

THE PAKISTAN STEEL RE-ROLLING MILLS ASSOCIATION

(Recognised By The Government Of Pakistan)

(MEMBER BODY OF THE FEDERATION OF PAKISTAN CHAMBERS OF COMMERCE & INDUSTRY)

HEAD OFFICE

No. PSRMA/3/5223

July 07, 2025

ALL MEMBERS LAHORE CIRCLE

MINUTES

OF

MEETING

DATED:- 03-07-2025

The following members were present

- 1. Mian Manzoor Ahmad**
- 2. Mr. Shoaib Javaid**
- 3. Mian Abdul Rahman Ejaz**
- 4. Mr. Sufi Imran**
- 5. Mr. Usman Khalid (Online)**
- 6. Mian Tariq Waheed**
- 7. Main Muhammad Saeed**
- 8. Sufi Muhammad Azeem**
- 9. Sh. Muhammad Hanif**
- 10. Mian M. Sethi**
- 11. Mr. Awan**

The Following business was transacted.

- 1. Confirmation of Minutes of Meeting Dated May 22, 2025.**
- 2. To Discuss Section 37A & 37B of Sales Tax Act.**
- 3. To Discuss Amendment of Finance Act 2025-2026 Section 21(S).**
- 4. Any other point with the permission of chair.**

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Mian Manzoor Ahmad

Chairman PSRMA

Presided

1. **RECITATION:** The proceedings commenced with recitation from the Holy Quran by Hafiz Abdul Wahid Asst. Secretary PSRMA.
2. **Confirmation of Minutes:** Proposed by Mian Manzoor Ahmad Chairman PSRMA seconded by Mr. M. Imran Executive Committee Member the minutes of the last meetings held on 22-05-2025 were confirmed unanimously.
3. **To Discuss Section 37A & 37B of Sales tax Act:** The following points were discussed and decided to convey the view point of PSRMA to the President of FPCCI.

As per business community arguments these sections unfairly target compliant tax payers rather than focusing on those involved in genuine tax evasion, such as issuing fake or flying invoices. There is every apprehension that the powers given to tax officials under Section 37A & 37B may be misused, leading to corruption and extortion. The action under these sections could create a climate of fear and uncertainty giving negative impact on the overall economy of the country.

PSRMA is of the views that the Sections under reference are completely incompatible with doing business in Pakistan and the business cannot run under the constant threat. PSRMA think that a few may be 2-3 percent might be involved in such malpractice whereas remaining 97-98 percent registered tax payers are fully tax compliant, yet instead of focusing on a few culprits, the entire community of tax payers will be harassed under the contentious section 37A & 37B.

In view of above said submission PSRMA strongly opposed the newly enacted section 37A & 37B of the Sales Tax Act which grant sweeping arrest powers to FBR Officials and urged the Govt. to immediately repeal these draconian sections.

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4. To Discuss Amendment of Finance Act 2025-26 Section 21(s): It was decided that the Members may be informed about the amendment in Finance Act 2025-26 Section 21(s) which lays down the following: -

The Bill has proposed to add a new subsection (s), whereby it has sought to disallow 50% of the expenditure claimed against sale where the taxpayer received more than PKR 200000/- through means other than banking channel or digital means against a single invoice for one or more than one transaction for sale of goods or services.

In view of above it is mandatory for a customer to avoid cash deposit in company Account against sales above Rs. 200000/-.

5. Closure: There being no other point to be discussed the meeting ended with a vote of thanks to the Chair.

Thanks & Regards

FOR THE PAKISTAN STEEL RE-ROLLING MILLS

ASSOCIATION

S. MAZHAR HUSSAIN NAQVI

SECRETARY GENERAL