



Unit-17/2021-22/138398
GOVERNMENT OF SINDH
SINDH REVENUE BOARD
Commissionerate-III
Karachi, dated May 30, 2022

ORDER U/S 25 OF THE Sindh SALES TAX ON SERVICES ACT, 2011

Whereas, M&P EXPRESS LOGISTICS (PRIVATE) LIMITED having SNTN: 0860540 (herein after referred as 'registered person') is registered with Sindh Revenue Board (SRB) under the principal activity of "Courier services" (tariff heading 9808.0000) of the Second Schedule to Sindh Sales Tax on Services Act, 2011 (Act-2011), which are chargeable to Sindh sales tax @ 13% under section 8 of the Act, 2011 read with section 3 and the Second Schedule thereof.

2. It was observed that the registered person has failed to deposit Sindh sales tax dues and also has failed to e-file monthly sales tax returns for the tax periods January, 2022, February, 2022 and March, 2022, despite the fact that registered person was advised via email dated 3rd February, 2022 and 22nd February, 2022, to do so. The records (purchase declarations of SRB registered persons) further revealed that during the aforesaid tax periods the registered person has provided taxable services during the aforesaid tax periods, and he had charged Sindh sales tax of Rs.31,733,423/- from SRB registered persons/service recipients, but the registered person has failed to declare and deposit the said SST with SRB. The act of providing taxable services and collecting Sindh sales tax by the registered person but not depositing the said collected SST with SRB willfully and intentionally falls under the definition of TAX FRAUD as defined in clause (94) of section 2 of the Act, 2011 and attract penalties as envisages under serial 6(d) of the table mentioned under section 43 of the Act, 2011

3. The registered person was therefore show-cause and provided an opportunity of being heard vide notice dated 11th May, 2022, to explain as to why his registration may not be suspended under section 25(1)(a)(ii) of the Act, 2011 (referred to as "Act, 2011"), read with rule 10 of the Rules, 2011 (refer to as "Rules, 2011") for violation of section 9, 15, 15A of the Act and rule 22 of the Rules, 2011. Hearing was fixed on 16th May, 2022. The registered person was required to make payment of the Sindh sales tax dues of Rs.31,733,423, immediately along with default surcharge as required under section 44 of the Act, and file monthly SST returns of the aforementioned tax periods immediately. However, the registered person deposited monthly Sindh sales tax dues of Rs.12,248,711/- and Rs.6,731,316/- for the tax periods January, 2022 and February, 2022, on 30th April, 2022 and 13th May, 2022, after due dates i.e. 15th February, 2022 and 15th March, 2022.

4. The registered person however failed to deposit the default surcharge of Rs.337,230/- and Rs.155,226/- as required under section 44 of the Act, in respect of aforesaid belated payments of SST dues. Furthermore, the registered person remained non-compliant for the subsequent tax periods, March, 2022 and April, 2022. It is observed that the registered person has provided taxable services during the aforesaid tax periods, however, the registered person has deliberately failed to deposit SST dues despite the receipt of show-cause notice. The monthly purchase details extracted from the returns of the service recipients/SRB registered person are mentioned in the table given below:-

Tax Periods	Sum of Purchase Amount	Sum of Tax Amount	Sum of VAT Withheld	Paid to M&P
2022/03	88,310,230	11,479,089	2,261,962	9,217,127
2022/04	145,094,953	18,456,860	3,672,274	14,784,586
Total	321,715,414	41,415,038	8,196,198	24,001,713

5. The abovementioned act of non-payment and non-filing of returns within due date despite availing sufficient opportunities shows deliberate and intentional violation of the statutory provisions of the Act and rules made thereunder. Now this order is being issued under section 25(3) of the Act, 2011 read with Circular No.02 of 2013 and Rule 10(1) of the Rules, 2011 to the effect that the registration of M&P EXPRESS LOGISTICS (PRIVATE) LIMITED having SNTN: 0860540, is hereby suspended with immediate effect. The registered person is advised to deposit default surcharge of Rs.337,230/- and Rs.155,226/- with respect to late payment of January, 2022 and February, 2022, deposit Sindh sales tax dues for the tax periods March, 2022 and April, 2022 immediately along with default surcharge as required under section 44 of the Act, 2011. Copies of CPRs with acknowledgment receipts of submitted returns may please be submitted to this office by 6th June, 2022.

6. This order of suspension is without prejudice to the penal action, prosecution and recovery as may be taken against the registered person in accordance with the provisions of the Act, 2011 and the relevant rules of Rules, 2011.

7. Copy of this order is also forwarded taxpayer's registered email ID < Nadeem Khan/Manager Taxation/KHI HO <nadeem.khan@mulphilog.com> in terms of section 75 of the Act, 2011 and the rule made thereunder.

The Principal Officer,
M/S. M&P EXPRESS LOGISTICS (PRIVATE) LIMITED
SNTN:S 0860540
WORLDWIDE HOUSE C-17,
KORONGI ROAD, DHA PHASE
KARACHI

(Muhammad Yousuf Bukhari)
Assistant Commissioner-Unit-17

Copy for Information to:

1. The Commissioner-III, SRB.
2. The Project Manager, PRAL, SRB.
3. Deputy Commissioner (IT), SRB, for placing it on SRB website.
4. Office Copy
- 5.

(Muhammad Yousuf Bukhari)
Assistant Commissioner-17

