



NO.SRB-COM-III/AC-Unit-03/2022/109531

GOVERNMENT OF SINDH
SINDH REVENUE BOARD2nd Floor Shaheen Complex,
M.R Kiyani Road, Karachi**Dated: 12-04-2022****ORDER FOR RESTORATION OF SUSPENSION OF
M/S BROTHERS INTERIOR**

Name & NTN of Person Suspended:	M/s. Brothers Interior SNTN: 3912036-8
Address:	Plot No 81, ST 20-21, Sector-6/F, Mehran Town, Korangi Industrial Area, Karachi.
Date of Institution:	04 th February, 2021
Reason for Suspension	Non-Payment of Sindh sales tax and Non-Filing of Sindh sales tax returns.
Tax Periods	July, 2019 to December, 2020

Brief facts of the case are that M/s. Brothers Interior (here-in-after referred as "the registered person or the RP") is enrolled with SRB in the category of "Services Provided by Interior Decorators" falling under the tariff heading (9814.9000) which are subject to Sindh sales tax at the rate as specified in the Second Schedule to the Sindh sales tax on services Act, 2011 (here-in-after referred to as "The Act, 2011").

2. Whereas, perusal of the monthly Sindh sales tax return declarations as filed by Withholding Agents reveal that they have received taxable services from the RP amounting to Rs. 35,525,701/- involving Sindh sales tax of Rs. 4,618,340/- for the different tax-periods. Accordingly, the said service recipients have also withheld the amount of Rs. 923,668/- as per the withholding rules defined under the Act, 2011. Hence, the remaining amount of Rs. 3,694,672/- was required to be deposited by the RP. However, examination of the RP's monthly Sindh sales tax returns showed that they had failed to declare and deposit the said Sindh sales tax amount against such invoices, with SRB. In view of above-mentioned facts, the RP had short-paid SST amount of **Rs. 3,694,672/-** which were charged and collected by them in the aforesaid tax periods. Hence, the same was communicated to the RP vide this office notice no. NO.SRB-COM-III/AC-Unit-03/2022/103067 dated 22-03-2022.

3. In compliance to the aforesaid notice and subsequent reminder dated 05-04-2022, Mr. Ghulam Mohiuddin, on behalf of the RP, appeared and stated that the department had suspended their SRB registration on 08-02-2021 on account of non-payment of SST and non-filing of monthly SST returns for the tax-periods July, 2019 to December, 2020.

4. Briefly, their registration was suspended vide letter bearing NO.SRB-COM-III/AC/Unit-03/2020-21/127 dated 04-02-2021 on the grounds that they had failed to:

- to make the payment of Sindh sales tax on services as declared by your service recipient(s) in their monthly SST returns, in manner as prescribed in section 9 & 17 of the Act, 2011 read with rule 14 of the Rules, 2011, pertaining to the tax periods: July-2019 to Dec-2020;
- to e-file true & correct monthly 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: July-2019 to Dec-2020.

5. Hence, the registration of the RP was suspended under section 25 of the Act, 2011 read with Circular No. 02 of 2013 and Rule 10 of the Rules, 2011 with immediate effect. However, the RP was advised to take certain remedial actions, as mentioned below so that the suspension may be revoked:-

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

6. Therefore, in order to ensure compliance of the short-payment notice as referred in Para-02, Mr. Ghulam Mohiuddin appeared in the office of the undersigned and submitted that their SST liability is unpaid in SRB as confronted in this office notice dated 22-03-2022. He further stated that due to suspension, they were unable to deposit SST and e-file SST returns because their service recipients had stopped their outstanding payments including SST of Rs. 1,675,000/- after receiving copy for information of the said suspension notice. However, the RP is willing to clear all SST liability and also wish to e-file true and correct SST returns as per the Act 2011. The RP has also paid instant Rs. 40,000/- as penalty/default surcharge vide CPR # S12022041100851134550 dated 11/04/2022 in the SRB treasury. He has further requested to withdraw suspension letter so that they can receive their outstanding payments from the service recipient and clear all dues in SRB within 15 days post withdrawal of the suspension order.

7. I have gone through the submissions of the registered person 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 can neither e-file the return nor can generate the PSID on their SNTN. Since, the registered person has made the payment of **Rs. 40,000/-** and have also committed to clear short-paid dues of **Rs. 3,694,672/-** besides e-filing all SST returns for the tax-periods **July-2019 to Dec-2020**, therefore, taking a lenient view and for the purpose of carrying on their business activity and subsequent remedial actions to be taken by them, the suspension of the registered person, made vide letter bearing NO.SRB-COM-III/AC/Unit-03/2020-21/127 dated 04-02-2021, is hereby **revoked with immediate effect**. In case of failure to fulfil the stated remedial actions, registration of taxpayer may be subject to suspension again besides initiation of penal proceedings under the relevant provisions of the Act, 2011.

8. This order contains Two (02) pages, each bearing my seal and initial.

MUHAMMAD ALI SIDDIQUI
Assistant Commissioner (Unit-03)

Copy for Information to:

1. The Commissioner-III, Sindh Revenue Board, Karachi.
2. The Assistant Commissioner, Cluster Head (Unit-03), SRB, Karachi.
3. Mr. Shahid-ul-Ghani, Deputy Commissioner IT, SRB, for placing it on SRB website.
4. Mr. Shaiq Jafri, Chief Manager, PRAL in SRB.
5. Manager Call Centre, SRB.
6. M/s Brothers Interior.

MUHAMMAD ALI SIDDIQUI
Assistant Commissioner (Unit-03)

