



- (i) Name, SNTN and address of the Suspenders: **M/s. Jiya Enterprises,**
(SNTN-S4200119-6),
Mezzanine Floor, #36, Badar
Commercial Area, Phase V, Ext.,
Defence Housing Authority,
Karachi.
- (ii) Date of Suspension: 20th April, 2018
- (iii) Reason: Non-compliance of the provisions of section 2(94),
9, 17, 30 and 52(1) of the Sindh Sales Tax on
Services Act, 2011 and Rules 12 and 13 of the
Sindh Sales Tax on Services Rules, 2011.

ORDER OF REVOKING OF SUSPENSION NO. 01 OF 2018 IN CASE OF
M/s. JIYA ENTERPRISES

M/s. Jiya Enterprises (SNTN: S4200119-6), Shop No. 02, Building No. 8-C, Street No. 02, Saba Commercial, Phase-5, D.H.A, Karachi, are engaged in providing and rendering the taxable services of 'Services provided or rendered by Caterers, Suppliers of Food and Drinks' falling under tariff heading 9801.5000 of the Second Schedule to the Sindh Sales Tax on Services Act, 2011 which are chargeable to sales tax under section 3 of the Sindh Sales Tax on Services Act, 2011.

2. Examination of the tax profile of M/s. Jiya Enterprises reveal that they have failed to deposit Sindh sales tax charged and collected from M/s Pakistan State Oil amounting to **Rs. 2,589,551/-**, claimed input tax of **Rs. 4,117,130/-** against fake invoices showing taxable purchases from Mr. Ulfat Ali, the proprietor of M/s. The Lunch Box (NTN No. 4364563-1), failed to e-file the Sindh sales tax return (Form SST-03) for the tax periods September, 2016 to June, 2017, August, 2017 to January, 2018 and March, 2018 and also failed to produce the records under section 52(1) of the Act, 2011.

3. Therefore, M/s. Jiya Enterprises were served with a notice regarding Suspension of Registration bearing NO.SRB-COM-I/AC-02/Caterers/16633/2018 dated 20th April, 2018, as to why their registration with SRB may not be cancelled for violation of section 2(94), 9, 17, 30 and 52 (1) of the Sindh Sales Tax on Services Act, 2011 read with rules 12 and 13 of the Sindh Sales Tax on Services Rules, 2011 till the following remedial action shall not be taken by them:

- to discharge all sales tax liabilities of **Rs.6,706,681/-** (Rs. 2,589,551 + Rs. 4,117,130) and deposit the same in the Government of Sindh head of account B-02384.
- to e-file the true and correct monthly Sindh sales tax returns (Form SST-03) for the tax periods September, 2016 to June, 2017, August, 2017 to January, 2018 and March, 2018.



4. The said notice of suspension of registration is reproduced as under for ready reference;

“Whereas, section 25(1)(a)(ii) of the Sindh Sales Tax on Services Act, 2011 provides that registration of a registered person can be suspended where registered person “has failed to comply with its obligations under this Act”. Rule 10 of the Sindh Sales Tax on Services Rules, 2011 also provides that where a registered person commits any act of fraud or deliberate and intentional non-payment, short payment or evasion of tax, the Board or an officer of SRB authorized by the Board in this behalf may, without prejudice to any other action under the law for the time being in force, suspend the registration of such person.

2. *Whereas, scrutiny of your tax profile reveal that:*

- *you have failed to deposit Sindh sales tax charged and collected from M/s Pakistan State Oil amounting to Rs. 2,589,551/- on account of the services provided under tariff heading 9801.5000 of the Sindh Sales Tax on Services Act, 2011;*
- *you have claimed input tax of Rs. 4,117,130/- against fake invoices showing taxable purchases from Mr. Ulfat Ali, the proprietor of M/s. The Lunch Box (NTN No. 4364563-1) who himself has repudiated from the ownership of M/s. The Lunch Box vide daily newspaper “Nawa-e-Waqt” Karachi dated 23rd March, 2018. Besides, he has also filed application for lodging of FIR in PIB Colony Police Station wherein he has stated that he does not own M/s. The Lunch Box and his CNIC card has been misused for the purpose of obtaining NTN. Hence, the said amount of input tax claimed and adjusted by you against the fake, false, forged, flying or fraudulent invoices of the said M/s. The Lunch Box is inadmissible under Section 15A(1)(e) of the Sindh Sales Tax on Services Act, 2011.*
- *you have failed to e-file the Sindh sales tax return (Form SST-03) for the tax periods September, 2016 to June, 2017, August, 2017 to January, 2018 and March, 2018 as required under section 30 of the Sindh Sales Tax on Services Act, 2011 (Act-2011) read with rule 12 of the Sindh Sales Tax on Services Rules, 2011(Rules-2011), in the time limitation and the manner as prescribed under rule 13 of the Rules-2011, for the aforesaid tax periods;*
- *you have failed to produce the records as required from you vide this office letters under the provision of Section 52 (1) of the said Act, 2011.*

3. *This office has, several times, informed you in writing and through telephonic discussions, about the aforesaid offences (i.e deposit short payment amount, e-file the Sindh sales tax return and produce records) committed by you but, neither you have deposited the amount of Sindh sales tax due nor e-filed the monthly Sindh sales tax returns as required. This is the serious violation of the above referred statutory provisions of the Act-2011 and the Rules made thereunder.*



4. Now, this notice is being issued to you under section 25 of the Sindh Sales Tax on Services Act, 2011 read with Circular No.02 of 2013 and Rule 10 of the Sindh Sales Tax on Services Rules, 2011 to the effect that your registration is hereby suspended with immediate effect. However, your suspension shall be revoked if you take following remedial actions by 30-04-2018;

- To discharge all your sales tax liabilities of Rs.6,706,681/- (Rs. 2,589,551 + Rs. 4,117,130) and deposit the same in the Government of Sindh head of account B-02384.
- To e-file the true and correct monthly Sindh sales tax returns (Form SST-03) for the tax periods September, 2016 to June, 2017, August, 2017 to January, 2018 and March, 2018.

5. In case of non-satisfactory response or failure to take remedial measures as suggested above on or before 30-04-2018, your case shall be further proceeded for cancellation of your registration with SRB.

6. This notice and suspension of registration are without prejudice to the penal action, prosecution action and recovery action as may be taken against M/s. Jiya Enterprises in accordance with the provisions of the Act or the Rules.

5. In response to the aforesaid notice of suspension, M/s. Jiya Enterprises vide letter dated 30.04.2018 submitted a working of their outstanding sales tax liabilities pertaining to the tax periods from September-2014 to April-2018. The afore-referred letter dated 30.04.2018 is reproduced hereunder:-

“Kindly refer to subject cited above and our telephonic conversation, the SST amount is due as per calculation sheet attached herewith and highlights are as under:

Period	Vendor	Total Purchases	Claimable Amount
Sep-2014 - Feb-2016	Rapid Engineering	16,116,124.00	2,417,056.72
Feb-2016 - March-2018	Al-Hafeez Enterprises	9,621,031.00	1,401,929.54
Jan-2017 - April-2018	Dubai Master Internation	2,152,317.00	279,801.21
July-2017 - April-2018	IDTech Globak	2,200,000.00	286,000.00
Feb-2016 - March-2018	Metro	1,620,638.83	58,353.52
Oct-2015 - Marc-2018	Sales care	248,798.00	34,371.84
Sep-2017 - April-2018	Hyperstar	104,991.00	10,880.00
Nov-2016 - April-2018	General	989,000.00	128,570.00
Total		33,052,899.83	4,616,962.83
Reconciliation			
	Total SST Liability		8,720,144.00
Less:	Claimable Amount	4,616,962.83	
	PSO Withheld Amount	1,744,030.00	
	Tax Paid	1,628,026.00	7,989,048.83
Remaining SST Liability (Approx.)			731,125.17

You are kindly requested to withdraw suspension NOTICE NO.SRB-COM-I/AC-02/CATERERS/16633/2018 dated 20th April, 2018, so that remaining SST liability could be discharge with payment after withdrawal of suspension.

6. In continuation to the letter dated 30-04-2018, M/s Jiya Enterprises through letter dated 10-05-2018 have submitted the copy of pay order of Rs.731,500/- and have requested to withdraw the notice of suspension so that they could be able to e-file the subject Sindh sales tax returns. The letter dated 10.05.2018 is reproduced below for your ready reference:-

“Kindly refer to subject cited above and our telephonic conversation on 09th May, 2018, the SST amount bank pay order # 04648594 dated 10th May, 2018 of PKR Rs. 731,500/- towards the final reconciliation payment outstanding of Sindh Service Tax is attached herewith.



The said payment is being made towards the payment due for the output declaration since company formed till to date as per our reconciliation provided to you with letter dated 30th April, 2018.

You are kindly requested to acknowledge the receipt and withdraw suspension NOTICE NO. SRB-COM-1/AC-02/CATERERS/16633/2018 dated 20th April, 2018, so that company could perform its operations."

7. I have perused the submissions made by M/s Jiya Enterprises and found that the sales tax liability amounting to Rs.731,500/-, determined by M/s. Jiya Enterprises after adjustment of input tax, is not duly supported by the documentary evidences such as the copy of contract/agreement/work order and sales tax invoices for his input. Besides, the response of M/s. Jiya Enterprises does not cover any aspect of claim and adjustment of input tax of Rs.4,117,130/- against fake, false, forged, flying or fraudulent invoices of M/s. The Lunch Box. The said observations were communicated to M/s. Jiya Enterprises for which they have committed that the liabilities against M/s. The Lunch Box will be complied with on or before 31.05.2018. They have also agreed that the records called under section 52(1) will also be provided on or before 31.05.2018.

8. In view of the above facts and circumstances and considering the request of the registered person as regards to the filing of Sindh sales tax returns which can only be filed when their suspension is revoked by the undersigned, therefore, I hereby provisionally revoked the suspension notice bearing NO.SRB-COM-1/AC-02/Caterers/16633/2018 dated 20th April, 2018 of M/s. Jiya Enterprises with immediate effect provided that the following remedial actions are taken by them till 31.05.2018:

- *To deposit Sindh sales tax of Rs.4,117,13/- against the adjustment of fake, false, forged, flying or fraudulent invoices of M/s. The Lunch Box in the Government of Sindh head of account B-02384.*
- *To e-file the true and correct monthly Sindh sales tax returns (Form SST-03) for the tax periods September, 2016 to June, 2017, August, 2017 to January, 2018 and March, 2018.*
- *To produce all documentary evidences (i.e. copy of contract/agreement/work order and sales tax invoices) in support of their response dated 30.04.2018*

9. In case of failure to take above-mentioned remedial measures on or before 31-05-2018, the suspension of the registration of M/s. Jiya Enterprises shall become operative and their case shall be further proceeded for cancellation of their registration with SRB.

10. This order contains five (05) pages, each bearing my seal and initial.

Through Courier Service.

M/s. Jiya Enterprises,
(SNTN-S4200119-6),
Mezzanine Floor, #36, Badar
Commercial Area, Phase V, Ext.,
Defence Housing Authority,
Karachi.

sd
(Anbreen Fatima)
Assistant Commissioner (Unit-02)



Copy for Information to:

1. SA to Chairman, Sindh Revenue Board, Karachi.
2. Chief Collector Customs (Enforcement South), Custom House, Karachi.
3. Collector Customs (Preventive), Custom House, Karachi.
4. Chief Commissioner, LTU, PIC Towers, Moulvi Tamizuddin Road, Karachi
5. The Collector, MCC Appraisalment (East), Custom House, Karachi.
6. Chief Commissioner, RTO-I/II/III KARACHI, 6th Floor, Income Tax House, (Income Tax Building), Sharah-e-Kamal Ata Turk, Karachi.
7. Chief Commissioner, RTO SUKKUR, Income Tax Building, Sukkur.
8. Chief Commissioner, RTO HYDERABAD, A-49, SITE Area, Hyderabad
9. PS to Senior Member (Audit), Sindh Revenue Board, Karachi.
10. The Commissioner-I/II/III/IV/Audit, Sindh Revenue Board, Karachi.
11. The C.E.O PRAL, House#28, Street 37, F-6/1, Islamabad.
12. The Project Manager, PRAL, SRB.
13. All Deputy Commissioner/Assistant Commissioners concerned, SRB.
- ✓ 14. Deputy Commissioner (IT), SRB, for placing it on SRB website.
15. Ms. Asfa Qazi, Manager Call Centre, SRB.
16. Pakistan State Oil Company Limited, PSO House Khayaban-e-Iqbal, Clifton, Karachi.

(Anbreen Fatima)

Assistant Commissioner (Unit-02)

