



SRB-COM-I/AC-32/TO/PGP/2061/2021
GOVERNMENT OF SINDH
SINDH REVENUE BOARD
Commissionerate-I
2nd Floor Shaheen Complex,
M.R Kiyani Road, Karachi
Dated 2nd June, 2021



ORDER FOR REVOCATION OF SUSPENSION

Name & NTN of Person Suspended:	M/s. PGP Consortium Limited. SNTN-S7249907
Address:	Associated House 7, Egerton Road, Lahore.
Date of Institution:	24-05-2021
Reason for Suspension	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:	February, 2021 to April, 2021

Brief facts of the case are that M/s. PGP Consortium Limited (hereinafter referred to as "M/s. PGP"). bearing SNTN No. S7249907-2 are registered with SRB as a service provider in respect of Terminal Operators services which are chargeable to the Sindh Sales Tax ("SST") under Section 8 read with tariff heading 9819.9090 of the second schedule to the Sindh Sales Tax on Services Act, 2011 (hereinafter referred to as "the Act, 2011").

2. Scrutiny of their tax profile revealed that they failed to deposit the SST amount as required under Section 9 and 17 of 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 period(s) February, 2021 to April, 2021.

3. Accordingly, notice bearing SRB-Com-I/AC-32/TO/AC-32/2059/2021 dated 24th May, 2021 was served upon the registered person under Section 25 of the Sindh Sales Tax on Services Act, 2011 read with Circular No. 02 of 2013 and Rule 10 of the Rules, 2011 whereby the registration of M/s. PGP Consortium Limited was suspended for violation of aforesaid provisions of the law. Moreover, M/s. PGP were required to comply with the said provisions of the Act, 2011 and the rules made thereunder and were further informed that in case of non-compliance the case shall be proceeded for cancellation of registration.

4. In this regard, M/s. PGP vide their letter No. PGPC/SRB/2021/194 dated 28th May, 2021 informed this office that profit and gains of M/s. PGP being LNG Terminal Owner/Operator were exempted from the Income Tax under clause (141) of Second Schedule to the Income Tax Ordinance, 2001, which has been withdrawn vide omission of aforementioned clause through the tax laws (Second Amendment) Ordinance, 2021. M/s. PGP further informed that subsequent to the said Omission

their Client M/s. Pakistan LNG Limited withheld Income Tax from M/s. PGPC Payment which have resulted into cash flow difficulties and ultimately to non-payment of SST and non-filing of SST returns. Moreover, M/s. PGP also informed that being aggrieved from the withdrawal of exemption, they have filed Writ Petition No. 55811/2021 before the Honorable Lahore High Court (LHC) challenging the aforesaid withdrawal of exemption, however, the writ petition is still pending before LHC.

5. In the same letter, M/s. PGP stated that they are trying to overcome this situation through arrangement of funds from Financial Institutions and expect that cash flow situation will be better in upcoming tax periods. Further, M/s. PGP have shared the schedule of payments of SST for the tax periods February, 2021 to April, 2021 and submitted Original cheques as well. Moreover, M/s. PGP informed that they are a compliant taxpayer and did not commit any such act willfully/deliberately and requested for restoration of their registration with SRB. Schedule of payment along with details of cheques are as follow:

Tax Periods					
		Feb-21	Mar-21	Apr-21	Total (Rs.)
Amount of SST (Rs.)		97,151,709	113,128,727	118,206,793	328,487,229
Cheque No.	Payment Date				
8050905155	Upto 28-May-2021	15,000,000	-	-	15,000,000
8050905156	Upto 7-Jun-2021	82,151,709	20,000,000	20,000,000	122,151,709
8050905157	Upto 7-Jul-2021	-	93,128,727	-	93,128,727
8050905159	Upto 7-August- 2021	-	-	98,206,793	98,206,793
		97,151,709	113,128,727	118,206,793	328,487,229

6. On 31st May, 2021, Mr. Shahid from M/s. Tax Clinic appeared as AR of M/s. PGP Consortium Limited in the office of undersigned and reiterated M/s. PGP's earlier submissions and further assured that the Cheque No. 8050905157 amounting to Rs. 93,128,727/- shall be deposited in the Month of June, 2021 and that M/s. PGP will also pay due default surcharge in terms of section 44 of the Act-2011 and penalties in terms of the section 43 of the Act, 2011.

7. I have heard the representative of M/s. PGP and came to the conclusion that, as a matter of procedure, on suspension of registration of taxpayer, the complete tax profile of registered person is blocked on i.srb portal due to which the taxpayer neither can e-file the return nor can generate the PSID on its NTN. Since M/s. PGP has provided Original Cheques, therefore, taking a lenient view and for purpose of carrying on their business activity and to take the remedial action provided in this office notice dated 24th May, 2021 the suspension of the registered person is hereby **revoked with immediate effect.**

8. M/s. PGP Consortium Limited are required to:

- generate PSID against said pay cheques immediately on restoration of registration,
- e-file the returns within 2 days of deposit of tax amount,



- c) deposit the tax amount and e-file the tax returns in the time and manner prescribed under the provisions of the Act-2011 and the Rules made thereunder going forward.

8. This order contains three (03) pages, each bearing my seal and initial.

(Imran Ali)

Assistant Commissioner (Unit-32)

Copy for information to:

- Pakistan LNG Limited - PLL, Petroleum House, Ataturk Avenue, G-5/2, G-5, Islamabad.
- Chief Commissioner, Large Taxpayers' Office, Islamabad, Plot No# 20 Service Road Mauve Area G-9/1, Islamabad.
- Chief Commissioner, CRTO Lahore, Tax House, Nabha Road, Anarkali Bazaar Lahore.
- Commissioner-I, SRB.
- Mr. Shahid-ul-Ghani, Head of IT, SRB, for placing it on SRB website.
- Mr. Shaiq Jafri, Chief Manager, PRAL SRB.
- Manager Call Centre, SRB.

(Imran Ali)

Assistant Commissioner (Unit-32)

