

**THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

Complaint No.16318/PWR/ST/2026

Dated: 09.09.2026*R.O.Peshawar

M/s Frontier Tech Wood Industries (Pvt) Ltd,
Head Office, Plot-98, Industrial Estate,
Jamrud Road, Hayatabad, Peshawar.

... Complainant

Versus

The Secretary
Revenue Division
Islamabad.

... Respondent

Dealing Officer
Appraising Officer
Authorized Representative
Departmental Representative

: Mr. Sardar Ali Khawaja, Advisor
: Mr. Badruddin Ahmad Quaieshi, Advisor
: Mr. Nasim Ullah, AR
: Mr. Muhammad Asif Saeed, 2nd
Secretary, CSTRO, FBR, Islamabad
Mr. Amin Ali Khan, Senior Support
Officer, PRAL, RTO, Peshawar

Date of hearing

: 29.09.2026

FINDINGS

The above-mentioned complaint has been filed under Section 10 (1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against the CSTRO, FBR, Islamabad regarding clarification about issuance of Rs.1 ERPO by FASTER System instead of processing the total claim of refund as per the attached details.

2. Contents of the complaint are reproduced as under:

"We have approached the concerned CSTRO, FBR Board, on several occasions via Letter no.GLC/5775 dated 08-05-2026, letter no. Gen/FTW/07/05 dated 31-07-2026, reminder letter Gen/Ftwi/07/05 dated 05-09-2026 regarding the Rs.1 ERPO of Sales Tax Refund Claims.

However, despite the refund claims involving amounts running into millions of rupees, the FASTER System does not process the full refund claim amounts and instead generates ERPOs of only Re.1/- against the respective claims.

The concerned CSTRO office has facilitated us in obtaining a response from the PRAL office regarding the reason for the issuance of Re. 1/- ERPOs.

* Date of registration in FTO Secretariat



The response received from PRAL has generally stated that "One-rupee ERPOs are generated for the tax periods due to the deferment of the Refund Claim Amount.

Our issue regarding the issuance Rs. 1/- ERPOs has been referred to PRAL several times by the CSTRO office: however, the matter has not yet been resolved. Therefore, we respectfully request that the CEO, PRAL, may kindly be informed and requested to rectify the FASTER System so that our eligible refund claims can be processed and all admissible refund amounts can be issued. As informed by our consultant, other units of our firm operating in various sectors are receiving their full refund amounts through the FASTER System, whereas we are the only unit facing this issue.

Further, we may be guided regarding the procedural details of the latest applicable regulations, procedures, and FASTER System validation checks that may be causing the deferment or non-processing of the refund claim amounts."

3. The complaint was referred to the 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 thereto, the Second Secretary, CSTRO, FBR, Islamabad, vide letter No.FTO-16318/PSR/ST/2026/103549-R dated 14.09.2026, submitted a report, the contents of which are reproduced as under:

- i. "I am directed to enclose herewith a copy of the subject complaint dated 10/9/2026 received from FTO, Peshawar, regarding details of the latest applicable regulations, procedure, and FASTER system validation checks that may be causing deferment or non-processing of the refund claim amounts.
- ii. The Complainant has agitated that he may be educated in the FASTER system, so that his claims would not be deferred and to ensure processing through the system.
- iii. PRAL was requested to examine the issue and to do the needful as per law & SOP in vogue."

4. The case was fixed for hearing. The D/Rs and A/R of the complainant attended, and the case was discussed in detail as per written arguments. The A/R reiterated his claim, stating that due to system glitches, their refunds are not properly processed in the



FASTER System; hence, the relevant authorities may be directed to remove the systemic fault to resolve the problem.

5. The D/Rs rebutted the claim of the A/R, stating that there is no fault in the system as all other units are processing their refunds through the FASTER System and they face no issue in the system. The complainant needs to check their own system. Even then, if any problem arises, a proper application may be submitted to the Commissioner (Refund Zone) of the RTO, Peshawar.

FINDINGS:-

6. A/R and D/R heard. Record perused. Plea of the D/R carries weight. As stated by the D/R from FBR and the Senior System Support Officer of the PRAL, RTO, Peshawar, the systemic glitch in the FASTER system has been removed; hence, no maladministration can be established at this stage. The complainant is advised to file a proper application along with all the supporting documents before the Commissioner (Refund Zone), RTO, Peshawar, which will be disposed of as per law after providing an opportunity of being heard to the complainant. No further action is warranted at this stage. Nevertheless, Chief Commissioner, RTO, Peshawar is required to depute a technical person from the RTO, to undertake a guidance/training session with the Complainant to guide him regarding the latest procedure/charges made in the FASTER system. File is consigned to the record.

Dated: 22 OCT 2026


(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

