Officer	: Mr. Muhammad Tanvir Akhtar, Advisor
Authorized Representatives	: Mr. Amir Masood, ACCA
Departmental Representatives	: Mr. Muhammad Zulfiqar Ali, DCIR, RTO, Faisalabad.
Date of Hearing	: 07.10.2026

FINDINGS/RECOMMENDATIONS

The complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against non-issuance of refund of Rs.15.199 million for Tax Year 2023 by Regional Tax Office (RTO), Faisalabad, Federal Board of Revenue (FBR).



2. Briefly, the Complainant (having NTN#2951025) a private limited company, engaged in business of manufacturing of Chemical materials, filed return of income for Tax Year 2023 under Section 114(6) of the Income Tax Ordinance, 2001(herein after referred to as the Ordinance) claiming refund against adjustable tax deductions/collections u/s 148, 153(1)(a), 231B(3), 234, 235 236(1)(a) and 236(1)(d) of the Ordinance. According to the complainant, refund application for Tax Year 2023 was e-filed on

* Date of registration in FTO Sectt.



18.11.2025. Despite repeated efforts, Deptt failed to dispose of refund application u/s 170(4) of the Ordinance within stipulated time. Hence, instant complaint is filed before this forum.

3. The complaint was referred to the Secretary, Revenue Division, Islamabad for comments in terms of Section 10(4) of the FTO Ordinance read with Section 9(1) of Federal Ombudsmen Institutional Reforms Act 2013(FOIRA). In response thereto, the CIR, Refund Zone, RTO, Faisalabad submitted report on contents of complaint vide letter dated 05.10.2026. It was reported that evidence of tax paid under various heads of the Ordinance was not attached with return and refund application. Deptt did not communicate any outstanding current and arrear demand or any pending assessment. Further, notice u/s 170(4) of the Ordinance was issued to the complainant for compliance. As soon as, the complainant submits requisite documents, refund application for Tax Year 2023 will be disposed of, as per law.

4. The case was fixed for hearing on 07.10.2026. The complainant was represented by Mr. Amir Masood, ACCA. Mr. Muhammad Zulfiqar Ali, DCIR, RTO, Faisalabad attended as DR. Both reiterated their respective positions. During hearing, DR informed that notice u/s 170(4) was issued for compliance. Further, refund application for Tax Year 2023 will be disposed of, as per law.

5. FINDINGS:

i. Complainant's profile confirms that while its main focus is local manufacturing, the company historically started as a sole distributor for European brands. Import GDs need to be checked carefully to segregate import of finished specialized engineering equipment and goods for local distribution.

ii. Un-due delay in processing of refund application for Tax Year 2023 is a manifestation of departmental neglect, inattention and ineptitude in discharge of its duties and is tantamount to maladministration in terms of Section 2(3)(ii) of the FTO Ordinance, 2000.

RECOMMENDATIONS:

6. FBR to direct:-

- (i) the CIR, Refund Zone, RTO, Faisalabad to process the refund claim for Tax Year 2023 as per law after providing sufficient opportunity of being heard; and
- (ii) report compliance within 45 days

7. The complainant is advised to provide documentary evidence of tax deduction/collection (in original) to the concerned officer for verification.

Dated: 16 OCT 2026


(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

