

**EXPLANATORY
MEMORANDUM**

ON

**FEDERAL
RECEIPTS**

2010-11

TABLE OF CONTENTS

SECTION – I

	PAGE
1. Revenue receipts	1
2. Direct taxes	4
3. Indirect taxes	6
- Customs	7
- Sales Tax	9
- Federal excise	10
4. Non-tax receipts	13
5. Income from Property & Enterprise	14
- Profits of Pakistan Post Office Deptt.	14
- Pakistan Telecom Authority	14
- Interest receipts	15
- Dividend on government investments	24
6. Receipts from civil administration	26
- General administration	26
- Defence services	29
- Law and order	30
- Community services	31
- Social services	32
7. Miscellaneous receipts	33
- Others receipts	35
8. - Development Surcharge & Royalties	39
9. Provincial Share in revenue receipts	40

SECTION – II

	PAGE
10. Capital receipts	49
11. Recoveries of loans and advances	53
12. Public debt	61
13. Public account	67
14. External resources	79
15. Privatization Proceeds	82
16. Self-financing of PSDP by Provinces	83
17. Financing tables of Provincial ADPs	84
18. Development assistance to Provincial Governments (Province-wise)	88
19. Development assistance (Summary)	91

P R E F A C E

The Annual Budget Statement containing estimated receipts and expenditures for financial year 2010-2011 is being tabled in the National Assembly of Pakistan and transmitted to the Senate of Pakistan as required under Article 80(1) and 73 (1) of the Constitution of Islamic Republic of Pakistan.

This 'Explanatory Memorandum on Federal Receipts' is also being tabled alongwith the Annual Budget Statement, as additional information, in order to help the readers understand the details of the receipts included in the Statement. The Memorandum distinguishes revenue from capital receipt. Revenue receipt is further categorized as tax and non-tax receipt. The section on capital receipt provides information on public debt and external resources, which are further explained in a separate publication titled 'Estimates of Foreign Assistance'. A brief overview of self-financing of the Public Sector Development Programme by the Provinces is also included in this Memorandum.

With the aim of helping the readers form a comprehensive view of the federal resources that have determined the formulation of the Budget for 2010-2011, the nature of receipts has been explained, wherever considered appropriate. I hope that this document would be useful for a more comprehensive understanding of the Annual Budget Statement.

Salman Siddique
Secretary to the Government of Pakistan

Finance Division,
Islamabad, 5 June, 2010

1. REVENUE RECEIPTS

1.1 The main sources of revenue receipts of the federal government are tax revenue and non-tax revenue.

TAX REVENUE

1.2 Tax revenue is of two types, direct and indirect. Direct taxes are comprised of Income Tax, Workers Welfare Tax, Workers Participation Fund and Capital Value Tax. The indirect taxes are comprised of Customs, Sales Tax, Federal Excise, Carbon Surcharge on POL, Petroleum Levy, Other Taxes (ICT) and Airport Tax. The major part of the revenue is administered by the Federal Board of Revenue.

NON-TAX REVENUE

1.3 The non-tax revenue of the federal government is administered by various ministries/divisions and comprises of following sources:

- i) Income from property and enterprise;
- ii) Receipts from civil administration and other functions;
- iii) Miscellaneous receipts.

1.4 The summary of budget and revised estimates for fiscal year 2009-2010 and budget estimates for fiscal year 2010-2011 are given on the following pages.

SUMMARY OF REVENUE RECEIPTS

(Rs. in Million)

		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
B	* TAX REVENUE	<u>1493559.7</u>	<u>1483046.0</u>	<u>1778715.0</u>
B01	Direct taxes	565600.0	540400.0	657700.0
B011	Income Tax	544531.0	520400.0	633000.0
B01501	Workers Welfare Fund	0.0	15600.0	20000.0
B01502	Workers Participation Fund	13861.0	0.0	0.0
B017	Capital Value Tax	7208.0	4400.0	4700.0
B02	Indirect taxes	927959.7	942646.0	1121015.0
B020-22	Customs	162200.0	164900.0	180800.0
B023	Sales Tax	499400.0	540300.0	674900.0
B024-25	Federal Excise	152800.0	134400.0	153600.0
	Carbon Surcharge on POL	112000.0	0.0	0.0
	Petroleum Levy	0.0	101546.0	110000.0
B026	Other Taxes (ICT)	1499.7	1430.0	1640.0
B03064	Airport Tax	60.0	70.0	75.0
C	<u>NON TAX REVENUE</u>	<u>513646.1</u>	<u>568897.7</u>	<u>632278.5</u>
C01	<u>Income from Property</u>	<u>118719.2</u>	<u>115579.5</u>	<u>169985.2</u>
	<u>and Enterprise</u>			
C010	Profits(PTA/Pak. Post office)	1300.0	1000.0	51100.0
C012	Interest (Provinces)	16819.1	18746.0	16637.9
C013-18	Interest (PSEs & others)	25371.5	36692.0	38032.3
C019	Dividends	75228.6	59141.5	64215.0

* Out of which FBR collection has been estimated at Rs.1380 billion for RE 2009-2010 and at Rs.1667 billion for BE 2010-2011.

contd.

SUMMARY OF REVENUE RECEIPTS

(Rs. in Million)

		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C02	<u>Receipts from Civil Admn. and Other Functions</u>	<u>281013.6</u>	<u>337890.6</u>	<u>332249.8</u>
C021-24	General Administration	1020.6	735.4	788.2
C02211	SBP Profit	150000.0	213000.0	185000.0
C025	Defence	128199.5	121514.3	133463.2
C026	Law and Order	713.4	1545.6	1732.7
C027	Community Services	709.2	711.3	811.0
C028	Social Services	371.0	384.0	10454.8
C03	<u>Miscellaneous Receipts</u>	<u>113913.3</u>	<u>115427.5</u>	<u>130043.5</u>
C031-34	Economic Services	1778.1	1969.3	2401.7
C03806	Citizenship, Naturalization & Passport Fees	8950.0	8950.0	10850.0
C03902	Development Surcharge on Gas	29937.0	29995.3	29995.0
C03905	Royalty on Oil	7973.0	14246.2	15500.0
C03906	Royalty on Gas	27057.0	28000.0	32000.0
	Discount Retained on Local Crude Price	15045.0	6000.0	12000.0
	Others	23173.2	26266.7	27296.8
	Gross Federal Revenue Receipts	<u>2007205.8</u>	<u>2051943.7</u>	<u>2410993.5</u>
	Less : Provincial Share	<u>655217.4</u>	<u>655276.7</u>	<u>1033643.3</u>
	Net Federal Revenue Receipts	<u>1351988.4</u>	<u>1396666.9</u>	<u>1377350.2</u>

2. FEDERAL TAXES

2.1 Tax revenue collected by Federal Board of Revenue (FBR) comprises of direct taxes and indirect taxes. Direct Taxes are imposed on income while indirect taxes are levied on transactions and commodities.

2.2 Detailed analyses of individual taxes are highlighted below :

2.3 **Direct Taxes:** The Direct Taxes comprise of Income Tax, Capital Value Tax and Workers Welfare Fund (WWF) Workers Participation Fund (WPPF) collected by the Income Tax Department on behalf of M/o Labour, Manpower and Overseas Pakistanis Division. Final estimates of the budget target of Direct Taxes for 2009-2010 are Rs.540.4 billion envisaging growth of 21.38% over 2008-2009.

2.4 During the first ten months of the current financial year i.e. upto 30.04.2010, Direct Tax collection stood at Rs.387.8 billion with growth of 16.33% as compared to the collection of the corresponding period of the preceding year. If current pace of the collection continues with 20% growth in the months of May and June, 2010, Direct Tax collection may ultimately end at Rs.540.4 billion.

2.5 Taking into account the current inflation and GDP growth, Direct Taxes targets can safely be estimated at Rs.657.7 billion by taking 15% growth over last year. However, this does not include any financial measures to be introduced in the Board for Financial year 2010-2011.

2.6 The Capital Value Tax (CVT) is leviable on purchase of commercial, non-commercial property, residential flats etc. The estimated increase in CVT for 2009-2010 could not be achieved due to multiple reasons. Due to non-documentation of economy, particularly at the level of Tehsil & District.

2.7 Workers Welfare Fund (WWF) and Workers Participation Fund (WPPF) is leviable under the Workers Welfare Act. The revised estimates for receipts in 2009-2010 are Rs.15,600.0 million and estimates for budget 2010-2011 is Rs.20,000.0 million.

2.8 The estimates given for 2010-2011 are bit conservative based on the past experience, however, with introduction of some financial measures and composite audit, the figures can be stretched safely to Rs.657.7 billion.

2.9 The budget and revised estimates for 2009-2010 and budget estimates for 2010-2011 on account of direct taxes are tabulated as under:

		DIRECT TAXES		
		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
B011	Income Tax	544531.000	520400.000	633000.000
B01501	Workers Welfare Fund	0.000	15600.000	20000.000
B01502	Workers Participation Fund	13861.000	0.000	0.000
B017-18	Capital Value Tax	7208.000	4400.000	4700.000
TOTAL		565600.000	540400.000	657700.000

3. INDIRECT TAXES

The indirect taxes are comprises of customs duty, Sale Tax, Federal Excise, Carbon Surcharge on POL, Petroleum Levy, Other Taxes (ICT) and Airport Tax.

3.2 The summary position is tabulated below.

		(Rs. in Million)		
		2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
B020-22	Customs	162200.000	164900.000	180800.000
B023	Sales Tax	499400.000	540300.000	674900.000
B024-25	Federal Excise	152800.000	134400.000	153600.000
	Carbon Surcharge on POL	112000.000	0.000	0.000
	Petroleum Levy	0.000	101546.000	110000.000
B026	Other Taxes (ICT)	1499.700	1430.000	1640.000
	Airport tax	60.000	70.000	75.000
TOTAL		927959.700	942646.000	1121015.000

3.3 A brief description of customs, sales tax, federal excise duties, other taxes (ICT) and airport tax is given in the following pages.

3.1 CUSTOMS

3.1.1 During the first 10 months of FY 2009-2010 (July-April), net customs duty collection is Rs.125.8 billion which is 7.5% higher than duty collected during corresponding period of FY 2008-2009 which is despite the fact that dutiable import value has decreased by 2% during the same period. This increase is mainly due to improvements in administrative measures which contributed Rs.8.2 billion in the total customs revenue till April 2010.

3.1.2 If dutiable imports show considerable increase during remaining period, the revised target of Rs.164.9 billion can be achieved. The collection of customs revenue during FY 2010-2011 will be based upon imports during FY 2010-2011. If the increasing trend in international commodity prices continues during FY 2010-2011, the target of Rs.180.8 billion for next FY may also be achieved.

3.1.3 It may be appreciated that customs revenue is primarily based upon dutiable value of imports which in turn depends upon over all national and international economic and trade variables. The above projections are also subject to these variables which imply that any increase or decrease in dutiable import value will accordingly impact the customs duty collection during FY 2010-2011.

3.1.5 Item-wise detail of budget and revised estimates 2009-2010 and budget estimates 2010-2011 in respect of customs duties is given in the following table:

CUSTOMS

		(Rs. in Million)		
S.No	Items	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
1)	Misc. Chemicals products	2551.000	2593.000	2844.000
2)	Iron, steel & manufactures thereof	8107.000	8242.000	9037.000
3)	Machinery(Electric)	16794.000	17074.000	18720.000
4)	Minerals, fuel oils(POL)	25547.000	25972.000	28477.000
5)	Plastic & Articles thereof	8294.000	8432.000	9245.000
6)	Vehicles and parts	21865.000	22229.000	24372.000
7)	Animals or Vegetable Fats	20015.000	20348.000	22310.000
8)	Machinery (Non-Electric)	16586.000	16862.000	18488.000
9)	Organic Chemicals	4311.000	4383.000	4805.000
10)	Paper and Paper Board	5842.000	5939.000	6512.000
11)	Coffee, Tea, Mat and Spices	2906.000	2954.000	3239.000
12)	Rubber and Articles Thereof	1668.000	1696.000	1859.000
13)	Tanning or Dying Extracts	2662.000	2706.000	2967.000
14)	Man Made Filaments	2102.000	2137.000	2343.000
15)	Articles of Iron and Steel	3632.000	3692.000	4048.000
16)	Other items	30756.000	31268.000	34283.000
GROSS COLLECTIONS :		173638.000	176528.000	193550.000
REFUND AND REBATES :		11438.000	11628.000	12750.000
NET COLLECTIONS :		162200.000	164900.000	180800.000

3.2 SALES TAX

3.2.1 Sales tax is a tax on consumption, levied on manufacturers & retailers with an annual turnover of more than Rs.5 million, as well as on the importers, wholesalers, distributors, dealers and specified services @ 16%. However, few commodities are subjected to sale tax @ 18% and 21%. However, all the exports and other goods/items mentioned in the Fifth Schedule to the Sales Tax act, 1990 or in a notification issued under section 4 of the Act are chargeable to tax @ zero percent. The items mentioned in the Sixth Schedule or in a notification issued under section 13 of the Sales Tax Act, 1990 are exempt from the levy of sale tax. Exemptions mostly include basic foodstuff, agricultural produce (not subject to any further process), medicines, books, and life animals, etc. The tax is levied in VAT mode i.e. on value addition basis with the entitlement of inputs tax adjustment.

3.2.2 The scope of tax was initially restricted to manufacturers, but the tax base was gradually broadened and later extended to the importers (in 1997), wholesalers, dealers, distributors & retailers (in 1998) and to specified services (in the year 2000) vide Provincial Sales Tax Ordinances which include services such as advertisements on TV and radio, clearing agents, stevedores, hotel & restaurants..

3.2.3 During the period July, 2009 to May, 2010 of current fiscal year revenue collection on account of Sales Tax has been Rs.461.84 billion as against Rs.396.90 billion collected in the corresponding period of 2008-2009. This shows a growth of 14.9% in revenue collection. The budget estimates for fiscal year 2009-2010 were Rs.499.4 billion, which have now been revised upward to Rs.540.3 billion. Budget Estimates for the fiscal year 2010-2011, budget are likely to be Rs.674.9 billion.

3.3 FEDERAL EXCISE

3.3.1 Historically, excise taxation has played a very important role in the taxation structure of Pakistan. Excises are normally levied to systematically regulate the consumption of luxury goods. Before partition, different commodity-specific excise regulations which were amalgamated into the Central Excises and Salt Act 1944, which was adopted by the government of Pakistan at the time of independence.

3.3.2 Ever since the creation of Pakistan excise duties and sales tax have co-existed. Currently, all the commodities chargeable to excise duty are also liable to sales tax. In order to increase the compatibility between excises and Sales Tax, the government took a historical step in the Budget 2005-06 and introduce an entirely new version of excise legislation in the shape of Federal Excise Act 2005. Under the new excise legislation, the expression "central excise" duty was replaced with "Federal Excise Duty". Positive schedule is attached to the Act for excisable goods and services with conditional exemptions schedule separately. Cost-free registration has taken over traditional licensing regime with no fee or removals and sales tax registrations is valid and applicable for excise purposes as well. Fiscal control has been replaced with self-assessment and self-compliance.

3.3.3 The standard rate of excise duty is 15% chargeable on both domestic production and imported substitutes of excisable goods. This rate is applicable even on excisable services. However, the effective rate of excise duty is prescribed in the First Schedule to the 2005 Act. Effective rates differ from the standard statutory rate in the POL products and cement are generally charged to fixed amounts of duty (specific rate of duty) and cigarettes are charged and excise duty on higher rate with composite duty structure on quantity-cum-price slab basis. Minimum prices of cigarettes for the purpose of duty assessment have been fixed to rule out the possibilities of market distortions and valuation malpractices. The excise classification was transposed to Harmonized Commodity Description and Coding system in 1994. A separate chapter 98 has been introduced for the classification of services. Several new services were added in chapter 98 in the Budget 2005-06.

3.3.4 In excise regime, there are six major revenue spinners which including cigarettes, beverages, POL Products, cement, natural gas and special excise duty. Almost 76% of excise duty collection (domestic) is collected from these six commodities.

3.3.5 During the period July, 2009 to May, 2010 of current fiscal year revenue collection on account of federal excise duty has been Rs.104.85 billion as against Rs.101.10 billion collected in the corresponding period of 2008-09. This shows a growth of 3.7% in revenue collection. The receipts from federal excise duty were budgeted at Rs.152.8 billion for fiscal year 2009-2010. However, the targets were revised downward to Rs.134.4 billion. The budget target for fiscal year 2010-2011 is estimated to be Rs.154.0 billion.

FEDERAL EXCISE

(Rs. in Million)			
	2009-2010	2009-2010	2010-2011
	Budget	Revised	Budget
1. Beverage	5755.000	6382.000	7294.000
2. Beverage concentrate	5996.000	5727.000	6545.000
3. Cement	22682.000	18499.000	21142.000
4. Cigarettes & tobacco	42729.000	48822.000	55797.000
5. Natural gas	6662.000	6379.000	7290.000
6. Perfumery & cosmetics	1229.000	1093.000	1249.000
7. Petroleum gases	16.000	12.000	14.000
8. P.O.L. products	4384.000	4102.000	4687.000
9. Insurance	3918.000	0.000	0.000
10. Imported goods	8407.000	7812.000	8928.000
11. 1% Special Excise Duty	17085.000	17557.000	20065.000
12. Arrears	483.000	373.000	426.000
13. Other Services	33454.000	13821.000	15795.000
14. Other Items	0.000	3822.000	4368.000
GROSS TOTAL :	152800.000	134400.000	153600.000
<hr/>			
TOTAL (NET) :	152800.000	134400.000	153600.000

4. NON - TAX RECEIPTS

4.1 Non-tax receipts of the federal government comprise of (i) income from property and enterprise, (ii) receipts from civil administration, and (iii) miscellaneous receipts of the federal ministries, divisions and departments.

4.2 The summary of non-tax receipts for 2009-2010 revised and 2010-2011 budget is given below:

SUMMARY OF NON-TAX RECEIPTS

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C01	Income from property and enterprise	118719.151	115579.532	169985.196
C02	Receipts from civil admn. and other functions	281013.635	337890.608	332249.815
C03	Miscellaneous receipts	113913.294	115427.517	130043.462
TOTAL		513646.080	568897.656	632278.473

4.3 The following pages contain detailed description and estimates of non-tax receipts.

5. INCOME FROM PROPERTY & ENTERPRISE

Income from property & enterprise comprise of profits, interest receipts and dividends from government investments. Estimates of receipts from these sources are given below:

5.1 PROFITS

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C01002	Pakistan Post Office	1300.000	1000.000	1100.000
C01009	Pakistan Telecom Authority	0.000	0.000	50000.000
TOTAL		1300.000	1000.000	51100.000

5.1.1 The Surplus Profit of Pakistan Post Office Department is comprised of Postage Revenue, Commission on Money Orders, Agency Receipts and other Miscellaneous Receipts. The Pakistan Telecommunication Authority (PTA) will generate a substantial amount by issuing licenses of third generation (3-G) cellular phones to cellular phone service providers during 2010-2011 through healthy competition and transparent bidding process.

5.2 INTEREST RECEIPTS

5.2.1 Interest on loans granted by the federal government to provincial governments, local bodies, financial institutions, non-financial institutions, commercial departments and government servants is reflected in this section. The interest is chargeable in accordance with the terms and conditions of each loan.

5.2.2 Unless specified otherwise, every loan other than foreign loan advanced by the federal government to the provincial governments is repayable over a period of 25 years. Moratorium of 5 years is allowed on recovery of principal. Simple interest is realized at a rate yearly determined by the Finance Division, according to the actual borrowing cost of the Federal Government.

5.2.3 The estimates in respect of interest receipts from provinces, public sector enterprises, financial institutions, government servants and others are given in the following tables :

INTEREST RECEIPTS

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C012	<u>PROVINCES</u>	(PROVINCE-WISE BREAK UP)		
	PUNJAB	9752.951	10487.419	9750.376
	Interest-Cash loans	6593.816	6554.570	5928.337
	Interest-Foreign loans	3159.132	3932.846	3822.039
	Interest-USAID local currency loans	0.003	0.003	
	SINDH	3471.070	3629.954	3367.442
	Interest-Cash loans	2467.212	2456.324	2359.705
	Interest-Foreign loans	1003.857	1173.629	1007.737
	Interest-USAID local currency loans	0.001	0.001	0.000
	KHYBER PAKHTUNKHWA	3055.003	3853.261	2823.523
	Interest-Cash loans	1942.251	1942.250	1846.734
	Interest-Foreign loans	1112.751	1911.010	976.789
	Interest-USAID local currency loans	0.001	0.001	0.000
	BALUCHISTAN	540.070	775.339	696.588
	Interest-Cash loans	184.902	183.929	180.458
	Interest-Foreign loans	355.168	591.410	516.130
	Interest-USAID local currency loans	0.000	0.000	0.000
TOTAL - PROVINCES		16819.094	18745.973	16637.929

contd.

INTEREST RECEIPTS

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C012	<u>PROVINCES</u>			
	(LOAN-WISE BREAK UP)			
	Interest: Cash loans			
	Punjab	6593.816	6554.570	5928.337
	Sindh	2467.212	2456.324	2359.705
	Khyber Pakhtunkhwa	1942.251	1942.250	1846.734
	Balochistan	184.902	183.929	180.458
	TOTAL	11188.181	11137.073	10315.234
	Interest: Foreign loans			
	Punjab	3159.132	3932.846	3822.039
	Sindh	1003.857	1173.629	1007.737
	Khyber Pakhtunkhwa	1112.751	1911.010	976.789
	Balochistan	355.168	591.410	516.130
	TOTAL	5630.908	7608.895	6322.695
	Interest: USAID local currency loans			
	Punjab	0.003	0.003	0.000
	Sindh	0.001	0.001	0.000
	Khyber Pakhtunkhwa	0.001	0.001	0.000
	Balochistan	0.000	0.000	0.000
	TOTAL	0.005	0.005	0.000
TOTAL - PROVINCES		16819.094	18745.973	16637.929

contd.

INTEREST RECEIPTS

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C013	<u>LOCAL BODIES</u>			
	Interest-Cash loans			
	P.B.C.	196.041	196.041	187.303
	NHA	18955.738	17198.513	18807.362
	SNGPL	0.987	0.987	0.658
	TOTAL	19152.766	17395.541	18995.323
	Interest - Foreign loans			
	GIK Institute	3.789	3.979	2.251
	N.L.C.	99.032	99.032	87.029
	Karachi Port Trust	32.635	32.635	21.571
	PAEC	2.832	2.832	1.475
	SKMT	1.544	1.763	1.705
	CDA	189.048	192.283	176.646
	NHA	522.271	4147.976	3060.556
	PPAF	86.081	86.193	88.780
	TOTAL	937.232	4566.693	3440.013
	TOTAL - LOCAL BODIES	20089.998	21962.234	22435.336

contd.

INTEREST RECEIPTS

(Rs. in Million)			
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
C014	<u>FINANCIAL INSTITUTIONS</u>		
	Interest-Cash loans		
PICIC	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000
	Interest - Foreign loans		
NDFC/LTCF	3680.860	3804.141	3436.327
IDBP	235.546	235.546	210.817
Ist Dawood Leasing Co. Ltd.	5.472	5.472	4.520
English Leasing Ltd.	0.025	1.512	1.114
Net Work Leasing	0.678	0.964	0.737
Pakistan Industrial & Commercial Leasing	7.246	7.246	5.594
TOTAL	3929.827	4054.881	3659.109
TOTAL - FINANCIAL INSTITUTIONS			
	3929.827	4054.881	3659.109

contd.

INTEREST RECEIPTS

(Rs. in Million)

	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
C015			
<u>NON - FINANCIAL INSTITUTIONS</u>			
<u>A : WAPDA</u>			
Interest-Cash loans	3940.177	3750.376	6047.270
WAPDA (Water Wing)	1743.947	1554.146	2189.387
WAPDA (Power Wing)	1526.370	1526.370	3437.139
TESCO	37.549	37.549	35.936
QESCO	19.862	19.862	19.862
GENCO-I	45.591	45.591	41.376
GENCO-II	56.761	56.761	66.862
GENCO-III	294.317	294.317	46.163
GENCO-IV	3.868	3.868	3.957
NTDC	211.912	211.912	206.588
Interest-Foreign loans	4403.595	5799.004	4678.036
WAPDA (Power Wing)	3209.477	3260.808	2847.941
TESCO	11.598	11.598	9.084
GENCO-I	70.481	70.481	54.403
GENCO-II	88.856	88.856	64.816
GENCO-III	3.410	3.410	2.382
GENCO-IV	0.037	0.037	0.019
NTDC	1019.736	2363.814	1699.391
TOTAL - WAPDA	8343.772	9549.380	10725.306

contd.

INTEREST RECEIPTS

	(Rs. in Million)		
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
<u>B : AUTONOMOUS BODIES / CORPORATIONS</u>			
Interest-Foreign loans			
Pakistan Railways	694.958	696.854	620.859
Karachi Fish Harbour Authority	16.218	16.218	15.154
Askari Cement, Wah	123.776	123.776	0.000
PTA	10.148	32.012	2.030
TOTAL	845.100	868.860	638.043
<hr/>			
TOTAL NON-FINANCIAL INSTITUTIONS	9188.872	10418.240	11363.349

contd.

INTEREST RECEIPTS

(Rs. in Million)

		2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
C016	<u>GOVERNMENT SERVANTS</u>			
	Cant/Garrison Edu. Institutions	2.982	2.201	2.311
	AGPR, Islamabad	25.043	26.031	27.005
	AGPR, Sub-Office, Lahore	9.410	8.456	9.302
	AGPR, Sub-Office, Karachi	11.157	9.313	10.245
	AGPR, Sub-Office, Peshawar	3.537	5.975	6.573
	AGPR, Sub-Office, Quetta	0.437	0.968	1.016
	AGPR, Sub-Office, Gilgit	0.650	0.650	0.950
	Defence	8.000	8.800	9.400
	Pakistan Post Office Deptt.	4.000	1.900	2.700
	Pakistan PWD	0.549	0.130	0.135
	Pakistan Mint	0.233	0.205	0.193
	CAO (Ministry of Foreign Affairs)	1.284	1.185	1.260
	Central Dte. of National Savings	1.602	2.143	2.272
	Geological Survey of Pakistan	0.320	0.335	0.347
	Directorate of Food	0.016	0.006	0.007
	TOTAL GOVT. SERVANTS	69.220	68.298	73.716
C017	<u>AJK & Others</u>			
	Interest-Cash loans:			
	Government of A J & K	3993.543	3993.543	4312.470
	Interest-Foreign loans:			
	Government of A J & K	95.527	95.527	103.000

contd.

INTEREST RECEIPTS

(Rs. in Million)			
	2009-2010	2009-2010	2010-2011
	Budget	Revised	Budget
Interest-Other loans:			
Guarantee fee on foreign loans (EAD)	1904.515	999.321	985.314
<hr/>			
TOTAL AJK & OTHERS	5993.585	5088.391	5400.784
<hr/>			
C018 COMMERCIAL DEPARTMENTS			
Pakistan Post Office Department	100.000	100.000	100.000
<hr/>			
TOTAL COMMERCIAL DEPTTS.	100.000	100.000	100.000
<hr/>			
TOTAL (PSEs & OTHERS)	39371.502	41692.044	43032.294
ESTIMATED SHORTFALL	14000.000	5000.000	5000.000
NET - TOTAL (PSEs & OTHERS)	25371.502	36692.044	38032.294
TOTAL - PROVINCES	16819.094	18745.973	16637.929
<hr/>			
GRAND TOTAL - INTEREST	42190.596	55438.017	54670.223

5.3 DIVIDENDS ON GOVERNMENT INVESTMENTS

5.3.1 Dividends represent return on federal government's investment in the share capital of financial institutions and commercial enterprises. The receipt of dividend varies from year to year depending upon profits earned each year by these bodies and declaration of dividends on share capital.

5.3.2 The details of the estimates are given below :

DIVIDENDS

		(Rs. in Million)		
Name of Organization		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C01901	FINANCIAL INSTITUTIONS	276.000	258.000	303.000
1	National Bank of Pakistan	20.000	20.000	24.000
2	United Bank Limited	10.000	10.000	11.000
3	National Investment Trust	40.000	22.000	22.000
4	Allied Bank Limited	25.000	25.000	40.000
5	Habib Bank Limited	27.000	27.000	52.000
6	Pakistan Oman Investment Co. Ltd.	154.000	154.000	154.000
C01902	NON-FINANCIAL INSTITUTIONS	74952.555	58883.515	63911.973
1.	Fauji Fertilizer Co. Ltd.	37.302	45.369	46.000
2.	Government Holding Private Ltd.	8500.000	10000.000	13000.000
3.	Mari Gas Company Ltd.	24.000	28.092	28.092
4.	National Insurance Corporation	500.000	440.000	440.000
5.	National Power Construction Corp.	6.000	5.400	5.400

contd.

DIVIDENDS

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
6	NESPAK	0.750	0.660	0.660
7	OGDCL	36000.000	29000.000	29000.000
8	Pak. Arab Refinery Ltd.	3000.000	1800.000	3000.000
9	Pak. Environmental Planning and Architectural Consultants Ltd.	0.050	0.000	0.000
10	Pak Automobile Corporation	0.000	0.000	0.000
11	Pakistan Re-Insurance Corporation	120.000	382.449	382.449
12	Pakistan Mineral Dev. Corporation	30.000	17.600	12.000
13	Pakistan National Shipping Corp.	200.000	310.746	310.746
14	Pakistan Petroleum Ltd.	6505.844	6505.844	6505.844
15	Pakistan Security Printing Corp.	175.000	300.000	300.000
16	Pakistan State Oil	765.000	385.056	770.112
17	PTCL	6200.000	5456.602	5456.602
18	SNGPL	691.912	0.000	669.771
19	SSGCL	200.000	0.000	193.600
20	State Life Insurance Corporation	200.000	200.000	200.000
21	Pakistan Services Limited (PC)	0.337	0.337	0.337
22	PERAC	4.500	4.500	4.500
23	Tourism Development Corporation	0.860	0.860	0.860
24	Pakistan Television	5.000	0.000	5.000
25	Pakistan Steel Mill	500.000	0.000	0.000
26	PIDC	75.000	0.000	75.000
27	PEAL	11.000	0.000	5.000
28	Saindak Metals Limited	2200.000	4000.000	500.000
29	Others	9000.000	0.000	3000.000
TOTAL - DIVIDENDS		75228.555	59141.515	64214.973

**6. RECEIPTS FROM CIVIL ADMINISTRATION
AND OTHER FUNCTIONS**

6.1 GENERAL ADMINISTRATION RECEIPTS

6.1.1 ORGANS OF STATE

6.1.1.1 These receipts are realized on account of fees from the candidates appearing in the examinations of Federal Public Service Commission and tuition fees charged by the Pakistan Forest Institute. The estimates of receipts on this account are given below :

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C021	ORGANS OF STATE	43.526	26.285	39.100
	Federal Public Service Commission	38.206	20.385	33.000
	Pakistan Forest Institute	5.320	5.900	6.100

6.1.2 FISCAL ADMINISTRATION

AUDIT FEES

6.1.2.1 The department of the Auditor General charges fees from autonomous bodies/corporations/departments for auditing their accounts. This fee is deposited in the government account.

STATE BANK RECEIPTS

6.1.2.2 The surplus profit of the State Bank of Pakistan (SBP), after making usual provision for reserve funds and payment of dividend, is transferred to the federal government. The SBP also pays dividend on the share capital of the Federal Government. The value of coins that are minted and come in circulation in one year are also deposited by the SBP in Government Account.

PAKISTAN MINT

6.1.2.3 The Pakistan Mint's receipts are mainly from the disposal of dross & scrap and also from the minting of defence, sports and academic medals.

PENSION & GRATUITY CONTRIBUTION

6.1.2.4 These receipts pertain to pension and gratuity contributions by the borrowing departments in respect of officials on deputation with them.

6.1.2.5 The estimates of receipts from fiscal administration are given on the following page.

(Rs. in Million)			
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
C022	<u>FISCAL ADMINISTRATION</u>		
	<u>150557.003</u>	<u>213364.151</u>	<u>185369.098</u>
Audit Fee	2.057	4.251	4.198
SBP Profit	150000.000	213000.000	185000.000
Currency Dividend from SBP	9.646	9.600	9.600
Coinage Account	500.000	300.000	300.000
Pakistan Mint	45.000	50.000	55.000
Receipts-in-Aid of Superannuation (Pension & Gratuity Contribution)	0.300	0.300	0.300

6.1.3 ECONOMIC REGULATION

6.1.3.1 The receipts on this account comprise of insurance fees realized under Insurance Act, 1989. Estimates is given below :

(Rs. in Million)			
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
C023	<u>ECONOMIC REGULATION</u>		
	<u>420.000</u>	<u>345.000</u>	<u>380.000</u>
Fees realized under Insurance Act, 1989	420.000	345.000	380.000
TOTAL - GENERAL ADMN. (Excluding SBP Profit)	1020.529	735.436	788.198

6.2 DEFENCE SERVICES RECEIPTS

6.2.1 These receipts are realized mainly on account of service charges in accordance with the protocol agreements, dues from civil agencies, sale & auction of obsolete stores and charges realized on account of use of army aviation facilities etc. The non-effective receipts include leave salary etc. of armed forces personnel on deputation abroad.

6.2.2 The estimates of defence receipts are given below :

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C025	<u>DEFENCE SERVICES</u>	<u>128199.492</u>	<u>121514.313</u>	<u>133463.156</u>
	Effective	4217.492	7091.000	7655.500
	Non-effective	107.000	136.000	140.000
	Miscellaneous	123750.000	114075.000	125425.000
	Service Charges	125.000	212.313	242.656

6.3 LAW AND ORDER RECEIPTS

6.3.1 These receipts represent the proceeds from fines imposed by Insurance Appellate Tribunals, Drug Courts and Special Judges under the administrative control of Law, Justice and Parliamentary Affairs Division. These also include fines, fees and recoveries of the Supreme Court of Pakistan, civil armed forces and frontier watch & ward. The fees realized on account of issuance and renewal of arms licenses by the M/o Interior are also reflected under this classification.

6.3.2 The estimates of receipts from law and order are given in the following page :

(Rs. in Million)				
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C026	<u>LAW AND ORDER</u>	<u>713.394</u>	<u>1545.586</u>	<u>1732.663</u>
	Supreme Court of Pakistan	5.000	5.000	5.000
	Law, Justice & Parliamentary Affairs Division	48.586	75.000	90.000
	Receipts under Arms Act	350.000	1132.000	1300.000
	Civil Armed Forces	140.941	153.356	162.035
	Islamabad Capital Territory	160.000	170.000	165.250
	Frontier Regions	8.867	10.230	10.378

6.4 COMMUNITY SERVICES RECEIPTS

6.4.1 The receipts under community services comprise of rents of government buildings, land, guest houses and hostels. Sale proceeds of material of demolished buildings are also credited under this head. These receipts are realized by Housing and Works Division, Labour, Manpower and Overseas Pakistanis Division, Kashmir Affairs & Gilgit Baltistan Division, States & Frontier Regions Division and Interior Division (Frontier Corps). The receipts realized by Survey of Pakistan (Defence Division) for its services and supply of maps are also included here.

6.4.2 Details of the estimates are given in the following page :

(Rs. in Million)			
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
C027	<u>COMMUNITY SERVICES</u>		
	<u>709.215</u>	<u>711.309</u>	<u>810.965</u>
Rent from government accommodation, land and workshops realized by Housing & Works Division	668.230	686.953	788.080
Rent of buildings realized by Frontier Corps. Khyber Pakhtunkhwa, Peshawar (Interior Division)	0.725	0.730	0.745
Rent of hostel of NILAT, Karachi	0.260	1.801	2.140
Scientific Research and Survey (Defence Division)	40.000	21.825	20.000

6.5 SOCIAL SERVICES RECEIPTS

6.5.1 The receipts under this head are realized on account of fees charged from students of the educational institutions of the Ministries of Education and Defence, the entry fee for historical places and archeological sites collected by Culture, Sports and Tourism Division, the charges for medical services realized by the federal government hospitals and health establishments, and tuition/training fee realized by M/o Labour and Manpower.

6.5.2 Price and tax measures are an effective and important means of reducing tobacco consumption. Levy on tobacco will result in less use of tobacco which would be in the general interest of population. The overall impact will be lesser health related problems. The estimates are given in the following table :

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C028	<u>SOCIAL SERVICES</u>	<u>371.004</u>	<u>383.964</u>	<u>10454.833</u>
	Education fees from schools & colleges under M/o Education	30.941	34.170	37.170
	National Library of Pakistan	1.170	1.170	1.170
	Education fees from schools and colleges under the M/o Defence	72.071	72.071	80.000
	Tuition fee (National Training Bureau)	0.190	1.676	2.000
	Archeology and Museums	12.100	13.100	15.500
	Health-Hospital receipts	253.292	260.592	317.612
	Gilgit Baltistan Administration	1.085	1.085	1.281
	Levy on Cigarettes	0.000	0.000	10000.000
	Islamabad Capital Territory	0.155	0.100	0.100

7. MISCELLANEOUS RECEIPTS

Miscellaneous receipts include receipts on account of economic services and other receipts. A brief description of these receipts is given in the following paragraphs.

7.1 ECONOMIC SERVICES RECEIPTS

Agricultural Receipts :

7.1.1 These receipts are realized on account of grading fee collected on agricultural and livestock products by Marketing and Grading Department and fumigation fees charged by the Plant Protection Department under the administrative control of Food and Agriculture Division. The receipts realized by Livestock Division on account of quarantine fee on animal exports/imports and from licenses & fines for fisheries in the exclusive zone of Pakistan in Arabian Sea are also reflected under Agriculture Receipts.

Receipts from Explosive Department :

7.1.2 Receipts under this head pertain to the fee charged by the Department of Explosives for granting licenses to the firms dealing in explosives.

Receipts from Cabinet Division :

7.1.3 The sale proceeds of government publications and stationery by the Controller of Forms and Stationery realized from various government departments/agencies are reflected under this head.

Receipts from Lighthouses and Lightships :

7.1.4 These receipts comprise of (i) examination, survey and registration fees realized by the Mercantile Marine Department, Karachi, (ii) cargo shipping and discharging fees from the shipping companies, (iii) fines realized from seamen for offences committed by them, (iv) fees realized from cadets under training in the Mercantile Marine Academy and Seamen's Training Centre, and (v) Lighthouse dues realized from the shipping companies operating on the coasts of Pakistan. These receipts are shown under the head of transportation and communications.

Receipts from Special Communications Organization :

7.1.5 These receipts are collected by the Special Communications Organization for providing telecommunication services in specific areas. The Special Communications Organization mostly operates in the Azad Kashmir and Gilgit Baltistan.

7.1.6 The estimates of receipts from economic services are given below.

(Rs. in Million)			
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
C031-35 <u>ECONOMIC SERVICES</u>	<u>1778.074</u>	<u>1969.271</u>	<u>2401.679</u>
Food and Agriculture Division	191.057	171.057	191.297
Livestock Division	95.500	169.492	196.560
Explosives Department	45.000	55.000	60.000
Islamabad Capital Territory	21.030	26.000	28.000
Stationery & Forms Department	1.237	1.500	1.800
Transportation & Communications	124.250	143.600	171.150
Special Communications Organization	1300.000	1400.000	1750.000
Islamabad Capital Territory	0.000	2.622	2.872

7.2 OTHER RECEIPTS

7.2.1 These receipts are realized by different Ministries, Divisions and Departments. The brief introduction of the main regular receipts under this head are as follows:

CITIZENSHIP, NATURALIZATION AND PASSPORT FEES

7.2.2 These receipts are realized mainly by the Immigration & Passport Offices in Pakistan and Pakistani Missions abroad on account of issuance, renewal and endorsement of passports and visas. The receipts of Labour, Manpower and Overseas Pakistanis Division on account of registration of overseas employment agencies and deposits by individuals for protection of their visas are also deposited under this head.

ROYALTY, POLLUTION & TREKKING FEES

7.2.3 The royalty fee is charged from the tourists coming to Pakistan for climbing the mountain peaks. Tracking fee is charged from trackers climbing the mountain on the established track.

RECEIPTS OF TOURISM DEPARTMENT

7.2.4 The receipts of the Tourism Department include licenses fee of Hotels, Restaurants and Travel Agencies, Registration Fee of Hotels & Restaurants, Licenses Renewal fee of Hotels, Restaurants and Travel Agencies and the fines/late fee of Hotels, Restaurants and Travel Agencies.

RECEIPTS COLLECTED BY THE M/O FOREIGN AFFAIRS

7.2.5 It includes the receipts on the auction of vehicles, sale of used machinery and equipments, gains against the remittances made by the Government for the expenditure of the foreign missions in the various countries, recovery of overpayment made to the Government servants posted abroad and the deduction of income tax, GP Fund, Benevolent Fund, House Building and Motor Car Advances of the employees posted in various Pakistan missions abroad.

KASHMIR AFFAIRS AND GILGIT BALTISTAN DIVISION

7.2.6 These includes the receipts from motor vehicle, forest revenue, agriculture income, rent of building, electricity charges and other indirect taxes collected and deposited directly into the Government Accounts by the administration of the Gilgit Baltistan Division.

STATES & FRONTIER REGIONS DIVISION

7.2.7 There are various receipts which are collected on account of stamp duty, fee and fine, agriculture receipts, token tax of road and bridges in the various Agencies in the Federal Administration Tribal Areas. These receipts are collected by the Political Agents of the various Agencies and deposited directly into the Government Account.

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
C038	<u>OTHER RECEIPTS</u>	<u>32123.227</u>	<u>35216.740</u>	<u>38146.783</u>
	Citizenship, Naturalization & Passport Fees	8950.000	8950.000	10850.000
	Emergency Relief Cell	5.000	7.000	9.000
	Toshakhana (Cabinet Division)	1.000	1.000	1.000
	National Archives (Cabinet Division)	0.600	0.060	0.060
	Federal Services Tribunal	0.861	0.753	0.865
	Staff Welfare Organization	12.815	14.401	15.247
	Export Promotion Bureau	4.000	6.120	200.025
	Construction Machinery Training Inst.	1.502	1.502	1.502
	Censorship fees	3.400	3.400	3.500
	Royalty, Pollution & Trekking fees	40.000	23.000	30.000
	Receipts of Tourist Department	40.000	45.000	55.000
	Airport Security Force	3.000	3.000	3.000
	Pakistan Meteorological Deptt.	2.099	2.200	3.000
	Gains on exchange (M/o Foreign Affairs)	65.000	45.000	55.000
	Recovery of over payments (M/o Foreign Affairs)	17.000	20.000	23.000
	Sale of Property (M/o Foreign Affairs)	8.500	9.000	10.000
	Other Receipts of M/o Foreign Affairs	80.000	95.000	110.000
	M/o Information & Broadcasting	0.250	0.250	0.250
	Pakistan Computer Bureau	2.469	0.883	0.883
	PAKSAT	380.000	549.000	500.000
	Islamabad Capital Territory	285.550	179.000	203.000
	Civil Armed Forces	21.030	26.000	28.000
	Kashmir Affairs & Gilgit Baltistan Division	319.363	351.150	368.900
	States & Frontier Regions Division	125.848	163.168	175.449

contd.

	(Rs. in Million)		
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
Fees for exploration and prospecting licensing	4.700	7.000	7.700
Advance yearly rent for exploration & prospecting licensing	240.000	290.000	320.000
Population Welfare Division	45.000	45.000	55.000
National Centre for Rural Development	0.500	0.500	0.500
National Training Bureau	0.190	1.676	2.000
Receipts from United Nations	21450.000	24175.127	25033.852
Pak. Environmental Protection Agency	0.400	0.400	0.400
Pakistan National Accreditation Council	0.900	1.800	2.000
Pakistan Public Admn. Research Centre	7.000	1.000	1.000
National Alien Registration Authority	4.000	3.000	0.000
Mercantile Marine Deptt. at Gwadar	1.250	0.100	0.150
Production Bonus	0.000	125.250	0.000
National Accountability Bureau (NAB)	0.000	45.000	50.000
Pakistan Atomic Energy Commission	0.000	25.000	27.500
TOTAL MISC. RECEIPTS	113913.294	115427.517	130043.462

C039 DEVELOPMENT SURCHARGE AND ROYALTIES

	(Rs. in Million)		
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
Surcharge on natural gas	29936.993	29995.343	29995.000
Royalty on oil	7973.000	14246.163	15500.000
Royalty on gas	27057.000	28000.000	32000.000
Discount Retained on Local Crude Price	15045.000	6000.000	12000.000
TOTAL:	80011.993	78241.506	89495.000

8. PETROLEUM DEVELOPMENT LEVY**DEVELOPMENT SURCHARGE ON GAS**

8.1 The development surcharge on natural gas is levied under the "Natural Gas Development Surcharge Ordinance, 1967". In pursuance of the said Ordinance, the federal government has to fix the sale price for the consumers and prescribe a price for the gas companies. The difference between the two prices is the margin available to the government as development surcharge.

9. PROVINCIAL SHARE IN REVENUE RECEIPTS

9.1 The NFC Award 1997 has been amended under the Distribution of Revenue and Grant-In-Aid Amendment Orders 2006. The details are as follows:

Distribution of Revenues. The Provincial Governments shall be assigned in each financial year a share equal to the percentage of the net proceeds of the following taxes and duties levied and collected by the Federal Government:

- (a) Taxes on income;
- (b) Wealth tax;
- (c) Capital value tax;
- (d) Taxes on sales & purchases;
- (e) Sales tax on services (CE mode)
- (f) Export duties on cotton
- (g) Customs duties
- (h) Federal excise duties excluding the excise duty on gas charged at well head; and
- (i) Any other tax which may be levied by the federal government;

9.2 The percentage share of the provinces, from the net proceeds of taxes and duties in each year shall be as under:

<u>Financial Year</u>	<u>Percentage share</u>
2006-07	41.50%
2007-08	42.50%
2008-09	43.75%
2009-10	45.00%
2010-11 and onward	46.25%

Allocation of shares to the Provincial Governments.

9.3 Out of the sum assigned to the Provincial Governments under Article 3 an amount equal to the net proceeds of 1/6th of Sales Tax shall be distributed amongst the provinces at the following ratio and the Provincial Governments shall further transfer the whole of such amounts to the District Governments and Cantonment Boards without retaining any part thereof:

The Punjab	50.00%
Sindh	34.85%
The North-West Frontier Province	9.93%
Balochistan	5.22%
Total:	100.00%

9.4 The balance shall be distributed amongst the provinces on the basis of their respective population in the percentage specified against each:

The Punjab	57.36%
Sindh	23.71%
The North-West Frontier Province	13.82%
Balochistan	5.11%
Total:	100.00%

Grants-in-Aid to the Provinces:

9.5 There shall be charged upon the Federal Consolidated Fund each year a sum of Rupees twenty seven billion seven hundred and fifty million, during 2006-07 as grants-in-aid of the revenues of the provinces to be distributed amongst the provinces. The grants-in-aid will be increased annually in line with the growth of net proceeds of divisible taxes for each year as per ratio specified against each province, namely:

<u>Province</u>	<u>Amount</u>
The Punjab	11.00%
Sindh	21.00%
The North-West Frontier Province	35.00%
Balochistan	33.00%
Total:	100.00%

9.6 Royalty on crude oil and development surcharge on natural gas, after deducting 2% collection charges, are transferred to the provinces on the basis of well head production. Royalty and excise duty on natural gas, after deducting 2% collection charges, are also transferred to the provinces in accordance with Article 161(1) of the Constitution of the Islamic Republic of Pakistan. The G.S.T on services (Provincial) is also transferred to Provinces after deducting 2% collection charges.

9.7 The following tables show the estimated transfers to the provincial governments on account of their share in federal taxes and by straight transfers during the years 2009-2010 (Budget & Revised).

PROVINCIAL SHARE IN REVENUE RECEIPTS
2009-2010 (BUDGET)

	(Rs. in Million)				
	Punjab	Sindh	Khyber Pakhtunkhwa	Balochistan	Total
Taxes on Income	130107.229	53780.377	31347.314	11590.794	226825.714
Capital Value Tax	1767.503	730.605	425.852	157.461	3081.421
Sales Tax(excluding 1/6th)	62759.617	25941.955	15120.954	5591.033	109413.559
1/6th of Sales Tax	39584.758	27590.577	7861.533	4132.649	79169.517
Federal Excise (Net of Gas)	32076.443	13258.934	7728.320	2857.577	55921.274
Customs Duties	40286.698	16652.678	9706.454	3589.000	70234.830
GST(CE Mode)	14440.162	5968.902	3479.132	1286.423	25174.619
Total: Divisible Taxes (A)	321022.410	143924.028	75669.559	29204.937	569820.934
Royalty on Crude Oil	1429.013	3915.178	2469.512	0.000	7813.703
Royalty on Natural Gas	1214.014	18129.114	2729.095	4443.718	26515.941
Gas Development Surcharge	1631.207	19914.811	2159.296	5632.946	29338.260
Excise Duty on Natural Gas	350.840	4545.240	191.100	1371.020	6458.200
G.S.T (Provincial)	8759.079	3620.602	2110.364	780.315	15270.360
Total: Straight Transfers (B)	13384.153	50124.945	9659.367	12227.999	85396.464
TOTAL (A + B)	334406.563	194048.973	85328.926	41432.936	655217.398

Contd.

9.8 The 7th NFC Award as given effect through President's Order No.5 of 2010 is reproduced below:-

**"AN
ORDER**

To provide for distribution of revenues and certain grants

WHEREAS in pursuance of clause (1) of Article 160 of the Constitution of the Islamic Republic of Pakistan [hereinafter referred to as the Constitution], the President, by the Finance Division's Notification No.S.R.O. 739(I)/2005 dated 21st July, 2005, as modified by the said Division's Notification No.S.R.O.693(I)/2009, dated 24th July, 2009, appointed a National Finance Commission to make recommendations, among other matters, as to the distribution between the Federation and the Provinces of the net proceeds of

**AND WHEREAS the said Commission has also submitted its recommendations
with regard to the said distribution;**

NOW, THEREFORE, in pursuance of clauses (4) and (7) of Article 160 of the Constitution, the President is pleased to make the following Order:-

1. Short title and commencement.- (1) This Order may be called the Distribution of Revenues and Grant-in-Aid Order, 2010.

(2) It shall come into force on the first day of July, 2010.

2. Definitions.- In this Order, unless there is anything repugnant in the subject or context,---

- (a) **"Net Proceeds" means, in relation to any tax, duty or levy, the proceeds** thereof reduced by the cost of collection as ascertained and certified by the Auditor General of Pakistan, and
- (b) **"taxes on income" includes corporation tax but does not include taxes on** income consisting of remuneration paid out of the Federal Consolidated Fund

3. Distribution of Revenues. (1) The divisible pool taxes in each year shall consist of the

following taxes levied and collected by the Federal Government in that year, namely:

- (a) taxes on income;
- (b) wealth tax;
- (c) capital value tax;
- (d) taxes on sales & purchases of goods imported, exported, produced, manufactured or consumed;
- (e) export duties on cotton;
- (f) customs duties;
- (g) federal excise duties excluding the excise duty on gas charged at well head; and
- (h) Any other tax which may be levied by the Federal Government;

(2) One percent of the net proceeds of divisible pool taxes shall be assigned to Government of Khyber Pakhtunkhwa to meet the expenses on war on Terror.

(3) After deducting the amounts as prescribed in clause (2), of the balance amount of the net proceeds of divisible pool taxes, fifty-six percent shall be assigned to provinces during the financial year 2010-11 and fifty-seven and half percent from the financial year 2011-12 onwards. The share of the Federal Government in the net proceeds of divisible pool shall be forty-four percent during the financial year 2010-11 and forty-two and half percent from the financial year 2011-12 onwards.

4. Allocation of shares to the Provincial Governments.

(1) The Province-wise ratios given in clause (2) are based on multiple indicators. The indicators and their respective weights as agreed upon are:-

(a)	Population	82.00%
(b)	Poverty or backwardness	10.30%
(c)	Revenue collection or generation	5.00%
(d)	Inverse population density	2.70%

(2) The sum assigned to the Provincial Governments under Article 3 shall be distributed

amongst the Provinces on the basis of the percentage specified against each:

(a)	Balochistan	9.09%
(b)	Khyber Pakhtunkhwa	14.62%
(c)	Punjab	51.74%
(d)	Sindh	24.55%
	Total:	100.00%

(3) The Federal Government shall guarantee that Balochistan province shall receive the projected sum of eighty-three billion rupees from the provincial share in the net proceeds of divisible pool taxes in the first year of the Award. Any shortfall in this amount shall be made up by the Federal Government from its own resources. This arrangement for Balochistan shall remain protected throughout the remaining four years of the Award based on annual budgetary projections.

5. Payment of net proceeds of royalty on crude oil.

Each of the provinces shall be paid in each financial year as a share in the net proceeds of the total royalties on crude oil an amount which bears to the total net proceeds the same proportion as the production of crude oil in the Province in that year bears to the total production of crude oil .

6. Payment of net proceeds of development surcharge on natural gas to the Provinces

(1) Each of the Provinces shall be paid in each financial year as a share in the net proceeds to be worked out based on average rate per MMBTU of the respective province. The average rate per MMBTU shall be derived by notionally clubbing both the royalty on natural gas and development surcharge on Gas. Royalty on natural gas shall be distributed in accordance with clause (1) of Article 161 of the Constitution whereas the development surcharge on natural gas would be distributed by making adjustments based on this average rate.

(2) The development surcharge on natural gas for Balochistan with effect from 1st July, 2002, shall be reworked out hypothetically on the basis of the formula given in clause (1) and the amount, subject to maximum of ten billion rupee, shall be paid in five years in five equal installments by the Federal Government as grants to be charged on the Federal Consolidated Fund

Consolidated Fund.

7. **Grants-in-Aid to the Provinces:**

There shall be charged upon the Federal Consolidated Fund each year, as grants-in-aid of the revenues of the province of Sindh an amount equivalent to 0.66% of the provincial share in the net proceeds of divisible pool as a compensation for the losses on account of abolition of octroi and zilla tax.

8. **Sales tax on services:**

NFC recognizes that sales tax on services is a Provincial subject under the Constitution of the Islamic Republic of Pakistan, and may be collected by respective Provinces, if they so desire.

9 **Miscellaneous.-**

(1) NFC also recommended increase in the rate of excise duty on natural gas to Rs.10.0 per MMBTU. Federal Government may initiate necessary legislation accordingly.

(2) The NFC recommended that the Federal Government and Provincial Governments should streamline their tax collection systems to reduce leakages and increase their revenues through efforts to improve taxation in order to achieve a 15% tax to GDP ratio by the terminal year i.e. 2014-15. Provinces would initiate steps to effectively tax the agriculture and real estate sectors. Federal Government and Provincial Governments may take necessary administrative and legislative steps accordingly.

(3) Federal Government and Provincial Governments would develop and enforce mechanism for maintaining fiscal discipline at the Federal and Provincial levels through legislative and administrative measures.

(4) The Federal Government may assist the Provinces through specific grants in times of unforeseen calamities.

(5) The meetings of the NFC may be convened regularly on a quarterly basis to monitor implementation of the award in letter and spirit.

10 **Repeal.-** The Distribution of Revenues and Grant-in-Aid Order, 1997 (P.O. No. 1 of 1997), and the Distribution of Revenues and Grants-in-Aid, Order, 2010 (P.O. 4 of 2010) are hereby repealed.

ASIF ALI ZARDARI
President."

9.9 The following table shows the estimated transfers to the provincial governments on account of their share in federal taxes and by straight transfers during the years 2010-2011.

**PROVINCIAL SHARE IN REVENUE RECEIPTS
2010-2011 (BUDGET)**

	(Rs. in Million)				
	Punjab	Sindh	Khyber * Pakhtunkhwa	Balochistan	Total
Taxes on Income	177942.395	84431.500	56483.992	33809.319	352667.206
Capital Value Tax	1334.697	633.297	423.671	253.594	2645.259
Sales Tax(excluding 1/6th)	165813.957	78676.704	52634.080	31504.898	328629.639
1/6th of Sales Tax	0.000	0.000	0.000	0.000	0.000
Federal Excise (Net of Gas)	41548.835	19714.416	13188.785	7894.340	82346.376
Customs Duties	50198.808	23818.723	15934.533	9537.848	99489.912
GST(CE Mode)	0.000	0.000	0.000	0.000	0.000
Total: Divisible Taxes (A)	436838.692	207274.640	138665.061	82999.999	865778.392
Royalty on Crude Oil	2792.131	7756.061	4482.472	7.164	15037.828
Royalty on Natural Gas	1885.636	20077.703	3300.428	4175.455	29439.222
Gas Development Surcharge	1178.089	18350.784	1377.047	6154.820	27060.740
Excise Duty on Natural Gas	407.387	5025.055	208.604	1503.154	7144.200
G.S.T (Provincial) **	51155.334	21145.275	12325.082	4557.248	89182.939
Total: Straight Transfers (B)	57418.577	72354.878	21693.633	16397.841	167864.929
TOTAL (A+B)	494257.269	279629.518	160358.694	99397.840	1033643.321

* Inclusive 1% War on Terror

** The indicative share of GST on Services (provincial) are strictly provisional at this stage since a decision on levying a reformed GST has been deferred to 1st October, 2010. These shares would be revised in the light of decision taken after discussion with the provinces. The final share so determined would take effect from 1st July, 2010.

PROVINCIAL SHARE IN REVENUE RECEIPTS
2009-2010 (REVISED)

	(Rs. in Million)				
	Punjab	Sindh	Khyber Pakhtunkhwa	Balochistan	Total
Taxes on Income	126266.109	52192.633	30421.855	11248.602	220129.199
Capital Value Tax	1078.942	445.985	259.954	96.119	1881.000
Sales Tax(excluding 1/6th)	66101.720	27323.427	15926.182	5888.769	115240.098
1/6th of Sales Tax	42296.533	29480.684	8400.092	4415.758	84593.067
Federal Excise (Net of Gas)	31392.541	12976.241	7563.545	2796.651	54728.978
Customs Duties	39534.627	16341.806	9525.254	3522.000	68923.687
GST(CE Mode)	16386.671	6773.500	3948.113	1459.831	28568.115
Total: Divisible Taxes (A)	323057.143	145534.276	76044.995	29427.730	574064.144
Royalty on Crude Oil	2315.400	7859.073	3782.926	3.841	13961.240
Royalty on Natural Gas	1000.726	18926.982	1893.690	3875.640	25697.038
Gas Development Surcharge	1469.772	21164.714	587.909	6173.042	29395.437
Excise Duty on Natural Gas	356.477	4397.096	182.536	1315.311	6251.420
G.S.T. (Provincial)	3388.508	1400.654	816.408	301.870	5907.440
Total: Straight Transfers (B)	8530.883	53748.519	7263.469	11669.704	81212.575
TOTAL (A+B)	331588.026	199282.795	83308.464	41097.434	655276.719

Contd.

SECTION II

CAPITAL RECEIPTS

10. CAPITAL RECEIPTS

10.1 These receipts comprise of proceeds of borrowing, money received in repayment of loans, recoveries of advances/investments, proceeds of saving schemes, net receipts from transactions under deposits and remittances heads. The net capital receipts so realized by the federal government generally constitute the available resources for the financing of PSDP. Capital receipts are broadly classified as internal receipts and external receipts. The internal receipts include the transactions taking place under the Federal Consolidated Fund as well as the Public Account of the Federation. External resources mainly comprise of (i) project aid (ii) loans and credits from friendly countries and specialized international agencies, and (iii) grant assistance under food aid convention, World Food Programme and other specific country programmes.

10.2 The following table indicates the position of internal capital receipts for 2009-2010 (budget and revised) and 2010-2011 (budget).

CAPITAL RECEIPTS

(SUMMARY OF INTERNAL CAPITAL RECEIPTS)

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
A.	<u>FEDERAL CONSOLIDATED</u>	<u>49776.0</u>	<u>184997.1</u>	<u>163889.8</u>
	<u>FUND: (I+II)</u>			
I.	Recoveries of loans			
	and advances	38460.8	47494.1	47460.2
	Provinces	20399.5	23974.6	25862.6
	Others	18061.2	23519.6	21597.7
II.	Public Debt	11315.2	137503.0	116429.6
	Domestic debt (permanent)	4390.2	44824.7	63504.6
	Foreign currency debt			
	(permanent)	-4075.0	-2075.0	-2075.0
	Floating debt	11000.0	94753.3	55000.0

contd.

	(Rs. in Million)		
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
<u>B. PUBLIC ACCOUNT :</u>	<u>271675.0</u>	<u>232672.2</u>	<u>252836.2</u>
Deferred liabilities (Net)	233481.9	188820.5	215013.8
Deposits & reserves	38193.1	43851.7	37822.4
C. TOTAL (A+B)	321451.0	417669.4	416726.0
<u>D. DISBURSEMENTS</u>	<u>130938.0</u>	<u>157398.5</u>	<u>91342.7</u>
Federal govt. miscellaneous investments	12121.7	17345.8	18120.9
Loans and advances	16406.6	33398.8	10061.0
Short-term credits	65698.8	64668.3	26460.2
Deposits & reserves	36703.7	41978.4	36692.7
Other appropriations	7.2	7.2	7.8
NET CAPITAL RECEIPTS (C-D)	190513.0	260270.9	325383.3

11. RECOVERIES OF LOANS AND ADVANCES

11.1 The recovery of principal of loans and advances from provinces, public sector enterprises, financial and non-financial institutions is reflected in this section.

11.2 The estimates of recoveries of loans and advances are given below :

RECOVERY OF LOANS AND ADVANCES

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
(PROVINCE-WISE BREAK UP)				
E021	<u>PROVINCES</u>			
	PUNJAB	10301.630	11519.669	13118.777
	Cash loans	4493.378	4493.376	4506.595
	Foreign loans	5808.099	7026.140	8612.182
	USAID local currency loans	0.153	0.153	
	SINDH	5389.113	5916.823	5925.097
	Cash loans	814.055	814.055	822.318
	Foreign loans	4575.009	5102.719	5102.779
	USAID local currency loans	0.049	0.049	0.000
	KHYBER PAKHTUNKHWA	3213.585	3648.138	3845.757
	Cash loans	697.419	697.419	799.045
	Foreign loans	2516.133	2950.686	3046.712
	USAID local currency loans	0.033	0.033	
	BALUCHISTAN	1495.206	2889.924	2972.933
	Cash loans	42.098	42.097	46.803
	Foreign loans	1453.098	2847.817	2926.130
	USAID local currency loans	0.010	0.010	0.000
TOTAL - PROVINCES		20399.534	23974.554	25862.564

Contd.

RECOVERY OF LOANS AND ADVANCES

(Rs. in Million)

		2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
E021	<u>PROVINCES</u>	(LOAN-WISE BREAK UP)		
	Cash loans			
	Punjab	4493.378	4493.376	4506.595
	Sindh	814.055	814.055	822.318
	Khyber Pakhtunkhwa	697.419	697.419	799.045
	Balochistan	42.098	42.097	46.803
	Premature retirement of cash loans	0.000	0.000	0.000
	TOTAL	6046.950	6046.947	6174.761
	Foreign loans			
	Punjab	5808.099	7026.140	8612.182
	Sindh	4575.009	5102.719	5102.779
	Khyber Pakhtunkhwa	2516.133	2950.686	3046.712
	Balochistan	1453.098	2847.817	2926.130
	TOTAL	14352.339	17927.362	19687.803
	USAID local currency loans			
	Punjab	0.153	0.153	0.000
	Sindh	0.049	0.049	0.000
	Khyber Pakhtunkhwa	0.033	0.033	0.000
	Balochistan	0.010	0.010	0.000
	TOTAL	0.245	0.245	0.000
	TOTAL - PROVINCES	20399.534	23974.554	25862.564

contd.

RECOVERY OF LOANS AND ADVANCES

(Rs. in Million)			
	2009-2010	2009-2010	2010-2011
	Budget	Revised	Budget
LOCAL BODIES			
Cash loans			
PTVC	15.000	0.000	15.000
NHA	2732.384	2732.384	3058.099
PBC	60.315	60.315	63.129
SNGPL	247.351	247.351	246.827
TOTAL	3055.050	3040.050	3383.055
Foreign loans			
Karachi Port Trust	138.300	138.300	138.300
PAEC	21.094	21.094	4.928
CDA	775.581	788.855	807.523
NHA	706.323	2570.617	2339.480
GIK Institute	101.318	106.416	108.933
Shaukat Khanum Memorial Trust	6.042	6.899	7.062
NLC	85.742	85.742	85.742
TOTAL	1834.400	3717.923	3491.968
TOTAL - LOCAL BODIES	4889.450	6757.973	6875.023

Contd.

RECOVERY OF LOANS AND ADVANCES

				(Rs. in Million)
				2009-2010
				Budget
				2009-2010
				Revised
				2010-2011
				Budget
E023	<u>FINANCIAL INSTITUTIONS</u>			
	Foreign loans			
	NDFC/LTCF	3896.000	3987.718	4046.563
	IDBP	19.880	19.880	0.000
	Ist Dawood Leasing Co. Ltd.	14.377	14.377	15.851
	English Leasing Ltd.	0.073	6.149	6.295
	Net Work Leasing	1.799	3.598	3.598
	Pakistan Industrial & Commercial Leasing	21.121	21.121	19.597
TOTAL - FINANCIAL INSTITUTIONS		3953.250	4052.843	4091.904

contd.

RECOVERY OF LOANS AND ADVANCES

(Rs. in Million)

		2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
E024	NON-FINANCIAL INSTITUTIONS			
	<u>A - WAPDA</u>			
	Cash loans	616.707	616.680	591.872
	WAPDA (Power Wing)	116.212	116.212	101.238
	TESCO	10.636	10.636	10.123
	QESCO	0.000	0.000	0.000
	GENCO-I	47.929	47.929	46.610
	GENCO-II	114.004	114.004	112.701
	GENCO-III	4.994	4.994	9.535
	GENCO-IV	2.236	2.236	1.561
	NTDC	143.446	143.446	100.345
	WAPDA (Water Wing)	177.250	177.223	209.759
	Foreign loans	6501.561	7623.718	7490.636
	WAPDA (Power Wing)	4586.289	4604.863	4583.911
	TESCO	30.468	30.468	30.566
	NTDC	1370.253	2473.836	2361.595
	GENCO-I	200.972	200.972	200.972
	GENCO-II	300.511	300.511	300.522
	GENCO-III	12.834	12.834	12.835
	GENCO-IV	0.234	0.234	0.235
	TOTAL - WAPDA	7118.268	8240.398	8082.508

contd.

RECOVERY OF LOANS AND ADVANCES

	(Rs. in Million)		
	2009-2010	2009-2010	2010-2011
	Budget	Revised	Budget
<u>B - AUTONOMOUS BODIES/CORPORATIONS</u>			
Foreign loans			
Pakistan Railways	1477.048	1489.866	1301.898
Karachi Fish Harbour Authority	26.584	26.584	26.584
Askari Cement, Wah	18.487	18.487	0.000
PTA	101.485	101.485	50.742
PPAF	109.617	109.618	109.618
TOTAL	1733.221	1746.040	1488.842
TOTAL - NON-FINANCIAL INSTITUTIONS	8851.489	9986.438	9571.350

contd.

RECOVERY OF LOANS AND ADVANCES

(Rs. in Million)			
	2009-2010	2009-2010	2010-2011
	Budget	Revised	Budget
E025	<u>GOVERNMENT SERVANTS</u>		
Cantt./Garrison Edu. Institutions	35.268	33.251	34.913
AGPR, Islamabad	612.239	611.201	698.722
AGPR, Sub-Office, Lahore	138.796	167.618	180.905
AGPR, Sub-Office, Karachi	140.486	144.139	161.436
AGPR, Sub-Office, Peshawar	215.605	101.936	112.129
AGPR, Sub-Office, Quetta	45.342	54.426	57.130
AGPR, Sub-Office, Gilgit	59.923	59.923	62.520
Defence	158.000	175.500	182.100
Pakistan Post Office	75.100	81.000	85.000
Pak PWD	13.706	15.070	15.202
Pakistan Mint	3.510	3.323	3.490
Chief Accounts Officer (M/o Foreign Affairs)	30.893	31.317	32.515
Central Dte. of National Savings	17.402	20.299	21.981
Geological Survey of Pakistan	7.500	7.930	8.265
Directorate of Food	0.244	0.269	0.281

Contd.

RECOVERY OF LOANS AND ADVANCES

	(Rs. in Million)		
	2009-2010	2009-2010	2010-2011
	Budget	Revised	Budget
Special Communications Organization	6.597	9.205	19.460
TOTAL - GOVERNMENT SERVANTS	1560.611	1516.407	1676.049
E027 OTHERS			
Cash loans - Govt. of AJK	1791.218	1791.218	1935.000
Foreign loans - Govt. of AJK	412.740	412.740	446.000
PNRA	2.478	1.944	2.333
TOTAL - OTHERS	2206.436	2205.902	2383.333
TOTAL (PSEs & OTHERS)	21461.236	24519.563	24597.659
ESTIMATED SHORTFALL	3400.000	1000.000	3000.000
NET - TOTAL (PSEs & OTHERS)	18061.236	23519.563	21597.659
TOTAL - PROVINCES	20399.534	23974.554	25862.564
GRAND TOTAL	38460.770	47494.117	47460.223

12. PUBLIC DEBT

12.1 Public debt of the Federal Government is of two types, namely, domestic debt (permanent debt, floating debt and unfunded debt) and foreign currency debt (long, medium and short term).

DOMESTIC DEBT (PERMANENT)

12.2 The main features of securities through which domestic debt (permanent) is raised are given below:

12.2.1 Federal Investment Bonds :

The sale of Federal Investment Bonds was discontinued in June, 1998. These are being repaid on maturity. Repayment under revised estimates for 2009-2010 in respect of Federal Investment Bonds (non-bank) is projected at Rs.498.100 million while repayment for the year 2010-2011 (budget) is estimated as nil.

12.2.2 Pakistan Investment Bonds:

The Government launched this security under the nomenclature of "Pakistan Investment Bonds" having maturity period of 2, 3, 5, 7, 10, 15, 20 and 30 years. Against the budget estimates of Rs.5000.000 million, the revised estimates 2009-2010 and budget estimates for the year 2010-2011 are estimated at Rs.25000.000 million and Rs.30000.000 million respectively.

12.2.3 Government Bonds issued to Public Sector Enterprises:

These bonds were issued to Public Sector Enterprises. The repayment on account of these bonds in Revised Estimates for the year 2009-2010 is projected as nil while the repayment in Budget Estimates for year 2010-2011 is assessed at Rs.1538.030 million.

12.2.4 Government Ijara Sukuk:

The Government of Pakistan Ijara Sukuk issued through Pakistan Domestic Sukuk Company Limited. Though the maturity period for first Sukuk was three years yet, these Sukuk can be issued for longer or short term maturity period. The Sukuk are not redeemable before maturity. The profit on the Sukuk is payable semi-annually on rental rate to be announced by State Bank of Pakistan. The receipts of Rs.20396.000 million have been projected in revised estimates 2009-2010 while the budget estimates for the year 2010-2011 are projected at Rs.40000.000 million.

12.3 The net receipts from domestic debt (permanent) during the years 2009-2010 (budget & revised) and 2010-2011 (budget) are estimated as under :

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
E031	Domestic Debt (Permanent)			
	Federal Investment			
	Bonds (non-bank)	-536.600	-498.100	0.000
	Pakistan Investment Bonds (Non-Bank)	5000.000	25000.000	30000.000
	Government Bonds issued to Public Sector Enterprises	0.000	0.000	-1538.030
	Govt. Bonds issued to SBSM	-73.200	-73.200	0.000
	Ijara Sukuk Bonds	0.000	20396.000	40000.000
	Govt. Bonds issued to Low-Yield	0.000	0.000	-4957.380
TOTAL		4390.200	44824.700	63504.590

FOREIGN CURRENCY DEBT (PERMANENT)

12.4 It includes the following securities:

12.4.1 Foreign Exchange Bearer Certificates (FEBCs) :

Against the repayment of Rs.50.000 million projected in budget 2009-2010, the revised estimates for the year 2009-2010 and budget estimates for the year 2010-2011 are worked out at the same level.

12.4.2 Foreign Currency Bearer Certificates (FCBCs) :

This security was introduced during the year 1992-93. Against the budget estimates for 2009-2010, the repayment of these bonds for the year 2009-2010 (revised) and 2010-2011 (budget) is estimated at the same level i.e. Rs.10.000 million. These Certificates are in US \$ and Pound Sterling. Profit is payable half yearly at floating rates, which is not liable to income tax. The investment in these certificates is exempt from Wealth Tax and compulsory deduction of Zakat.

12.4.3 US Dollar Bearer Certificates (DBC) :

This security was introduced in 1991 and discontinued on 17th November, 1994. The repayment on account of these certificates for the year 2009-2010 (revised) and 2010-2011 (budget) is projected at the same level i.e. Rs.15.000 million

12.4.4 Special US Dollar Bonds :

These bonds were issued under Special US Dollar Bonds Rules, 1998 to the Foreign Currency Accounts holders or Foreign Currency Certificates holders with scheduled banks or non-bank financial institutions out of their foreign currency deposits. The repayment of these bonds during the year 2009-2010 (revised) and 2010-2011 (budget) is estimated at the same level i.e. Rs.2000.000 million.

12.5 The estimates of foreign currency debt (permanent) are tabulated below.

(Rs. in Million)			
Name of Securities	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
<u>Foreign Currency Debt (Permanent)</u>			
Foreign Exchange Bearer Certificates (FEBCs)	-50.000	-50.000	-50.000
Foreign Currency Bearer Certificates (FCBCs)	-10.000	-10.000	-10.000
US Dollar Bearer Certificates (DBC's)	-15.000	-15.000	-15.000
Special US Dollar Bonds	-4000.000	-2000.000	-2000.000
TOTAL	-4075.000	-2075.000	-2075.000

FLOATING DEBT

12.6 The term "floating debt" is applied to borrowing of a purely temporary nature with a currency of not more than twelve months. Market Related Treasury Bills and National Prize Bonds are included in this category.

12.6.1 Market Related Treasury Bills (Auction) :

These reflect non-bank borrowing of the Federal Government.

12.6.2 National Prize Bonds:

These are of bearer type non-terminable securities freely encashable and transferable by delivery. These are now issued in denominations of Rs.200/-, Rs.750/-, Rs.1500/-, Rs.7500/-, Rs.15000/- and Rs.40000/-. Receipt of Rs. 34753.300 million for the year 2009-2010 (revised) is estimated from this security. The receipt for 2010-2011 (budget) is estimated at Rs.35000.000 million.

12.7 The estimates of receipts from floating debt during the year 2009-2010 (revised) and 2010-2011 (budget) are as under:

		(Rs. in Million)		
		2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
E032	<u>FLOATING DEBT</u>			
	A. Market Related Treasury Bills			
	through auction (Non-Bank)			
	Receipts	63556.415	138320.000	133317.600
	Repayments	62556.415	78320.000	113317.600
	Net (A):	1000.000	60000.000	20000.000
	B. Prize Bonds	10000.000	34753.300	35000.000
Net Total Floating Debt (A+B)		11000.000	94753.300	55000.000

13. PUBLIC ACCOUNT

13.1 DEFERRED LIABILITIES

13.1.1 These receipts represent the net proceeds of various savings schemes launched by the Government. Brief introduction of each saving scheme is given below.

a) DEFENCE SAVINGS CERTIFICATES

It is a ten years scheme. However, the investment can be encashed at any time. The rate of return on Defence Savings Certificates has been linked with the yield of Pakistan Investment Bonds of ten year maturity. The existing rate on this scheme is 12.15% p.a. on maturity. Profit from investment made on or after 1-7-2002 is taxable at source at the rate of 10% of such profit if deposit exceeds Rs.150,000. Institutions like Registered Charities (non-profit bodies); Public Sector Enterprises, excluding Banks, Private Educational & Health Institutions; Employees Old Age Benefit Institutions (EOBIs); Private Corporate Sector, excluding Banks; and Non-Bank Financial Institutions (NBFIs), excluding Insurance Companies, registered under the relevant law for the time being in force are eligible to invest in this scheme with effect from 30-9-2006.

b) SPECIAL SAVINGS CERTIFICATES/ACCOUNTS

Special Savings Certificates (Registered/Accounts) is a three year scheme with profit payable on six monthly basis. The existing rate of profit in this scheme is 11.60% per annum for the first two and half years and 12.00% for the last six months. The rate of profit has been linked with the yield of Pakistan Investment Bonds having three years maturity. The rates are reviewed quarterly. Zakat is deducted at source on principal value once in three years at the time of encashment if declaration in this regard is not filed. Profit from investment made on or after 1-7-2002 is taxable at source at the rate of 10% of such profit if deposit exceeds Rs.150,000. Institutions like Registered Charities (non-profit bodies); Public Sector Enterprises, excluding Banks, Private Educational & Health Institutions; Employees Old Age Benefit Institutions (EOBIs); Private Corporate Sector, excluding Banks; and Non-Bank Financial Institutions (NBFIs), excluding Insurance Companies, registered under the relevant law for the time being in force are eligible to invest in this scheme with effect from 30-9-2006.

c) REGULAR INCOME CERTIFICATES

This scheme was introduced on 2.2.1993 to ensure payment of income on monthly basis. The profit in the scheme is subject to 10% withholding tax and the investment is exempt from compulsory deduction of Zakat at source. The existing profit on this scheme is 12.00% per annum. The rate of profit has been linked with the yield of Pakistan Investment Bonds having five years maturity. The rates are reviewed quarterly. Premature encashment on these certificates purchased on or after 15-12-2005 carry service charges as under:

- (i) If encashed before completion of one year
from the date of issue @ 2% of face value
- (ii) Before two years @ 1.50% of face value
- (iii) Before three years @ 1% of face value
- (iv) Before four years @ 0.5% of face value

2.

Institutions like Registered Charities (non-profit bodies); Public Sector Enterprises, excluding Banks, Private Educational & Health Institutions; Employees Old Age Benefit Institutions (EOBIs); Private Corporate Sector, excluding Banks; and Non-Bank Financial Institutions (NBFIs), excluding Insurance Companies, registered under the relevant law for the time being in force are eligible to invest in this scheme with effect from 30-9-2006.

d) MAHANA AMADANI ACCOUNTS

It is a five years scheme in which only individuals can invest from Rs.500/- to Rs.5000/- each month consecutively for five years and thereafter, the return is paid on monthly basis equal to the amount of monthly deposit for ever. However, the account holders who opened accounts on or after 1-7-2000 and 1-7-2002 will deposit monthly installment for six years and seven years respectively to get monthly profit equal to the amount of monthly deposit so long as the account is not closed. The return upto Rs.1000/- is tax free. Zakat is deducted on principal value at the time of payment of return if declaration in this regard is not filed. However, Mahana Amadani Account Scheme has been discontinued after 17th May, 2003.

e) **SAVINGS ACCOUNTS**

This is the oldest saving scheme in operation which provides profit on chequing accounts and on non-chequing accounts. Zakat is deducted @ 2.50% on credit balance on valuation date each year if declaration in this regard is not filed. The existing profit on chequing account is 8.0% per annum while on other accounts is 8.50% per annum. Profit from investment made on or after 1-7-2002 is taxable at source at the rate of 10% of such profit if deposit exceeds Rs.150,000. Institutions like Registered Charities (non-profit bodies); Public Sector Enterprises, excluding Banks, Private Educational & Health Institutions; Employees Old Age Benefit Institutions (EOBIs); Private Corporate Sector; excluding Banks; and Non-Bank Financial Institutions (NBFIs); excluding Insurance Companies; registered under the relevant law for the time being in force are eligible to invest in this scheme with effect from 30-9-2006.

f) PENSIONER'S BENEFIT ACCOUNT

This scheme has been launched with effect from 20-1-2003 to provide incentive to the retired officials of the Federal Government, Provincial Governments, Azad Government of the State of Jammu & Kashmir, Armed Forces, Semi Governments and Autonomous Bodies and in case of death, the pensioner's eligible member of the family. Only one account can be opened in the National Savings Centre with a minimum deposit of rupees ten thousand and in multiple of one thousand with the facility of two subsequent deposits subject to the maximum limit of three million rupees. It is a ten year scheme and profit is payable on completion of each period of one month reckoned from the date of opening of an account till maturity. The existing rate of profit on this scheme is 14.16% p.a. Premature encashment before completion of one, two, three and four years carry service charges at the rate of 1%, 0.75%, 0.50% and 0.25% of principal amount respectively. Profit to be accrued from this scheme is exempt from compulsory deduction of tax. The scheme has been made more attractive as any upward revision in rate of profit after 9.3.2009 shall also be applicable to existing account holders whereas downward revision shall apply to fresh investment only.

g) BAHBOOD SAVINGS CERTIFICATES

This scheme has been introduced exclusively for widows to cater for their needs with monthly profit payment facility. The existing rate of profit on this scheme is 14.16% per annum. The scheme has further been extended to the aged persons 60 years or above. The maximum deposit limit in this scheme is Rs. three million. It is only a compensatory package to enable widows and senior citizens to supplement their income to lead a respectable life. Service charges at the rate of 1%, 0.75%, 0.50% and 0.25% of the face value are deducted if certificates are encashed before completion of one, two, three and four years respectively. Profit to be accrued from this scheme is exempt from compulsory deduction of tax. The scheme has been made more attractive as any upward revision in rate of profit after 9.3.2009 shall also be applicable to existing certificate holders whereas downward revision shall apply

h) NATIONAL SAVINGS BONDS (NSBs).

These bonds have been offered in issues with a maturity period of 3,5 and 10 years. The minimum investment limit in these bonds is Rs.20,000/- with no maximum limit. Individuals, mutual funds, provident, pension, gratuity fund or trusts excluding body corporate and banks are eligible to purchase these bonds. The bonds are tradable in all the three Stock Exchanges and transferable through the Central Depository System. The profit on these bonds is taxable under the Income Tax Ordinance, 2001 (XLIX Of 2001) and withholding tax on these bonds shall be deducted at the prevailing applicable rate at source. There is no compulsory deduction of Zakat on these bonds.

13.1.2 The estimates of receipts are tabulated on the following pages.

DEFERRED LIABILITIES

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
G03	Deferred Liabilities	<u>233481.880</u>	<u>188820.520</u>	<u>215013.760</u>
	Provident Fund	2000.000	2000.000	2000.000
	Saving/Deposit Account/Certificat	229386.880	184820.520	211013.760
	Saving Bank Accounts	-8949.310	-3937.660	-4035.700
	Khas Deposit Accounts	-6.000	-6.000	-6.000
	Mahana Amadani Accounts	-75.000	-425.000	-425.000
	Pensioners' Benefit Accounts	24063.190	18655.440	20281.200
	Defence Savings Certificates	-15894.800	-38703.840	-2668.820
	Bahbood Savings Certificates	79892.000	59576.520	62044.500
	National Deposit Certificates	-2.450	-3.920	-3.920
	Khas Deposit Certificates	-1.000	-1.000	-1.000
	Special Savings Certificates (Registered)	51842.550	65389.270	51034.610
	Special Savings Accounts (Term Deposit)	18214.950	37424.040	29208.490
	Regular Income Certificates	30302.750	43202.670	40585.400
	New Savings Schemes	50000.000	3650.000	15000.000
	Postal Life Insurance Fund	2095.000	2000.000	2000.000

13.2 PUBLIC ACCOUNT DEPOSIT RECEIPTS

13.2.1 The public account deposit receipts are broadly of two types known as (i) Reserve funds and (ii) Other deposits. The reserve funds, falling in the category of renewal reserve and depreciation funds, are designed to meet the cost of renewal and replacement of assets of the commercial departments and undertakings to which they relate. These are fed by annual contribution from these departments and organizations, calculated either on commercial principles or on ad-hoc basis. The expenditure on renewal and replacement in a year is initially booked as expenditure under the relevant capital head of account but at the end of the year, it is transferred to the appropriate depreciation or renewal reserve fund per contra-credit to the expenditure head.

13.2.2 Reserve funds and deposit accounts, other than the renewal reserve and depreciation funds, are intended to provide for liabilities and requirements of funds for specific purposes for which they have been created. Like renewal reserve and depreciation funds, these are fed by regular yearly payment or ad-hoc contributions from the current revenues. Such transfers generally pass through the budget grant of the concerned Ministry or Division.

13.2.3 The reserve funds and deposit accounts in respect of which provision for contributions have been made in the revised estimates for 2009-2010 and budget estimates for 2010-2011 are tabulated on the following pages.

DEPOSITS AND RESERVE FUNDS

		(Rs. in Million)		
		2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
G06202	Federal Govt. Employees Benevolent Fund (Civil)	0.000	253.027	0.000
G06203	Benevolent Fund (Defence)	0.000	0.117	0.000
G06205	F.G. Employees B.F.(Pak.Post)	0.000	68.400	0.000
G06206	F.G. Employees B.F.(Pak. PWD)	0.000	1.400	0.000
G06208	Benevolent Fund (Food Wing)	0.000	0.013	0.000
G06209	Federal Govt. Employees Benevolent Fund (National Savings)	0.000	2.493	0.000
G06210	Benevolent Fund (Mint)	0.000	1.093	0.000
G06212	Federal Govt. Employees Benevolent Fund (GSP)	0.000	2.040	0.000
G06304	Workers Welfare Fund	10000.000	1600.000	1600.000
G06401	Group Insurance Fund Pak. PWD	0.000	0.307	0.000
G06402	F.G.E. Group Insurance (Foreign Affairs)	0.000	0.040	0.000
G06404	Federal Govt. Employees Group Insurance Fund (National Savings)	0.000	0.480	0.000
G06405	Group Insurance Fund Mint	0.000	0.027	0.000
G06407	F.G.E. Group Insurance Fund(GSP)	0.000	0.347	0.000
G06409	Federal Govt. Employees Group Insurance Fund (Civil)	0.000	67.120	0.000
G07101	Post Office Renewal Reserve Fund	50.000	80.000	55.000
G07104	Federal Govt. Employees Group Insurance Fund (Pak)	0.000	2.000	0.000
G08117	Railways Reserve Fund	11432.370	21432.370	21856.000
G08121	Railways Dep. Reserve Fund	9524.600	4546.300	6821.000

contd.

DEPOSITS AND RESERVE FUNDS

		(Rs. in Million)		
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
G10301	Lighthouses and Lightships Reserve Fund	0.265	0.265	0.265
G10304	Zakat Collection Account	0.000	1737.253	0.000
G12101	PM's Disaster's Relief Fund	0.000	0.173	0.000
G12102	PM's Fund for Welfare and Relief for Kashmaries	0.000	0.013	0.000
G12106	PM's Flood Relief Fund 1992	0.000	5.493	0.000
G12130	President's Relief Fund for Earthquake Victims 2005	0.000	2.680	0.000
G12135	PM's Special Fund for Victims of Terrorism	0.000	5615.427	0.000
G12205	Pakistan Minorities Welfare Fund	0.000	14.933	0.000
G12206	Special Fund for Welfare & Uplift of Minorities	0.000	178.733	0.000
G12305	Export Development Fund	4585.000	3160.000	3948.000
G12308	Reserve Fund for Exchange Risk on Foreign Loans	2500.910	4627.622	3382.152
G12412	Pakistan Oil Seed Development Fund	0.000	60.933	0.000
G12504	Workers Children Education Fund	0.000	0.613	0.000
G12510	Education Welfare Fund	0.000	0.480	0.000
G12729	Fund for Social Services	0.000	199.880	0.000
G12738	National Fund for Control of Drug Abuse	0.000	5.187	0.000
G12745	Central Research Fund	0.000	77.347	0.000
G12758	Fund for Women in Distress & Detention	0.000	6.667	0.000
G12765	President's Flood Relief Fund for Tsunami Victims	0.000	0.440	0.000
G14100	Pakistan Mint	100.000	100.000	160.000
TOTAL:		38193.145	43851.714	37822.417

13.2.4 A brief description of the main deposits/reserve funds are given below.

Post Office Renewal Reserve Fund

13.2.5 The objective of establishing this reserve fund is to secure the payment of annual contribution from general revenues, to provide funds to meet the actual cost of renewing and replacing assets. The fund also bears the cost of relieving capital of the value of an asset, other than land, which is sold, abandoned or otherwise disposed off without being replaced. The fund receives credit for an annual contribution from working expenses of such amount fixed from time to time as a depreciation charge based on the life of assets as well as sale proceeds of unserviceable materials, block value of dismantled assets etc.

Railways Depreciation Reserve Fund

13.2.6 The Railways Depreciation Reserve Fund provides for the cost of renewals and replacement of assets as and when it becomes necessary. The Fund was to provide the amount of original cost of the assets replaced and its scope was restricted to the replacement of complete units of certain classes of wasting assets. With a view to providing safeguard against over capitalization, the entire cost of the replacement of an asset including the improvement elements is charged to the Fund. Presently, the contribution to the fund is made by adopting "Straight Line Method".

Railways Reserve Fund

13.2.7 The objective of establishing this Fund is to secure the payment of annual contribution of general revenues, to provide if necessary, for arrears of depreciation and for writing off capital and to strengthen the financial position of the Railways. The Fund was also used for temporary borrowings for purposes of meeting the expenditure for which there was no provision or insufficient provision in the revenue budget. The receipts in this Fund consist of the surplus which remain out of the profit of Railways after payment to general revenues of the contribution fixed under the Convention.

Worker's Welfare Fund

13.2.8 This Fund was created for provision of housing facilities and other amenities to industrial workers. Initial contribution of Rs.100 million was made by the federal government. Further contributions to the Fund are being made in the form of Workers Welfare Tax @ 2% per annum of the total assessable income of industrial units whose income is not less than Rs.100,000/- and the amount transferred to the Fund from time to time, under clause (d) of paragraph 4 of the scheme set out in the Schedule to the Companies' Profit (Workers' Participation) Act, 1968 (XII of 1968).

Fund for exchange risk on foreign loans

13.2.9 The federal government pays the difference of exchange rate fluctuations on behalf of borrowers, and charges an exchange risk fee. The rate of this fee is different for different foreign currencies.

14. EXTERNAL RESOURCES

14.1 External resources comprise of (i) project loans (ii) loans and credits from friendly countries and specialized international agencies and (iii) grant assistance under Food Aid Convention, World Food Programme and other specific country programmes. The loans, credits and grant assistance, collectively described as foreign aid, fall into four broad categories. These are project aid, commodity aid, food aid, and other aid.

Project loans

14.2 Project loans are of two types. These are explained below :

(a) **Federal loans :**

Loans contracted by the federal government for public or private sector projects are generally termed as federal loans.

(b) **Guaranteed loans :**

Loans contracted directly by public or private sector agencies but guaranteed by the federal government for payment of interest and repayment of principal are called guaranteed loans.

14.3 Sometimes, commodities received under foreign aid generate rupee counterpart funds which either by prior agreement at the time of commitment of commodity assistance or subsequently after generation of rupee counterpart by mutual agreement, are made available for specific projects as loan or grant assistance. This is another form of project aid.

Commodity aid

14.4 Commodity aid as a rule is utilized for commercial imports of commodities. The goods imported under this aid generally are industrial raw materials, equipment & spares, consumer goods, chemicals, fertilizer and such commodities as may be specified or may have been generally agreed to or, if the aid is untied, as the country may actually need. Beside enabling the country to meet its requirements of essential commodities, commodity aid also helps to generate rupee funds which augment the country's rupee resources to meet development needs.

Other aid

14.5 Other aid comprise of loans and grants from non-traditional sources generally by way of balance of payment support.

14.6 The estimates of external resources for the year 2009-2010 (budget and revised) and 2010-2011 (budget) are tabulated on the following page.

EXTERNAL RESOURCES

(Rs. in Million)				
		2009-2010	2009-2010	2010-2011
		Budget	Revised	Budget
<u>EXTERNAL RECEIPTS</u>				
A	PROJECT AID(1 + 2)	<u>85862.710</u>	<u>106390.403</u>	<u>78359.723</u>
1.	Federal Government	58939.710	90347.136	46974.723
	Divisions/Departments	32554.710	57504.828	33652.755
	Autonomous bodies	26385.000	32842.308	13321.968
2.	Provinces	26923.000	16043.267	31385.000
B	COMMODITY AID	<u>150645.000</u>	<u>186719.650</u>	<u>87866.700</u>
	(NON-FOOD)			
	Loans	140332.500	172016.650	80341.200
	Grants	10312.500	14703.000	7525.500
C	TOKYO PLEDGES	<u>191405.775</u>	<u>95704.700</u>	<u>81993.350</u>
	Loans	145077.900	66104.350	55299.450
	Grants	46327.875	29600.350	26693.900
D	OTHER AID	<u>82500.000</u>	<u>189170.150</u>	<u>86500.000</u>
	Islamic Development Bank	41250.000	121570.150	86500.000
	Eurobonds	41250.000	67600.000	0.000
E	KERRY LUGAR	<u>0.000</u>	<u>0.000</u>	<u>51900.000</u>
	Grants	0.000	0.000	51900.000
TOTAL EXTERNAL RESOURCES		510413.485	577984.903	386619.773

15 PRIVATIZATION PROCEEDS

15.1 The Privatization Commission Ordinance, 2000 provides that the net privatization proceeds received through sale of enterprises owned by the Federal Government shall be transferred to the Federal Government.

15.2 The above mentioned Ordinance further provides that the privatization proceeds transferred to the Federal Government shall be utilized by the Federal Government as follows:

- (a) ten percent shall be used for poverty alleviation programmes ; and
- (b) the remaining ninety percent for retirement of the Federal Government debt.

15.3 The estimates of privatization proceeds are given below:

	(Rs. in Million)		
	2009-2010	2009-2010	2010-2011
	Budget	Revised	Budget
Privatization proceeds	19351.000	0.000	19351.000

16. SELF-FINANCING OF PSDP BY PROVINCES

The following table shows contribution by the Provinces for their Public Sector Development Programme in 2009-2010 (Budget & Revised) and 2010-2011 (Budget).

	(Rs. in Million)		
	2009-2010	2009-2010	2010-2011
	Budget	Revised	Budget
Self-Financing of PSDP by Provinces	172986.500	183943.230	341524.500

17. FINANCING TABLES OF PROVINCIAL ADPs

Province wise details of financing of provincial annual development programmes are given in the following tables :

FINANCING OF ADP OF PUNJAB

(Rs. in Million)			
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
<u>Development Programme</u>	<u>100824.600</u>	<u>108416.000</u>	<u>190569.397</u>
Less provincial contribution	89295.600	102045.490	176294.947
Federal assistance	11529.000	6370.510	14274.450
I. Cash Assistance	45.000	9.000	45.000
Japanese grant	45.000	9.000	45.000
II. Foreign Project Assistance	11484.000	6361.510	14229.450
Loans	10471.000	4211.990	12597.000
Grants	1013.000	2149.520	1632.450

FINANCING OF ADP OF SINDH

	(Rs. in Million)		
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
<u>Development Programme</u>	<u>42344.900</u>	<u>43649.000</u>	<u>77663.828</u>
Less provincial contribution	36915.400	40144.520	72881.328
Federal assistance	5429.500	3504.480	4782.500
I. Cash Assistance	22.500	4.500	22.500
Japanese grant	22.500	4.500	22.500
II. Foreign Project Assistance	5407.000	3499.980	4760.000
Loans	5407.000	3499.980	4760.000
Grants	0.000	0.000	0.000

FINANCING OF ADP OF KHYBER PAKHTUNKHWA

	(Rs. in Million)		
	2009-2010	2009-2010	2010-2011
	Budget	Revised	Budget
<u>Development Programme</u>	<u>35049.300</u>	<u>35855.000</u>	<u>68053.013</u>
Less provincial contribution	30168.800	31425.110	59561.873
Federal assistance	4880.500	4429.890	8491.140
I. Cash Assistance	11.500	0.000	11.500
Japanese grant	11.500	0.000	11.500
II. Foreign Project Assistance	4869.000	4429.890	8479.640
Loans	4458.500	3723.520	4986.110
Grants	410.500	706.370	3493.530

FINANCING OF ADP OF BALOCHISTAN

(Rs. in Million)			
	2009-2010	2009-2010	2010-2011
	Budget	Revised	Budget
<u>Development Programme</u>	<u>21781.200</u>	<u>12080.000</u>	<u>36713.762</u>
Less provincial contribution	16606.700	10328.110	32786.352
Federal assistance	5174.500	1751.890	3927.410
I. Cash Assistance	11.500	0.000	11.500
Japanese grant	11.500	0.000	11.500
II. Foreign Project Assistance	5163.000	1751.890	3915.910
Loans	4200.300	1615.830	3270.240
Grants	962.700	136.060	645.670

18 DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT
DURING 2009-2010 (BUDGET ESTIMATES)

	(Rs. in Million)				
	Punjab	Sindh	Khyber Pakhtunkhwa	Balochistan	Total
<u>Development Programme</u>	<u>100824.600</u>	<u>42344.900</u>	<u>35049.300</u>	<u>21781.200</u>	<u>200000.000</u>
Less Provincial contribution	89295.600	36915.400	30168.800	16606.700	172986.500
Federal assistance	11529.000	5429.500	4880.500	5174.500	27013.500
Cash Assistance	45.000	22.500	11.500	11.500	90.500
Japanese grant	45.000	22.500	11.500	11.500	90.500
Foreign Project					
Assistance	11484.000	5407.000	4869.000	5163.000	26923.000
Loans	10471.000	5407.000	4458.500	4200.300	24536.800
Grants	1013.000	0.000	410.500	962.700	2386.200

**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT
DURING 2009-2010 (REVISED ESTIMATES)**

	(Rs. in Million)				
	Punjab	Sindh	Khyber Pakhtunkhwa	Balochistan	Total
<u>Development Programme</u>	<u>108416.000</u>	<u>43649.000</u>	<u>35855.000</u>	<u>12080.000</u>	<u>200000.000</u>
Less Provincial contribution	102045.490	40144.520	31425.110	10328.110	183943.230
Federal assistance	6370.510	3504.480	4429.890	1751.890	16056.770
Cash Assistance	9.000	4.500	0.000	0.000	13.500
Japanese grant	9.000	4.500	0.000	0.000	13.500
Foreign Project Assistance	6361.510	3499.980	4429.890	1751.890	16043.270
Loans	4211.990	3499.980	3723.520	1615.830	13051.320
Grants	2149.520	0.000	706.370	136.060	2991.950

**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT
DURING 2010-2011 (BUDGET ESTIMATES)**

	(Rs. in Million)				
	Punjab	Sindh	Khyber Pakhtunkhwa	Balochistan	Total
<u>Development Programme</u>	<u>190569.397</u>	<u>77663.828</u>	<u>68053.013</u>	<u>36713.762</u>	<u>373000.000</u>
Less Provincial contribution	176294.947	72881.328	59561.873	32786.352	341524.500
Federal assistance	14274.450	4782.500	8491.140	3927.410	31475.500
Cash Assistance	45.000	22.500	11.500	11.500	90.500
Japanese grant	45.000	22.500	11.500	11.500	90.500
Foreign Project Assistance	14229.450	4760.000	8479.640	3915.910	31385.000
Loans	12597.000	4760.000	4986.110	3270.240	25613.350
Grants	1632.450	0.000	3493.530	645.670	5771.650

**19 DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENTS DURING
2009-2010 (BUDGET & REVISED) AND 2010-2011 (BUDGET)**

Province	(Rs. in Million)		
	2009-2010 Budget	2009-2010 Revised	2010-2011 Budget
Punjab	11529.000	6370.510	14274.450
Sindh	5429.500	3504.480	4782.500
Khyber Pakhtunkhwa	4880.500	4429.890	8491.140
Balochistan	5174.500	1751.890	3927.410
TOTAL	27013.500	16056.770	31475.500