

## National Savings: Dar asks FBR to remove anomaly in tax regime

Finance Minister Ishaq Dar Thursday chaired a meeting to review the performance and other matters related to National Savings. At the outset, the finance minister stated that it had come to his notice that an anomaly in the tax regime had resulted in taxation of yield on Behbood Certificates and Pensioners Benefits accounts.

Apparently, the impact on taxation of these schemes was an unintended consequence of certain legal changes introduced in the Finance Act. He said that he has already instructed the FBR to take appropriate measures to remove the anomaly, according to a press release.

DG Zafar Masud briefed the meeting on performance of the National Savings during last one year. The briefing covered the progress made in areas such as financial inclusion through automation, introduction of new products and improving the customer service and outreach.

The meeting was informed that National Savings has emerged as a formidable vehicle for financial inclusion with introduction of popular welfare-oriented products and registering a large number of customers of which more than 50 percent were women. The efforts of National Savings are being actively supported by the World Bank and Karandaaz (DFID and Bill and Melinda Gates Foundation) through upgradation of IT system, offering alternate delivery channels (cellphone, internet banking and ATM cards), Enterprise Resource Planning (ERP) system, Business Intelligence, Data Warehouse, capacity building and training, etc.

He said the efforts of National Savings in promoting financial inclusion have been lauded and recognized, not only nationally but also internationally. The reputed CFI magazine UK has recently bestowed on National Savings the award for "outstanding performance in promoting financial inclusion-2017". The award is in fact a recognition of the progress made by National Savings in the last one year on the automation front with 2/3rd of the branches having been connected online and the offering of banking clearing services to the customers.

The meeting was informed that after the successful roll out of Rs 40,000 Premium Prize Bond (Registered), the Rs 100,000 denomination bond is on the cards. The launch of Shuhada Families Welfare Account and extension of Behbood Saving Certificates for disabled persons is also coming up. Furthermore the Overseas Pakistanis Savings Certificates and Shariah Compliant Products are also being considered.

DG National Savings further informed that for customer facilitation, SMS Service, access through social media and revamping of the institution's website have been carried out. He said that a complaint resolution cell has been established at the DG's Office which disposes of public complaints on daily basis.

The finance minister appreciated the achievements made by the National Savings

in various areas particularly financial inclusion and customer outreach. He also praised the performance of the institution for surpassing the annual savings target. He assured his continued support to National Savings in achieving the objective of greater financial inclusion. Senior officials of the Ministry of Finance also attended the meeting. -PR

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