

November 23, 2023

## Sindh Revenue Board Cracks Down on Leading Restaurant Chain for POS Integration Violations



Karachi, November 23, 2023 – The Sindh Revenue Board (SRB) sealed two branches of the renowned M/s. Red Apple restaurant on Thursday for non-compliance with the mandatory requirement of point-of-sale (POS) integration.

The action follows repeated notices and orders issued by <u>SRB</u> to the restaurant management, urging them to integrate their POS systems with the SRB for real-time reporting of sales.

The sealed branches, located at Khadda Market (DHA, Karachi) and Block-2, Clifton, fell under scrutiny after failing to meet the stipulated requirements. The SRB's press release

stated that the restaurant's management consistently neglected the directives, prompting the sealing of their business premises.

The Sindh sales tax law mandates that all restaurants with an annual turnover of Rs 5 million or more, as well as those with multiple branches/outlets, adhere to the POS system integration requirement. This integration is crucial for real-time reporting of sales to the SRB's computerized system, ensuring transparency and authenticity in tax invoicing.

The SRB had previously issued several notices and orders to M/s. Red Apple, emphasizing the legal obligation to integrate their POS invoicing system. Despite these warnings, the restaurant failed to comply, leading to the enforcement action taken by SRB officers.

The sealing of these branches serves as a stern warning to other restaurants that may be in violation of the POS integration requirement. The SRB has expressed its commitment to taking similar actions against defaulting establishments to uphold compliance with the relevant provisions of the law.

The Sindh sales tax law seeks to protect consumer interests by ensuring that restaurants maintain accurate and transparent records through POS integration. This measure allows customers to verify the authenticity of tax invoices, promoting fair business practices and tax compliance within the restaurant industry.

The SRB's proactive stance underscores the significance of regulatory compliance in bolstering transparency and accountability in the business sector. As the crackdown on non-compliance continues, the SRB remains steadfast in its commitment to upholding tax regulations and fostering a culture of adherence among businesses operating in the province.