



NO.SRB-COM-IV/AC-28/2021-22/138767
SINDH REVENUE BOARD
GOVERNMENT OF SINDH
Karachi, Dated 31st May, 2022

**M/s. Hydro Electric Power System
Engineering Company**
SNTN: S7429964-5
Office No:8-5, Block-S, First Floor
Gulberg-II, Lahore, Punjab

Subject: **ORDER FOR SUSPENSION OF REGISTRATION OF M/S. HYDRO ELECTRIC
POWER SYSTEM ENGINEERING COMPANY (SNTN: S7429964-5)**

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

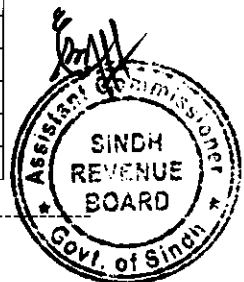
Section 25. Suspension of registration... (1)

- 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---*
- i.
 - ii. *has failed to comply with its obligations under this Act;"*

2. During the scrutiny of returns filed by the company for the tax period **December-2019 to October-2021** it has been observed that they have claimed/adjusted input tax of **Rs. 291,331,909/-** during the same period. Tax period wise breakup of input tax claimed is tabulated below:

<i>Amount in Rs.</i>			
Tax Period	Input Tax	Tax Period	Input Tax
2019/Dec	8,309,394	2021/Jan	3,346,105
2020/Jan	6,458,042	2021/Feb	17,933,516
2020/Mar	1,469,529	2021/Mar	21,843,676
2020/May	507,705	2021/Apr	5,038,244
2020/Jun	13,161,607	2021/May	37,744,342
2020/Jul	72,670	2021/Jun	318,435
2020/Aug	3,222,198	2021/Jul	17,943,253
2020/Sep	10,670,718	2021/Aug	58,579,484
2020/Oct	1,831,116	2021/Sep	43,061,950
2020/Nov	10,431,714	2021/Oct	12,986,881

Sindh Revenue Board, 2nd Floor, Shaheen Complex Building, M.R. Kiyani Road, Karachi
Phone: No.021-99217800 Ext.303, Email: shakeel.ali@srb.gos.pk



<i>Amount in Rs.</i>			
Tax Period	Input Tax	Tax Period	Input Tax
2020/Dec	16,401,330	Total	291,331,909

3. Therefore, for verification of the admissibility of input tax, company was required under section 27(2) of 2011-Act vide letter No. SRB-COM-IV/AC-28/2021-22/74888 to produce following information/documents:

- Purchase invoices for the tax period(s) mentioned above, along with summary of all invoices for the same period.
- Proof of payment through banking channel against the purchase invoices by the company for the tax periods mentioned above, along with summary of the same.
- Copy of Goods Declarations (GD) of imports
- Copy of Sales Tax returns filed with Federal Board of Revenue and other provincial authorities

4. It is pertinent to mention that a notice before suspension, vide notice No.SRB-COM-IV/AC-28/2021-22/138219 dated 27th May, 2022 was also served to the registered person for compliance by **30-May-2022**. However, it has been regrettably noted that said notice remained un-responded.

5. Now, this order is being issued to you under section 25 of the Act, 2011 read with Circular No.02 of 2013 to the effect that your registration is hereby **suspended** with immediate effect. However, your suspension shall be revoked if you will take remedial actions in the manner prescribed in Act, 2011 and rules made thereunder; to produce following information/documents:

- Purchase invoices for the tax period(s) mentioned above, along with summary of all invoices for the same period;
- Proof of payment through banking channel against the purchase invoices by the company for the tax periods mentioned above, along with summary of the same;
- Copy of Goods Declarations (GD) of imports;
- Copy of Sales Tax returns filed with Federal Board of Revenue and other provincial authorities;
- Justify that how the purchases which are claimed as input tax are directly used/consumed in provision of taxable service.



6. This **order of suspension** is without prejudice to the penal action and prosecution may be initiated against M/s. Hydro Electric Power System Engineering Company in accordance with the provisions of the Act, 2011 and the relevant rules of Rules, 2011.

7. Please note that copy of this notice is also forwarded to your registered email ID hepsecnandipurproject@gmail.com in terms of section 75 of the Act, 2011 and the rule made thereunder.

(Shakeel Ali)

Assistant Commissioner (Unit-28)

Copy for Information to:

1. The Member (Operations), Sindh Revenue Board, Karachi.
2. The Commissioner-IV, Sindh Revenue Board, Karachi.
3. The Project Manager, PRAL, Sindh Revenue Board, Karachi.
4. Deputy Commissioner (I.T), Sindh Revenue Board, for placing it on SRB website.
5. Manager Call Centre, Sindh Revenue Board, Karachi.
6. Cluster-in-Charge Unit 28, Sindh Revenue Board, Karachi.

(Shakeel Ali)

Assistant Commissioner (Unit-28)

