



NO.SRB-COM-IV/AC-3A/2022-23 / 200458  
**GOVERNMENT OF SINDH**  
**SINDH REVENUE BOARD**  
2<sup>nd</sup> Floor Shaheen Complex,  
M.R Kiyani Road, Karachi  
Karachi, Dated 21<sup>st</sup> June, 2023

**M/S. Friend Enterprises.**  
Mr. Jamil Akhtar  
House. No-318, Bizerta Line,  
Cantt, Defence Housing Authority,  
Karachi.  
NTN: 1362528-4

**SUBJECT: ORDER FOR SUSPENSION OF REGISTRATION OF M/S. FRIENDS ENTERPRISES (SNTN-S1362528-4).**

Whereas, section 25(1)(a)(ii) of the Sindh Sales Tax on Services Act, 2011 (referred to as “the Act-2011”) provides that registration of a registered person can be suspended where the registered person “has failed to comply with its obligations under this Act”. The relevant provisions for the sake of clarity are reproduced as under:

**Section 25. Suspension of registration... (1)**

- a) *the Board or any officer of the SRB, authorized by the Board in this behalf, may suspend the registration of a person if it believes that the person—*
- .....
  - has failed to comply with its obligations under this Act;*

2. In addition to the above stated position, rule 10 of the Sindh Sales Tax on Services Rules, 2011 (referred to as “the Rules-2011”) also provide:

**Rule 10. Suspension and cancellation of the registration.—(1)**

*where a registered person commits any act of fraud or deliberate and intentional non-payment, short payment or evasion of tax [or non-filing of returns for four consecutive tax periods], 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...*

3. Examination of the Sindh sales tax profile of the registered person reveals that they have:
- provided taxable services to M/s Bank Al Habib Limited (NTN # 0709857) as per Annexure-A of others filed by the said service recipient. The record reveals that M/s Bank Al Habib Limited had received taxable services from the registered person amounting to Rs. 370,272,329/- involving Sindh sales tax of Rs. 48,135,401/- for the

tax-periods September-2017 to March-2023. Accordingly, the said service recipients had also withheld the amount of Rs. 9,627,079/- as per withholding rules defined under the Act, 2011. Hence, the remaining amount of Rs. 38,508,322/- was required to be deposited by the registered person.

- However, examination of the monthly Sindh sales tax returns of the registered person show that they had only declared SST of Rs. 22,495,984/- against the said person. In view of above-mentioned facts, it is evident that the RP had short-declared and short-paid SST amount of Rs. 16,012,338/- (38,508,322 – 22,495,984) which were charged and collected by them in the aforesaid tax periods.
- Accordingly, this office had issued short-payment notice dated 09-05-2023 to the RP wherein they were informed to immediately deposit due SST of **Rs. 16,012,338/-** with SRB latest by 16-05-2023.

4. In response to such notice, the RP submitted letter on 16-05-2023 and admitted that they had failed to deposit charged and collected SST amount of Rs. 12,361,254/- in SRB. The remaining amount of Rs. 3,749,882/- out of Rs. 16,012,338/- is already paid as per them. Accordingly, the RP was served pre-suspension notice through this office email dated 01-06-2023 wherein they were informed to immediately discharge their admitted SST liability of Rs. 12,361,254/- along with default surcharge under section 44 of the Sindh Sales Tax on Services Act,2011 (to be calculated at the time of payment). The rest of the amount was subject to scrutiny. The time upto 06-06-2023 was provided for compliance of the said notice.

5. Mr. Anwar Ali (Advocate) of the RP appeared in the office of the undersigned against pre-suspension email dated 01-06-2023. They were advised to deposit admitted liability amount of Rs. 12,361,254/- latest by 09-06-2023 vide this office letter dated 05-06-2023. They were also informed that in case of failure to do so, their case shall be processed for legal proceedings including suspension of registration with SRB.

6. On 09-06-2023, M/s Hakimi Law Associates on behalf of the RP submitted letter dated 08-06-2023 and stated that they had deposited part payment of Rs. 290,206/- on 17-05-2023 and Rs. 1,249,602/- on 08-06-2023. They further requested time for the remaining payment. After going through the contents of the letter stated in para 5 above, it was observed that the aforesaid SST amount, as paid by the RP, pertained to current tax-periods of April-2023 and May-2023. However, the admitted liability of Rs. 12,361,254/- was short-paid against the tax-periods September-2017 to March-2023. Such factual position was communicated to the RP vide notice dated 10-06-2023. They were provided time upto 14-06-2023 to discharge their SST liability along-with penalties and default surcharge as defined under the Act-2011. They were also apprised that the failure to comply with the statutory notices shall lead to suspension of their registration profile. However, neither they had deposited SST amount nor submitted any written response till date.

7. Now, this order is being issued to you under section 25 of the Act, 2011 read with Circular No.02 of 2013 and Rule 10 of the Rules, 2011 to the effect that your registration is hereby

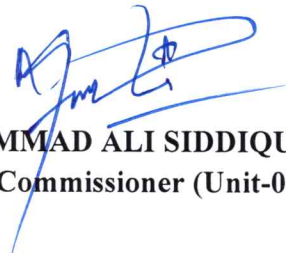


**suspended** with immediate effect. However, your suspension shall be revoked if you will take following remedial actions in the manner prescribed under the Act-2011 and the rules made thereunder;

- To discharge your admitted liability amount of **Rs. 16,012,338/-** and deposit the same in the Government of Sindh head of account B-02384.

8. This order of suspension is without prejudice to the penal action, prosecution and recovery as may be taken against M/s. Friend Enterprises in accordance with the provisions of the Act-2011 and the Rules-2011.

9. Please note that copy of this notice is also forwarded to your registered email ID [anwaraliandco@gmail.com](mailto:anwaraliandco@gmail.com) in terms of section 75 of the Act, 2011 read with rule 60 of the Rules, 2011 and the rule made thereunder.

  
(MUHAMMAD ALI SIDDIQUI)  
Assistant Commissioner (Unit-03A)

**The copy for kind information is forwarded to:**

1. The Senior Member (Operations), Sindh Revenue Board, Karachi.
2. The Commissioner-IV, Sindh Revenue Board, Karachi.
3. The Deputy Commissioner (Unit 3 & 3A)
4. The Project Manager, PRAL, SRB.
- ✓ 5. Assistant Commissioner (IT), SRB, for placing it on SRB website.
6. Manager Call Centre, SRB.



