



NO.SRB-COM-II/AC-32/TO/2021/79975
SINDH REVENUE BOARD
GOVERNMENT OF SINDH
Karachi, Dated January 25, 2022

Before	Mr. Abdul Muhaimin, Assistant Commissioner (Unit-32), SRB
Respondent	M/s. PGP Consortium Limited (SNTN: S7249907-2)
Sections/Rules invoked & Brief Description & Confronted Amount	Sections 25 (3), 30 of the Sindh Sales Tax on Services Act, 2011 Suspension on account of Non-payment and Non-filing for the tax periods September, 2021 to November, 2021.
Date of Order	25.01.2022
Present: For the Respondents:	Mr. Asim Iftikhar, Director Finance, M/s PGP Consortium Ltd. Mr. Shahid Hussain, Representative of M/s PGP Consortium Ltd.

REGISTRATION SUSPENSION ORDER U/S 25(3)

- 1) This copy is granted free of charge for use by the person to whom it is issued.
- 2) An appeal against this order lies with the Commissioner (Appeals-I), SRB, 3rd Floor Shaheen Complex, M.R. Kiyani Road, Karachi, as provided in Section 57 of the Sindh Sales Tax on Services Act, 2011, within 30 days of the date of receipt of this order.
- 3) The appeal, in form SST-5A, as prescribed in the Sindh Sales Tax on Services Rules, 2011, should be accompanied by a fee as per schedule below, duly deposited in head of account "B-02384 - Sindh Sales Tax on Services" against a PSID/Challan (Form SST-04). The CPR ("S1"-Series) should be attached with the written appeal.

Where appellant is a company	Rs. 2,000/=
Where appellant is not a company	Rs. 1,000/=

- 4) The appellant should state, in his Appeal, if he desires to be heard in person or through an authorized representative. In case the appellant desires to be heard through his authorized representative, he should attach a Letter of Authorization in Form-II, as prescribed in Chapter-VII of the Sindh Sales Tax on Services Rules, 2011.
- 5) A copy of appeal filed should also be supplied to concerned adjudication officer.

BRIEF FACTS

M/s. PGP Consortium Limited (the "registered person") having SNTN: S7249907-2 are registered with Sindh Revenue Board (SRB) in the service category of "Terminal Operator" covered under tariff heading 9819.9090 of the Second Schedule to the Sindh Sales Tax on Services Act, 2011 (the "Act-2011"). The services provided or rendered by the registered person are taxable at the statutory rate of tax under Section 3 read with Section 8 of the Act, 2011 read with rule 40 of the Sindh Sales Tax on Services Rules, 2011 (the "Rules, 2011").

2. Whereas, M/s. PGP Consortium Limited bearing NTN No. 7249907-2 (hereinafter referred as the 'registered person') are registered with Sindh Revenue Board under tariff heading 9819.9090 [Service provided or rendered by Port Operators] of the Second Schedule to the Sindh Sales Tax on Services Act, 2011 (hereinafter referred to as 'the Act, 2011') since 31st January, 2017. The above-mentioned services are chargeable to Sindh Sales Tax under tariff heading 9819.0000 respectively of the Act, 2011 read with Section 3, 8, 9 & 17 of the Act, 2011 read with Rule 30 of the Sindh Sales Tax on Services Rules, 2011 (hereinafter referred to as 'the Rules-2011').

3. 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**.

4. 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.

5. 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.

6. 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;

- 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.

7. 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.



8. 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.

9. 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.

10. 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 ORDER U/S 25(3)

11. In view of above saga of non-compliance and wilful default as to its lawful obligations and that the registered person has been granted repeated opportunities and guided enough despite pursuance, this office with no alternative except to **suspend the registration** of the registered person is hereby suspended under section 25(3) of the Act, 2011 for violation and default contained in section 25(1)(a)(ii) of the Act, 2011 read with Rule 10 of the Sindh Sales Tax Rules, 2011.

12. I hereby, exercising the powers conferred under section 25(3) of the Act, 2011 read with SRB Circular No.02 of 2013 dated: 08-02-2013 and Rule 10 of the Rules, 2011, suspends SRB registration of **M/s PGP Consortium Limited** (SNTN: 7249907) with **immediate effect**.

13. This suspension Order of registration is without prejudice to any other action under the law for the time being in force. Therefore, the penal action shall be taken against **M/s PGP Consortium Limited**, in accordance with the provisions of the Act, 2011 and rules made thereunder.

14. Ordered as above.

15. This order contains five (06) pages, each bearing my seal and initial.

Through Registered Courier:

M/S PGP Consortium Limited,
Associated House-7, Edgerton Road,
Lahore, Punjab.

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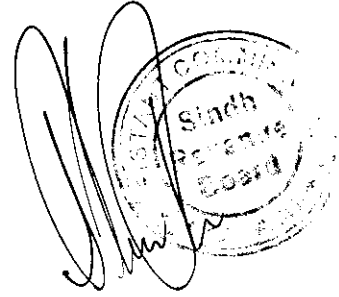
(Abdul Muhaimin)
Assistant Commissioner (Unit-32)

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, *with reference to telephonic discussion with the Member Operations.*
- ii. M/s Port Qasim Authority, Port Muhammad Bin Qasim, Karachi.



- iii. Pakistan LNG Limited – PLL, Petroleum House, Ataturk Avenue, G-5/2, G-5, Islamabad.
- iv. Chief Commissioner, Large Taxpayers' Office, Islamabad, Plot No# 20 Service Road Mauve Area G-9/1, Islamabad.
- v. Chief Commissioner, CRTO Lahore, Tax House, Nabha Road, Anarkali Bazaar Lahore.
- vi. The Member Operations, SRB.
- vii. SA to the Chairman, Sindh Revenue Board
- viii. The Commissioner - II, SRB.
- ✓ ix. Mr. Shahid-ul-Ghani, Head of IT, SRB, for placing it on SRB website.
- x. The Cluster in Charge (Unit-32), SRB, Karachi.
- xi. Mr. Shaiq Jafri, Chief Manager, PRAL SRB.
- xii. Manager Call Centre, SRB.
- xiii. SRB's Master File Register.



(Abdul Muhaimin)
Assistant Commissioner (Unit-32)

