



NO.SRB-COM-II/AC-32/TO/2021/86493

**SINDH REVENUE BOARD
GOVERNMENT OF SINDH**

Karachi, Dated February 11, 2022

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:	25-01-2021
Reason for Revocation	Revocation of Suspension of Sindh Sales Tax Registration on the basis of submitted Undertaking by taxpayer.

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 to the second schedule of the Sindh Sales Tax on Services Act, 2011 (hereinafter referred to as "the Act, 2011").

2. Whereas, scrutiny of your tax profile reveals that you have failed:

- I. to make the payment of Sindh sales tax on services as required under section 9* and 17 of the Act-2011, read with Rule 14 of Rules-2011, pertaining to the tax periods from **October, 2021 to December, 2021**, despite of various Notice issued from this office.
- II. to e-file the Sindh sales tax return (Form SST-03) as required under section 30 of the Act-2011 read with rule 12 of the Rules-2011, in the time limitation and the manner as prescribed under rule 13 of the Rules-2011, for the tax periods from **October, 2021 to December, 2021**.

3. As a matter of fact, it is an established and admitted status of this case that it is willfully and intentionally escaping from its lawful obligation as enumerated above (para-3 above). The default in terms of non-filing of the return and non-payment of the tax due despite being a corporate entity goes long back since March 2017 (during last five (05) years the RP has made 202 late payments). This office has independently

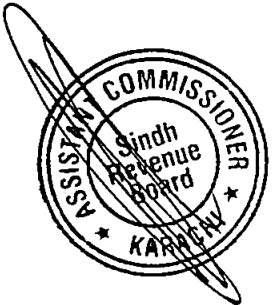


worked out an approximate default surcharge of Rs. 49.582 million for which a separate opportunity along with working is being issued today in addition to this suspension order.

4. It has repeatedly been suspended and then restored on promises and written commitments for payments through post-dated cheques. The sad part is that it has always not kept its promises and again went into repeated willful defaults.

5. Opportunity notice with remedial measures suggested:

During the latest episode post restoration in May and June 2021, the registered person continued its willful habit of default despite repeated verbal and written reminders. Finally, **a show cause notice was served on 23-12-2021** whereby the default of non-filing of return and the payment of the tax due for the month of August 2021 to November 2021 was issued in terms of subsection (2) of 25 of the Act, 2011 for the default enumerated in law under section 25(1)(a)(ii) which reads "*has failed to comply with its obligation under this Act and*". Whereby, the registered person was also proposed remedial measures as under;

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- I. to discharge all your sales tax liability along with default surcharge under section 44 of the Act-2011 for aforementioned tax periods and deposit the same in the Government of Sindh head of account B-02384.
 - II. to e-file the true and correct monthly Sindh sales tax returns (Form SST-03) for the said tax periods.

6. In addition to above, the tax advisor Mr. shahid from M/s Tax Clinic was telephonically approached and requested to issue advisory, in this regard to the defaulter registered person being his client. The tax advisor accordingly issued tax advisory dated 30-12-2021 and endorsed the copy of the same to the Commissioner-II which was received in the board 60034 on 30-12-2021. It is regretfully pointed out that registered person continued its default and did not pay heed even to the advice of its tax advisor too. *It is felt expedient to underline the fact that the registered person kept on making lame excuses without any substantial evidence the specific being its AR's letter dated 30-12-2021 which was rejected then and there having been without any merits and justification.*

7. This office, despite above proposition and callous/non-compliance attitude of the registered person, did not act in haste and exercised restrained till today until writing of this suspension order. The matter has been brought to the knowledge of all relevant being



an enforcement measure and administrative action, and has also appreciated the fact that the registered person has adopted a habit of keeping with it the tax due for last three months i.e. one quarter and keep enjoying opportunity cost which cannot be allowed under any circumstances and given the registered person established attitude of willful default and repeated breaking of promises and commitments.

8. Currently, the registered person is adamant neither to file returns for last three months nor it has made payments due for last three months hence it has defaulted without any doubts on both counts of non-filing of returns within due time obliged under section 30 of the Act, 2011 and non-payment of the tax due within time for each tax period obliged to pay under section 17 of the Act, 2011.

9. Interestingly the tax due for the relevant months is as under;

S. No	Tax period	Amount Due	Due Since	Remarks
1	October, 2021	Rs. 139,120,632	15-11-2021	Admitted as per working shared with this office vide letter dated 03-01-2022
2	November, 2021	Rs. 143,144,292	15-12-2021	
3	December, 2021	Rs. 145,000,000	15-01-2022	Approximate as per history
	Total	Rs. 427,264,924		

SUSPENSION REVOCATION ORDER

10. On dated 01-01-2022, legal advisor of taxpayer M/s DR. Shahab Imam Law Associates submitted letter enclosure of Honourable 'SHC issued an interim order wherein they instructed this office following in C.P. No D-580 of 2022.

"To come up on 17.02.2022. However, in the interim period, the impugned notice dated 25.01.2022 against which appeal has been filed by the petitioner to remain suspend. Bank accounts of the petitioner attached by the respondents 2-4 should also be detached forthwith and no coercive action be taken against the petitioner till the bet date of hearing."

11. Vide dated 04-02-2022, taxpayer submitted 02 letters to this office having similar subject "Request for Restoration of Sindh Sales Tax registration of M/s PGP Consortium Ltd having SNTN: 7249907", wherein contention of both letters stated as;



"with reference to our payment plan, we hereby confirm that the payment of Sindh Sales Tax for the tax periods January-2022 to May, 2022 shall be made by 26th date if the month in which payment of tax has been agree. It is further confirmed that the Original Cheque will be submitted with SRB one week prior to the payment/cheque date."

"In this connection, we would like to provide the tentative plan of Sindh Sales Tax payments of M/s PGP Consortium Ltd, which is as follow:

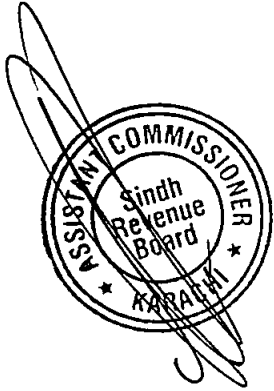
Tax Period	Amount	Tentative payment plan
November, 2021	143,144,292	to be paid in the month of Feb, 22
Decemebr, 2021	113,594,407	to be paid in the month of Mar, 22
January, 2022	to be calculated	to be paid in the month of Mar, 22
February, 2022	to be calculated	to be paid in the month of Apr, 22
March, 2022	to be calculated	to be paid in the month of Apr, 22
April, 2022	to be calculated	to be paid in the month of May, 22
May, 2022	to be calculated	to be paid in the month of May, 22

In light of above, we are pleased to enclose herewith Original cheque of Rs. 143,144,292 and Rs. 113,594,407 for the tax periods November, 2021 and December, 2021 respectively.

Keeping in view the above submissions, your good self is requested to please detach our bank accounts and accordingly, issue instructions to pour customer i.e. Pakistan LNG Limited and restore our Sindh sales tax registration at earliest for smooth operation of the business and also enable us to comply under the law.

We also request you to kindly issue the CPRs of th amount recovered from the Bank of Punjab and Habib Metropolitan Bank limited so as to enable us to file Sindh Sales Tax returns for the relevant tax periods.

12. On dated 10-02-2022, authorized representative of taxpayer submitted **undertaking** on the continuation of compliance letter vide dated 04-02-2022 stated as;



We, hereby, appreciate detachment of Bank Account M/s. Bank of Punjab as well as withdrawal of attachment letter issued to Pakistan LNG Limited. It is further requested to kindly withdraw notices issued to other banks as well.

We would like to further submit that the enclosed letter has given you the dates of payment for the current and future periods till June 2022. Moreover, it is strongly reiterated to revoke suspension of our client's registration immediately lieu of payment plan submitted.

Our client being aggrieved approached court for interim relief against suspension and attachment orders of the Sindh sales tax department. However, they are willing to have an amicable settlement with Sindh Revenue Board and withdraw CP filed provided following grievances due to which they have taken extreme step to reach Honorable High Court are removed:

- i. The Sindh sales tax registration suspended by the Sindh Revenue Board be restored forthwith;
- ii. Issuance of detachment letters to our Banks and Pakistan LNG Limited (PLL);
- iii. The payment plan submitted by our client is accepted and no attachment of bank accounts or receivables from PLL and suspension of sales tax registration shall be made as long as the payment plan submitted by our client is complied and in case of non-compliance SRB can initiate all legal proceedings as per law. Further relevant months admitted tax as due shall be communicated by 15th of the tax month by the registered person.
- iv. Issuance of CPRs in respect of amounts recovered through attachments of the bank accounts including following which have already agreed to make payment as per initial payment plan submitted in the month of January 2022;



Sr. No	Bank Name	Amount
1	The Bank of Punjab	140,393,678
2	The Bank of Punjab	428,536
3	Habib Metropolitan Bank	263,000
	Total Amount	141,085,214



13. In light of above undertaking submitted by taxpayer through their authorized representative and an Interim Order issued by Honourable Sindh High Court the suspension of the registered person is hereby **revoked with an immediate effect.**

14. This order contains six (06) pages, each bearing my seal and initial.



(Abdul Muhaimin)
Assistant Commissioner (Unit-32)

Copy for information to: -

- i. M/s Tax Clinic, Suite 701, 7th Floor, Caesars Tower, ST-10, Opposite Aisha Bawani Academy, Shahrah-e-Faisal, Karachi.
- ii. Pakistan LNG Limited - PLL, Petroleum House, Ataturk Avenue, G-5/2, G-5, Islamabad.
- iii. Chief Commissioner, Large Taxpayers' Office, Islamabad, Plot No# 20 Service Road Mauve Area G-9/1, Islamabad.
- iv. Chief Commissioner, CRTO Lahore, Tax House, Nabha Road, Anarkali Bazaar Lahore.
- v. The Member Operations, Sindh Revenue Board.
- vi. SA to the Chairman, Sindh Revenue Board.
- vii. The Commissioner - II, Sindh Revenue Board.
- viii. Mr. Shahid-ul-Ghani, Head of IT, SRB, for placing it on SRB website.
- ix. The Cluster in Charge (Unit-32), SRB, Karachi.
- x. Mr. Shaiq Jafri, Chief Manager, PRAL SRB.
- xi. Manager Call Centre, SRB.
- xii. SRB's Master File Register.



(Abdul Muhaimin)
Assistant Commissioner (Unit-32)

