

THE BALOCHISTAN SALES TAX ON SERVICES
APPELLATE TRIBUNAL QUETTA.

Sales Tax Appeal No.8 of 2025
M/s Otsuka Pakistan Limited, Karachi.
Versus
Commissioner-II Balochistan Revenue Authority, Hub.

Appellants by: Mr. Ghazanfar Siddiqui Adv
Mr. Muhammad Mudassir IPT

Respondents by: Mr. Barrister Wasil Jan

Date of hearing: 25/08/2025

Date of Order

ORDER

JUSTICE (R) NAZEER AHMED LANGOVE, CHAIRMAN. The above titled Sales Tax Appeal has been filed by the appellant/registered person on the grounds set-forth in the memo of appeal calling in question, the order-in-original No.11/HUB/OPS/2024-25 dated 13.12.2024, passed by the learned Commissioner-II ('Commissioner') of the Balochistan Revenue Authority ('BRA'), Quetta.

2. The relevant facts for disposal of instant appeal are that the appellant, being a public limited company with BNTN 0823578-3 is registered with the BRA as a withholding agent. The learned Commissioner observed that the appellant has failed to deduct and make payment of Balochistan Sales Tax on Services ('BSTS') amounting to Rs.19,629,791/-. The Commissioner initiated

proceedings for recovery of said amount which ultimately led to passing of impugned order under section 52(6) of the Balochistan Sales Tax on Services Act, 2015 ('Act') wherein said amount was held recoverable. The learned Commissioner also recorded his intention to charge penalty and default surcharge under the Act.

3. The appellant, being aggrieved with the impugned order passed by the Commissioner has come up before this forum in terms of section 60 sub-section (2) of the Act on grounds set forth in memo of appeal.

4. On behalf of the appellant, arguments were given by Mr. Ghazanfar Siddiqui Adv and Mr. Muhammad Mudassir IPT who contended that while passing the impugned order the learned Commissioner has grossly erred to establish BSTS liability of Rs.19,629,791/- against the appellant on the pretext of non-submission of documentary evidences. The learned counsel contended that the impugned order has been passed without considering the nature of payments made by the appellant. He continued to argue that the learned Commissioner has ignored the fact that the appellant is also registered with the Sindh Revenue Board ('SRB') and paying tax accordingly. The learned counsel also contended that the learned Commissioner has ignored the fact that the appellant is also registered with the Federal Board of Revenue (FBR) and paying tax accordingly. The learned counsel also challenged the impugned order on various legal and procedural grounds on the basis of provisions of the Act. The learned counsel

also agitated against intended charging of penalty and default surcharge. While concluding his arguments the learned counsel suggested that if the impugned order is set-aside and the matter is remanded back to the learned Commissioner, then complete documents will be provided by the appellant and all aspects of the case will also be explained satisfactorily.

5. Mr. Barrister Wasil Jan learned counsel appearing on behalf of respondent supported the order of the learned Commissioner and stated that the appellant did not provide complete documents within time therefore the impugned order was passed. However, the learned counsel did not object to suggestion of the learned counsel of the appellant regarding remand back of matter to the learned Commissioner.

6. We have gone through the impugned order of the commissioner, examined the relevant provisions of law and considered arguments of both the counsels.

7. Perusal of the impugned order shows that the learned Commissioner has committed errors of law and facts while passing the said order. Firstly, the learned commissioner has not given any conclusive findings on the payments to SRB and FBR. Secondly the learned Commissioner has passed impugned order on the basis of partial documentary evidences provided by the appellant.

8. In view of the above stated errors of law and facts the impugned order cannot be allowed to sustain therefore with the consent of both the counsels it is set-aside and the matter is remanded back to the learned Commissioner with the directions to provide sufficient opportunity of being heard to the appellant, ensure proper of service of notices as per section 80 of the Act, examine relevant provisions of the Act, consider documentary evidences and then come up with a well-reasoned, speaking and judicious order, within 30 days of this order. The appellant is also directed to appear before the Commissioner, participate in the proceedings, provide all documentary evidences and assist the learned Commissioner to come up with a well-reasoned, speaking and judicious order.

Announced
Dated, the 4th Sept. 2025.

___SD___

Chairperson

___SD___

Member

___SD___

Member