



NO.SRB-COM-III/AC-Unit-11/Suspension/FCSCCL/2018/0083

ORDER FOR REVOCATION OF SUSPENSION

Name & SNTN of Suspended Person:	M/s. First Capital Securities Corporation Limited, (SNTN-2233063-1)
Address:	2 nd Floor, Pace Shopping Mall, Fortress Stadium, Cantt, Lahore.
Date of Institution:	19-09-2018.
Reason for Suspension:	Non-compliance of the provisions of section 3,8,9,17,30 of the Sindh Sales Tax on Services Act, 2011 and rules made thereunder.
Tax Periods:	February, 2018 to June, 2018.

BRIEF FACTS OF THE CASE:

M/s. First Capital Securities Corporation Limited, are registered with SRB having SNTN: 2233063-1, for providing or rendering the taxable services classified under tariff heading 9813.6000 & 9813.4200 of the 2nd Schedule to the Sindh Sales Tax on Services Act, 2011 (hereinafter the “**Act, 2011**”). The registered person are required to comply with the provisions of section 3, 8, 9, 17 & 30 of the Act, 2011 read with rule 10,12, 13, 14 & 30 of the Sindh Sales Tax on Services Rule, 2011 (hereinafter the “**Rules, 2011**”).

02. During the scrutiny of tax profile of the registered person, the following discrepancies had been found:

- *the tax payer failed to e-file the **true & correct** Sindh sales tax return (Form SST-03) as required under section 30 of the Act, 2011 read with rule 12, 13, 14 & 30 of the Rules, 2011 for the tax periods **February, 2018 to June, 2018**;*
- *the tax payer failed to make the payment of Sindh sales tax on services as required under section 9 and section 17 of the Act, 2011, read with rule 14 & 30 of the Rules, 2011 for the tax periods from February, 2018 to June, 2018.*
- *the service recipients of the registered person declared having paid SST to the tax payer amounting to Rs.425,046/- but the tax payer failed to deposit the said collected sales tax Rs.425,046/- in Government of Sindh head of account No. B-02384 for the tax periods in question.*

03. Consequentially, notice for suspension of registration bearing No. SRB-COM-III/AC-U-11/2018/0044 dated: 19-09-2018 was served upon the registered person under section 25(1)(a)(ii) of the Act, 2011 read with SRB Circular No.02 of 2013 dated: 08-02-2013 and rule



10 of the Rules, 2011 whereby, the SRB registration of M/s. First Capital Securities Corporation Limited was suspended on account of violation of the aforesaid provisions of the Act, 2011 and the Rules, 2011. The registered person was advised to take the remedial actions before 30-09-2018 for revocation of the instant suspension of registration. Besides, the tax payer was further advised that in case of their failing to do so, the case shall further be proceeded for cancellation of registration.

04. However, on due date of compliance i.e. 30.09.2018, Mr. Ashraf, (the representative) from M/s. First Capital Securities Corporation Limited appeared and requested time till 12.10.2018 for compliance of remedial actions which was granted. A letter from First Capital Securities Corporation Limited bearing No. "Nil" dated: 12-10-2018 was received wherein; they stated that they had paid the tax for the tax periods from February-2018 & March-2018 vide CPR Nos. CPR No. S1-20180928-0055-1298064 and CPR No. S1-20180928-0055-1298120 amounting to Rs.125,584/- & Rs.83,910/- respectively. However, as regards to payment of tax periods April, May and June, 2018, the representative has submitted following original pay orders:

S.No	Tax period	Amount	Remarks	Date
1	April-18	69,090	Pay Order No. 14286388	12.10.2018
2	May-18	115,909	Pay Order No. 14286390	12.10.2018
3	June-18	70,658	Pay Order No. 14286389	12.10.2018

05. In view of the above, the representative has requested to restore the suspended SRB registration.

06. I have gone through their submissions and have come to the conclusion that, as a matter of procedure, on suspension of registration of taxpayer, the complete tax profile of the registered person is blocked on e/i.srb official portal, due to which the taxpayer can neither e-file/revise the returns, nor can generate the PSID on their own SNTN. It is placed on record that M/s. First Capital Securities Corporation Limited has paid SST amounting to Rs.209,494/- vide CPR Nos. S1-20180928-0055-1298064 dated 28.09.2018 and S1-20180928-0055-1298120 dated 28.09.2018 and have also submitted original Pay orders bearing Nos.14286388, 14286390 & 14286389 amounting to Rs.255,657/- in the name of '*Sindh Sales tax On Services*'. Therefore, taking lenient view and for the purpose of carrying on their business activity and for further compliance on remedial actions, the suspension of registration is hereby revoked **with immediate effect**.

07. However, M/s. First Capital Securities Corporation Limited are required to:



- a) e- file the true & correct Sindh sales tax returns as per law for the tax periods from February, 2018 to June, 2018 immediately
- b) deposit the default surcharge under section 44 (1) (b) of the Act, 2011 (to be calculated at the time of payment) within two days of the receipt of this order.
- c) deposit the penalty amounting to Rs.23,257/- (5% of Rs. 465,151/-) under section 43(3) of the Act, 2011 within two days of receipt of this order because the representative miserably failed to justify such delay in paying the due tax.
- d) deposit penalty Rs.40,000/-(10,000/- per tax period.) under section 43(2) of the Act, 2011 because the representative miserably failed to justify such delay in e-filing the tax returns.

08. This order contains three (03) pages, each one bearing my seal & signature.

(Naheed Ahmed Mirani)
Assistant Commissioner (Unit-11)

Through Courier


M/s. First Capital Securities Corporation Limited,
2nd Floor, Pace Shopping Mall, Fortress Stadium,
Cantt, Lahore.

M/s. First Capital Securities Corporation Limited,
4th Floor Block-BC & D, Lakson Square Building No.1,
Sarwar Shaheed Road, R.A. Lines, Karachi.

Copy forwarded to:

1. **Mr. Shaiq Jafri**, Chief Manager (PRAL), in Sindh Revenue Board, Karachi.
2. Member (Operations), Sindh Revenue Board, Karachi.
3. The Commissioner-III, Sindh Revenue Board, Karachi.
4. Mr. Zaheer Hussain (AC/Cluster Head) SRB.
5. Mr. Shahid-ul-Ghani, Head of IT, SRB, for placing it on SRB website.
6. Manager Call Centre, SRB.




(Naheed Ahmed Mirani)
Assistant Commissioner (Unit-11)