



NO. SRB-COM-III/Unit-7/CA/185/2018

GOVERNMENT OF SINDH
SINDH REVENUE BOARD

Commissionerate – III
Shaheen Complex, 12th Floor, Karachi
Dated: 17th September, 2018

ORDER FOR RESTORATION OF SUSPENSION OF
M/S. MULTI CARGO COMPANY

Name & NTN of Person Suspended:	M/s. Multi Cargo Company SNTN: S1212270-0
Address:	34-A/2, Ground Floor Opp. Beach Luxury Hotel Lalazar Drive Karachi
Date of Institution:	27 th August, 2018
Reason for Suspension	Short Payment of Sindh Sales Tax On Services and non-compliance of the provisions of section 9, 17 and 30 of the Sindh Sales Tax on Services Act, 2011 and the rules made thereunder.
Tax Periods:	Nov-2014 to Jun-2018

Whereas, M/s. Multi Cargo Company having SNTN: S1212270-0 are registered with Sindh Revenue Board under the category of “Custom Agent” classified under tariff heading 9805.4000 to the second schedule of Sindh Sales Tax on Services Act, 2011 (hereinafter “Act, 2011”).

2. Scrutiny of tax profile revealed that they have short paid the SST amount as required under section 9 and 17 of the Sindh Sales Tax on Services Act, 2011 (hereinafter referred to as “the Act, 2011”) read with rule 14 of the Sindh Sales Tax on Services Rules, 2011 (hereinafter referred to as “the Rules, 2011”) and failed to e-file the SST returns as required under Section 30 read with Rule 11,12,13 and 14 of the said Rules, 2011 pertaining to the tax periods Nov-2014 to June-2018.

3. Accordingly, notice bearing NO. SRB.COM-III/AC-7/CA/126/2018 dated 27th August, 2018 was served upon the registered person under section 25 of the Act, 2011 read with Circular No. 02 of 2013 and Rule 10 of the Rules, 2011 whereby the registration of M/s. Multi Cargo Company was suspended for the violation of aforesaid provisions of the law. Moreover, the registered person was required to comply with the said provision of the Act, 2011 and the rules made thereunder before 6th September 2018, failing to which the case shall be proceeded for cancelation of registration.

4. On 3rd September, 2018, M/s Multi Cargo Company vide letter No. Nil dated 3rd September,2018 submitted the copies of Sales tax returns pertaining to Nov-2014 to June-2018 and furthermore, M/s Multi Cargo has requested to pin point the exact period to whom sales tax has not been deposited/paid by M/s Multi Cargo Company on the services provided, so, accordingly they

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can processed, further. In reply, letter No SRB.COM-III/AC-7/CA/126/2018 dated 5th September, 2018 issued to M/s Multi Cargo Company, wherein, it was inform to them that the M/s Fauji Fertilizer Company declared that they have received taxable services from M/s Multi Cargo Company, amounting to Rs. 742,736,251/-for tax period Nov-2014 to Jul-2018, whereas, SST was charge to Rs. 99,813,543/- and amount of Rs. 20,014,172/- was withheld and duly paid by M/s Fauji Fertilizer Company. However, during the tax period Nov-2014 to Jul-2018, M/s Multi Cargo Company has deposited the SST, amounting to Rs. 71,806,142/- into the Sindh government's head of Account "B-02384". hence, there is short payment of SST amounting to Rs. 7,993,229/-to paid by M/s Multi Cargo Company.

5. On 10th September, 2018 Mr. Sadaqat Ali Babar (Manager of M/s Multi Cargo Company) appeared and filed letter vide Nil dated 10th September, 2018, wherein, M/s. Multi Cargo has submitted that they have provided taxable to M/s Fauji Fertilizer Company, amounting to Rs. 743,142,069/- where Sindh Sales Tax was charge to Rs. 100,073,126/- and Rs. 20,014,624/- was withheld by M/s Fauji Fertilizer Company and remaining amount of Rs, 80,058,502/-was paid by them during Nov-2014 to July-2018.

6. During the reconciliation of records, as submitted by the M/s Multi Cargo Company, it has been observed that M/s Multi Cargo Company has duly deposited the SST, amounting to Rs 93,628,316/- and Rs. 18,725,662/- withheld by M/s Fauji Fertilizer for the tax period Nov-2014 to June-2018 into Sindh Govt Head of Account No "B-02384". It is pertinent to mentioned here that due to system error the tax period of **June-2018** has been inadvertently overlooked in the assessment, therefore, the short payment arise thereof in this office letter No. 6th August, 2018. Furthermore, M/s Multi Cargo has failed to declare their correct mailing address in their tax profile maintained with the SRB. Details of reconciliation report is given below;

Declaration by M/s Fauji Fertilizer Company			
Tax Periods	Sales Tax	Value of Service	Withholding
Nov-2014 to June-2018	93,298,767	692,622,589	18,711,217
Total	93,298,767	692,622,589	18,711,217
Declaration by M/s Multi Cargo Company			
Tax Periods	Sales Tax	Value of Service	Withholding
Nov-2014 to June-2018	83,314,787	613,521,677	16,662,956
Jun-2018 inadvertently missed by system	10,313,529	79,334,826	2,062,706
Total	93,628,316	692,856,503	18,725,662

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