



# First Quarterly Report

## 2017~ 18



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Sindh's Premium Revenue  
Collecting Agency

## Achievements

**HR Advisor:** A senior advisor was appointed to assist planning, designing and implementation of reforms initiatives in the area of Human Resource. The advisor liaises with HR consultancy firm to revamp the HR Wing and also World Bank Group in the assessment of HR strategies, policies and procedures.

**Batch III Recruitment and Orientation:** To meet the manpower requirement in SRB, 40 young graduates were hired in Batch III. The selection process was purely based on merit, supported by NTS examination, and a written test by IBA followed by panel interview at SRB.

Before assigning them to Commissionerate, a comprehensive induction plan of 70 days training of the new hires in coordination with IBA using their premises and faculty was organized; where these young graduates were trained on pre-planned course specially designed for SRB.

**Capacity Building Program:** Building the capabilities of existing staff through different programs was also designed in cooperation with IBA-Karachi and initial batch of 40 Assistant Commissioners were selected to attend the weekend training program at IBA-Karachi. The officers attended the specially designed course for 6 weeks and gave comprehensive exam at the end.



**SIFM:** SIFM has been established to rejuvenate its work force with latest professional skills to carry out SRB's functions effectively & efficiently. An experienced Training Advisor was hired to manage the SIFM



**Medical Facilities:** Medical facility was extended to the employee's parents along with OPD Reimbursement system.




**IT Wing:** IT is the backbone of any organization. It is indispensable and plays an active role in dynamic environment. The IT wing of SRB has numerous accomplishments to its name in the first quarter (July-Sept 2017). This document meticulously covers the IT wing achievement i.e. Training Dashboard for SIFM for building a digital library of all trainings held for SRB officers, deployment of Voice Over Internet Protocol (VoIP) with CRM to facilitate Call Center and record the milestones achievement to deploy the 3rd Floor (SIFM) network infrastructure.



**SIFM:** Sindh Revenue Board has established Sindh Institute of Fiscal Management (SIFM) in order to cater to growing needs of training and development for the officers of Sindh Revenue Board. This institute shall provide state of the art facilities with latest equipment and a learning friendly environment to participants who would refresh their tax knowledge, which is unprecedented in the history of Government of Sindh. The institute has been inaugurated by the worthy Chairman SRB and has started imparting trainings.







**Sindh Workers Welfare Fund (SWWF)** The collection by Worker Welfare Fund (SWWF) increased 59% over the first quarter FY 2017-18 compared to same period of previous year owing to increased of confidence and trust of Fund payers on SRB.

The collection of both Sindh Workers Welfare Fund and Sindh Workers Participation Fund has suffered due to several cases filed in the Courts as the Federal Board of Revenue has yet to fully withdraw from this provisional domain.

With cooperation of Labour and Human Recourse Departments, Government of Sindh, SRB is also actively taking up matter with FBR Federal Government to resolve the outstanding issues.

**COLLECTION PROGRESS:**

Quarterly Report for July to September FY 2017-18.

| <b>SWWF Collection July-September</b> |                    |                    |                      |
|---------------------------------------|--------------------|--------------------|----------------------|
|                                       | <b>2016-17</b>     | <b>2017-18</b>     | <b>% Comparison</b>  |
| <b>July</b>                           | -                  | 2,664,701          | 100                  |
| <b>August</b>                         | 16,453,547         | 11,090,784         | (33)                 |
| <b>September</b>                      | 192,705,515        | 317,548,677        | 64                   |
| <b>Total</b>                          | <b>209,159,062</b> | <b>331,304,162</b> | <b>59 (increase)</b> |



## Reforms Agenda 2017-18

**HR:** For the year 4 (2017-18), the target values are the hiring and training of at least 90% of the staff sanctioned as per revised staffing plan; and carried out a third party review of the revised staffing and implementation thereof. Hiring and training process is underway which would hopefully be completed by June 2018.

**Automation:** The year 4 (2017-18) target values are issuances of notices to at least 90 % of non-compliant registered taxpayers in FY 2017-18 through automated systems and will carrying out a third party review (TPR); and reviewed the recommendations made by the forgoing third party review ; and approved a follow up automation plan. SRB is issuing notices through automated systems. TPR would be conducted in March 2018. Only after TPR, SRB would come up with the follow automation implementation plan.

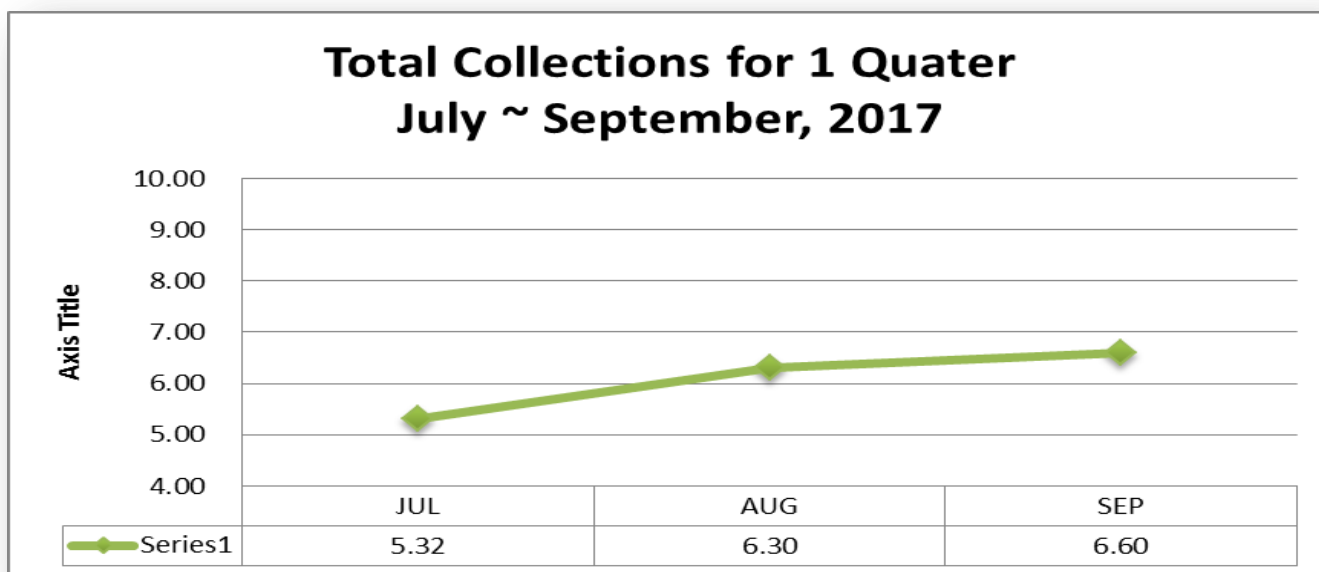
**IT Wing:** IT wing has hoisted live Training Dashboard for Sindh Institute of Fiscal Management (SIFM) for building a digital library of all trainings held for SRB officers. IT wing has deployed Voice over Internet Protocol (VoIP) with CRM to facilitate SRB's Call Center. IT wing has also deployed network infrastructure at SIFM.

**Audit Wing:** The year 4 (2017-18) target values are to conduct audits of taxpayers as per the risk based criteria resulting in: (A) a hit rate of 85%, or (B) a hit rate increase of at least a 5% (against the previous fiscal year's hit rate), during the initial nine months of FY 2017/18; and (ii) when applicable initiated the corresponding fraud investigations.

During the first quarter of FY 2017-18, the Audits initiated in April, 2017 were continued. Records provided by the selected taxpayers (incomplete/partial in most cases) were scrutinized while further remaining records were also secured where required. Work done during this quarter was materialized in the subsequent quarter (October-December 2017) wherein a total of 25 Audit Observations. Acquired record in the remaining cases (where provided by the taxpayers) is still under scrutiny and observations shall be finalized/issued in short time.

## Growth Momentum

The growth in monthly revenue collection indicates continued confidence of taxpayers inculcated by SRB's education and facilitation measures



## Performance against Targets

The monthly shortfall in revenue target in the more difficult undocumented territory was reduced owing to SRB's strenuous efforts. The already accessed sectors yielded revenue linked with the business growth and documented margins.

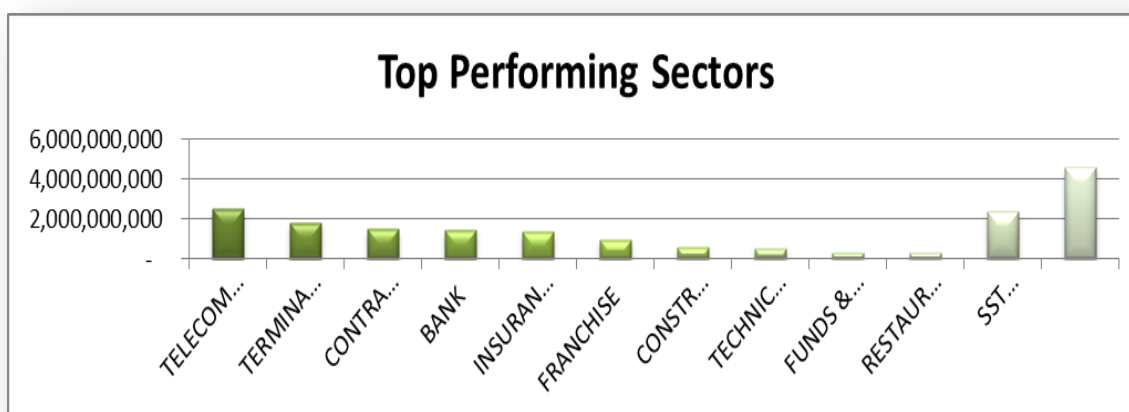
| S.NO | MONTH | TARGET         | COLLECTION     | DIFF(%) | RS. IN BILLION |
|------|-------|----------------|----------------|---------|----------------|
| 1    | JUL   | 8,333,333,333  | 5,318,235,881  | -36%    | 5.32           |
| 2    | AUG   | 8,333,333,333  | 6,298,491,764  | -24%    | 6.30           |
| 3    | SEP   | 8,333,333,333  | 6,596,918,648  | -21%    | 6.60           |
|      |       | 25,000,000,000 | 18,213,646,293 | -27%    |                |



## Top Performing Sectors

Funds & Asset Management Firms, Restaurants & Cafes and withholding tax have made it to the top in this quarter because of special initiatives.

| S.NO         | SERVICE CATAGORY                               | TOTAL AMOUNT   | %    |
|--------------|--|----------------|------|
| 1            | TELECOMMUNICATION FIRMS                        | 2,499,940,722  | 14%  |
| 2            | TERMINAL OPERATORS                             | 1,824,601,851  | 10%  |
| 3            | CONTRACT EXECUTION AGGENCIES                   | 1,476,654,517  | 8%   |
| 4            | BANKS  | 1,458,081,283  | 8%   |
| 5            | INSURANCE INDESTRIES                           | 1,337,179,696  | 7%   |
| 6            | FRANCHISE BUSINESS                             | 963,317,649    | 5%   |
| 7            | CONSTRUCTION COMPANIES                         | 582,938,414    | 3%   |
| 8            | TECHNICAL,SCIENTIFIC & ENGINEERING CONSULTANTS | 520,007,796    | 3%   |
| 9            | FUNDS & ASSETS MANAGEMENT FIRMS                | 316,495,548    | 2%   |
| 10           | RESTAURANTS & CAFES                            | 316,480,384    | 2%   |
| 11           | SST WITHHOLDING                                | 2,354,031,034  | 13%  |
| 12           | MISCELLANEOUS                                  | 4,563,917,399  | 25%  |
| <b>TOTAL</b> |  | 18,213,646,293 | 100% |



## Total Registration

The total registration of firms during the first quarter increased to 1159 from 924 in the same quarter of previous year 2016-17, showing an improving tax culture in the province of Sindh.

| S.NO         | MONTH | 2016-17 | 2017-18 |
|--------------|-------|---------|---------|
| 1            | JUL   | 231     | 426     |
| 2            | AUG   | 345     | 447     |
| 3            | SEP   | 348     | 286     |
| <b>TOTAL</b> |       | 924     | 1159    |

