



# **FEDERAL BUDGET 2012-2013**

## **EXPLANATORY MEMORANDUM ON FEDERAL RECEIPTS**

**GOVERNMENT OF PAKISTAN  
FINANCE DIVISION  
ISLAMABAD**

## **P R E F A C E**

The Annual Budget Statement containing estimated receipts and expenditures for financial year 2012-2013 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.

The “Explanatory Memorandum on Federal Receipts” is also being tabled along with 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 to form a comprehensive view of the federal resources that have determined the formulation of the Budget for 2012-2013, the nature of receipts has been explained, wherever considered appropriate. I hope that this document would be useful for a comprehensive understanding of the Annual Budget Statement.

**Abdul Wajid Rana**  
Secretary to the Government of Pakistan

Finance Division,  
**Islamabad 1<sup>st</sup> June, 2012**

## TABLE OF CONTENTS

### SECTION – I

	<b>PAGE</b>
1. Revenue receipts	1
2. Federal taxes	4
3. Direct taxes	4
- Sales Tax	6
- Federal Excise	6
- Customs	8
4. Non-tax receipts	10
5. Income from Property & Enterprise	11
- Interest Receipts	12
- Dividend on government investments	17
6. Receipts from civil administration	19
- General administration	19
- Defence services	21
- Law and order	21
- Community services	22
- Social services	23
7. Miscellaneous receipts	24
- Others receipts	25
8. - Development Surcharge & Royalties	29
9. Provincial Share in revenue receipts	31

## **SECTION – II**

	<b>PAGE</b>
10. Capital receipts	40
11. Recoveries of loans and advances	42
12. Public debt	47
13. Public account	51
14. External resources	61
15. Privatization Proceeds	64
16. Self-financing of PSDP by Provinces	65

---

# **SECTION I**

# **REVENUE RECEIPTS**

---

## **1. REVENUE RECEIPTS**

**1.1** The revenue receipts of the federal government may be categorized as tax revenue receipts and non-tax revenue receipts.

**1.2** The revenue receipts of the Federal Government are derived from the following sources:-

- i) Proceeds from taxation.
- ii) Net revenue of the Commercial Departments.
- iii) Interest on loans advanced by the Federal Government
- iv) Return on investments made by the Federal Government
- v) Fees and Other Miscellaneous receipts realized by administrative Ministries and Divisions of the Federal Government
- vi) Surcharges on Petroleum and Natural Gas
- vii) Dividends

### **TAX REVENUE**

**1.3** 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, Petroleum Levy, Taxes collected by the Islamabad Capital Territory (ICT) administration and Airport Tax. The major part of the revenue is administered by the Federal Board of Revenue.

### **NON-TAX REVENUE**

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

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

**1.5** The summary of budget and revised estimates for fiscal year 2011-2012 and budget estimates for fiscal year 2012-2013 are given on the following pages.

**Table 1****SUMMARY OF REVENUE RECEIPTS****(Rs. in Million)**

		<b>2011-12 Budget</b>	<b>2011-12 Revised</b>	<b>2012-13 Budget</b>
<b>B *</b>	<b><u>TAX REVENUE</u></b>	<b><u>2074182.100</u></b>	<b><u>2024568.000</u></b>	<b><u>2503575.000</u></b>
<b>B01</b>	<b>Direct taxes</b>	<b>743600.000</b>	<b>745000.000</b>	<b>932000.000</b>
B011	Income Tax	718600.000	730000.000	914000.000
B01501	Workers Welfare Tax and	25000.000	15000.000	18000.000
B01502	Workers Participation Fund	0.000	0.000	0.000
<b>B02</b>	<b>Indirect taxes</b>	<b>1330582.100</b>	<b>1279568.000</b>	<b>1571575.000</b>
B020-22	Customs	206400.000	215000.000	247500.000
B023	Sales Tax	836700.000	852030.000	1076500.000
B024-25	Federal Excise	165600.000	139970.000	125000.000
	Petroleum Levy	120000.000	69000.000	120000.000
B026	Other Taxes (ICT)	1807.100	3493.000	2500.000
B03064	Airport Tax	75.000	75.000	75.000
<b>C</b>	<b><u>NON TAX REVENUE</u></b>	<b><u>657969.828</u></b>	<b><u>512183.985</u></b>	<b><u>730331.263</u></b>
<b>C01</b>	<b><u>Income from Property and Enterprise</u></b>	<b><u>195330.191</u></b>	<b><u>93718.864</u></b>	<b><u>178773.200</u></b>
C01002	Profits (Pakistan Post office)	-2195.000	0.000	0.000
C01008	PTA	75000.000	0.000	79000.000
C012	Interest (Provinces)	15638.138	12875.418	15436.748
C013-18	Interest (PSEs & others)	42503.368	22169.116	19729.422
C019	Dividends	64383.685	58674.330	64607.030

\* Out of which FBR collection has been estimated at Rs.1952.0 billion for R.E. 2011-12 and at Rs.2381.0 billion for B.E. 2012-13

contd.

## SUMMARY OF REVENUE RECEIPTS

		(Rs. in Million)		
		2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C02</b>	<b><u>Receipts from Civil Admn. and Other Functions</u></b>	<b><u>321384.778</u></b>	<b><u>249016.927</u></b>	<b><u>354174.531</u></b>
C021-24	General Administration	800.607	779.246	858.646
C02211	SBP Profit	200000.000	200000.000	200000.000
C025	Defence	118739.000	45749.300	150608.177
C026	Law and Order	865.980	980.032	1114.633
C027	Community Services	532.134	698.730	711.580
C028	Social Services	447.157	809.619	881.495
<b>C03</b>	<b><u>Miscellaneous Receipts</u></b>	<b><u>141254.859</u></b>	<b><u>169448.194</u></b>	<b><u>197383.532</u></b>
C031-34	Economic Services	2388.254	2404.300	2528.160
C03806	Citizenship, Naturalization & Passport Fees	13750.000	11760.000	14800.000
C038	Others	27111.976	37719.004	32182.505
C03902	Development Surcharge on Gas	24925.138	24000.480	30882.285
C03905	Royalty on Oil	15183.130	22773.420	22027.182
C03906	Royalty on Gas	32796.361	35190.990	36163.400
C03910	Discount Retained on Local Crude Oil	25100.000	22050.000	22500.000
C03915	Windfall Levy against Crude Oil	0.000	5150.000	5300.000
C03916	Gas Infrastructure Development Cess	0.000	8000.000	30000.000
C03917	Petroleum Levy on LPG	0.000	400.000	1000.000
	<b>Gross Federal Revenue Receipts</b>	<b>2732151.928</b>	<b>2536751.985</b>	<b>3233906.263</b>
	<b>Less : Provincial Share</b>	<b>1203320.980</b>	<b>1208615.277</b>	<b>1458923.901</b>
	<b>Net Federal Revenue Receipts</b>	<b>1528830.948</b>	<b>1328136.708</b>	<b>1774982.362</b>



## 2. FEDERAL TAXES

2.1 Tax revenue collected by the Federal Board of Revenue (FBR) comprises of Inland Revenue and Customs. Inland Revenue comprise of Income Tax, Sales Tax and Federal Excise Duty. The following table shows the revenue estimates for financial year 2011-2012 and 2012-2013.

**Table 2**  
**Tax wise Revenue Estimates for Individual Taxes**

Tax Head	(Rs in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
Direct Tax	743,600.0	745,000.0	932,000.0
Sales Tax	836,700.0	852,030.0	1,076,500.0
Federal Excise	165,600.0	139,970.0	125,000.0
Customs	206,400.0	215,000.0	247,500.0
<b>TOTAL</b>	<b>1,952,300.0</b>	<b>1,952,000.0</b>	<b>2,381,000.0</b>

### 2.2 Direct Taxes:

2.2.1 Detailed analyses of individual taxes are highlighted below:

2.2.2 During the first 09 months of the current financial year i.e. up to 31-03-2012, Direct Tax collection stood at Rs. 478.7 billion with growth of 25.4%. If such pace of the collection continues with 25.4% growth in the last three months of 2011-2012, estimates of Direct Tax collection at Rs.745.0 billion are expected to be met by 30-06-2012. Taking into account the current inflation, GDP growth and revenue measures, Director Tax estimates for 2012-13 can safely be estimated at Rs.932.0 billion by taking 25% growth over last year.

2.2.3 Workers Welfare Fund (WWF) and Workers Profit Participation Fund (WPPF) is leviable under the Workers Welfare Act. The estimates for receipts of WWF and WPPF for 2011-2012 are Rs. 15.0 billion and estimates for budget 2012-2013 are Rs. 18.0 billion.

2.2.4 The budget and revised estimates for financial years 2011-2012 and 2012-2013, on account of Direct Taxes are tabulated hereunder.

**Table 3**  
**DIRECT TAXES**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
Income Tax	718,600.00	730,000.00	914,000.00
Workers Welfare Fund/ Workers Participation Fund	25,000.00	15,000.00	18,000.00
<b>TOTAL</b>	<b>743,600.00</b>	<b>745,000.00</b>	<b>932,000.00</b>

### **2.3. INDIRECT TAXES:**

#### **Sales Tax**

2.3.1 During the first 09 months of the current financial year net revenue collection from sales tax (import + domestic) remained Rs. 568.4 billion as against Rs. 422.6 billion in the corresponding period of the last financial year showing an increase of 34.5% despite reduction of sales tax rates by 1% for the fiscal year 2011-2012. In March, 2011 exemption from fertilizer sector and zero-rating of machinery was withdrawn as a policy measure which has increased collection. The revised budget estimates for fiscal year 2011-12 are Rs. 852.03 billion. Considering the prevailing collection trends, it is expected that annual estimates for 2011-12 will be met.

2.3.2 As far as estimates for the financial year 2012-2013 are considering the collection trend of sales tax for the last five years growing at an average of 24% per annum, collection of Rs. 1076.5 billion is projected for financial year 2012-13.

#### **2.4 FEDERAL EXCISE**

3.4.1 In excise regime, there are five major revenue spinners which include cigarettes, beverages, POL Products, cement and natural gas. Almost 75% of federal excise duty collection (domestic) is collected from these five commodities .

2.4.2 During the first 09 months of the current financial year net revenue collection from federal excise duty remained at Rs. 84.8 billion as against Rs. 89.1 billion in the corresponding period of the last financial year showing a decrease of 4.8%. The revised budget estimates for fiscal year 2011-12 are Rs. 139.9 billion. The nominal decrease in FED is due to the reason that during last year major portion of services were brought in the purview of provincial sales tax instead of Federal Excise Duty and also on account of policy initiatives taken during the previous financial year like withdrawal of FED on certain items and elimination of 1% Special Excise Duty. Considering the collection trends during last quarter of previous financial year it is expected that annual estimates for 2011-12 will be achieved.

2.4.3 As far as estimates for financial year 2012-2013 are concerned, the collection trend up to March, 2012 indicates negative growth of 4.8%, however, if concerted efforts are made by Inland Revenue it is expected to collect Rs.125 billion in 2012-13 despite likely reduction in FED on the items of beverage and cement for 2012-13. Thus as compared to the estimates of 2011-12 at Rs.139.9 billion estimated for 2012-13 may be fixed at Rs.125 billion.

**Table 4**

**FEDERAL EXCISE DUTY**

Tax Head	(Rs in Million)		
	2010-2011 Budget	2010-2011 Revised	2011-2012 Budget
Beverage	4263.000	1086.000	970.000
Beverage Concentrate	6703.000	7678.000	6857.000
Cement	19967.000	14726.000	14100.000
Cigarettes & Tobacco	57372.000	60410.000	56692.000
Natural Gas	15672.000	14482.000	14455.000
Perfumery & Cosmetics	1684.000	2069.000	1848.000
Petroleum Gases	2.000	0.000	0.000
POL Products	6018.000	6296.000	5100.000
Imported Goods	24102.000	10450.000	9333.000
1% Special Excise Duty	13467.000	5254.000	0.000
Arrears	250.000	2048.000	1829.000
Other Services	13984.000	11423.000	10202.000
Other Items	2116.000	4047.000	3614.000
<b>Gross Total</b>	<b>165600.000</b>	<b>139970.000</b>	<b>125000.000</b>

## 2.5 CUSTOMS

2.5.1 During the first 10 months of FY 2011-12 (July-April), net customs duty collections was Rs.166.5 billion which is 17.2% higher than duty collected during corresponding period of FY 2010-11. This increase in customs duty is attributed mainly to increased facilitation and better enforcement.

2.5.2 Considering the above facts, the net customs duty collection for FY 2011-12 is expected to be around Rs. 215.0 billion. This figure is based on current trend in duty collection as well as monthly targets assigned to various field formations. If the current trend in duty collection is maintained and proposed tariff and administrative measures for the FY 2012-13 are undertaken, it is expected that the net customs duty collection for the next financial year should be around Rs.247.5 billion.

2.5.3 It is, however pointed out that customs revenue is primarily based upon dutiable value of imports, which in turn depends upon macro variables beyond the control of customs administration. Thus the projection cited above may be subject to revision.

2.5.4. The details are given in the following table.

**Table 5**  
**CUSTOMS**

		(Rs. in Million)		
S.No	Items	2011-12 Budget	2011-12 Revised	2012-13 Budget
1)	Vehicles (Ch.87)	32810	42621	48822
2)	Edible Oil (Ch.15)	20170	18843	21585
3)	POL Products (Ch.27)	24730	19589	22439
4)	Machinery & Mechanical appliance (Ch.84)	13610	12173	13829
5)	Electric machinery (Ch.85)	12270	10598	12025
6)	Iron & steel (Ch.72)	10880	9495	10877
7)	Plastic & Articles thereof (Ch.39)	9390	8390	9611
8)	Paper and Paper Board(Ch.48)	6320	7118	8154
9)	Chemicals (Ch.29)	4930	4853	5560
10)	Textile Materials (Ch.54)	3030	4131	4732
11)	Tea & Coffee (Ch.09)	3560	3960	4536
12)	Staple Fibres (Ch.55)	3320	3669	4132
13)	Dairy Products (Ch.04)	0	2652	3038
14)	Dyes and Paints (Ch.32)	3150	2634	3018
15)	Ceramic Products (Ch.69)	0	2555	2927
16)	Cosmetic & Perfumery (Ch.33)	2960	0	0
16)	Misc. Chemicals Products (Ch.38)	2800	0	0
17)	Other	63563	67529	77438
18)	Export Development Surcharge(EDS)		4961	6435
	<b>GROSS COLLECTION</b>	<b>217493</b>	<b>225773</b>	<b>259157</b>
	<b>REFUND AND REBATES</b>	<b>11093</b>	<b>10773</b>	<b>11657</b>
	<b>NET COLLECTIONS</b>	<b>206400</b>	<b>215000</b>	<b>247500</b>

### 3. NON - TAX RECEIPTS

3.1 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.

3.2 The summary of non-tax receipts for 2011-12 revised and 2012-13 budget is given below.

**Table 6**  
**SUMMARY OF NON-TAX RECEIPTS**

		(Rs. in Million)		
		2011-12 Budget	2011-12 Revised	2012-13 Budget
C01	Income from Property and Enterprise	195,330.191	93,718.864	178,773.200
C02	Receipts from Civil Admn. and Other Functions	321,384.778	249,016.927	354,174.531
C03	Miscellaneous Receipts	141,254.859	169,429.704	197,383.532
<b>TOTAL</b>		<b>657,969.828</b>	<b>512,165.495</b>	<b>730,331.263</b>

3.3 The following chapters contain detailed description and estimates of non-tax receipts.

#### 4. 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.

**Table 7**  
**4.1 PROFITS**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
C01002 Pakistan Post Office	-2,195.000	0.000	0.000
C01008 Pakistan Telecom Authority	75,000.000	0.000	79,000.000
<b>TOTAL</b>	<b>72,805.000</b>	<b>0.000</b>	<b>79,000.000</b>

4.1.1 The Pakistan Post Office Department was expecting additional revenues on account of revision of inland postal tariff but that could not be realized due to:-

- (i) World wide declining trend in letter mail
- (ii) Enhancement of salaries of serving employees and pension of retired employees

Accordingly the deficit of Pakistan Post Office has been estimated at Rs. 2194.866 million for the year 2011-2012.

4.1.2 The Pakistan Telecommunication Authority (PTA) was established to regulate the establishment, operation and maintenance of telecommunication systems and provision of telecommunication services in Pakistan. PTA issues licenses for telecom services against a one time initial license fee and, thereafter, an annual license fee. During 2011-2012, it was expected that Rs.75.00 billion will be earned by PTA on account of auction of 3-G licenses. But due to recession in the market, 3-G licenses could not be auctioned. However, it is expected that the auction of 3-G licenses will be materialized during FY 2012-13.



## 4.2 INTEREST RECEIPTS

4.2.1 Federal Government advances loans to Provinces, Government of Azad Jammu & Kashmir, Public Sector Enterprises, Local Bodies and others to assist them in carrying out their development programmes. These loans and advances are of two types, namely, Cash Development Loans, and Foreign Loans.

4.2.2 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.

4.2.3 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.

4.2.4 Federal Government also advances loans to the Government servants for building houses and for the purchase of transport etc.. These advances are governed by the rules as specified from time to time.

**Table 8**  
**INTEREST RECEIPTS (PROVINCE WISE BREAK UP)**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C012 PROVINCES</b>			
<b>PUNJAB</b>	<b>9,151.015</b>	<b>5,539.707</b>	<b>8,938.545</b>
Interest-Cash Loans	5,265.554	5,265.552	4,611.838
Interest-Foreign Loans	3,885.461	274.155	4,326.707
<b>SINDH</b>	<b>3,554.478</b>	<b>4,033.667</b>	<b>3,684.900</b>
Interest-Cash Loans	2,561.910	2,517.577	2,445.419
Interest-Foreign Loans	992.568	1,516.090	1,239.481
<b>KHYBER PAKHTUNKHWA</b>	<b>2,298.045</b>	<b>2,611.679</b>	<b>2,163.001</b>
Interest-Cash Loans	1,133.968	1,149.328	1,076.822
Interest-Foreign Loans	1,164.077	1,462.351	1,086.179
<b>BALOCHISTAN</b>	<b>634.600</b>	<b>690.365</b>	<b>650.302</b>
Interest-Cash Loans	0.000	0.000	0.000
Interest-Foreign Loans	634.600	690.365	650.302
<b>TOTAL - PROVINCES</b>	<b>15,638.138</b>	<b>12,875.418</b>	<b>15,436.748</b>

**LOAN WISE BREAK UP**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C012 PROVINCES</b>			
<b>Interest: Cash Loans</b>			
Punjab	5,265.554	5,265.552	4,611.838
Sindh	2,561.910	2,517.577	2,445.419
Khyber Pakhtunkhwa	1,133.968	1,149.328	1,076.822
Balochistan	0.000	0.000	0.000
<b>TOTAL</b>	<b>8,961.432</b>	<b>8,932.457</b>	<b>8,134.079</b>
<b>Interest: Foreign Loans</b>			
Punjab	3,885.461	274.155	4,326.707
Sindh	992.568	1,516.090	1,239.481
Khyber Pakhtunkhwa	1,164.077	1,462.351	1,086.179
Balochistan	634.600	690.365	650.302
<b>TOTAL</b>	<b>6,676.706</b>	<b>3,942.961</b>	<b>7,302.669</b>
<b>TOTAL - PROVINCES</b>	<b>15,638.138</b>	<b>12,875.418</b>	<b>15,436.748</b>

## INTEREST RECEIPTS

(Rs. in Million)

	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C013 LOCAL BODIES</b>			
<b>Interest-Cash Loans</b>			
P.B.C.	182.970	194.938	186.313
NHA	19,818.545	19,818.545	21,962.359
SNGPL	0.658	0.658	0.493
PIA	1,431.251	1,431.250	1,337.500
<b>TOTAL</b>	<b>21,433.424</b>	<b>21,445.391</b>	<b>23,486.665</b>
<b>Interest - Foreign Loans</b>			
GIK Institute	0.833	0.833	0.799
N.L.C.	75.025	75.025	63.021
Karachi Port Trust	10.507	10.507	7.257
PAEC	1.140	1.140	0.982
SKMT	1.535	1.493	1.466
CDA	180.787	183.385	166.903
NHA	1,587.130	6,352.610	2,662.769
PPAF	113.289	124.912	116.175
<b>TOTAL</b>	<b>1,970.246</b>	<b>6,749.905</b>	<b>3,019.372</b>
<b>TOTAL - LOCAL BODIES</b>	<b>23,403.670</b>	<b>28,195.296</b>	<b>26,506.037</b>
<b>C014 FINANCIAL INSTITUTIONS</b>			
<b>Interest - Foreign Loans</b>			
NDFC/LTCF	2,974.044	3,063.075	2,434.136
IDBP	187.392	187.392	163.969
Ist. Dawood Leasing Co. Ltd.	3.470	3.470	2.313
English Leasing Ltd.	1.384	1.384	0.005
Network Leasing	0.510	0.510	0.284
Pakistan Industrial & Commercial Leasing	4.027	4.027	2.459
<b>TOTAL</b>	<b>3,170.827</b>	<b>3,259.858</b>	<b>2,603.166</b>
<b>TOTAL FINANCIAL INSTITUTIONS</b>	<b>3,170.827</b>	<b>3,259.858</b>	<b>2,603.166</b>

## INTEREST RECEIPTS

(Rs. in Million)

	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C015 NON - FINANCIAL INSTITUTIONS</b>			
<b><u>A : WAPDA</u></b>			
<b>Interest-Cash Loans</b>	<b>3,924.854</b>	<b>3,683.851</b>	<b>3,789.416</b>
WAPDA (Water Wing)	1,528.903	501.918	622.688
WAPDA (Power Wing)	1,755.912	1,493.917	1,482.403
TESCO	35.537	35.540	34.797
QESCO	77.830	77.830	77.830
GENCO-I	32.122	32.122	31.229
GENCO-II	33.234	1,081.204	1,081.204
GENCO-III	292.416	292.420	291.210
GENCO-IV	3.385	3.385	3.291
NTDC	165.515	165.515	164.764
<b>Interest-Foreign Loans</b>	<b>5,223.494</b>	<b>6,439.318</b>	<b>4,753.884</b>
WAPDA (Power Wing)	2,786.548	3,000.170	2,779.406
TESCO	6.566	6.566	4.275
GENCO-I	38.324	38.324	22.565
GENCO-II	50.110	40.774	30.752
GENCO-III	1.357	1.357	1.085
GENCO-IV	0.000	0.000	0.000
NTDC	2,340.589	2,876.049	1,678.295
IESCO	0.000	476.078	237.506
<b>TOTAL - WAPDA</b>	<b>9,148.348</b>	<b>10,123.169</b>	<b>8,543.300</b>
<b><u>B : AUTONOMOUS BODIES / CORPORATIONS</u></b>			
<b>Interest-Foreign Loans</b>			
Pakistan Railways	563.190	564.486	496.538
Karachi Fish Harbour Authority	14.092	14.092	13.028
<b>TOTAL</b>	<b>577.282</b>	<b>578.578</b>	<b>509.566</b>
<b>TOTAL NON-FINANCIAL INSTITUTIONS</b>	<b>9,725.630</b>	<b>10,701.747</b>	<b>9,052.866</b>

## INTEREST RECEIPTS

		(Rs. in Million)		
		2011-12	2011-12	2012-13
		Budget	Revised	Budget
<b>C016</b>	<b><u>GOVERNMENT SERVANTS</u></b>			
	Cantt/Garrison Edu. Institutions	2.527	2.469	2.588
	AGPR, Islamabad	56.845	39.020	46.824
	AGPR, Sub-Office, Lahore	9.852	9.002	9.902
	AGPR, Sub-Office, Karachi	8.712	10.426	10.426
	AGPR, Sub-Office, Peshawar	7.805	8.077	8.885
	AGPR, Sub-Office, Quetta	2.938	2.234	2.346
	AGPR, Sub-Office, Gilgit	1.020	1.540	1.640
	Defence	6.161	5.600	6.900
	Pakistan Post Office Deptt.	1.000	1.300	1.380
	Pakistan PWD	0.487	0.570	0.670
	Pakistan Mint	0.076	0.076	0.040
	CAO (Ministry of Foreign Affairs)	0.870	0.000	0.000
	Central Dte. of National Savings	1.216	1.418	1.729
	Geological Survey of Pakistan	0.145	0.403	0.430
	Directorate of Food	0.005	0.000	0.000
	<b>TOTAL GOVT. SERVANTS</b>	<b>99.659</b>	<b>82.135</b>	<b>93.760</b>
<b>C017</b>	<b><u>AJK &amp; Others</u></b>			
	<b>Interest-Cash Loans</b>			
	Government of A J & K	5,784.582	5,784.582	5,745.841
	<b>Interest-Foreign Loans</b>			
	Government of A J & K	136.941	136.941	153.378
	<b>Interest-Other Loans</b>			
	Guarantee Fee on Foreign Loans (EAD)	52.059	49.707	49.502
	<b>TOTAL AJK &amp; OTHERS</b>	<b>5,973.582</b>	<b>5,971.230</b>	<b>5,948.721</b>
<b>C018</b>	<b><u>COMMERCIAL DEPARTMENTS</u></b>			
	Pakistan Post Office Department	130.000	130.000	150.000
	<b>TOTAL COMMERCIAL DEPTTS.</b>	<b>130.000</b>	<b>130.000</b>	<b>150.000</b>
	<b>TOTAL (PSEs &amp; OTHERS)</b>	<b>42,503.368</b>	<b>48,340.266</b>	<b>44,354.550</b>
	<b>ESTIMATED SHORTFALL</b>	<b>0.000</b>	<b>26,171.150</b>	<b>24,625.128</b>
	<b>NET - TOTAL (PSEs &amp; OTHERS)</b>	<b>42,503.368</b>	<b>22,169.116</b>	<b>19,729.422</b>
	<b>TOTAL - PROVINCES</b>	<b>15,638.138</b>	<b>12,875.418</b>	<b>15,436.748</b>
	<b>GRAND TOTAL - INTEREST</b>	<b>58,141.506</b>	<b>35,044.534</b>	<b>35,166.170</b>

### 4.3 DIVIDENDS ON GOVERNMENT INVESTMENTS

4.3.1 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.

4.3.2 The details of the estimates are given below :

**Table 9**

		(Rs. in Million)		
Name of Organization		2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C01901</b>	<b><u>FINANCIAL INSTITUTIONS</u></b>	<b>431.100</b>	<b>405.900</b>	<b>408.700</b>
1	National Investment Trust	27.000	27.000	27.000
2	National Bank of Pakistan	33.000	33.000	33.000
3	Allied Bank of Pakistan	48.100	48.100	48.100
4	United Bank Limited	18.000	25.200	28.000
5	Habib Bank Limited	65.000	65.000	65.000
6	PaK Oman Investment Co,	140.000	107.600	107.600
7	Pak Brunei Investment Co,	50.000	50.000	50.000
8	Pak China Investment Co,	25.000	25.000	25.000
9	Pak Iran Joint Investment Co.	25.000	25.000	25.000

(Rs. in Million)			
Name of Organization	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C01902</b> <b><u>NON-FINANCIAL INSTITUTIONS</u></b>	<b>63,952.585</b>	<b>58,268.430</b>	<b>64,198.330</b>
1. Pakistan Petroleum Limited	8,442.276	6,358.400	9,339.400
2. Mari Gas Company Ltd.	48.000	60.000	64.500
3. Pakistan State Oil	385.056	385.100	450.000
4. Pak Arab Refinery Ltd.	3,000.000	2,400.000	3,000.000
5. SNGPL	660.000	174.000	500.000
6. SSGCL	600.000	1,115.400	1,200.000
7. GHPL	13,000.000	13,000.000	13,500.000
8. OGDCL	25,000.000	25,000.000	26,000.000
9. PMDC	15.000	14.600	17.600
10. State Life Insurance Corporation	200.000	200.000	200.000
11. National Insurance Corporation	440.000	440.000	440.000
12. Pakistan Reinsurance Corporation	404.000	404.000	404.000
13. Fauji Fertilizer Co.,	35.784	59.700	60.000
14. Saindal Metal Ltd.	0.000	1,650.000	2,000.000
15. PEPAC	0.500	0.000	2.000
16. PEAL	5.000	0.000	5.000
17. Pakistan Services Ltd.	0.340	0.000	0.400
18. PTV	5.000	0.000	5.000
19. PIDC	75.000	75.000	75.000
20. PERAC	4.489	4.500	4.500
21. National Shipping Corporation	200.000	54.800	56.100
22. Tourism Development Corporation	0.860	0.000	0.900
23. Pakistan Security Printing Corporation	225.000	360.000	360.000
24. NESPAK	1.000	1.500	1.500
25. National Power Construction	5.280	11.000	12.000
26. PTCL	6,500.000	6,500.000	6,500.000
27. Tourism Promotion Services (Pakistan)Ltd.	0.000	0.430	0.430
28. Others	4,700.000	0.000	0.000
<b>TOTAL - DIVIDENDS</b>	<b>64,383.685</b>	<b>58,674.330</b>	<b>64,607.030</b>

## 5. RECEIPTS FROM CIVIL ADMINISTRATION AND OTHER FUNCTIONS

### 5.1 GENERAL ADMINISTRATION RECEIPTS

#### 5.1.1 ORGANS OF STATE

5.1.1.1 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:

**Table 10**

		(Rs. in Million)		
		2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C021</b>	<b>ORGANS OF STATE</b>	<b>24.150</b>	<b>31.000</b>	<b>35.000</b>
	Federal Public Service Commission	22.500	31.000	35.000
	Pakistan Forest Institute	1.650	0.000	0.000

#### 5.1.2 FISCAL ADMINISTRATION

##### AUDIT FEES

5.1.2.1 The department of the Auditor General of Pakistan charges fees from autonomous bodies/ corporations etc, which do not fall within its normal audit jurisdiction, for auditing their accounts. This fee is deposited in the government account.

##### STATE BANK OF PAKISTAN'S RECEIPTS

5.1.2.2 The surplus profit of the State Bank of Pakistan, after making usual provision for reserve funds and payment of dividend, is transferred to the federal government. The State Bank 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 State Bank in Government Account.

##### PAKISTAN MINT

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



## PENSION & GRATUITY CONTRIBUTION

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

5.1.2.5 The estimates of receipts from fiscal administration are given below:

**Table 11**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C022 FISCAL ADMINISTRATION</b>	<b><u>200346.357</u></b>	<b><u>200298.246</u></b>	<b><u>200353.646</u></b>
Audit Fee	1.457	1.800	2.000
SBP Profit	200,000.000	200,000.000	200,000.000
Currency Dividend from SBP	9.600	9.646	9.646
Coinage Account	300.000	250.000	300.000
Pakistan Mint	35.000	35.000	40.000
Receipts in Aid of Superannuation (Pension & Gratuity Contribution)	0.300	1.800	2.000

## 5.1.3 ECONOMIC REGULATION

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

**Table 12**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C023 ECONOMIC REGULATION</b>	<b><u>430.000</u></b>	<b><u>450.000</u></b>	<b><u>470.000</u></b>
Fees realized under Insurance Act, 1989	430.000	450.000	470.000
<b>TOTAL - GENERAL ADMN. (Excluding SBP Profit)</b>	<b><u>800.507</u></b>	<b><u>779.246</u></b>	<b><u>858.646</u></b>

## 5.2 DEFENCE SERVICES RECEIPTS

5.2.1 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.

5.2.2 The estimates of defence receipts are given below :

**Table 13**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C025 DEFENCE SERVICES</b>	<b>118,739.000</b>	<b>45,749.300</b>	<b>150,608.177</b>
Effective	7,985.282	9,740.382	10,958.177
Non-effective	160.420	160.420	150.000
Miscellaneous	110,344.800	35,600.000	139,500.000
Service Charges	248.498	248.498	0.000

## 5.3 LAW AND ORDER RECEIPTS

5.3.1 These receipts represent the proceeds from fines imposed by Insurance Appellate Tribunals, Drug Courts and Special Judges under the administrative control of Law and Justice 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 Ministry of Interior are also reflected under this classification.

5.3.2 The estimates of receipts from law and order are given in the following page.

**Table 14**

(Rs. in Million)			
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C026 LAW AND ORDER</b>	<b>865.980</b>	<b>980.032</b>	<b>1,114.633</b>
Supreme Court of Pakistan	0.000	3.000	4.000
Law and Justice Division	70.000	70.000	75.000
Receipts under Arms Act	290.073	290.073	290.073
Civil Armed Forces	198.907	327.610	348.560
Islamabad Capital Territory	293.000	280.349	388.000
Frontier Regions	14.000	9.000	9.000

**5.4 COMMUNITY SERVICES RECEIPTS**

5.4.1 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, Overseas Pakistanis Division, Kashmir Affairs and Gilgit Baltistan Division, State and Frontier 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.

5.4.2 Details of the estimates are given in the following page.

**Table 15**

(Rs. in Million)			
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C027 COMMUNITY SERVICES</b>	<b>532.134</b>	<b>698.730</b>	<b>711.580</b>
Rent from government accommodation, land and workshops realized by Housing & Works Division	508.904	677.100	687.900
Rent of buildings realized by Frontier Corps. Khyber Pakhtunkhwa, Peshawar (Interior Division)	1.500	1.900	1.950
Rent from hostel accommodation realized by Human Resource Development Division	0.230	0.230	0.230
Scientific Research and Survey (Defence Division)	21.500	19.500	21.500

## 5.5 SOCIAL SERVICES RECEIPTS

5.5.1 The receipts under this head are realized on account of fees charged from students of the educational institutions of various Ministries and Defence Division. The entry fee for historical places and archeological sites collected by National Heritage and Integration Division. The charges for medical services realized by the federal government hospitals and health establishments, and tuition/training fee realized by Human Resources Development Division. The estimates are given in the following table.

**Table 16**

		(Rs. in Million)		
		2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C028</b>	<b><u>SOCIAL SERVICES</u></b>	<b><u>447.157</u></b>	<b><u>809.619</u></b>	<b><u>881.495</u></b>
	Education Fees from Schools & Colleges under Federal	36.831	48.500	50.250
	National Library of Pakistan	0.700	0.700	0.750
	Education Fees from Schools and Colleges under the M/o Defence	78.000	80.000	86.000
	Tuition Fee (National Training Bureau)	2.000	0.000	0.000
	Archeology and Museums	11.000	0.000	0.000
	Health-Hospital Receipts of Federal Government	317.612	92.500	98.000
	Gilgit-Baltistan Division	0.888	0.888	0.945
	Islamabad Capital Territory	0.126	0.126	0.140
	Hospital Stoppages	0.000	577.870	635.660
	M/o National Regulations & Services (Health Receipts)	0.000	9.035	9.750

## **6. 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.

### **6.1 ECONOMIC SERVICES RECEIPTS**

#### **Agricultural Receipts :**

6.1.1 These receipts are realized on account of quarantine fee on animal exports/imports by Capital Administration and Development Division.

#### **Receipts from Explosive Department :**

6.1.2 Receipt 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 :**

6.1.3 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 :**

6.1.4 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, Karachi and Seamen's Training Centre, Karachi 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 :**

6.1.5 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.

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

**Table 17**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>C031-35 ECONOMIC SERVICES</b>	<b>2,388.254</b>	<b>2,404.300</b>	<b>2,528.160</b>
Capital Administration & Development Division			
Food and Agriculture (CADD)	1.000	1.000	1.000
Livestock & Dairy Development (CADD)	185.000	175.000	185.000
Explosives Department	500.000	500.000	500.000
Stationery & Forms Department	1.500	1.500	1.500
Transportation & Communications	197.650	224.540	237.750
Special Communications Organization	1,500.000	1,500.000	1,600.000
Islamabad Capital Territory	3.104	2.260	2.910

## 6.2 OTHER RECEIPTS

6.2.1 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

6.2.2 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 Human Resource Development Division on account of registration of overseas employment agencies and deposits by individuals for protection of their visas are also deposited under this head.

**Table 18**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
Citizenship, Naturalization & Passport Fee	13,750.000	11,760.000	14,800.000

### **ROYALTY, POLLUTION & TREKKING FEES**

6.2.3 The royalty fee is charged from the tourists coming to Pakistan for climbing the mountain peaks having a height of 7000 meters. Whereas, tracking fee is charged from trackers climbing the mountain on the established track less than the height of 7000 meters.

### **RECEIPTS OF TOURISM DEPARTMENT**

6.2.4 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 within Capital Territory by Capital Administration & Development Division.

### **RECEIPTS COLLECTED BY THE M/O FOREIGN AFFAIRS**

6.2.5 It includes the receipts realized on the auction of vehicles, sale of used machinery and equipments, gains on exchange against the remittances made by the Government for the expenditure of the Pakistan's missions in 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's missions abroad.

### **KASHMIR AFFAIRS AND GILGIT BALTISTAN DIVISION**

6.2.6 These include the receipts from motor vehicle, forest revenues, agriculture income, rent of building, electricity charges and other indirect taxes collected and deposited directly into the Government Accounts by the administration of the Northern Areas Division.

### **STATES & FRONTIER REGIONS DIVISION**

6.2.7 There are various receipts which are collected on account of stamp duty, fee and fine, agriculture receipts etc in various agencies in the Federally Administrated Tribal Areas. These receipts are collected by the Political Agents of various Agencies and deposited directly into the Government Account.

**Table 19****DETAILS OF OTHER RECEIPTS**

		(Rs. in Million)		
		2011-12	2011-12	2012-13
		Budget	Revised	Budget
<b>C038</b>	<b><u>OTHER RECEIPTS</u></b>	<b><u>27,111.976</u></b>	<b><u>37,719.004</u></b>	<b><u>32,182.505</u></b>
	Emergency Relief Cell	6.500	15.000	20.000
	Toshakhana (Cabinet Division)	2.500	3.000	3.500
	National Archives (Cabinet Division)	0.065	0.065	0.065
	Federal Services Tribunal	0.900	0.900	0.900
	Staff Welfare Organization	22.000	17.000	19.000
	Export Promotion Bureau	21.025	21.012	25.014
	Construction Machinery Training Inst.	1.500	1.500	1.500
	Censorship Fees	2.700	4.000	4.000
	Royalty, Pollution & Trekking fees	30.000	0.000	0.000
	Receipts of Tourist Department	10.000	10.000	10.100
	Airport Security Force	4.500	60.560	63.100
	Pakistan Meteorological Deptt.	2.350	3.000	3.500
	Gains on Exchange (M/o Foreign Affairs)	147.500	175.000	180.000
	Recovery of Over Payments (M/o Foreign Affairs)	22.000	190.000	210.000
	Sale of Property (M/o Foreign Affairs)	5.500	5.552	17.000
	Other Receipts of M/o Foreign Affairs	155.000	30.000	43.000
	M/o Information & Broadcasting	0.250	0.250	0.150
	Pakistan Computer Bureau	0.900	2.330	2.355
	PAKSAT	55.889	250.000	0.000
	Islamabad Capital Territory	7.896	7.445	9.430
	Civil Armed Forces	41.000	52.750	53.800
	Kashmir Affairs & Gilgit-Baltistan Division	250.723	253.776	286.468
	States & Frontier Regions Division	151.000	150.493	160.058
	Fees for Exploration & Prospecting Licensing	2.070	1.070	1.070
	Advance Yearly Rent for Exploration & Prospecting Licensing	316.333	349.762	349.762
	Population Welfare Division	0.000	0.000	0.000
	National Centre for Rural Development	0.000	0.000	0.000
	Receipts from United Nations	25,629.425	25,462.099	30,000.033
	Pak. Environmental Protection Agency	0.800	0.500	0.800



	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
Pakistan National Accreditation Council	2.000	3.500	4.000
Pakistan Public Admn. Research Centre	0.700	0.500	0.500
National Alien Registration Authority	2.600	1.600	1.650
Mercantile Marine Deptt. at Gwadar	0.150	0.040	0.150
National Accountability Bureau	60.000	120.000	150.000
Pakistan Atomic Energy Commission	25.000	25.000	30.000
Competition Commission of Pakistan	130.000	100.000	130.000
National Language Authority	1.200	1.300	1.600
National Electric Power Regulatory Authority	0.000	400.000	400.000
Transfer from PM's Flood Relief Fund 2010	0.000	10,000.000	0.000

## **7 DEVELOPMENT SURCHARGE AND ROYALTIES**

7.1 A development surcharge on petroleum products was levied under the Petroleum Products (Petroleum Development Levy) Ordinance, 1961 and the rules framed thereunder. The word Development Surcharge was substituted with the word Petroleum Development Levy (PDL) through amendment in the Petroleum Products (Petroleum Development Levy) Ordinance, 1961 under the Notification dated 29th June, 2001. On 8th July, 2009 through further amendments were made through Ordinance NO.XV of 2009, it was converted into Petroleum Levy. The Petroleum Products (Petroleum Levy), Ordinance, 1961 was further amended, vide "Pakistan Products (Petroleum Levy) (Amendment) Act, 2011 and Petroleum Levy was also levied on Liquefied Petroleum Gas (LPG).

### **DEVELOPMENT SURCHARGE ON GAS**

7.2 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. The prescribed prices of the gas companies undergo changes from time to time to cover the wellhead cost and the cost of transmission and distribution of gas. The surcharge on natural gas is transferred to the provinces according to the production of gas in a province.

### **GAS INFRASTRUCTURE DEVELOPMENT CESS**

7.3 Gas Infrastructure Development Cess was levied vide "Gas Infrastructure Development Cess Act, 2011. The Cess is chargeable from gas consumers, other than domestic sector consumers of the company over and above the fixed sale price. The Cess shall be utilized for or in connection with Infrastructure Development of Iran Pakistan Pipeline Project, Turkmenistan Afghanistan Pakistan India (TAPI) Pipeline Project, LNG or other projects or for equalization of other imported alternative fuel including LPG.

### **ROYALTY ON OIL**

7.4 The holder of a mining lease granted on or after the commencement of oilfield (Regulations Development) Act, 1969 shall pay royalty in respect of any mineral oil mines, quarried excavated or collected by him from the leased area at a rate specified by the Federal Government from time to time. Each Province 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 a production of crude oil in the province in that year bears to the total production of crude oil.

The details of development surcharges has given below:-

**Table 20**

	(Rs. in Million)		
	2011-12	2011-12	2012-13
	Budget	Revised	Budget
<b>C039 DEVELOPMENT SURCHARGE AND ROYALTIES</b>			
Surcharge on Natural Gas	24,925.138	23,980.000	30,880.000
Royalty on Oil	15,183.130	22,773.400	22,000.000
Royalty on Gas	32,796.361	35,193.000	36,164.000
Discount Retained on Local Crude Price	25,100.000	22,050.000	22,500.000
Windfall Levy against Crude Oil	0.000	5,150.000	5,300.000
Gas Infrastructure Development Cess	0.000	8,000.000	30,000.000
Petroleum Levy on LPG.	0.000	400.000	1,000.000
<b>Total - Development Surcharges and Royalties other than Petroleum Levy</b>	<b>98,004.629</b>	<b>117,546.400</b>	<b>147,844.000</b>
<b>TOTAL MISC. RECEIPTS</b>	<b>141,254.859</b>	<b>169,429.704</b>	<b>197,354.665</b>

## 8. PROVINCIAL SHARE IN REVENUE RECEIPTS

8.1 The provincial share of revenues from the divisible pool taxes, straight transfers etc. shall be governed in accordance with the 7th National Finance Commission Award notified through President's Order No.5 of 2010 issued on 10th May, 2010, which is place 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 certain taxes;

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 wellhead; and
- (h) any other tax which may be levied by the Federal Government.

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

(3) After deducting the amount as prescribed in clause (2), of the balance amount of the net proceeds of divisible pool taxes, fifty six percent shall be assigned to the provinces during the financial year 2010-11 and fifty seven and a half percent from the financial year 2011-12 onwards. The share of the Federal Government in the net proceeds of the 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 Government 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%
<b>Total:</b>	<b>100.00%</b>

(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 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 formula given in clause (1) and the amount, subject to maximum of ten billion rupees, shall be paid in five equal installments by the Federal Government as grants to be charged on the Federal 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 zila 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 Governments 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 sector. Federal Government and Provincial Governments may take necessary administrative and legislative steps accordingly.

(3) Federal governments 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

8.2 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 year 2010-2011

**Table 21**  
**PROVINCIAL SHARE IN REVENUE RECEIPTS**  
**2011-12 (BUDGET)**

	(Rs. in Million)				
	Punjab	Sindh	* Khyber Pakhtunkhwa	Balochistan	TOTAL
<b>Divisible Taxes (A)</b>	<b>530,806.067</b>	<b>251,861.015</b>	<b>168,010.251</b>	<b>93,255.260</b>	<b>1,043,932.593</b>
Taxes on Income	207416.238	98416.479	65651.198	36440.155	<b>407,924.070</b>
Capital Value Tax	0.000	0.000	0.000	0.000	<b>0.000</b>
Sales Tax (excl. GST on Service)	222405.901	105528.892	70395.712	39073.630	<b>437,404.135</b>
Federal Excise (Net of Gas)	43716.703	20743.043	13837.171	7680.418	<b>85,977.335</b>
Customs Duties	57267.225	27172.601	18126.170	10061.057	<b>112,627.053</b>
<b>Straight Transfers (B)</b>	<b>6146.204</b>	<b>53445.847</b>	<b>13806.524</b>	<b>13406.522</b>	<b>86,805.097</b>
Royalty on Crude Oil	1720.557	13244.718	3046.131	6415.230	<b>24,426.636</b>
Royalty on Natural Gas	1361.228	22666.004	3828.736	4284.466	<b>32,140.434</b>
Gas Development Surcharge	2342.159	7109.885	5424.417	3.006	<b>14,879.467</b>
Excise Duty on Natural Gas	722.260	10425.240	1507.240	2703.820	<b>15,358.560</b>
<b>GST on Services (C) **</b>	<b>39909.401</b>	<b>19101.943</b>	<b>10030.027</b>	<b>3541.919</b>	<b>72,583.290</b>
GST on Services (CE Mode)	35736.929	15647.338	8950.808	2850.998	<b>63,186.073</b>
G.S.T. on Services (Provincial)	4172.472	3454.605	1079.219	690.921	<b>9,397.217</b>
<b>Total (A + B + C)</b>	<b>576861.672</b>	<b>324408.805</b>	<b>191846.802</b>	<b>110203.701</b>	<b>1203320.980</b>

\* Inclusive 1% War on Terror.

\*\* The indicative shares of GST on Services are strictly provisional at this stage. These shares would be revised and adjusted in the light of decision taken after discussion with the Provinces.

**Contd.**



**Table 22****PROVINCIAL SHARE IN REVENUE RECEIPTS  
2011-12 (REVISED)**

	(Rs. in Million)				
	Punjab	Sindh	* Khyber Pakhtunkhwa	Balochistan	TOTAL
<b>Divisible Taxes (A)</b>	<b>540527.455</b>	<b>256473.695</b>	<b>171087.255</b>	<b>94963.173</b>	<b>1063051.578</b>
Taxes on Income	210706.726	99977.776	66692.700	37018.248	414395.450
Sales Tax excl. GST on Services	232580.747	110356.732	73616.245	40861.210	457414.934
Federal Excise (Net of Gas)	36590.375	17361.687	11581.552	6428.421	71962.035
Customs Duties	60649.607	28777.500	19196.758	10655.294	119279.159
<b>Straight Transfers (B)</b>	<b>8856.016</b>	<b>55105.910</b>	<b>17493.778</b>	<b>13062.248</b>	<b>94517.952</b>
Gas Development Surcharge	1801.182	14589.891	2158.795	4970.602	23520.470
Royalty on Natural Gas	1844.821	23097.894	3950.204	5594.251	34487.170
Royalty on Crude Oil	4517.428	7948.496	9851.607	0.421	22317.952
Excise Duty on Natural Gas	692.585	9469.629	1533.172	2496.974	14192.360
<b>GST on Services (C) **</b>	<b>36564.170</b>	<b>1895.850</b>	<b>8922.767</b>	<b>3662.960</b>	<b>51045.747</b>
GST on Services (CE Mode)	0.000	0.000	0.000	0.000	0.000
G.S.T. on Services (Provincial)	0.000	0.000	0.000	0.000	0.000
GST on Services (Telecom)	30520.460	0.000	7359.545	2661.840	40541.845
G.S.T. on Services (Others)	6043.710	1895.850	1563.222	1001.120	10503.902
<b>Total (A + B + C)</b>	<b>585947.641</b>	<b>313475.455</b>	<b>197503.800</b>	<b>111688.381</b>	<b>1208615.277</b>

\* Inclusive 1% War on Terror.

\*\* The indicative shares of GST on Services are strictly provisional at this stage. These shares would be revised and adjusted in the light of decision taken after discussion with the Provinces.

**Table 23****PROVINCIAL SHARE IN REVENUE RECEIPTS  
2012-13 (BUDGET)**

	(Rs. in Million)				
	Punjab	Sindh	* Khyber Pakhtunkhwa	Balochistan	TOTAL
<b>Divisible Taxes (A)</b>	<b>662537.965</b>	<b>314366.198</b>	<b>209705.910</b>	<b>116398.726</b>	<b>1303008.799</b>
Taxes on Income	263816.367	125177.654	83502.915	46348.875	518845.811
Sales Tax excl. GST	296945.434	140896.993	93988.897	52169.192	584000.516
Federal Excise (Net of Gas)	32233.225	15294.273	10202.431	5662.930	63392.859
Customs Duties	69542.939	32997.278	22011.667	12217.729	136769.613
<b>Straight Transfers (B)</b>	<b>7262.272</b>	<b>59252.354</b>	<b>22157.543</b>	<b>12785.141</b>	<b>101457.310</b>
Gas Development Surcharge	2100.801	18060.736	3700.583	6402.520	30264.640
Royalty on Natural Gas	1534.356	24828.917	4241.290	4835.569	35440.132
Royalty on Crude Oil	2949.935	6877.281	11747.050	12.372	21586.638
Excise Duty on Natural Gas	677.180	9485.420	2468.620	1534.680	14165.900
<b>GST on Services (C) **</b>	<b>40496.471</b>	<b>0.000</b>	<b>9886.394</b>	<b>4074.927</b>	<b>54457.792</b>
GST on Services (CE Mode)	0.000	0.000	0.000	0.000	0.000
G.S.T. on Services (Provincial)	0.000	0.000	0.000	0.000	0.000
GST on Services (Telecom)	33572.789	0.000	8095.566	2928.047	44596.402
G.S.T. on Services (Others)	6923.682	0.000	1790.828	1146.880	9861.390
<b>TOTAL (A+B+C)</b>	<b>710296.708</b>	<b>373618.552</b>	<b>241749.847</b>	<b>133258.794</b>	<b>1458923.901</b>

---

## **SECTION II**

# **CAPITAL RECEIPTS**

---



## 9. CAPITAL RECEIPTS

9.1 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.

9.2 The following table indicates the position of internal capital receipts for 2010-11 (budget and revised) and 2011-2012 (budget).

**Table 24**

**CAPITAL RECEIPTS  
(SUMMARY OF INTERNAL CAPITAL RECEIPTS)**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>A. FEDERAL CONSOLIDATED FUND (I+II)</b>	<b>299,976.734</b>	<b>441,590.845</b>	<b>353,494.845</b>
<b>I. Recoveries of Loans and Advances</b>	<b>51,610.134</b>	<b>56,992.345</b>	<b>54,058.145</b>
Provinces	27,191.542	36,083.639	31,528.825
Others	24,418.592	20,908.706	22,529.320
<b>II. Public Debt</b>	<b>248,366.600</b>	<b>384,598.500</b>	<b>299,436.700</b>
Domestic Debt (Permanent)	130,000.000	175,545.500	144,000.000
Foreign Currency Debt (Permanent)	-733.400	-165.000	-190.000
Floating Debt	119,100.000	209,218.000	155,626.700

contd.

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b><u>B. PUBLIC ACCOUNT :</u></b>	<b><u>218,254.279</u></b>	<b><u>230,457.495</u></b>	<b><u>315,268.138</u></b>
Deferred Liabilities (Net)	151,200.000	101,107.600	181,171.100
Deposits & Reserves	67,054.279	129,349.895	134,097.038
<b>C. TOTAL (A+B)</b>	<b><u>518,231.013</u></b>	<b><u>672,048.340</u></b>	<b><u>668,762.983</u></b>
<b><u>D. DISBURSEMENTS</u></b>	<b><u>122,579.065</u></b>	<b><u>146,552.272</u></b>	<b><u>190,983.401</u></b>
Federal Govt. Miscellaneous Investments	20,649.000	11,944.837	14,780.225
Loans and Advances	11,679.982	12,179.982	12,519.583
Short-term Credits	36,227.402	0.000	36,007.739
Deposits & Reserves	54,021.881	122,427.453	127,675.854
Other Appropriations	0.800	0.000	0.000
<b>NET CAPITAL RECEIPTS (C-D)</b>	<b><u>395,651.948</u></b>	<b><u>525,496.068</u></b>	<b><u>477,779.582</u></b>

## 10. RECOVERIES OF LOANS AND ADVANCES

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

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

**Table 25**  
**RECOVERY OF LOANS AND ADVANCES**

		(Rs. in Million)		
		2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>(PROVINCE-WISE BREAK UP)</b>				
<b>E021</b>	<b><u>PROVINCES</u></b>			
	<b>PUNJAB</b>	<b>13,445.783</b>	<b>19,278.233</b>	<b>16,464.817</b>
	Cash Loans	4,489.836	4,489.838	4,091.481
	Foreign Loans	8,955.947	14,788.395	12,373.336
	<b>SINDH</b>	<b>6,299.065</b>	<b>6,775.185</b>	<b>7,003.163</b>
	Cash Loans	939.479	889.019	945.963
	Foreign Loans	5,359.586	5,886.166	6,057.200
	Premature Retirement of Cash Loans	<b>0.000</b>	<b>2,500.000</b>	<b>0.000</b>
	<b>KHYBER PAKHTUNKHWA</b>	<b>4,094.654</b>	<b>4,059.263</b>	<b>4,253.222</b>
	Cash Loans	480.889	480.888	553.230
	Foreign Loans	3,613.765	3,578.375	3,699.992
	<b>BALUCHISTAN</b>	<b>3,352.040</b>	<b>3,470.958</b>	<b>3,807.623</b>
	Cash Loans	0.000	0.000	0.000
	Foreign Loans	3,352.040	3,470.958	3,807.623
	<b>TOTAL - PROVINCES</b>	<b>27,191.542</b>	<b>36,083.639</b>	<b>31,528.825</b>

Contd.

## RECOVERY OF LOANS AND ADVANCES

(Rs. in Million)

	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>E021 PROVINCES</b>	<b>(LOAN-WISE BREAK UP)</b>		
<b>Cash Loans</b>			
Punjab	4,489.836	4,489.838	4,091.481
Sindh	939.479	889.019	945.963
Khyber PakhtunKhwa	480.889	480.888	553.230
Balochistan	-	-	-
<b>Premature Cash Loan</b>	-	<b>2,500.000</b>	-
<b>TOTAL</b>	<b>5,910.204</b>	<b>8,359.745</b>	<b>5,590.674</b>
<b>Foreign Loans</b>			
Punjab	8,955.947	14,788.395	12,373.336
Sindh	5,359.586	5,886.166	6,057.200
Khyber PakhtunKhwa	3,613.765	3,578.375	3,699.992
Balochistan	3,352.040	3,470.958	3,807.623
<b>TOTAL</b>	<b>21,281.338</b>	<b>27,723.894</b>	<b>25,938.151</b>
<b>TOTAL - PROVINCES</b>	<b>27,191.542</b>	<b>36,083.639</b>	<b>31,528.825</b>

contd.



## RECOVERY OF LOANS AND ADVANCES

(Rs. in Million)

	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>LOCAL BODIES</b>			
<b>Cash Loans</b>	<b>4,791.502</b>	<b>4,834.502</b>	<b>5,736.359</b>
PTVC	15.000	58.000	-
NHA	3,782.261	3,782.261	4,675.197
PBC	54.914	54.914	59.335
SNGPL	1.827	1.827	1.827
PIA	937.500	937.500	1,000.000
<b>Foreign Loans</b>	<b>3,430.867</b>	<b>5,070.178</b>	<b>3,823.391</b>
Karachi Port Trust	73.181	73.181	8.063
PAEC	1.965	1.965	1.965
CDA	933.096	946.505	989.057
NHA	2,277.850	3,905.734	2,678.949
GIK Institute	52.287	50.480	52.749
Shaukat Khanum Memorial Trust	6.746	6.571	6.866
NLC	85.742	85.742	85.742
<b>TOTAL - LOCAL BODIES</b>	<b>8,222.369</b>	<b>9,904.680</b>	<b>9,559.750</b>
<b>E023 FINANCIAL INSTITUTIONS</b>			
<b>Foreign Loans</b>			
NDFC/LTCF	5,102.919	5,245.536	5,343.237
Ist Dawood Leasing Co. Ltd.	17.476	17.476	19.267
English Leasing Ltd.	6.659	6.659	0.073
Net Work Leasing	3.598	3.598	3.598
Pakistan Industrial & Commercial Leasing	19.597	19.597	19.597
IDBP	-	-	212.946
<b>TOTAL - FINANCIAL INSTITUTIONS</b>	<b>5,150.249</b>	<b>5,292.866</b>	<b>5,598.718</b>

## RECOVERY OF LOANS AND ADVANCES

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>E024 NON-FINANCIAL INSTITUTIONS</b>			
<b><u>A - WAPDA</u></b>			
<b>Cash loans</b>	<b>740.857</b>	<b>229.590</b>	<b>328.025</b>
WAPDA (Power Wing)	158.054	117.613	206.430
TESCO	9.773	9.773	11.468
GENCO-I	5.102	5.102	5.994
GENCO-II	5.278	5.278	6.202
GENCO-III	6.895	6.900	8.100
GENCO-IV	0.537	0.537	0.631
NTDC	26.387	26.387	26.459
WAPDA (Water Wing)	528.831	58.000	62.741
<b>Foreign loans</b>	<b>7,586.836</b>	<b>7,442.468</b>	<b>7,232.184</b>
WAPDA (Power Wing)	4,736.943	4,034.573	4,375.222
TESCO	27.672	27.672	22.247
NTDC	2,496.570	2,870.814	2,325.302
GENCO-I	196.987	196.987	196.992
GENCO-II	125.273	125.273	125.273
GENCO-III	3.391	3.391	3.391
GENCO-IV	-	-	-
IESCO	-	183.758	183.757
<b>TOTAL - WAPDA</b>	<b>8,327.693</b>	<b>7,672.058</b>	<b>7,560.209</b>
<b><u>B - AUTONOMOUS BODIES/CORPORATIONS</u></b>			
<b>Foreign Loans</b>			
Pakistan Railways	1,367.483	1,377.670	1,410.322
Karachi Fish Harbour Authority	26.584	26.584	26.584
PTA	-	-	-
PPAF	288.614	288.614	467.610
<b>TOTAL</b>	<b>1,682.681</b>	<b>1,692.868</b>	<b>1,904.516</b>
<b>TOTAL-NON-FINANCIAL INSTITUTIONS</b>	<b>10,010.374</b>	<b>9,364.926</b>	<b>9,464.725</b>

contd.

## RECOVERY OF LOANS AND ADVANCES

(Rs. in Million)

	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>E025 GOVERNMENT SERVANTS</b>			
Cantt./Garrison Edu. Institutions	33.654	33.928	35.543
AGPR, Islamabad	841.069	816.158	1,481.293
AGPR, Sub-Office, Lahore	194.373	193.080	180.711
AGPR, Sub-Office, Karachi	165.652	168.834	185.717
AGPR, Sub-Office, Peshawar	128.450	121.065	128.621
AGPR, Sub-Office, Quetta	78.503	79.850	83.835
AGPR, Sub-Office, Gilgit	63.520	81.005	90.005
Defence	246.249	235.800	245.650
Pakistan Post Office	88.310	99.750	102.600
Pak PWD	17.565	19.790	20.030
Pakistan Mint	5.295	5.230	7.585
Chief Accounts Officer (M/o Foreign Affairs)	39.597	37.381	38.154
Central Dte. of National Savings	28.784	36.791	40.320
Geological Survey of Pakistan	2.030	5.250	5.575
Directorate of Food	0.431	0.431	-
Special Communications Organization	14.260	11.404	9.977
<b>TOTAL - GOVERNMENT SERVANTS</b>	<b>1,947.742</b>	<b>1,945.747</b>	<b>2,655.616</b>
<b>E027 OTHERS</b>			
Cash Loans - Govt. of AJK	1,738.379	1,738.379	2,078.721
Foreign Loans - Govt. of AJK	346.715	346.715	522.060
PNRA	2.764	3.388	3.876
<b>TOTAL - OTHERS</b>	<b>2,087.858</b>	<b>2,088.482</b>	<b>2,604.657</b>
<b>TOTAL (PSEs &amp; OTHERS)</b>	<b>27,418.592</b>	<b>28,596.701</b>	<b>29,883.466</b>
<b>ESTIMATED SHORTFALL</b>	<b>3,000.000</b>	<b>7,687.995</b>	<b>7,354.146</b>
<b>NET - TOTAL (PSEs &amp; OTHERS)</b>	<b>24,418.592</b>	<b>20,908.706</b>	<b>22,529.320</b>
<b>TOTAL - PROVINCES</b>	<b>27,191.542</b>	<b>36,083.639</b>	<b>31,528.825</b>
<b>GRAND TOTAL</b>	<b>51,610.134</b>	<b>56,992.345</b>	<b>54,058.145</b>

## 11. PUBLIC DEBT

11.1 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)

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

#### 11.2.1 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 receipt of Rs. 50,000.000 million projected in budget estimates for the year 2011-12, the revised estimates for the year 2011-12 have been kept at the same level. The budget estimates for the year 2012-13 have been estimated at Rs.54,000.000 million.

#### 11.2.2 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. Against the budget estimates of Rs.80,000.000 million for the year 2011-12, the revised estimates for the year 2011-2012 are estimated at Rs.125,545.500 million while the budget estimates for the year 2012-2013 have been projected at Rs.90,000.000 million.

11.3 The net receipts from domestic debt (permanent) during the years 2011-2012 (budget & revised) and 2012-2013 (budget) are estimated as under :

**Table 26**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>E031 Domestic Debt (Permanent)</b>			
Pakistan Investment Bonds (Non-Bank)	50,000.000	50,000.000	54,000.000
Government Bonds issued to Public Sector Enterprises	-	-	-
Ijara Sukuk Bonds	80,000.000	125,545.500	90,000.000
Govt. Bonds issued to Low-Yield	-	-	-
<b>TOTAL</b>	<b>130,000.000</b>	<b>175,545.500</b>	<b>144,000.000</b>

**FOREIGN CURRENCY DEBT (PERMANENT)**

11.4 It includes the following securities:

**11.4.1 Foreign Exchange Bearer Certificates (FEBCs) :**

Against the repayment of Rs. 25.000 million projected in budget estimates for the year 2011-2012, the repayment in revised estimates for the year 2011-2012 and budget estimates for the year 2012-2013 have been worked out at Rs.5.000 million.

**11.4.2 Foreign Currency Bearer Certificates (FCBCs) :**

This security was introduced during the year 1992-1993. Against the budget estimates for the year 2011-2012, the repayment of these bonds for the year 2011-2012(revised) and 2012-2013 (budget) is estimated at Rs.5.000 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.

### 11.4.3 US Dollar Bearer Certificates (DBC) :

This security was introduced in the year 1991 and discontinued on 17th November, 1994. The repayment on account of these certificates for the year 2011-2012 (revised) and 2012-2013 (budget) is projected at the same level i.e. Rs. 5.000 million.

### 11.4.4 Special US Dollar Bonds :

These bonds were issued under Special US Dollars 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. Against the repayment of Rs.683.400 million provided in budget estimates 2011-2012, the repayment on account of these bonds in revised estimates 2011-2012 is estimated at Rs.150.000 million while budget estimates for the year 2012-2013 are projected at Rs.175.000 million.

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

**Table 27**

Name of Security	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b><u>Foreign Currency Debt (Permanent)</u></b>			
Foreign Exchange Bearer Certificates (FEBCs)	-25.000	-5.000	-5.000
Foreign Currency Bearer Certificates (FCBCs)	-10.000	-5.000	-5.000
US Dollar Bearer Certificates (DBC)	-15.000	-5.000	-5.000
Special US Dollar Bonds	-683.400	-150.000	-175.000
<b>TOTAL</b>	<b>-733.400</b>	<b>-165.000</b>	<b>-190.000</b>

## FLOATING DEBT

**11.6** The term "floating debt" is applied to borrowing of 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.

### 11.6.1 Market Related Treasury Bills (Auction) :

These reflect non-bank borrowing of the Federal Government.

### 11.6.2 National Prize Bonds:

These are of bearer type non-terminable securities freely encashable and transferable by delivery. These are issued in denominations of Rs.200, Rs.750, Rs.1500, Rs.7500, Rs.15000 and Rs.40000. A new prize bond of Rs.25,000/- denomination has also been launched w.e.f. February, 2012. Receipt of Rs. 49,218.000 million (net) is expected from the sale of these bonds in revised estimates 2011-2012. The budget estimates for the year 2012-2013 are estimated at Rs.45,626.700 million.

**11.7** The estimates of receipts from floating debt during the year 2011-12 (revised) and 2012-2013 (budget) are as under:

**Table 28**

		(Rs. in Million)		
		2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>E032</b>	<b><u>FLOATING DEBT</u></b>			
	<b>A. Market Related Treasury Bills through Auction (Non-Bank)</b>			
	Receipts	672,153.886	744,344.404	900,590.422
	Repayments	590,053.886	584,344.404	790,590.422
	<b>Net (A):</b>	<b>82,100.000</b>	<b>160,000.000</b>	<b>110,000.000</b>
	<b>B. Prize Bonds</b>	<b>37,000.000</b>	<b>49,218.000</b>	<b>45,626.700</b>
	<b>Net Total Floating Debt (A+B)</b>	<b>119,100.000</b>	<b>209,218.000</b>	<b>155,626.700</b>

## 12. PUBLIC ACCOUNT

### 12.1 DEFERRED LIABILITIES

**12.1.1** 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 12.33% 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 may invest their individuals funds such as pension, gratuity, superannuation, contributory provident funds and trusts etc.

#### b) SPECIAL SAVINGS CERTIFICATES/ACCOUNTS

Special Savings Certificates (Registered/Accounts) is a three years scheme with profit payable on six monthly basis. The existing rate of profit in this scheme is 11.80% per annum for the first two and half years and 12.20% 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 may invest their individuals funds such as pension, gratuity, superannuation, contributory provident funds and trusts etc.

#### 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 12.12% 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. Institutions may invest their individuals funds such as pension, gratuity, superannuation, contributory provident funds and trusts etc. Premature encashments on these certificates 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

**d) MAHANA AMDANI 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 were required to 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 up to 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 Amdani Account Scheme has been discontinued after 17th May, 2003.

**e) SAVINGS ACCOUNTS**

This is the oldest savings scheme in operation which provides profit on checking accounts and on non-checking 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 savings account is 8.40% 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 may invest their individuals funds such as pension, gratuity, superannuation, contributory provident funds and trusts etc.

#### **f) PENSIONERS' BENEFIT ACCOUNTS**

This scheme has been launched with effect from 20-1-2003 to provide incentive to the retired officials of the Federal, Provincial Governments, Azad Government of the State of Jammu & Kashmir, Armed Forces, Semi Governments and Autonomous Bodies and in case of death, the pensioners' eligible member of the family. Only one account can be opened in the National Savings Centre with a minimum deposit Rs.10,000 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 years scheme and profit is payable on completion of each period of one month reckoned from the date of opening of an account till maturity or encashment whichever is earlier. The existing rate of profit on this scheme is 14.28% p.a. Premature encashment before completion of one, two, three and four years carries 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 revision in rate of profit notified 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 scheme has further been extended to the aged persons 60 years or above. The existing rate of profit on this scheme is 14.28% per annum. The maximum deposit limit in this scheme is three million rupees. 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 notified after 9-3-2009 shall also be applicable to existing certificate holders whereas downward revision shall apply to fresh investment only.

12.1.2 The estimates of receipts are tabulated below :-

**Table 29**  
**DEFERRED LIABILITIES**

(Rs. in Million)			
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>G03 Deferred Liabilities</b>	<b>151,200.000</b>	<b>101,107.600</b>	<b>181,171.100</b>
<b>Provident Fund</b>	<b>2,000.000</b>	<b>3,500.000</b>	<b>3,000.000</b>
<b>Saving/Deposit Account/Certificates</b>	<b>147,200.000</b>	<b>95,607.600</b>	<b>176,171.100</b>
Savings Bank Accounts	-3,000.000	2,002.800	4,696.600
Khas Deposit Accounts	-5.000	-5.000	-5.000
Mahana Amdani Accounts	-85.000	81.000	-40.000
Pensioners' Benefit Accounts	18,300.000	15,309.800	16,074.500
Defence Savings Certificates	10,000.000	7,123.800	10,264.900
Bahbood Savings Certificates	62,000.000	51,641.500	54,060.300
National Deposit Certificates	-7.000	-11.200	-9.000
Khas Deposit Certificates	-3.000	-3.000	-3.000
Special Savings Certificates (Registered)	3,800.000	-23,558.900	21,924.000
Special Savings Accounts (Term Deposit)	1,200.000	-8,757.800	8,150.100
Regular Income Certificates	40,000.000	41,784.600	46,057.700
National Savings Bonds/ New Savings Schemes	15,000.000	10,000.000	15,000.000
<b>Postal Life Insurance Fund</b>	<b>2,000.000</b>	<b>2,000.000</b>	<b>2,000.000</b>

## 12.2 PUBLIC ACCOUNT DEPOSIT RECEIPTS

12.2.1 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 principle 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.

12.2.2 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.

12.2.3 The reserve funds and deposit accounts in respect of which provision for contributions have been made in the revised estimates for 2011-2012 and budget estimates for 2012-2013 are tabulated on the following pages.

**Table 30**  
**DEPOSITS AND RESERVE FUNDS**

		(Rs. in Million)		
		2011-12	2011-12	2012-13
		Budget	Revised	Budget
G06202	Federal Govt. Employees Benevolent Fund (Civil)	331.786	365.120	368.771
G06205	F.G. Employees B.F.(PPO)	47.600	76.507	77.272
G06206	F.G. Employees B.F.(Pak. PWD)	1.862	2.920	2.949
G06209	Federal Govt. Employees Benevolent Fund (National Savings)	3.486	3.933	3.973
G06210	Benevolent Fund (Mint)	1.526	1.693	1.710
G06212	F.G.Employees B. Fund(GSP)	1.680	1.720	1.737
G06304	Workers Welfare Fund	1600.000	20277.613	20480.389
G06305	Mines Labor Housing General Welfare Fund	3.752	0.000	0.000
G06401	F.G.E Group Insurance Fund Pak PWD	29.274	0.000	0.000
G06402	F.G.E. Group Insurance (Foreign Affairs)	48.762	64.160	64.802
G07101	Post Office Renewal Reserve Fund	55.000	48.000	28.000
G07102	Post Office Welfare Fund	0.000	0.507	0.512
G07104	PPO Group Insurance Fund	0.000	5.160	5.212
G08117	Railways Reserve Fund	25000.000	30647.000	31000.000
G08121	Railways Depreciation Reserve Fund	14500.000	4098.628	8117.209
G10101	Pak PWD Receipts & Collection Account	0.000	506.800	511.868
G10102	Foreign Office Receipts & Collection Account	0.000	4523.840	4569.078
G10106	Deposits Works of Survey of Pakistan	0.000	18.907	19.096
G10113	Pak PWD Deposits Fund	0.000	55000.000	55000.000
G10301	Reserve Fund for Lighthouses and and Lightships	0.265	0.265	0.268
G10304	Zakat Collection Account	1431.948	1453.307	1467.840
G11210	Agriculture Produce Cess Fund	43.246	0.000	0.000
G11220	Deposit in connection with Election	1.078	0.000	0.000
G11227	Unclaimed Deposits	6.734	0.000	0.000
G11237	Deposit Local Bodies to meet Claims of Contractors	3.318	2.587	2.613
G11238	Security Deposit of Supply Cell	2.240	12.933	13.063
G11276	Security Deposit of Private Co.	0.714	0.000	0.000
G11281	Deposits on account of Fee realized by PNAC	3.122	6.067	6.127
G11290	Security Deposit of Private Co.	0.000	177.347	179.120

**Contd.**

## DEPOSITS AND RESERVE FUNDS

		(Rs. in Million)		
		2011-12 Budget	2011-12 Revised	2012-13 Budget
G12123	Chief Executive Draught Relief Funds 2000	7.000	0.000	0.000
G12130	President's Relief Fund for Earthquake Victims 2005	19.684	55.480	56.035
G12135	PM's Special Fund for Victims of Terrorism	47.740	7.693	7.770
G12140	PM Flood Relief Fund 2010	11401.292	1017.480	1027.655
G12145	PM Flood Relief Fund 2011	0.000	1332.000	1345.320
G12205	Pakistan Minorities Welfare Fund	15.680	0.000	0.000
G12206	Special Fund for Welfare & Uplift of Minorities	7165.494	5.507	5.562
G12305	Export Development Fund	0.000	5018.000	5068.180
G12308	Reserve Fund for Exchange Risk on Foreign Loans	3012.980	241.827	244.245
G12412	Pakistan Oil Seed Dev. Fund	197.260	88.160	89.042
G12504	Workers Children Education Fund	0.672	0.547	0.552
G12510	Education Welfare Fund	0.000	0.240	0.242
G12729	Fund for Social Services	1297.576	1413.453	1427.588
G12738	National Fund for Control of Drug Abuse	13.496	34.680	35.027
G12745	Central Research Fund	90.006	28.147	28.428
G12774	National Disaster Management Fund	468.006	2666.667	2693.333
G14100	Coinage Account	200.000	145.000	146.450
<b>TOTAL:</b>		<b>67054.279</b>	<b>129349.895</b>	<b>134097.038</b>

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

#### **Post Office Renewal Reserve Fund**

12.2.5 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**

12.2.6 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**

12.2.7 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 the 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.

### **Workers' Welfare Fund**

12.2.8 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 Section 4 of the scheme set out in the schedule to the "Companies' Profit (Workers' Participation ) Act, 1968 (XII of 1968). The workers welfare tax is initially collected with income tax and later on contributed to the Fund by means of block provision of equivalent amount in the relevant budget grant of the Human Resources Division. Disbursements from the Fund are made in the shape of grants-in-aid placed at the disposal of provincial governments for carrying out the purposes of the fund.

### **Fund for Exchange Risk on Foreign Loans**

12.2.9 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.



### 13. EXTERNAL RESOURCES

13.1 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**

13.2 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.

13.3 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**

13.4 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.

**Food Aid**

13.5 Food aid comprises of foodstuff such as wheat, edible oil etc. Bulk of the rupee counterpart funds generated by this aid is available to Pakistan as loans or grants for specific development projects. Food aid from other sources comprises of Food Aid Convention grants from member countries and grants under the World Food Programme of the United Nations Food and Agriculture Organization. In most of the cases, the net sale proceeds of this type of food aid are deposited as counterpart funds which eventually become available for the country's use in accordance with the agreement.

**Other Aid**

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

13.7 The estimates of external resources for the year 2011-2012 (budget and revised) and 2012-2013 (budget) are tabulated on the following page.

**Table 31**  
**EXTERNAL RESOURCES**

		(Rs. in Million)		
		2011-12	2011-12	2012-13
		Budget	Revised	Budget
<b>EXTERNAL RECEIPTS</b>				
<b>A</b>	<b>PROJECT AID(1 + 2)</b>	<b><u>76,806.917</u></b>	<b><u>184,472.370</u></b>	<b><u>165,857.536</u></b>
1.	<b>Federal Government</b>	<b>38,567.917</b>	<b>136,629.370</b>	<b>99,873.875</b>
	Divisions/Departments	18,926.566	71,248.370	52,093.975
	Autonomous Bodies	19,641.351	65,381.000	47,779.900
2.	<b>Provinces</b>	<b>38,239.000</b>	<b>47,843.000</b>	<b>65,983.661</b>
<b>B</b>	<b>COMMODITY AID (NON-FOOD)</b>	<b><u>127,001.600</u></b>	<b><u>10,118.140</u></b>	<b><u>44,398.200</u></b>
	Loans	117,832.000	4,554.787	41,478.000
	Grants	9,169.600	5,563.353	2,920.200
<b>C</b>	<b>TOKYO PLEDGES</b>	<b><u>17,556.000</u></b>	<b><u>4,983.000</u></b>	<b><u>1,023.000</u></b>
	Loans	13,895.200	4,004.000	0.000
	Grants	3,660.800	979.000	1,023.000
<b>D</b>	<b>KERRY LUGAR</b>	<b><u>34,164.152</u></b>	<b><u>20,356.139</u></b>	<b><u>8,200.400</u></b>
	Grants	34,164.152	20,356.139	8,200.400
<b>E</b>	<b>OTHER AID</b>	<b><u>158,400.000</u></b>	<b><u>6,230.000</u></b>	<b><u>93,000.000</u></b>
	Loans	88,000.000	6,230.000	93,000.000
<b>F</b>	<b>PRIVATIZATION</b>	<b>70,400.000</b>	<b>0.000</b>	<b>74,400.000</b>
<b>TOTAL EXTERNAL RESOURCES</b>		<b><u>413,928.669</u></b>	<b><u>226,159.649</u></b>	<b><u>386,879.136</u></b>

#### 14 PRIVATIZATION PROCEEDS

14.1 The Privatization Commission Ordinance, 2000 was promulgated on 28th September, 2000 to establish "Privatization Commission" for implementation of privatization policy of the federal government.

14.2 Section 16(2) of the said Ordinance envisages that the privatization proceeds 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.

14.3 The estimates of privatization proceeds are given below:

**Table 32**

**(Rs. in Million)**

	<b>2011-12 Budget</b>	<b>2011-12 Revised</b>	<b>2012-13 Budget</b>
<b>Privatization Proceeds</b>	<b>0.00</b>	<b>6725.00</b>	<b>0.00</b>

### 15. SELF-FINANCING OF PSDP BY PROVINCES

The following table shows contribution by the Provinces for their Public Sector Development Programme in 2011-2012 (Budget & Revised) and 2012-2013 (Budget).

**Table 33**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Self-Financing of PSDP by Provinces</b>	<b>375038.500</b>	<b>377527.891</b>	<b>436150.472</b>

## 16. FINANCING TABLES OF PROVINCIAL ADPs

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

**Table 34**  
**FINANCING OF ADP OF PUNJAB**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b><u>Development Programme</u></b>	<b><u>222715.000</u></b>	<b><u>131542.526</u></b>	<b><u>234593.425</u></b>
Less Provincial Contribution	189948.000	117604.204	213072.000
<b>Federal Assistance</b>	<b>32767.000</b>	<b>13938.322</b>	<b>21521.425</b>
<b>I. Cash Assistance</b>	<b>32.000</b>	<b>32.000</b>	<b>0.000</b>
Japanese Grant	32.000	32.000	0.000
Programme Loans	12232.000	1557.322	8370.000
<b>II. Foreign Project Assistance</b>	<b>20503.000</b>	<b>12349.000</b>	<b>13151.425</b>
Loans	18610.000	11397.000	11954.425
Grants	1893.000	952.000	1197.000

**Table 35**  
**FINANCING OF ADP OF SINDH**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b><u>Development Programme</u></b>	<b><u>93060.000</u></b>	<b><u>72118.000</u></b>	<b><u>129679.807</u></b>
Less Provincial Contribution	79182.500	46272.213	91545.000
<b>Federal Assistance</b>	<b>13877.500</b>	<b>25845.787</b>	<b>38134.807</b>
<b>I. Cash Assistance</b>	<b>27.500</b>	<b>11.000</b>	<b>59.807</b>
Japanese Grant	27.500	11.000	59.807
Programme Loans	4400.000	2997.787	2418.000
<b>II. Foreign Project Assistance</b>	<b>9450.000</b>	<b>22837.000</b>	<b>35657.000</b>
Loans	9450.000	22687.000	30684.000
Grants	0.000	150.000	4973.000

**Table 36**  
**FINANCING OF ADP OF KHYBER PAKHTUNKHAWA**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b><u>Development Programme</u></b>	<b><u>74478.500</u></b>	<b><u>58405.047</u></b>	<b><u>89387.296</u></b>
Less Provincial Contribution	68308.000	48139.547	74815.300
<b>Federal Assistance</b>	<b>6170.500</b>	<b>10265.500</b>	<b>14571.996</b>
<b>I. Cash Assistance</b>	<b>15.500</b>	<b>15.500</b>	<b>8.760</b>
Japanese Grant	15.500	15.500	8.760
<b>II. Foreign Project Assistance</b>	<b>6155.000</b>	<b>10250.000</b>	<b>14563.236</b>
Loans	3318.220	3237.000	3695.354
Grants	2836.780	7013.000	10867.882

**Table 37**  
**FINANCING OF ADP OF BALOCHISTAN**

	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b><u>Development Programme</u></b>	<b><u>39746.500</u></b>	<b><u>24923.000</u></b>	<b><u>43803.572</u></b>
Less Provincial Contribution	37600.000	22500.500	41182.272
<b>Federal Assistance</b>	<b>2146.500</b>	<b>2422.500</b>	<b>2621.300</b>
<b>I. Cash Assistance</b>	<b>15.500</b>	<b>15.500</b>	<b>9.300</b>
Japanese Grant	15.500	15.500	9.300
<b>II. Foreign Project Assistance</b>	<b>2131.000</b>	<b>2407.000</b>	<b>2612.000</b>
Loans	1631.000	1245.000	1670.000
Grants	500.000	1162.000	942.000

**Table 38**  
**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT**  
**DURING 2011-12 (BUDGET ESTIMATES)**

	(Rs. in Million)				
	Punjab	Sindh	Khyber Pakhtunkhwa	Balochistan	TOTAL
<b>Development Programme</b>	<b>222715.00</b>	<b>93060.00</b>	<b>74478.50</b>	<b>39746.50</b>	<b>430000.00</b>
Less Provincial Contributic	189948.00	79182.50	68308.00	37600.00	375038.50
<b>Federal Assistance</b>	<b>32767.00</b>	<b>13877.50</b>	<b>6170.50</b>	<b>2146.50</b>	<b>54961.50</b>
<b>Cash Assistance</b>	<b>12264.00</b>	<b>4427.50</b>	<b>15.50</b>	<b>15.50</b>	<b>90.50</b>
Japanese Grant	32.00	27.50	15.50	15.50	90.50
Programme Loans	12232.00	4400.00	0.00	0.00	<b>16632.00</b>
<b>Foreign Project</b>					
<b>Assistance</b>	<b>20503.00</b>	<b>9450.00</b>	<b>6155.00</b>	<b>2131.00</b>	<b>38239.00</b>
Loans	18610.00	9450.00	3318.22	1631.00	33009.22
Grants	1893.00	0.00	2836.78	500.00	5229.78

**Table 39**  
**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT**  
**DURING 2011-2012 (REVISED ESTIMATES)**

	(Rs. in Million)				
	Punjab	Sindh	KPK	Balochistan	TOTAL
<b>Development Programme</b>	<b>131542.526</b>	<b>72118.000</b>	<b>58405.047</b>	<b>24923.000</b>	<b>430000.000</b>
Less Prov. Contribution	117604.204	46272.213	48139.547	22500.500	377527.891
<b>Federal Assistance</b>	<b>13938.322</b>	<b>25845.787</b>	<b>10265.500</b>	<b>2422.500</b>	<b>52472.109</b>
<b>Cash Assistance</b>	<b>32.000</b>	<b>11.000</b>	<b>15.500</b>	<b>15.500</b>	<b>74.000</b>
Japanese Grant	32.000	11.000	15.500	15.500	74.000
Programme Loans	1557.322	2997.787	0.000	0.000	<b>4555.109</b>
<b>Foreign Project</b>					
<b>Assistance</b>	<b>12349.000</b>	<b>22837.000</b>	<b>10250.000</b>	<b>2407.000</b>	<b>47843.000</b>
Loans	11397.000	22687.000	3237.000	1245.000	38566.000
Grants	952.000	150.000	7013.000	1162.000	<b>9277.000</b>



**Table 40**  
**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT**  
**DURING 2012-2013 (BUDGET ESTIMATES)**

	(Rs. in Million)				
	Punjab	Sindh	KPK	Balochistan	TOTAL
<b>Development Programme</b>	<b><u>234593.425</u></b>	<b><u>129679.807</u></b>	<b><u>89387.296</u></b>	<b><u>43803.572</u></b>	<b><u>513000.000</u></b>
Less Prov. Contribution	213072.000	91545.000	74815.300	41182.272	<b>436150.472</b>
<b>Federal Assistance</b>	<b>21521.425</b>	<b>38134.807</b>	<b>14571.996</b>	<b>2621.300</b>	<b>76849.528</b>
<b>Cash Assistance</b>	<b>0.000</b>	<b>59.807</b>	<b>8.760</b>	<b>9.300</b>	<b>77.867</b>
Japanese Grant	0.000	59.807	8.760	9.300	<b>77.867</b>
Programme Loans	8370.000	2418.000	0.000	0.000	<b>10788.000</b>
<b>Foreign Project Assistance</b>	<b>13151.425</b>	<b>35657.000</b>	<b>14563.236</b>	<b>2612.000</b>	<b>65983.661</b>
Loans	11954.425	30684.000	3695.354	1670.000	<b>48003.779</b>
Grants	1197.000	4973.000	10867.882	942.000	<b>17979.882</b>

**Table 41**

**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENTS DURING  
2011-2012 (BUDGET & REVISED) AND 2012-2013 (BUDGET)**

Province	(Rs. in Million)		
	2011-12 Budget	2011-12 Revised	2012-13 Budget
Punjab	32767.00	13938.32	21521.43
Sindh	13877.50	25845.79	38134.81
Khyber Pakhtunkhwa	6170.50	10265.50	14572.00
Balochistan	2146.50	2422.50	2621.30
<b>TOTAL</b>	<b>54961.50</b>	<b>52472.11</b>	<b>76849.53</b>