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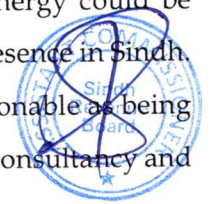
SRB/OPS/28A/OIO/SUS/ 403023
GOVERNMENT OF SINDH
SINDH REVENUE BOARD
2nd Floor, South Wing,
Shaheen Complex Karachi, Sindh
Dated: 25th June, 2024

ORDER FOR SUSPENSION OF REGISTRATION

Name & SNTN of Person Suspended:	Magna Core International (Hassan Iftikhar), SNTN- D189392-5
Address:	Office # 44, Madina Heights, Maulana Shuakat Ali Road, Lahore/ House No.3, Sham Nagar Road, Mohalla Kachi Abadi, Lahore
Date of Institution:	4 th June 2024 (Notice)
Date of Registration	18/03/2024
Registered Business Address	Out of Sindh Province- Lahore
Reason for Suspension	I). <u>Abnormal tax profile:</u> Non-filing of Monthly Sindh Sales Tax Returns for the tax period of April 2024; huge input claimed during the tax period of March 2024; and leading to create bogus input tax for tax fraudsters or deliberate and intentional non-payment, short payment or evasion of tax under Rule 10 of the Rules 2011. II). <u>Abnormal Registered Business Address:</u> Business registered address is out of Sindh Province but got registration in SRB to float/generate fake invoices for tax fraudsters to claim fake input tax
Tax Periods:	March 2024 and April 2024

Whereas, Magna Core International (Hassan Iftikhar), are registered with SRB having SNTN D189392-5, for providing or rendering the taxable services as specified "Software & IT System Development Consultants" covered under tariff heading 9815.6000 of the Second Schedule of the Sindh Sales Tax on Services Act, 2011 (the "Act, 2011"). The registered person is required to comply with the provisions of Sindh Sales Tax on Services Act, 2011 read with the Sindh Sales Tax on Services Rule, 2011 (the "Rules, 2011") and also read with relevant SRB notifications.

2. Brief facts of the instant order are that the registered person is blacklisted from FBR Since March 2024. The registered person is Lahore based while declaring RTO Bahawalpur as Tax Office contrary to the norm of businesses that they tend to get them registered with the tax office that is in near in proximity so that the compliance in terms of cost, time & energy could be convenient, easy & less cumbersome. Similarly the registered person have no presence in Sindh. Furthermore the business nature of the registered person is also doubtful/questionable as being itself the provider of Information and communication/Computer programming, consultancy and



related activities/Other information technology and computer service activities the virtual existence could also not been ascertained.

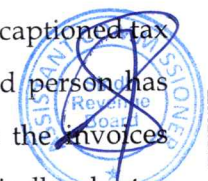
3. During scrutiny of monthly Sindh sales tax returns filed with SRB, it has been revealed that, the registered person Magna Core International (Hassan Iftikhar) have failed to file the monthly Sindh sales tax return for the tax period April, 2024 and also failed to deposit the due Sindh sales tax liability within the prescribed due date. The services recipient M/s. TMC (Private) Limited(SNTN:0700271-8) declared in their filed return of April, 2024, that they received services from Magna Core International (Hassan Iftikhar) for value amounting to Rs.32,455,000/- involving Sindh Sales Tax Rs.4,219,150/-, whereas, the service recipient M/s. TMC (Private) Limited has withheld the amount of tax Rs.843,830/- and remaining amount of tax Rs.3,375,320/- has not been deposited by the registered person Magna Core International (Hassan Iftikhar). The details are as under:

S.No	NTN	Service Recipient	Tax Period	Supplier NTN	Supplier Name	Doc Number	Doc Date	Purchased Value	VAT Amount	WHT Amount
1	4103728	TMC (PRIVATE) LIMITED	Apr-24	D189392	HASSAN IFTIKHAR	MC-Apr-SRB04	4/11/2024	4,375,000	568,750	113,750
2	4103728	TMC (PRIVATE) LIMITED		D189392	HASSAN IFTIKHAR	MC-Apr-SRB05	4/15/2024	3,800,000	494,000	98,800
3	4103728	TMC (PRIVATE) LIMITED		D189392	HASSAN IFTIKHAR	MC-Apr-SRB06	4/19/2024	3,950,000	513,500	102,700
4	4103728	TMC (PRIVATE) LIMITED		D189392	HASSAN IFTIKHAR	MC-Apr-SRB07	4/22/2024	3,775,000	490,750	98,150
5	4103728	TMC (PRIVATE) LIMITED		D189392	HASSAN IFTIKHAR	MC-Apr-SRB08	4/27/2024	4,120,000	535,600	107,120
6	4103728	TMC (PRIVATE) LIMITED		D189392	HASSAN IFTIKHAR	MC-Apr-SRB01	4/1/2024	4,300,000	559,000	111,800
7	4103728	TMC (PRIVATE) LIMITED		D189392	HASSAN IFTIKHAR	MC-Apr-SRB02	4/5/2024	3,900,000	507,000	101,400
8	4103728	TMC (PRIVATE) LIMITED		D189392	HASSAN IFTIKHAR	MC-Apr-SRB03	4/7/2024	4,235,000	550,550	110,110
Total								32,455,000	4,219,150	843,830

4. Furthermore the registered person have also claimed input against the services received during the month of March 2024, the same is subject to assessment as per the provisions of Sindh Sales Tax on Services Act, 2011 & the Rules made thereunder, therefore the registered person is required to reconcile/substantiate the same with documentary evidence i-e purchase invoices, payment proof & the withheld/deposit of the tax on the same purchases with the relevant revenue authorities (Returns). Details are as under

S.No	NTN	Name	Tax Period	Supplier NTN	Supplier Name	Doc Number	Doc Date	Purchased Value	VAT Amount	WHT Amount
1	D189392	HASSAN IFTIKHAR	Mar-24	C465356	MUHAMMAD AZEEM	ME-11	3/18/2024	4,725,000	614,250	0
2	D189392	HASSAN IFTIKHAR		C465356	MUHAMMAD AZEEM	ME-10	3/10/2024	4,385,000	570,050	0
3	D189392	HASSAN IFTIKHAR		C465356	MUHAMMAD AZEEM	ME-09	3/4/2024	4,525,600	588,328	0
4	D189392	HASSAN IFTIKHAR		C465356	MUHAMMAD AZEEM	ME-12	3/20/2024	4,765,000	619,450	0
								18,400,600	2,392,078	0

5. The provision of section 17 & 30 of the Act, 2011 read with rule 12, 13, 14 & 42I of the Rules, 2011 provides that, every registered person shall deposit the due tax and file their monthly Sindh sales tax return true and correct alongwith all annexures during the captioned tax periods. However, the record available with this office shows that, the registered person has failed to discharge the due Sindh sales tax liability and also failed to declare the invoices pertaining to March & April, 2024 tax period and also failed to e-file the monthly Sindh sales tax



return for the tax period of March & April, 2024 within the prescribed due date. It may be noted that, non-payment/short payment of tax and mis-declaration/misstatement/concealment of the facts tantamount to tax fraud and liable for penal action as prescribed under section 43 of the Act, 2011 including the action for Suspension of SRB registration as provided under section 25 of the Act, 2011 read with rule 10 of the Rules, 2011.

6. Therefore this office issued notice vide reference No. SRB/OPS/28A/MCI/SUS/392331 dated 4th June, 2024 wherein compliance was required to be made by 10th June, 2024 for the clarification. However, Magna Core International (Hassan Iftikhar) have neither submitted any written reply, failed to submit the requisite record regarding input tax ascertainment including copy of service agreements with all trading partners for the confronted tax periods of March 2024 and April 2024; Proof of payments/declarations against the input claimed during the tax periods of March 2024 and April 2024. After the course of above proceedings and in view of the non-compliance by Magna Core International (Hassan Iftikhar) the case is hereby decided *ex parte* as per available information on the basis of facts and record available.

7. Accordingly, this order of suspension of the registration is served upon the registered person under Rule 10 of the Rules, 2011 whereby the registration of Magna Core International (Hassan Iftikhar), SNTN- D189392-5 is suspended for violation of aforesaid provisions of the law. Furthermore the proceedings of cancellation of registration under the Rule 10 shall also be initiated within 15 days of the issuance of this suspension order.

8. This order contains four (04) pages, each bearing my seal and initial.



scd

(Muhammad Saleem)
Assistant Commissioner (Unit-28A)

Magna Core International (Hassan Iftikhar)
SNTN: D189392-5
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Maulana Shuakat Ali Road
Lahore
Cell #: 0314-7600407.

Magna Core International (Hassan Iftikhar)
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Copy for Information to:

- ✓ 1. Senior Member IT and Audit, Sindh Revenue Board, Karachi
2. The Member (Operations-II), Sindh Revenue Board, Karachi.
3. The Commissioner-V, Sindh Revenue Board, Karachi.
4. The Project Manager, PRAL, Sindh Revenue Board, Karachi.
5. Deputy Commissioner (I.T), Sindh Revenue Board, for placing it on SRB website.
6. Manager Call Centre, Sindh Revenue Board, Karachi.



(Muhammad Saleem)
Assistant Commissioner (Unit-28A)

