

**BALUCHISTAN SALES TAX ON SERVICES**

**APPELLATE TRIBUNAL, QUETTA**

**STA 89/2026**

**M.A. 33/08/2026**

M/S Yaldram Security Services (Private) Limited

Versus

The Commissioner (Operations) & one another, Baluchistan Revenue Authority, Quetta

**ORDER**

Date of hearing: 21.09.2026

Date of order: 24.09.2026

Appellant by:

Mr. Muhammad Muneeb, FCMA

Respondent by:

Mr. Amin Ullah Khan, Adv

**JUSTICE (R) NAZIR AHMED LANGOVE, CHAIRPERSON:**

Facts of the case are that the appellant is a registered service provider engaged in providing security services across the country, duly registered with the Baluchistan Revenue Authority.

- (1) Reportedly, the appellant declared taxable services to the BRA amounting to RS: 210,950,054/-; however, not found satisfactory, hence, the show cause notice dated: 28<sup>th</sup> January, 2025 U/S 52(1) of the Act for recovery of tax unpaid amounting to RS: 34,039,758/- followed by reminders dated: 24<sup>th</sup> October, 2024 and 7<sup>th</sup> April, 2025 but not responded by the appellant, hence, the order-in-original dated: 28<sup>th</sup> June, 2025 passed U/S 52(3) by the Learned Commissioner-II (Operations) with the language that the officer shall after considering the objections of the person served with a notice under sub-sections (1) or (2) or if the objections are not received within the stipulated period, determine the amount of the tax or charge payable by him and such person shall pay the amount so determined.

2. Feeling aggrieved and dissatisfied of the referred order, the appellant preferred the instant appeal mainly on the grounds that the order-in-original passed by the Learned Commissioner-III (Operations) is arbitrary, illegal, unreasonable, and is without lawful Authority. He added that the proceedings initiated by the respondent were full of inherent infirmities, the show cause notice was issued in a whimsical and stereotype manner without application of judicious norms of justice. He urged that the learned respondent passed the impugned order based on third party information, not conveyed to the appellant which resulted into a non-speaking order, lacking properly appreciating facts of the case. He next contended that the learned respondent ignored the fact that the appellant provides services all over Pakistan and is duly registered in other provincial taxation Authorities and declares sales and pay sales tax without any fail. Moreover, the respondent failed to establish that default, if any, was willful, establishing mens rea, an essential condition for imposing penalty coupled with the fact that the respondent illegally and harshly imposed a huge penalty against the appellant, there was no default and mala fide intention to evade sales tax. He maintained that since the demanded sales tax amounting to RS: 35,747,746/- was not justified, therefore, imposition of penalty on such a lapse of sales tax, if any, is also liable to be withdrawn.

3. On the other hand, the respondent's learned counsel vehemently opposed the appeal with the contention that after thorough probe, the appellant was found liable to pay sales tax against the taxable services provided U/S 3 of the Act by correct determination of its value provided U/S 7 of the Act within the scope of tax and allied matters mentioned in Section 10 of the Act because the appellant is a registered person and a withholding agent, withheld 1/5<sup>th</sup> of the BST amount against the services rendered by the appellant and paid back 4/5<sup>th</sup> of the BSTS to him. Thus, the appellant was required to pay the aforesaid amount provided U/S 18 and 35 of the Act, the referred Sections deal with the time, manner and mode of payment and returns to be furnished by a registered person to the Authority within due date, time and manner but according to the respondent's learned counsel, the appellant failed to perform his part of obligation, therefore, he was rightly noticed, followed by two reminders but in vain, therefore, the impugned order was passed which is based on real facts and relevant law provisions, therefore, is liable to sustain.

4. During pendency of the appeal, it has come on record that three invoices pertained to another company namely, Zarak Construction Company were included in the appellant's sales tax returns. In this aspect, the learned counsel placed a letter addressed to the Assistant Commissioner, Revenue, Balochistan on 16<sup>th</sup> June, 2026 with the request for deletion of above-mentioned invoices, having no concern with the appellant. Duly entertained with the request to the Mari Petroleum Company for providing relevant record but could not be materialized for the reasons not surfaced.

5. The appellant's learned counsel again raised this vital issue before this Tribunal. Keeping in view the relevance and seriousness of the issue, the appellant was directed to submit a valid and verified certificate from the Mari Petroleum Company Limited; in compliance thereof, the learned counsel submitted the copies of above-mentioned three invoices, pertain to another company with the name and style of Zarak Construction Company; taken on record. Duly verified by the respondent's learned counsel with the statement that the referred documents are valid but mistakenly included in the appellant's returns which perhaps was a clerical mistake, with the further submission that he has no objection if the appeal filed by the appellant is allowed.

6. In view of the above facts and circumstance of the case and with the consent of the parties, the appeal filed by the appellant is allowed and the order-in-original dated: 28-06-2025 rendered by the Learned Commissioner-II (Operations) is set-aside.

Orders accordingly.

\_\_SD\_\_

**Chairman**

\_\_SD\_\_

**Member**

\_\_SD\_\_

**Member**

Dated: 24<sup>th</sup> September, 2026.