



SRB-Com-1/AC-1/TEL/Netsat/2018/5917

**GOVERNMENT OF SINDH
SINDH REVENUE BOARD**

Commissionerate-I
12th Floor Shaheen Complex,
M.R Kiyani Road, Karachi
Dated 26th March, 2018

ORDER FOR REVOCATION OF SUSPENSION

Name & NTN of Person Suspended:	Netsat (Private) Limited, SNTN No. 2792898-5
Address:	711 / 908, Kawish Crown, Sharah-e-Faisal, Karachi
Date of Institution:	22-2-2018
Reason for Suspension	Non-compliance of the provisions of section 9, 17 and 30 of the Sindh Sales Tax on Services Act, 2011 and the rules made thereunder
Tax Periods:	January 2017 to April 2017, June 2017 and from August 2017 to January 2018

Brief facts of the case are that M/s. Netsat (Private) Limited bearing SNTN No. 2792898-5 (hereinafter referred to as "M/s Netsat") are registered with SRB as a service provider in respect of telecommunication which are chargeable to the Sindh Sales Tax ("SST") under section 8 read with tariff heading 98:12 and sub-tariff heading thereof of the Second Schedule to the Sindh Sales Tax on Services Act, 2011 (hereinafter referred to as "the 2011-Act").

2. Scrutiny of their tax profile revealed that they failed to deposit the SST amount as required under section 9 and 17 of the 2011-Act read with rule 14 of the Sindh Sales Tax on Services Rules, 2011 (hereinafter referred to as "the 2011-Rules") and failed to e-file the SST returns as required under section 30 of the 2011-Act read with Rule 11, 12, 13 and 14 of the said Rules-2011 for the tax periods from January 2017 to April 2017, June 2017 and from August 2017 to January 2018.

3. Accordingly, notice bearing SRB-Com-I/AC-1/TEL/Netsat/2018/5834 dated 22-2-2018 was served upon M/s Netsat under section 25 of the Act-2011 read with Circular No.02 of 2013 and Rule 10 of the Rules-2011 whereby the registration of M/s Netsat was suspended for violation of aforesaid provisions of the law. Moreover, M/s Netsat were required to comply with the said provisions of the Act-2011 and the Rules made thereunder failing to which the case shall be proceeded for cancellation of registration.

4. On 03-3-2018, Mr. Sajid Masood, Chief Financial Officer filed a letter NO.NETSAT/SRB/01/03/2018 dated 3-3-2018, wherein he provided the copies of payorders of principle amount of tax for some tax periods and undertakes to provide the payorders for remaining tax periods. On 24-3-2018, he appeared and filed two letters bearing NO.NETSAT/SRB/02/03/2014 dated 3-3-2014 and NO.NETSAT/SRB/01/03/2014 dated 3-3-2014. He produced all copies of remaining payorders (details given in following table) and submitted that on suspension of their registration, he visited 6th floor whereby Ms. Urooj Zehra misguided him and, as per her direction, they paid Rs.40,000/- as penalty. In this regard, he filed the copy of CPR No.S1-20180228-0085-1250357 dated 28-2-2018 and provided the payorder of Rs.244,747/- as default surcharge under section 44 of the Act-2011 after deduction Rs.40,000/- (Rs.272,024/- less Rs.40,000/-). The instant fact has been confirmed by Ms. Urooj Zehra who informed that she inadvertently directed him to pay the penalty inasmuch as she considered M/s Netsat falling under the jurisdiction of contractual execution services.



S.No.	Month	SST	Payorder No.
1	Jan-17	1,148,923	4294740
2	Feb-17	74,688	4210093

S.No	Month	SST	Payorder No.
7	Sep-17	172,803	4210090
8	Oct-17	165,655	4210091

3	Mar-17	755,355	4294742
4	Apr-17	213,354	4210094
5	Jun-17	202,283	4210092
6	Aug-17	133,337	4210089
Sub-Total		2,527,940	

9	Nov-17	916,796	4294739
10	Dec-17	357,054	4294210
11	Jan-18	676,962	4294741
Sub-Total		2,289,270	
Total		4,817,210	

5. Mr. Sajid Masood, CFO requested to restore the registration so as he can generate the PSID, deposit the tax amount on the same day and he further undertakes to be careful in future.

6. I have heard the learned representative of M/s Netsat 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 neither can e-file the returns nor can generate the PSID on its NTN. Since M/s Netsat has shown original payorder and provided copies thereof, therefore, taking a lenient view for purpose of not to hamper their business activities and to take the remedial action provided in this office notice dated 22-2-2018, the suspension of the registered person is hereby **revoked with immediate effect**.

7. M/s Netsat are required to:

- generate PSID against said payorders **immediately** and deposit the same in designated branches of National Bank of Pakistan in the head of account i.e. **B-02384**.
- e-file the returns within 3 days of deposit of tax amount,
- deposit the tax amount and e-file the tax returns in the time and manner prescribed under the provisions of the Act-2011 and the Rules made thereunder going forward.

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

(Vickey K. Dhingra)

Assistant Commissioner (Unit-01)

Mr. Shaiq Jafri,
Chief Manager,
PRAL in SRB.

Copy to;

- The Commissioner-I, Sindh Revenue Board, Karachi.
- The Commissioner-III, Sindh Revenue Board, Karachi.
- The Commissioner-IV, Sindh Revenue Board, Karachi.
- The Commissioner (Sukkur & Hyderabad), Sindh Revenue Board, Hyderabad.
- ✓ Mr. Shahid-ul-Ghani, Head of IT, SRB, for placing it on SRB website.
- M/s. Netsat (Private) Limited, 711/908, Kawish Crown, Sharah-e-Faisal, Karachi.
- Manager Call Centre, SRB.

(Vickey K. Dhingra)

Assistant Commissioner (Unit-01)

