



# **FEDERAL BUDGET**

## **2014-15**

### **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 2014-2015 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 2014-2015, 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.

**Waqar Masood Khan**  
Secretary to the Government of Pakistan

Finance Division,  
**Islamabad 03<sup>rd</sup> June, 2014**

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**SECTION I**

**REVENUE RECEIPTS**

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## **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) Mark up 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 comprise Income Tax, Workers Welfare Tax, Workers Participation Fund and Capital Value Tax. The indirect taxes comprise Customs, Sales Tax, Federal Excise, Petroleum Levy, Taxes collected by the Islamabad Capital Territory (ICT) administration and Airport Tax. The major part of the tax 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 2013-2014 and budget estimates for fiscal year 2014-2015 is given on the following pages.

**Table 1**  
**SUMMARY OF REVENUE RECEIPTS**

		(Rs. in Million)		
		2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>B</b>	<b><u>TAX REVENUE ( 1 + 2 )</u></b>	<b><u>2,671,414.3</u></b>	<b><u>2,513,945.0</u></b>	<b><u>3,129,209.9</u></b>
	<b>(1) FBR taxes</b>	<b><u>2,475,000.0</u></b>	<b><u>2,275,000.0</u></b>	<b><u>2,810,000.0</u></b>
	<b>B01 Direct taxes</b>	<b><u>975,700.0</u></b>	<b><u>891,000.0</u></b>	<b><u>1,180,000.0</u></b>
B011	Taxes on Income	948,700.0	876,910.0	1,163,821.0
B015	Workers Welfare Fund	21,000.0	13,500.0	15,500.0
	Income Support Levy	6,000.0	0.0	0.0
B017-01823	Capital Value Tax (CVT)	0.0	590.0	679.0
	<b>(2) Indirect taxes</b>	<b><u>1,499,300.0</u></b>	<b><u>1,384,000.0</u></b>	<b><u>1,630,000.0</u></b>
B020-22	Customs Duties	279,000.0	241,000.0	281,000.0
B023	Sales Tax	1,053,500.0	1,005,000.0	1,171,000.0
B024-25	Federal Excise	166,800.0	138,000.0	178,000.0
	<b>Other Taxes</b>	<b><u>196,414.3</u></b>	<b><u>238,945.0</u></b>	<b><u>319,209.9</u></b>
B03083	Gas Infrastructure Development Cess	38000.0	88000.0	145000.0
B03034	Natural Gas Development Surcharge	35339.3	39000.0	46399.9
B03085	Petroleum Levy	120,000.0	108,000.0	123,000.0
B026	Other Taxes (ICT)	3,000.0	3,860.0	4,720.0
B03064	Airport Tax	75.0	85.0	90.0
<b>C</b>	<b><u>NON TAX REVENUE</u></b>	<b><u>748,581.8</u></b>	<b><u>1,083,197.3</u></b>	<b><u>816,294.1</u></b>
<b>C01</b>	<b><u>Income from Property and Enterprise</u></b>	<b><u>239,913.1</u></b>	<b><u>321,273.9</u></b>	<b><u>191,991.9</u></b>
C01008	PTA	14,000.0	2,130.0	14,720.0
	PTA (3 G Licenses)	120,000.0	89,000.0	56,000.0
C01008	Regulatory Authorities	368.2	2,451.6	349.7
C01070	Profits Others	0.0	67,625.0	0.0
C012	Mark up (Provinces)	13,333.8	14,083.2	12,952.1
C013-18	Mark up (PSEs & others)	23,794.5	68,443.5	25,980.8
C019	Dividends	68,416.7	77,540.6	81,989.4

## SUMMARY OF REVENUE RECEIPTS

(Rs. in Million)

		2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C02</b>	<b><u>Receipts from Civil Admn. and Other Functions</u></b>	<b><u>316,781.9</u></b>	<b><u>389,514.5</u></b>	<b><u>417,452.4</u></b>
C021-24	General Administration	1,398.9	6,377.5	2,873.7
C02211	SBP Profit	200,000.0	260,000.0	270,000.0
C025	Defence	112,135.3	118,568.9	140,220.0
C026	Law and Order	1,049.7	1,499.8	1,141.7
C027	Community Services	990.2	1,526.3	1,561.4
C028	Social Services	257.7	282.0	295.7
C029	Social Services (Miscellaneous)	950.0	1,260.0	1,360.0
<b>C03</b>	<b><u>Miscellaneous Receipts</u></b>	<b><u>191,886.8</u></b>	<b><u>372,408.8</u></b>	<b><u>206,849.7</u></b>
C031-35	Economic Services	2,547.3	2,869.8	2,992.5
C03601	Foreign Grants	29,955.0	204,198.4	35,000.0
C037	Extraordinary Receipts (Others)	25,542.0	36,028.4	27,027.9
C03806	Citizenship, Naturalization & Passport Fee	16,500.0	17,000.0	20,000.0
C038	Others	1,096.6	2,256.7	2,404.3
C03905	Royalty on Oil	32,501.9	33,344.8	32,261.3
C03906	Royalty on Gas	39,743.9	42,710.8	49,163.7
C03910	Discount Retained on Local Crude Price	18,000.0	18,000.0	20,000.0
C03915	Windfall Levy against Crude Oil	25,000.0	15,000.0	17,000.0
C03917	Petroleum Levy on LPG	1,000.0	1,000.0	1,000.0
	<b>Gross Federal Revenue Receipts</b>	<b>3,419,996.1</b>	<b>3,597,142.3</b>	<b>3,945,504.0</b>
	<b>Less : Provincial Share</b>	<b>1,502,287.9</b>	<b>1,413,305.2</b>	<b>1,720,181.7</b>
	<b>Net Federal Revenue Receipts</b>	<b>1,917,708.1</b>	<b>2,183,837.0</b>	<b>2,225,322.3</b>



## 2. FEDERAL TAXES

Tax revenue collected by 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 2013-12 and 2014-15.

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

Tax Head	(Rs in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
Direct Tax	975,700.0	891,000.0	1,180,000.0
Sales Tax	1,053,500.0	1,005,000.0	1,171,000.0
Federal Excise	166,800.0	138,000.0	178,000.0
Customs Duties	279,000.0	241,000.0	281,000.0
<b>TOTAL</b>	<b>2,475,000.0</b>	<b>2,275,000.0</b>	<b>2,810,000.0</b>

2.2. Detailed analyses of individual taxes are highlighted below:

### **Direct Taxes:**

2.2.2 During the first 10 months of the current financial year i.e. up to 30-04-2014, Direct Tax collection stood at Rs. 658.1billion with growth of 18.9%. Income tax contributes around 98% in total direct taxes. In the current scenario collection of Direct Taxes might end at Rs.891 billion. Taking into account the current inflation, GDP growth and revenue measures, direct tax estimates for 2014-15 can safely be estimated at Rs.1180 billion.

2.2.3 Within the direct taxes, Workers Welfare Fund/ Workers Participation fund (WPPF) are also collected by FBR and are part of Direct Tax collection. The budget estimates for receipts of WWF and WPPF for 2013-14 are Rs.13.5 billion and estimates for budget 2014-15 is Rs.15.5 billion.

2.2.4 The budget and revised estimates for financial years 2013-2014 and 2014-2015, on account of Direct Taxes are tabulated hereunder.

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

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
Taxes on Income	948,700.0	876,910.0	1,163,821.0
Workers Welfare Fund	21,000.0	13,500.0	15,500.0
Income Support Levy (0.5% of movable assets of individuals)	6,000.0	0.0	0.0
Capital Value Tax (CVT)	0.0	590.0	679.0
<b>TOTAL</b>	<b>975,700.0</b>	<b>891,000.0</b>	<b>1,180,000.0</b>

**2.3. INDIRECT TAXES:**

**SALES TAX**

2.3.1 During the first 10 months of the current financial year net revenue collection from sales tax (import + domestic) remained Rs. 795.2 billion as against Rs. 669.4 billion in the corresponding period of the last financial year showing an increase of 18.8%. The revised budget estimates for fiscal year 2013-14 are Rs.1005 billion. The target for FY 2014-15 is estimated at Rs.1171 billion. The required growth would be 16.5%.

## 2.4 FEDERAL EXCISE DUTY

2.4.1 During first 10 months of the current financial year net revenue collection from federal excise duty remained at Rs. 104 billion as against Rs. 91.2 billion in the corresponding period of the last financial year showing a growth of 14%. The revised budget estimates for fiscal year 2013-14 is estimated at Rs.138 billion. Budget estimates for fiscal year 2014-15 is projected at Rs.178 billion. The required growth would be 29%.

**Table 4**

### FEDERAL EXCISE DUTY

Tax Head	(Rs in Million)		
	2013-2014 Budget	2013-2014 Revised	2014-2015 Budget
Beverage	325.0	270.0	270.5
Beverage Concentrate	10,822.0	10,413.6	11,199.4
Cement	16,505.0	10,407.6	11,192.5
Cigarettes & Tobacco	79,931.0	62,264.4	90,357.6
Natural Gas	18,785.0	11,870.4	12,891.5
POL Products	260.0	100.8	0.0
Imported Goods	12,692.0	8,912.4	9,488.0
Arrears	1,520.0	828.0	833.0
Other Services	14,466.0	17,212.8	19,359.8
<b>Sub-Total</b>	<b>155,304.0</b>	<b>122,280.0</b>	<b>155,592.0</b>
Other Items	11,496.0	15,720.0	22,408.0
<b>Gross Total</b>	<b>166,800.0</b>	<b>138,000.0</b>	<b>178,000.0</b>

## 2.5 CUSTOMS DUTIES

2.5.1 During the first 10 months of FY 2013-14, net customs duty collections is Rs.187.6 billion marginally declined by 1.9% due to lesser growth in dutiable imports.

2.5.2 Considering the above facts, the net customs duty collection for FY 2013-14 is expected to be around Rs. 241 billion. The target for FY 2014-15 has been projected at Rs.281 billion. The required growth would be 16.6%.

2.5.3 It may be appreciated that customs revenue is primarily based upon dutiable value of imports, which in turn depends upon overall national and international economic and trade variables. The above projections are also subject to these variables which employ that any fluctuation in dutiable import value will accordingly impact the customs duty collection during FY 2013-14 and FY 2014-15.

2.5.4. The details are given in the following table.

**Table 5  
CUSTOMS**

		(Rs. in Million)		
S. No.	Items	2013-14 Budget	2013-14 Revised	2014-15 Budget
1)	Vehicles (Non-Railway)(Ch.87)	45,567.0	35,172.0	40,109.0
2)	Edible Oil (Ch.15)	22,617.0	20,075.0	21,683.0
3)	POL Products (Ch.27)	18,606.0	15,824.0	16,824.0
4)	Machinery Mechanical Appliances (Ch.84)	12,846.0	13,332.0	14,041.0
5)	Electrical machinery (Ch.85)	10,786.0	10,258.0	10,678.0
6)	Iron & Steel (Ch.72)	7,615.0	5,533.0	5,655.0
7)	Plastic Resins etc. (Ch.39)	9,198.0	10,579.0	11,026.0
8)	Paper and Paperboard(Ch.48)	5,241.0	5,662.0	5,790.0
9)	Organic Chemicals (Ch.29)	4,209.0	4,332.0	4,407.0
10)	Textile Materials (Ch.54)	3,567.0	4,817.0	4,909.0
11)	Tea & Coffee (Ch.09)	4,222.0	3,671.0	3,725.0
12)	Staple Fibers (Ch.55)	3,419.0	3,764.0	3,821.0
14)	Dyes and Paints (Ch.32)	2,823.0	3,503.0	3,552.0
16)	Articles of Iron and Steel (Ch.73)	3,589.0	3,034.0	3,070.0
17)	Misc. Chemicals Products (Ch.38)	2,549.0	2,816.0	2,848.0
18)	Other	128,231.0	102,124.0	135,062.0
19)	Export Development Surcharge (EDS)	6,324.0	6,062.0	6,209.0
	<b>GROSS COLLECTION</b>	<b>291,409.0</b>	<b>250,558.0</b>	<b>293,409.0</b>
	<b>REFUND AND REBATES</b>	<b>12,409.0</b>	<b>9,558.0</b>	<b>12,409.0</b>
	<b>NET COLLECTIONS</b>	<b>279,000.0</b>	<b>241,000.0</b>	<b>281,000.0</b>

### 3. NON - TAX RECEIPTS

3.1 Non-tax receipts of the federal government falls under three Major Object Heads i.e.,(i) income from property and enterprise, (ii) receipts from civil administration and Other Functions, and (iii) miscellaneous receipts of the federal ministries, divisions and departments.

3.2 The summary of non-tax receipts for 2013-14 revised and 2014-15 budget is given below.

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

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
C01 Income from Property and Enterprise	239,913.12	321,273.90	191,991.92
C02 Receipts from Civil Admn. and Other Functions	316,781.88	389,514.49	417,452.45
C03 Miscellaneous Receipts	191,886.83	372,408.80	206,849.70
<b>TOTAL</b>	<b>748,581.82</b>	<b>1,083,197.19</b>	<b>816,294.06</b>

3.3 The following chapters contain detailed description and estimates of non-tax receipts in respect of (i) income from property and enterprise, (ii) receipts from civil administration and Other Functions, and (iii) miscellaneous receipts of the federal ministries, divisions and departments.

#### 4. INCOME FROM PROPERTY & ENTERPRISE

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

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

		(Rs. in Million)		
		2013-14	2013-14	2014-15
		Budget	Revised	Budget
C01012	NEPRA	121.000	5.000	7.000
C01012	SECP	226.000	2,377.512	300.000
C01012	PNRA	0.600	0.650	0.700
C01012	PEMRA	4.594	11.856	12.000
C01012	OGRA	16.000	56.559	30.000
C01008	PTA	14,000.000	2,130.000	14,720.000
	PTA (3 G)	120,000.000	89,000.000	56,000.000
C01070	Profits Others	0.000	67,625.000	0.000
<b>TOTAL</b>		<b>134,368.194</b>	<b>161,206.577</b>	<b>71,069.700</b>

4.1.1 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.120.00 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, the next generation mobile services finally stepped into Pakistan with the auction of 3G and 4G spectra against approximately \$ 1.185 billion as the PTA announced successful bidders for the licences on 23rd April 2014. The Chinese controlled Zong won the auction of 3G and 4G spectra as a sole winner while remaining three winners of the 3G spectrum auction are Mobilink, Telenor and Ufone.

## **4.2 MARK UP 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 Mark up 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 mark up 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 mark up 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**  
**MARK UP RECEIPTS (PROVINCE WISE BREAK UP)**

	(Rs. in Million)		
	2013-14	2013-14	2014-15
	Budget	Revised	Budget
<b>C012 PROVINCES</b>			
<b>PUNJAB</b>	<b>7,464.640</b>	<b>7,772.612</b>	<b>6,862.063</b>
Mark up-Cash Loans	4,016.746	4,016.747	3,413.198
Mark up-Foreign Loans	3,447.894	3,755.865	3,448.865
<b>SINDH</b>	<b>3,244.654</b>	<b>3,735.514</b>	<b>3,702.012</b>
Mark up-Cash Loans	1,971.005	1,971.005	2,220.943
Mark up-Foreign Loans	1,273.649	1,764.509	1,481.069
<b>KHYBER PAKHTUNKHWA</b>	<b>2,095.967</b>	<b>2,128.871</b>	<b>1,939.205</b>
Mark up-Cash Loans	1,006.482	1,006.482	926.512
Mark up-Foreign Loans	1,089.485	1,122.389	1,012.693
<b>BALUCHISTAN</b>	<b>528.509</b>	<b>446.242</b>	<b>448.789</b>
Mark up-Cash Loans	0.000	0.000	0.000
Mark up-Foreign Loans	528.509	446.242	448.789
<b>TOTAL - PROVINCES</b>	<b>13,333.770</b>	<b>14,083.239</b>	<b>12,952.069</b>

**LOAN WISE BREAK UP**

	(Rs. in Million)		
	2013-14	2013-14	2014-15
	Budget	Revised	Budget
<b>C012 PROVINCES</b>			
<b>Mark up: Cash Loans</b>			
Punjab	4,016.746	4,016.747	3,413.198
Sindh	1,971.005	1,971.005	2,220.943
Khyber Pakhtunkhwa	1,006.482	1,006.482	926.512
Balochistan	0.000	0.000	0.000
<b>TOTAL</b>	<b>6,994.233</b>	<b>6,994.234</b>	<b>6,560.653</b>
<b>Mark up: Foreign Loans</b>			
Punjab	3,447.894	3,755.865	3,448.865
Sindh	1,273.649	1,764.509	1,481.069
Khyber Pakhtunkhwa	1,089.485	1,122.389	1,012.693
Balochistan	528.509	446.242	448.789
<b>TOTAL</b>	<b>6,339.537</b>	<b>7,089.005</b>	<b>6,391.416</b>
<b>TOTAL - PROVINCES</b>	<b>13,333.770</b>	<b>14,083.239</b>	<b>12,952.069</b>



## MARK UP RECEIPTS

(Rs. in Million)

	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C013 LOCAL BODIES</b>			
<b>Mark up-Cash Loans</b>			
P.B.C.	185.493	194.226	185.742
NHA	23,503.422	23,502.422	25,634.061
SNGPL	0.329	0.329	0.164
Wah Brass Mills	-	218.329	163.491
PIA	1,137.500	4,106.251	5,043.750
<b>TOTAL</b>	<b>24,826.744</b>	<b>28,021.557</b>	<b>31,027.208</b>
<b>Mark up - Foreign Loans</b>			
GIK Institute	0.811	0.879	0.791
N.L.C.	51.017	51.017	39.013
Karachi Port Trust	6.611	386.257	514.140
PAEC	0.825	0.825	0.668
Chashma Nuclear Power Plant	1,038.334	25,347.276	8,153.302
SKMT	1.482	1.607	1.438
CDA	136.146	123.555	98.198
NHA	5,090.140	5,941.219	5,880.608
PPAF	96.254	100.363	115.961
NEPRA	-	21.394	2.387
OGRA	-	24.030	2.723
<b>TOTAL</b>	<b>6,421.620</b>	<b>31,998.422</b>	<b>14,809.229</b>
<b>TOTAL - LOCAL BODIES</b>	<b>31,248.364</b>	<b>60,019.979</b>	<b>45,836.437</b>
<b>C014 FINANCIAL INSTITUTIONS</b>			
<b>Mark up - Foreign Loans</b>			
NDFC/LTCF	2,022.536	2,055.500	1,624.263
IDBP	140.545	140.545	117.120
Ist. Dawood Leasing Co. Ltd.	1.038	1.038	-
English Leasing Ltd.	-	0.519	-
Network Leasing	0.057	0.057	-
Pakistan Industrial & Commercial Leasing	0.891	0.891	-
<b>TOTAL</b>	<b>2,165.067</b>	<b>2,198.550</b>	<b>1,741.383</b>
<b>TOTAL FINANCIAL INSTITUTIONS</b>	<b>2,165.067</b>	<b>2,198.550</b>	<b>1,741.383</b>

## MARK UP RECEIPTS

(Rs. in Million)

	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C015 NON - FINANCIAL INSTITUTIONS</b>			
<b><u>A : WAPDA</u></b>			
<b>Mark up-Cash Loans</b>	<b>6,129.739</b>	<b>24,083.883</b>	<b>1,026.365</b>
WAPDA (Water Wing)	718.954	351.425	354.157
WAPDA (Power Wing)	3,178.772	14,658.694	1.912
TESCO	32.700	215.997	30.972
QESCO	75.302	345.988	74.955
MEPCO	103.270	291.923	103.270
GENCO-I	30.180	206.493	0.681
GENCO-II	1,534.235	5,715.127	455.908
GENCO-III	295.437	2,051.200	4.510
GENCO-IV	3.180	9.651	0.000
NTDC	157.709	237.385	0.000
<b>Mark up-Foreign Loans</b>	<b>5,888.659</b>	<b>10,053.019</b>	<b>8,009.068</b>
WAPDA (Power Wing)	2,648.610	3,636.633	3,138.963
TESCO	2.422	2.422	1.066
GENCO-I	6.806	6.806	3.414
GENCO-II	20.730	20.730	10.709
GENCO-III	0.814	0.814	0.543
LESCO	283.317	551.734	356.278
NTDC	1,772.987	2,459.152	2,223.250
IESCO	237.285	587.720	588.675
HESCO	313.956	438.228	350.787
GEPCO	178.759	271.253	242.696
QESCO	223.792	283.422	252.870
GEPCO	69.161	236.472	205.427
FESCO	130.020	157.791	134.892
MEPCO	0.000	1,399.842	499.498
<b>TOTAL - WAPDA</b>	<b>12,018.398</b>	<b>34,136.902</b>	<b>9,035.433</b>
<b><u>B : AUTONOMOUS BODIES / CORPORATIONS</u></b>			
<b>Mark up-Foreign Loans</b>			
Pakistan Railways	625.421	831.649	577.910
Karachi Fish Harbour Authority	11.964	11.964	10.902
<b>TOTAL</b>	<b>637.385</b>	<b>843.613</b>	<b>588.812</b>
<b>TOTAL NON-FINANCIAL INSTITUTIONS</b>	<b>12,655.783</b>	<b>34,980.515</b>	<b>9,624.245</b>

## MARK UP RECEIPTS

(Rs. in Million)

	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C016 GOVERNMENT SERVANTS</b>			
Cantt/Garrison Edu. Institutions	2.670	2.516	2.635
Office of the AGPR, Islamabad	32.166	36.703	41.940
AGPR, Sub-Office, Lahore	10.397	10.543	11.598
AGPR, Sub-Office, Karachi	10.946	11.190	11.475
AGPR, Sub-Office, Peshawar	8.844	9.614	9.917
AGPR, Sub-Office, Quetta	1.292	1.303	1.368
AGPR, Sub-Office, Gilgit	1.840	1.840	1.984
Defence	6.081	4.150	4.171
Pakistan Post Office Deptt.	1.500	0.800	1.000
Pakistan PWD	0.715	1.508	1.875
Pakistan Mint	0.100	0.180	0.210
CAO (Ministry of Foreign Affairs)	0.793	0.754	0.729
Central Dte. of National Savings	2.280	2.291	2.130
Geological Survey of Pakistan	0.280	0.300	0.320
Special Communication Organization	0.457	0.150	0.110
<b>TOTAL GOVT. SERVANTS</b>	<b>80.361</b>	<b>83.842</b>	<b>91.462</b>
<b>C017 AJK &amp; Others</b>			
<b>Mark up-Cash Loans</b>			
Government of A J & K	7,560.152	4,206.242	4,326.487
PNRA	0.143	0.326	0.342
<b>Mark up-Foreign Loans</b>			
Government of A J & K	130.737	150.431	135.411
<b>Mark up-Other Loans</b>			
Guarantee Fee on Foreign Loans (EAD)	51.460	353.611	175.005
<b>TOTAL AJK &amp; OTHERS</b>	<b>7,742.492</b>	<b>4,710.610</b>	<b>4,637.245</b>
<b>C018 COMMERCIAL DEPARTMENTS</b>			
Pakistan Post Office Department	450.000	450.000	50.000
<b>TOTAL COMMERCIAL DEPTS..</b>	<b>450.000</b>	<b>450.000</b>	<b>50.000</b>
<b>TOTAL (PSEs &amp; OTHERS)</b>	<b>54,342.067</b>	<b>102,443.496</b>	<b>61,980.772</b>
<b>ESTIMATED SHORTFALL</b>	<b>30,547.584</b>	<b>34,000.000</b>	<b>36,000.000</b>
<b>NET - TOTAL (PSEs &amp; OTHERS)</b>	<b>23,794.483</b>	<b>68,443.496</b>	<b>25,980.772</b>
<b>TOTAL - PROVINCES</b>	<b>13,333.770</b>	<b>14,083.239</b>	<b>12,952.069</b>
<b>GRAND TOTAL - Mark up</b>	<b>37,128.253</b>	<b>82,526.735</b>	<b>38,932.841</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	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C01901 <u>FINANCIAL INSTITUTIONS</u></b>	<b>445.000</b>	<b>1,051.257</b>	<b>624.000</b>
1 National Investment trust	35.000	38.254	50.000
2 NBP	40.000	40.000	43.000
3 ABL	72.000	72.000	75.000
4 UBL	28.000	28.000	30.000
5 HBL	70.000	75.003	78.000
6 Pak Oman Investment Co.	100.000	123.000	123.000
7 Pak Brunie Investment	50.000	600.000	150.000
8 Pak China Investment	25.000	25.000	25.000
9 Pak Iran Joint Investment	25.000	50.000	50.000

(Rs. in Million)			
Name of Organization	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C01902    <u>NON-FINANCIAL INSTITUTIONS</u></b>	<b>67,971.672</b>	<b>76,489.368</b>	<b>81,365.375</b>
1. Pakistan Petroleum Limited	9,574.290	13,427.358	14,000.000
2. Mari Gas Company Limited	63.758	64.360	70.000
3. Pakistan State Oil	450.000	270.000	550.000
4. Pak Arab Refinery	3,000.000	5,400.000	5,500.000
5. SNGPL	500.000	500.000	500.000
6. SSGCL	1,200.000	1,200.000	1,500.000
7. GHPL	14,000.000	14,000.000	15,000.000
8. OGDCL	29,000.000	29,000.000	32,000.000
9. PMDC	26.400	52.200	55.000
10. SLIC	200.000	0.000	200.000
11. NIC	440.000	2,000.000	1,000.000
12. Pak Re-Insurance Corporation	404.000	404.000	450.000
13. Fauji Fertilizer Co. Ltd	60.000	100.000	120.000
14. Saindak Metal Ltd	2,000.000	1,500.000	2,000.000
15. PEPAC	2.000	0.000	2.000
16. PEAL	5.000	0.000	5.000
17. Pakistan Services Ltd.	0.400	0.000	0.400
18. PTV	5.000	0.000	5.000
19. PIDC	75.000	0.000	75.000
20. PERAC	4.500	4.500	4.500
21. National Shipping Corporation	45.744	109.919	110.000
22. Tourism Development Corporation	0.900	0.000	0.900
23. Pakistan Security Printing Corporation	400.000	500.000	600.000
24. NESPAK	1.500	1.500	1.500
25. National Power Construction	12.320	12.320	15.000
26. PTCL	6,500.000	6,342.136	7,000.000
27. Tourism Promotion Services (Pak) Ltd.	0.860	1.075	1.075
28. NFC	0.000	1,500.000	500.000
29. USC	0.000	100.000	100.000
30. Other	0.000	0.000	0.000
<b>TOTAL - DIVIDENDS</b>	<b>68,416.672</b>	<b>77,540.625</b>	<b>81,989.375</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)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C021 ORGANS OF STATE</b>	<b>370.000</b>	<b>736.000</b>	<b>776.000</b>
Federal Public Service Commission	40.000	75.000	75.000
Fee Educational Institutions (GB)	1.185	1.000	1.000
Kashmir Affairs & Gilgit-Baltistan Division	328.815	660.000	700.000

#### 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)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C022 FISCAL ADMINISTRATION</b>	<b>200528.927</b>	<b>264741.465</b>	<b>271147.674</b>
Audit Fee	3.470	3.753	3.658
SBP Profit	200,000.000	260,000.000	270,000.000
Currency Dividend from SBP	10.000	10.000	10.000
Coinage Account	470.000	600.000	1,090.000
Pakistan Mint	40.000	40.000	40.000
Pension Contribution	3.457	2.015	2.016
Penalty imposed by SBP on Banks	2.000	2.000	2.000
Profit of National Investment Trust	0.000	4,083.698	0.000

## 5.1.3 ECONOMIC REGULATION

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

**Table 12**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C023 ECONOMIC REGULATION</b>	<b>500.000</b>	<b>900.000</b>	<b>950.000</b>
<u>Fees realized under Insurance Act, 1989</u>	<u>500.000</u>	<u>900.000</u>	<u>950.000</u>
<b>TOTAL - GENERAL ADMN. (Excluding SBP Profit)</b>	<b>1,398.927</b>	<b>6,377.465</b>	<b>2,873.674</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)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C025 DEFENCE SERVICES</b>	<b>112,135.332</b>	<b>118,568.944</b>	<b>140,220.000</b>
Effective	12,238.000	11,619.022	11,756.000
Non-effective	142.600	145.000	155.000
Miscellaneous	99,000.000	106,010.190	127,500.000
Hospital Stoppage	754.732	794.732	809.000

## 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)**

	<b>2013-14 Budget</b>	<b>2013-14 Revised</b>	<b>2014-15 Budget</b>
<b>C026 LAW AND ORDER</b>	<b>1,049.700</b>	<b>1,499.845</b>	<b>1,141.682</b>
Supreme Court of Pakistan	0.000	0.000	0.000
Law and Justice Division	76.250	78.500	80.000
Receipts under Arms Act	290.073	600.000	300.000
Civil Armed Forces	381.911	401.200	321.000
Islamabad Capital Territory	282.940	400.000	420.000
Frontier Regions	18.430	19.193	19.680
Federal Services Tribunals	0.950	0.950	1.000
CGA	0.001	0.002	0.002

**5.4 COMMUNITY SERVICES RECEIPTS**

5.4.1 The receipts under community services comprise of rents of government buildings, land, guest houses, hostels and sale proceeds of material of demolished buildings. These receipts are realized by Housing and Works Division, Overseas Pakistanis Division, Kashmir Affairs and Gilgit Baltistan Division, SAFRON and Interior Division (Frontier Corps). The receipts realized by Survey of Pakistan for its services and supply of maps are also included here. Details of the estimates are given below:-

**Table 15****(Rs. in Million)**

	<b>2013-14 Budget</b>	<b>2013-14 Revised</b>	<b>2014-15 Budget</b>
<b>C027 COMMUNITY SERVICES</b>	<b>990.210</b>	<b>1526.252</b>	<b>1561.369</b>
Rent from govt accommodation, land and workshops realized by Housing & Works Division.	952.100	1,485.427	1,506.980
Rent of buildings realized by Frontier Corps. Khyber Pakhtunkhwa, Peshawar (Interior Division)	2.310	2.500	6.000
Scientific Research and Survey (Defence Division)	22.000	17.011	24.015
Building Rent of Meteorological Deptt.	3.500	3.500	3.700
Building Rent of PAEC	7.000	13.000	16.000
CCTI - Hostel Charges	0.800	0.800	1.000
Recovery by Office of the Auditor General of Pakistan	0.000	1.514	1.074
Abdul Hameed Khan Rural Centre	2.500	2.500	2.600

## 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 is collected by National Heritage and Integration Division. The charges for medical services are 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)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C028 SOCIAL SERVICES</b>	<b>257.700</b>	<b>281.978</b>	<b>295.710</b>
Education Fees from Schools & Colleges (CADD)	46.015	57.643	68.865
National Library of Pakistan	0.600	0.600	0.600
Education Fees from Schools and Colleges under the M/o Defence	100.000	83.000	83.000
Pakistan Computer Bureau	2.500	2.500	3.000
National Archives (Cabinet Division)	0.065	0.065	0.065
Health-Hospital Receipts of Federal Government	100.000	130.000	130.000
ICT Sale of Vaccination	0.170	0.170	0.180
M/o National Health Services, Regulations & Coordination (Health Receipts)	8.350	8.000	10.000

## **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 National Food Security and Research Division.

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

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

#### **Receipts from Cabinet Division :**

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 fee, 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, 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 primarily operates in the Azad Kashmir and Gilgit-Baltistan.

6.1.6 Under Social Services Miscellaneous Head, the Emigration Fee deposited by Pakistani Workers working abroad in terms of Emigration Ordinance, 1979 are reflected. Moreover, the fee for registration of trade union and West Pakistan Ordinance, 1969 are also reflected under this Head of Account. The details are given in the following table.

**Table 17**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C029 SOCIAL SERVICES MISC.</b>	<b>950.010</b>	<b>1260.010</b>	<b>1360.010</b>
Receipts under West Pakistan Ordinance, 1969 (ICT)	0.010	0.010	0.010
Emigration Fee	950.000	1260.000	1360.000

6.1.7 The receipts under Economic Services Head mostly comprise of Food Department, Agriculture Receipts and Farms Receipts collected by Islamabad Capital Territory. The details are as under:-

**Table 18**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
	<b>2547.282</b>	<b>2869.786</b>	<b>2992.516</b>
<b>C031 ECONOMIC SERVICES</b>	<b>175.432</b>	<b>203.900</b>	<b>204.800</b>
Food Department (ICT)	0.095	1.000	1.200
Receipts from soil conservation & Operation (ICT)	0.900	1.000	1.400
Agriculture (ICT)	0.090	1.000	1.200
Services Rendered (ICT)	0.050	0.900	1.000
Food Department (National Food Security & Research Division)	174.297	200.000	200.000

6.1.8 The receipts of Economic Services - Fisheries & Animal Husbandry of Livestock and Dairy Development in federal capital territory are collected by Islamabad Capital Territory Administration are reflected in the table given below:

**Table 19**

	(Rs. in Million)		
	2013-14	2013-14	2014-15
	Budget	Revised	Budget
<b>C032 ECONOMIC SERVICES Receipts-</b>			
<b>FISHERIES &amp; ANIMAL HUSBANDRY</b>	<b>190.500</b>	<b>216.500</b>	<b>219.530</b>
Ordinary Receipts (ICT)	0.350	0.350	0.370
Insemination Fees (ICT)	0.150	0.150	0.160
Livestock & Dairy Development (NFS&R)	190.000	190.000	190.000
Marine Fisheries Department	0.000	26.000	29.000

6.1.9 The table given below reflects the receipts of Explosive Department for industrial safety. The Ports & Shipping Department Receipt on account of management and upkeep of port/landing charges and receipts of Special Communications Organization are also reflected the Economic Services Receipts - Others.

**Table 20**

	(Rs. in Million)		
	2013-14	2013-14	2014-15
	Budget	Revised	Budget
<b>C035 ECONOMIC SERVICES RECEIPTS- OTHERS</b>	<b>2181.350</b>	<b>2449.386</b>	<b>2568.186</b>
Department of Stationery & Forms	1.500	1.500	2.500
Explosives Department	150.000	165.000	170.000
Islamabad Capital Territory	1.700	1.700	2.000
Ports & Shipping Department	266.150	279.186	291.686
Special Communications Organization	1,760.000	2,000.000	2,100.000
PAEC	2.000	2.000	2.000

## 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 21**

	(Rs. in Million)		
	2013-14	2013-14	2014-15
	Budget	Revised	Budget
Citizenship, Naturalization & Passport Fee	16,500.000	17,000.000	20,000.000

**Table 22**

	(Rs. in Million)		
	2013-14	2013-14	2014-15
	Budget	Revised	Budget
	<b>26600.537</b>	<b>38285.063</b>	<b>29432.168</b>
<b>C037 OTHER RECEIPTS</b>	<b>25542.000</b>	<b>36028.351</b>	<b>27027.880</b>
Receipts from United Nations	25513.750	36000.000	27000.000
Working Women Hostel, G-6/3, Islamabad	2.250	2.250	2.250
Staff Welfare Organization	18.000	14.215	15.000
Pakistan National Accreditation Council	6.000	7.000	7.500
PAEC	2.000	2.000	1.000
Office of the Auditor General of Pakistan	0.000	2.886	2.130

### **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 vehicles, forest revenues, agriculture income, rent of buildings, electricity charges and other indirect taxes collected and deposited directly into the Government Treasury by the administration of the Kashmir Affairs & Gilgit - Baltistan 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 23****DETAILS OF OTHER RECEIPTS**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>C038 OTHER RECEIPTS</b>	<b>1,058.537</b>	<b>2,256.712</b>	<b>2,404.288</b>
Emergency Relief Cell	20.000	20.000	20.000
Advance Yearly Rent for Exploration & Prospecting Licensing	350.660	400.000	410.000
Licensing	0.900	0.900	0.900
Office of the Auditor General of Pakistan	0.140	0.722	0.682
Toshakhana (Cabinet Division)	2.000	3.000	3.000
Tender Fee	0.020	0.020	0.020
National Accountability Bureau	200.000	1,000.000	1,100.000
Civil Armed Forces (Unclaimed Deposits)	28.000	28.000	21.000
Sale of Property (M/o Foreign Affairs)	15.000	5.000	5.000
Civil Armed Forces (Sale of Stores)	32.000	32.000	43.000
Rent, Rates & Taxes-Others	0.000	0.378	0.194
Rent, Rates & Taxes (ICT)	0.250	0.260	0.250
Competition Commission of Pakistan	100.000	10.000	10.000
Receipts under Mines & Mineral Act (ICT)	1.400	4.000	8.000
Gains on Exchange (M/o Foreign Affairs)	45.000	65.000	65.000
Export Promotion Bureau	30.000	25.000	27.000
Export Promotion Bulletin	0.006	0.500	1.000
M/o Information & Broadcasting	0.150	0.150	0.150
Fee for Registration of Societies (ICT)	0.300	3.200	4.000
Receipts of Tourist Department	12.000	12.000	13.000
Censorship Fee (Culture Division)	8.000	8.000	8.500
Recovery of Overpayments (M/o Foreign Affairs)	235.000	300.000	310.000
Payment for services Rendered (ICT)	1.005	1.005	1.100
Sale of Stores & Material (PAEC)	10.000	12.000	12.000
Fee Fines & Penalties (PAEC)	8.000	1.000	1.000
Arms License Fee (ICT)	7.000	7.000	7.000



	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
Other Receipts-Fines & Fee (ICT)	0.030	0.030	0.030
Citizenship, Copyright (ICT)	3.600	3.600	3.600
Others (PAEC)	9.000	15.000	18.000
Pakistan Public Admn. Research Centre	0.500	0.500	0.500
National Alien Registration Authority	2.000	2.000	2.000
Airport Security Force	43.400	50.000	50.000
Fees, Fines & Forfeitures & Others			
Quaid Azam Papers Wing	0.100	0.100	0.100
National Language Authority	2.000	1.200	1.500
Other Receipts of M/o Foreign Affairs	80.000	80.000	80.000
Office of the Controller General of Accounts	0.687	0.247	0.262
NI Rehabilitation of Medicines	6.000	4.600	6.000
States & Frontier Regions Div. (FATA)	130.241	160.000	170.000
Pak. Environmental Protection Agency	3.000	0.300	0.500

## 7 ROYALTY ON OIL

7.1 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 and levies is given below:-

**Table 24**

	(Rs. in Million)		
	2013-14	2013-14	2014-15
	Budget	Revised	Budget
<b>C039 ROYALTIES ON OIL &amp; GAS</b>			
Royalty on Oil	32,501.910	33,344.815	32,261.290
Royalty on Gas	39,743.870	42,710.815	49,163.727
Discount Retained on Local Crude Price	18,000.000	18,000.000	20,000.000
Windfall Levy against Crude Oil	25,000.000	15,000.000	17,000.000
Petroleum Levy on LPG.	1,000.000	1,000.000	1,000.000
<b>Total - Development Surcharges and Royalties other than Petroleum Levy</b>	<b>116,245.780</b>	<b>110,055.630</b>	<b>119,425.017</b>
<b>C03 TOTAL MISC. RECEIPTS</b>	<b>161,893.599</b>	<b>168,210.479</b>	<b>171,849.701</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 Government and Provincial Governments should streamline their tax collection systems to reduce leakages and increase their revenues through efforts to improve taxation in order to achieve a 15% tax to GDP ratio by the terminal year i.e. 2014-15. Provinces would initiate steps to effectively tax the agriculture and real estate sector. Federal Government and Provincial Governments may take necessary administrative and legislative steps accordingly.

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

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

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

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

**ASIF ALI ZARDARI**  
President

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 25**  
**PROVINCIAL SHARE IN REVENUE RECEIPTS**  
**2013-14 (BUDGET)**

	(Rs. in Million)				
	Punjab	Sindh	* Khyber Pakhtunkhwa	Balochistan	TOTAL
<b>Divisible Taxes (A)</b>	<b>701,672.85</b>	<b>332,935.23</b>	<b>222,092.85</b>	<b>123,274.18</b>	<b>1,379,975.11</b>
Taxes on Income	273,832.15	129,930.02	86,673.10	48,108.51	<b>538,543.79</b>
Sales Tax (excl. GST on Services)	303,875.82	144,185.38	96,182.50	53,386.76	<b>597,630.46</b>
Federal Excise (Net of Gas)	45,528.61	21,602.77	14,410.67	7,998.75	<b>89,540.80</b>
Customs Duties	78,436.27	37,217.06	24,826.58	13,780.16	<b>154,260.07</b>
<b>Straight Transfers (B)</b>	<b>7,054.04</b>	<b>67,126.79</b>	<b>27,495.74</b>	<b>14,201.27</b>	<b>115,877.84</b>
Royalty on Crude Oil	2,244.97	20,850.64	5,127.49	6,409.11	<b>34,632.21</b>
Royalty on Natural Gas	1,530.85	26,373.00	5,071.64	5,973.43	<b>38,948.91</b>
Gas Development Surcharge	2,830.43	12,822.43	16,103.85	95.17	<b>31,851.87</b>
Excise Duty on Natural Gas	447.79	7,080.72	1,192.76	1,723.56	<b>10,444.84</b>
<b>GST on Services ( C ) **</b>	<b>0.00</b>	<b>0.00</b>	<b>1,930.50</b>	<b>4,504.50</b>	<b>6,435.00</b>
GST on Services (CE Mode)	0.00	0.00	1,930.50	4,504.50	<b>6,435.00</b>
G.S.T. on Services (Provincial)					<b>0.00</b>
<b>Total (A + B + C)</b>	<b>708,726.89</b>	<b>400,062.01</b>	<b>251,519.09</b>	<b>141,979.95</b>	<b>1,502,287.94</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 26****PROVINCIAL SHARE IN REVENUE RECEIPTS  
2013-14 (REVISED)****(Rs. in Million)**

	<b>Punjab</b>	<b>Sindh</b>	<b>* Khyber Pakhtunkhwa</b>	<b>Balochistan</b>	<b>TOTAL</b>
<b>Divisible Taxes (A)</b>	<b>649993.599</b>	<b>308414.048</b>	<b>205735.377</b>	<b>123274.182</b>	<b>1287417.206</b>
Taxes on Income	253110.733	120097.961	80114.377	48108.509	<b>501431.580</b>
Capital Value Tax	172.035	81.628	54.452	0.000	<b>308.115</b>
Sales Tax excl. GST on Services	291428.944	138279.486	92242.822	53386.764	<b>575338.016</b> <b>0.000</b>
Federal Excise (Net of Gas)	36777.572	17450.510	11640.803	7998.745	<b>73867.630</b>
Customs Duties	68504.315	32504.463	21682.923	13780.164	<b>136471.865</b>
<b>Straight Transfers (B)</b>	<b>8999.234</b>	<b>71928.323</b>	<b>29312.340</b>	<b>14147.223</b>	<b>124387.120</b>
Gas Development Surcharge	2288.023	25802.412	4485.140	5644.425	<b>38220.000</b>
Royalty on Natural Gas	1505.984	29724.599	4452.696	6173.321	<b>41856.600</b>
Royalty on Crude Oil	4808.327	9074.832	18791.804	2.957	<b>32677.920</b>
Excise Duty on Natural Gas	396.900	7326.480	1582.700	2326.520	<b>11632.600</b>
<b>GST on Services (C) **</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1500.840</b>	<b>1500.840</b>
GST on Services (CE Mode)	0.000	0.000	0.000	1500.840	<b>1500.840</b>
GST on Services (Provincial)	0.000	0.000	0.000	0.000	<b>0.000</b>
GST on Services (Telecom)	0.000	0.000	0.000	0.000	<b>0.000</b>
G.S.T. on Services (Others)	0.000	0.000	0.000	0.000	<b>0.000</b>
<b>Total (A + B + C)</b>	<b>658992.833</b>	<b>380342.371</b>	<b>235047.717</b>	<b>138922.245</b>	<b>1413305.166</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 27**

**PROVINCIAL SHARE IN REVENUE RECEIPTS  
2014-15 (BUDGET)**

**(Rs. in Million)**

	Punjab	Sindh	* Khyber Pakhtunkhwa	Balochistan	TOTAL
<b>Divisible Taxes (A)</b>	<b>803779.107</b>	<b>381383.400</b>	<b>254411.426</b>	<b>141212.835</b>	<b>1580786.768</b>
Taxes on Income	335924.538	159392.103	106326.527	59017.280	660660.448
Capital Value Tax	197.986	93.942	62.666	34.783	389.377
Sales Tax excl. GST	339397.535	161039.998	107425.797	59627.437	667490.767
Federal Excise (Net of Gas)	48268.048	22902.601	15277.758	8480.026	94928.433
Customs Duties	79991.000	37954.756	25318.678	14053.309	157317.743
<b>Straight Transfers (B)</b>	<b>9006.482</b>	<b>82623.821</b>	<b>29263.451</b>	<b>16588.448</b>	<b>137482.202</b>
Gas Development Surcharge	3946.596	31027.076	6228.259	4270.015	45471.946
Royalty on Natural Gas	1736.049	31569.710	4234.362	10640.330	48180.451
Royalty on Crude Oil	2907.337	12335.015	16357.690	16.023	31616.065
Excise Duty on Natural Gas	416.500	7692.020	2443.140	1662.080	12213.740
<b>GST on Services ( C ) **</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1912.680</b>	<b>1912.680</b>
GST on Services (CE Mode)	0.000	0.000	0.000	1912.680	1912.680
G.S.T. on Services (Provincial)	0.000	0.000	0.000	0.000	0.000
GST on Services (Telecom)	0.000	0.000	0.000	0.000	0.000
G.S.T. on Services (Others)	0.000	0.000	0.000	0.000	0.000
<b>TOTAL (A+B+C)</b>	<b>812785.589</b>	<b>464007.221</b>	<b>283674.877</b>	<b>159713.963</b>	<b>1720181.650</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.

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## **SECTION II**

# **CAPITAL RECEIPTS**

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## 9. CAPITAL RECEIPTS

9.1 These receipts comprise 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 2013-14 (budget and revised) and 2014-2015 (budget).

**Table 28**  
**CAPITAL RECEIPTS**  
**(SUMMARY OF INTERNAL CAPITAL RECEIPTS)**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>A. CAPITAL RECEIPTS (I+II)</b>	<b>487,702.478</b>	<b>635,698.485</b>	<b>484,197.104</b>
<b>I. Recoveries of Loans and Advances</b>	<b>227,767.478</b>	<b>111,359.985</b>	<b>68,803.304</b>
Provinces	34,793.195	38,691.232	39,417.751
Others	192,974.283	72,668.753	29,385.553
<b>II. Public Debt</b>	<b>259,935.000</b>	<b>524,338.500</b>	<b>415,393.800</b>
Domestic Debt (Permanent)	165,000.000	367,645.600	249,937.400
Foreign Currency Debt Permanent)	-65.000	-65.000	-65.000
Floating Debt	95,000.000	156,757.900	165,521.400

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b><u>B. PUBLIC ACCOUNT :</u></b>	<b><u>398,803.191</u></b>	<b><u>372,138.533</u></b>	<b><u>483,279.730</u></b>
Deferred Liabilities (Net)	239,443.000	126,611.600	225,478.600
Deposits & Reserves	159,360.191	245,526.933	257,801.130
<b>    C. TOTAL (A+B)</b>	<b><u>886,505.670</u></b>	<b><u>1,007,837.02</u></b>	<b><u>967,476.834</u></b>
<b><u>D. DISBURSEMENTS</u></b>	<b><u>393,279.966</u></b>	<b><u>407,779.884</u></b>	<b><u>276,858.117</u></b>
Federal Govt. Miscellaneous Investments	184,460.600	144,050.253	18,112.000
Loans and Advances	16,007.583	17,706.878	18,572.000
Short-term Credits	40,915.640	43,458.580	27,483.885
Deposits & Reserves	151,896.143	202,564.173	212,690.232
<b>NET CAPITAL RECEIPTS (C-D)</b>	<b><u>493,225.704</u></b>	<b><u>600,057.134</u></b>	<b><u>690,618.717</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 29**  
**RECOVERY OF LOANS AND ADVANCES**

(Rs. in Million)			
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>(PROVINCE-WISE BREAK UP)</b>			
<b>E021 PROVINCES</b>			
<b>PUNJAB</b>	<b>18,096.710</b>	<b>21,060.190</b>	<b>21,518.210</b>
Cash Loans	4,160.381	4,160.381	4,264.262
Foreign Loans	13,936.329	16,899.809	17,253.948
<b>SINDH</b>	<b>7,498.687</b>	<b>8,235.418</b>	<b>7,974.786</b>
Cash Loans	1,007.374	1,007.374	1,115.742
Foreign Loans	6,491.313	7,228.044	6,859.044
Premature Retirement of Cash Loans	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>KHYBER PAKHTUNKHWA</b>	<b>4,793.053</b>	<b>5,024.529</b>	<b>5,591.740</b>
Cash Loans	624.694	624.694	704.664
Foreign Loans	4,168.359	4,399.835	4,887.076
<b>BALUCHISTAN</b>	<b>4,404.745</b>	<b>4,371.095</b>	<b>4,333.015</b>
Cash Loans	0.000	0.000	0.000
Foreign Loans	4,404.745	4,371.095	4,333.015
<b>TOTAL - PROVINCES</b>	<b>34,793.195</b>	<b>38,691.232</b>	<b>39,417.751</b>

Contd.

## RECOVERY OF LOANS AND ADVANCES

(Rs. in Million)

	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>E021 <u>PROVINCES</u></b>	<b>(LOAN-WISE BREAK UP)</b>		
<b>Cash Loans</b>			
Punjab	4,160.381	4,160.381	4,264.262
Sindh	1,007.374	1,007.374	1,115.742
Khyber Pakhtunkhwa	624.694	624.694	704.664
Balochistan	-	-	-
<b>Premature Cash Loan</b>	-	-	-
<b>TOTAL</b>	<b>5,792.449</b>	<b>5,792.449</b>	<b>6,084.668</b>
<b>Foreign Loans</b>			
Punjab	13,936.329	16,899.809	17,253.948
Sindh	6,491.313	7,228.044	6,859.044
Khyber Pakhtunkhwa	4,168.359	4,399.835	4,887.076
Balochistan	4,404.745	4,371.095	4,333.015
<b>TOTAL</b>	<b>29,000.746</b>	<b>32,898.783</b>	<b>33,333.083</b>
<b>TOTAL - PROVINCES</b>	<b>34,793.195</b>	<b>38,691.232</b>	<b>39,417.751</b>

contd.

## RECOVERY OF LOANS AND ADVANCES

(Rs. in Million)

	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>LOCAL BODIES</b>			
<b>Cash Loans</b>	<b>51,581.348</b>	<b>9,138.601</b>	<b>11,711.981</b>
PTVC	-	58.753	-
NHA	5,954.218	5,954.218	7,336.821
PBC	61.303	61.303	64.060
SNGPL	1.827	1.827	1.827
PIA	1,000.000	3,062.500	4,062.500
Mari Gas Company	17,475.000	-	-
GHPL	3,487.000	-	-
Nuclear Plants	23,602.000	-	-
Wah Brass Mills	-	-	246.773
<b>Foreign Loans</b>	<b>6,332.228</b>	<b>14,807.837</b>	<b>7,765.480</b>
Karachi Port Trust	8.063	8.063	8.063
PAEC	1.965	1.965	1.965
CDA	947.105	859.510	826.927
NHA	3,827.592	3,827.592	3,827.593
GIK Institute	55.900	58.760	56.533
Shaukat Khanum Memorial Trust	7.431	8.057	7.752
NLC	85.742	85.742	85.742
NEPRA	-	21.394	0.751
OGRA	-	24.030	0.623
Chashma Nuclear Power Plant	1,398.430	9,912.724	2,949.531
<b>TOTAL - LOCAL BODIES</b>	<b>57,913.576</b>	<b>23,946.438</b>	<b>19,477.461</b>
<b>E023 FINANCIAL INSTITUTIONS</b>			
<b>Foreign Loans</b>			
NDFC/LTCF	3,860.279	3,989.546	4,053.729
Ist Dawood Leasing Co. Ltd.	21.242	21.242	-
English Leasing Ltd.	-	7.488	-
Net Work Leasing	1.799	1.799	-
Pakistan Industrial & Commercial Leasing	16.038	16.038	-
IDBP	-	-	-
<b>TOTAL - FINANCIAL INSTITUTIONS</b>	<b>3,899.358</b>	<b>4,036.113</b>	<b>4,053.729</b>

## RECOVERY OF LOANS AND ADVANCES

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>E024 NON-FINANCIAL INSTITUTIONS</b>			
<b>A - WAPDA</b>			
<b>Cash loans</b>	<b>124,712.799</b>	<b>36,917.091</b>	<b>18.083</b>
WAPDA (Power Wing)	290.032	421.392	-
TESCO	12.581	53.430	14.309
QESCO	3.426	3.426	3.774
GENCOS	19,670.388	-	-
NTDC	13,603.178	1,423.843	-
WAPDA (Water Wing)	91,133.194	35,015.000	-
<b>Foreign loans</b>	<b>7,860.595</b>	<b>10,712.597</b>	<b>10,418.768</b>
WAPDA (Power Wing)	4,519.572	5,013.641	5,200.464
TESCO	16.166	16.166	8.926
NTDC	1,927.571	2,634.334	2,634.334
GENCO-I	42.402	42.402	42.408
GENCO-II	125.273	125.273	125.277
GENCO-III	3.391	3.391	3.391
LESCO	247.004	435.800	341.721
HESCO	268.704	309.372	331.816
PESCO	158.544	185.262	211.979
QESCO	175.834	194.078	227.702
GEPCO	61.340	115.004	168.667
IESCO	200.664	497.018	537.660
FESCO	114.130	120.672	128.022
MEPCO	-	1,020.184	456.401
<b>TOTAL - WAPDA</b>	<b>132,573.394</b>	<b>47,629.688</b>	<b>10,436.851</b>
<b>B - AUTONOMOUS BODIES/CORPORATIONS</b>			
<b>Foreign Loans</b>			
Pakistan Railways	1,641.873	1,711.676	1,146.844
Karachi Fish Harbour Authority	26.584	26.584	26.584
PTA	-		
PPAF	612.690	615.507	653.733
<b>TOTAL</b>	<b>2,281.147</b>	<b>2,353.767</b>	<b>1,827.161</b>
<b>TOTAL-NON-FINANCIAL INSTITUTIONS</b>	<b>134,854.541</b>	<b>49,983.455</b>	<b>12,264.012</b>

contd.



## RECOVERY OF LOANS AND ADVANCES

(Rs. in Million)

	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>E025 GOVERNMENT SERVANTS</b>			
Cantt./Garrison Edu. Institutions	37.968	39.908	41.808
AGPR, Islamabad	1,516.764	800.844	914.750
AGPR, Lahore	189.746	255.670	281.567
AGPR, Karachi	204.188	210.088	216.685
AGPR, Peshawar	136.801	147.339	154.355
AGPR, Quetta	91.697	89.635	94.233
AGPR, Gilgit	99.000	99.000	185.000
Defence	458.154	521.367	523.974
Pakistan Post Office	115.250	140.000	150.000
Pak PWD	24.490	30.924	37.263
Pakistan Mint	8.160	8.380	8.380
Chief Accounts Officer (M/o Foreign Affairs)	54.281	32.690	35.959
Central Dte. of National Savings	45.915	46.442	46.498
Geological Survey of Pakistan	15.600	13.275	14.100
Directorate of Food			
Special Communications Organization	6.213	7.703	6.705
<b>TOTAL - GOVERNMENT SERVANTS</b>	<b>3,004.227</b>	<b>2,443.265</b>	<b>2,711.277</b>
<b>E027 OTHERS</b>			
Cash Loans - Govt. of AJK	2,439.319	1,357.134	1,357.134
Foreign Loans - Govt. of AJK	641.000	679.029	680.968
PNRA	4.072	5.129	5.386
<b>TOTAL - OTHERS</b>	<b>3,084.391</b>	<b>2,041.292</b>	<b>2,043.488</b>
<b>TOTAL (PSEs &amp; OTHERS)</b>	<b>202,756.093</b>	<b>82,450.563</b>	<b>40,549.967</b>
<b>ESTIMATED SHORTFALL</b>	<b>9,781.810</b>	<b>9,781.810</b>	<b>11,164.414</b>
<b>NET - TOTAL (PSEs &amp; OTHERS)</b>	<b>192,974.283</b>	<b>72,668.753</b>	<b>29,385.553</b>
<b>TOTAL - PROVINCES</b>	<b>34,793.195</b>	<b>38,691.232</b>	<b>39,417.751</b>
<b>GRAND TOTAL</b>	<b>227,767.478</b>	<b>111,359.985</b>	<b>68,803.304</b>

## 11. PUBLIC DEBT

11.1 Public debt of the Federal Government is classified into two basic categories:

- (i) Domestic Debt, which includes Permanent debt, floating debt and unfunded debt; and
- (ii) Foreign currency debt, which includes long, medium & short term debt.

### DOMESTIC DEBT (PERMANENT)

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

#### 11.2. Pakistan Investment Bonds

This security having maturity period of 2, 3, 5, 7, 10, 15, 20 and 30 years is in operation since 2000. Against the receipt of Rs. 75,000.000 million projected in budget estimates 2013-14, the revised estimates for the year 2013-14 have been kept at Rs.500,000.0000 million. The budget estimate for the year 2014-2015 are estimated at Rs.250,000.000 million.

#### 11.2. Government Ijara Sukuk

The Government of Pakistan Ijara Sukuk are issued through Pakistan Domestic Sukuk Company Limited. Though the maturity period for first Sukuk was three years but these Sukuk can be issued for longer or shorter term. The Sukuk are not redeemable before maturity. The profit on the Sukuk is payable bi-annually on rental rate to be announced by State Bank of Pakistan. Against the budget estimates of Rs.90,000.000 million for the year 2013-2014, the revised estimate for the year 2013-2014 are estimated at Rs.(-)132,354.400 million whereas the receipts in the budget estimate for the year 2014-2015 has been kept as nil.

#### 11.2. National Savings Bonds

The National Savings Bonds (1st issue) with maturity periods of 3, 5 and 10 years were launched with effect from 12.1.2010 to 26.1.2010 by Central Directorate of National Savings (CDNS). These bonds were issued to implement one of the conditionalities for release of 2nd trench of Asian Development Bank (ADB) Loan 2340-Pak. The bonds are being repaid on maturity.

11.3 The net receipts from domestic debt (permanent) during financial year 2013-14 (budget & revised) and 2014-15 (budget) are estimated as under :

**Table 30**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>E031 Domestic Debt (Permanent)</b>			
Pakistan Investment Bonds (Non-Bank)	75,000.00	500,000.00	250,000.00
Ijara Sukuk Bonds	90,000.00	-132,354.40	0.00
National Savings Bonds	0.00	0.00	-62.60
<b>TOTAL</b>	<b>165,000.00</b>	<b>367,645.60</b>	<b>249,937.40</b>

**FOREIGN CURRENCY DEBT (PERMANENT)**

11.4 It includes the following securities:

**11.4. Foreign Exchange Bearer Certificates (FEBCs) :**

Budget estimates and revised estimates in the case of repayment of Foreign Exchange Bearer Certificates for financial year 2013-2014 as well as budget estimates for financial year 2014-2015 have all been kept at Rs.5.000 million.

**11.4. Foreign Currency Bearer Certificates (FCBCs) :**

Repayment on account of Foreign Currency Bearer Certificates in the budget estimates and revised estimates for financial year 2013-2014 as well as budget estimates for financial year 2014-2015 has been kept 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. Investment in these certificates is exempt from Wealth Tax and compulsory deduction of Zakat.

#### 11.4. US Dollar Bearer Certificates (DBC) :

This security was introduced in 1991 and discontinued on 17th November, 1994. The repayment on account of these certificates for financial year 2013-2014 (revised) and 2014-2015 (budget) is estimated at Rs. 5.000 million.

#### 11.4. Special US Dollar Bonds :

These bonds were issued under Special US Dollars Bonds Rules, 1998 to the Foreign Currency Account holders or Foreign Currency Certificate holders with scheduled banks or non-bank financial institutions out of their foreign currency deposits. Against the repayment of Rs.50.000 million provided in budget estimates 2013-2014, the repayment on account of these bonds in revised estimates for financial year 2013-2014 as well as budget estimates for 2014-2015 is estimated at the same level i.e. Rs.50.000 million.

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

**Table 31**

Name of Security	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b><u>Foreign Currency Debt (Permanent)</u></b>			
Foreign Exchange Bearer Certificates (FEBCs)	-5.00	-5.00	-5.00
Foreign Currency Bearer Certificates (FCBCs)	-5.00	-5.00	-5.00
US Dollar Bearer Certificates (DBC)	-5.00	-5.00	-5.00
Special US Dollar Bonds	-50.00	-50.00	-50.00
<b>TOTAL</b>	<b>-65.00</b>	<b>-65.00</b>	<b>-65.00</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.100/-, Rs.200/-, Rs.750/-, Rs.1500/-, Rs.7500/-, Rs.15000/-, Rs.25,000/- and Rs.40000/-. The budget estimates for the year 2013-2014 was estimated at Rs.45,000.000 million. The revised estimates for the year 2013-2014 are estimated at Rs.56,757.900 million. Budget estimates for the year 2014-2015 are estimated at Rs.65,521.400 million.

**11.7** The estimates of receipts from floating debt during the year 2013-14 (revised) and 2014-2015 (budget) are as under:

**Table 32**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>E032 FLOATING DEBT</b>			
<b>A. Market Treasury Bills through Auction (Non-Bank)</b>			
Receipts	836,622.80	1,461,540.53	1,351,244.38
Repayments	786,622.80	1,361,540.53	1,251,244.38
<b>Net (A):</b>	<b>50,000.00</b>	<b>100,000.00</b>	<b>100,000.00</b>
<b>B. Prize Bonds</b>			
	<b>45,000.00</b>	<b>56,757.90</b>	<b>65,521.40</b>
<b>Net Total Floating Debt (A+B)</b>	<b>95,000.00</b>	<b>156,757.900</b>	<b>165,521.400</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**

This 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 12.26% p.a. on maturity. Withholding tax at the rate of 10% is deducted from the profit payment. Apart from individuals, institutions may invest their individual's funds, such as pension, gratuity, superannuation, contributory provident funds and trusts etc in this scheme.

#### **b) SPECIAL SAVINGS CERTIFICATES/ACCOUNTS**

Special Savings Certificates (Registered/Accounts) is a three year scheme with profit payable on six monthly basis. The rate of return on Special Saving Certificates/Accounts has been linked with yield of Pakistan Investment Bonds of three years maturity. The existing rates of profit in this scheme is 11.40% per annum for the first two and half years and 12.00% for the last six months. Withholding tax at the rate of 10% is deducted from the profit payment. Apart from individuals, institutions may invest their individual's funds such as pension, gratuity, superannuation, contributory provident funds and trusts etc. in this scheme.

#### **c) REGULAR INCOME CERTIFICATES**

This scheme was introduced on 2-2-1993 to ensure payment of income on monthly basis. The rate of return on Regular Saving Certificates has been linked with the yield of Pakistan Investment Bonds of five years maturity. The existing profit on this scheme is 11.88% per annum. The profit in the scheme is subject to 10% withholding tax and the investment is exempt from compulsory deduction of Zakat at source. Apart from individuals, institutions may invest their individuals' funds, such as pension, gratuity, superannuation, contributory provident funds and trusts etc. in this scheme. Premature encashment 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 year 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 installments 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 with effect from 17th May, 2003.

#### **e) SAVINGS ACCOUNTS**

This is the oldest savings scheme in operation which provides profit 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 7.75% p.a. Withholding tax at the rate of 10% is deducted from the profit payment. Apart from individuals, institutions may invest their individuals' funds such as pension, gratuity, superannuation, contributory provident funds and trusts etc. in this scheme.

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

This scheme has been launched with effect from 20-1-2003 to provide incentives to retired officials of the Federal Government, Provincial Governments, Azad Government of the State of Jammu and Kashmir, Armed Forces, Semi Governments and Autonomous Bodies and in case of death the pensioner's eligible member of the family. Only one account can be opened in the National Savings Centre with a minimum deposit of rupees ten thousand and in multiple of one thousand with the facility of two subsequent deposits subject to the maximum limit of three million rupees. It is a ten year scheme and profit is payable on completion of each period of one month reckoned from the date of opening of an account till maturity or encashment whichever is earlier. The existing rate of profit on this scheme is 14.04% p.a. Premature encashment before completion of one, two, three and four years carries service charges at the rate of 1.0%, 0.75%, 0.50% and 0.25% of the principal amount respectively. Profit to be accrued from this scheme is exempt from compulsory deduction of tax. The scheme has been made more attractive as any upward revision in rate of profit 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 14.04% per annum. The maximum deposit limit in this scheme is Rs. three million. It is only a compensatory package to enable widows and senior citizens to supplement their income to lead a respectable life. Service charges at the rate of 1.00%, 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 33**  
**DEFERRED LIABILITIES**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>G03 Deferred Liabilities</b>	<b>239,443.000</b>	<b>126,611.600</b>	<b>225,478.600</b>
<b>Provident Fund</b>	<b>4,000.000</b>	<b>6,000.000</b>	<b>4,000.000</b>
<b>Saving/Deposit Account/Certificates</b>	<b>233,443.000</b>	<b>118,611.600</b>	<b>219,478.600</b>
Savings Bank Accounts	500.000	2,203.600	4,242.700
Khas Deposit Accounts	-5.000	-4.000	-4.000
Mahana Amdani Accounts	-40.000	-70.000	-80.000
Pensioners' Benefit Accounts	20,000.000	18,616.600	25,000.000
Defence Savings Certificates	30,000.000	12,334.700	27,000.000
Bahbood Savings Certificates	50,000.000	54,811.600	67,000.000
National Deposit Certificates	-9.000	-1.000	-1.000
Khas Deposit Certificates	-3.000	-2.000	-2.000
Special Savings Certificates (Registered)	46,500.000	-7,925.518	11,400.000
Special Savings Accounts (Term Deposit)	38,500.000	-5,930.282	8,600.000
Regular Income Certificates	30,000.000	45,706.400	58,322.900
Short Term Saving Certificates	3,000.000	-1,128.500	3,000.000
New Savings Schemes	15,000.000	0.000	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 2012-2013 and budget estimates for 2013-2014 are tabulated on the following pages.

**Table 34**  
**DEPOSITS AND RESERVE FUNDS**

		(Rs. in Million)		
		2013-14	2013-14	2014-15
		Budget	Revised	Budget
<b>BENEVOLENT FUNDS</b>		<b>528.958</b>	<b>4786.740</b>	<b>5026.077</b>
G03109	Postal Life Insurance Fund	0.000	3801.180	3991.239
G06202	Civil	446.410	676.200	710.010
G06203	Defence	0.000	179.880	188.874
G06204	T&T	0.000	0.000	0.000
G06205	Pakistan Post Office Deptt.	67.253	112.400	118.020
G06206	Pak PWD	3.883	4.480	4.704
G06208	Food Department	0.000	0.000	0.000
G06209	National Saving	6.420	7.120	7.476
G06210	Pakistan Mint	2.302	2.440	2.562
G06211	Forest Department	0.000	0.220	0.231
G06212	Geological Survey of Pakistan	2.690	2.820	2.961
<b>GROUP INSURANCE FUNDS</b>		<b>0.055</b>	<b>84.320</b>	<b>88.536</b>
G06401	PAK PWD	0.000	0.400	0.420
G06402	Foreign Office	0.055	0.920	0.966
G06403	Food Department	0.000	0.180	0.189
G06404	National Saving	0.000	0.840	0.882
G06405	Pakistan Mint	0.000	0.040	0.042
G06406	Forest Department	0.000	0.100	0.105
G06407	Geological Survey of Pakistan	0.000	0.300	0.315
G06409	Civil	0.000	75.900	79.695
G06410	Defence	0.000	5.640	5.922
<b>OTHERS</b>		<b>158831.054</b>	<b>240655.873</b>	<b>252686.517</b>
G06304	Workers Welfare Fund	19333.059	14311.200	15026.760
G06305	Mines Labour Housing General Welfare Fund	0.000	0.000	0.000
G07101	Post Office Renewal Reserve Fund	260.790	43.000	43.000
G07102	Post Office Welfare Fund	0.000	0.000	0.000
G07103	Post Office Improvement Fund	0.000	0.000	0.000
G07104	PPO Group Insurance Fund	2.219	2.140	2.247
G07106	PPO Miscellaneous	0.000	95582.780	100361.919
G08117	Railways Reserve Fund	33500.000	33500.000	35175.000
G08121	Railways Dep. Reserve Fund	651.507	651.507	684.082

## DEPOSITS AND RESERVE FUNDS

		(Rs. in Million)		
		2013-14 Budget	2013-14 Revised	2014-15 Budget
G10101	Pak PWD Receipts & Collection Account	624.305	0.000	0.000
G10102	Foreign Office Receipts & Collection Account	5695.900	0.000	0.000
G10106	Deposit Works of Survey of Pakistan	7.349	3.800	3.990
G10113	Pak PWD Deposits	93239.467	4206.520	4416.846
G10301	Lighthouses and Lightships Reserve Fund	0.000	0.000	0.000
G10304	Zakat Collection Account	1281.433	0.000	0.000
G11201	Spl. Deposits Fund for Army Supplies friendly countries	0.000	0.300	0.315
G11210	Agriculture Produce Cess Fund	0.000	0.000	0.000
G11215	Revenue Deposits	0.000	2185.300	2294.565
G11216	Civil & Criminal Court Deposits	0.000	98.480	103.404
G11218	Forest Deposits	0.000	6.520	6.846
G11220	Deposit in connection with Election	27.595	23.020	24.171
G11224	Deposits Accounts with Defence	0.000	1779.320	1868.286
G11225	Deposits Accounts with AGPR	0.000	206.620	216.951
G11227	Unclaimed Deposits	0.000	0.000	0.000
G11230	Special Remittances deposits	0.000	1209.980	1270.479
G11237	Deposit local bodies to meet Claims of contractors	0.818	3.100	3.255
G11238	Security deposit of supply cell	40.602	0.160	0.168
G11240	Security deposit of Cashiers etc.	0.000	1.300	1.365
G11255	Defence Services Security deposit	0.000	220.320	231.336
G11256	Defence Services Misc.	0.000	58724.320	61660.536
G11276	Security deposit of Private Co.	0.000	0.000	0.000
G11281	Deposits on account of fee realized by PNAC	6.171	0.000	0.000
G11290	Security deposit of Firms/Contractors	-134.573	66.680	70.014
G11295	Real of Penalties & Fines under Companies Act, 2010	0.000	0.360	0.378

(Rs. in Million)				
	2013-14 Budget	2013-14 Revised	2014-15 Budget	
G12123	Chief Executive Draught Relief Fund 2000	0.000	0.000	0.000
G12130	President's Relief Fund for Earthquake Victims 2005	0.069	0.000	0.000
G12135	PM's Special Fund for victims of Terrorism	0.055	0.460	0.483
G12140	PM Flood relief Fund 2010	0.000	0.260	0.273
G12145	PM Flood relief Fund 2011	0.000	0.380	0.399
G12148	PM Balochistan Relief & Rehabilitation	0.000	461.080	484.134
G12205	Pakistan Minorities Welfare Fund	0.000	2.280	2.394
G12206	Special Fund for Welfare & Uplift of Minorities	13.825	0.000	0.000
G12305	Export Development Fund	0.000	0.000	0.000
G12308	Reserve Fund for Exchange Risk on Foreign Loans	875.527	25835.686	27127.470
G12412	Pakistan Oil Seed Development Fund	97.621	98.880	103.824
G12504	Workers Children Education Fund	0.319	0.360	0.378
G12510	Education Welfare Fund	0.693	0.200	0.210
G12713	Income Tax deduction from salaries	0.000	63.160	66.318
G12714	Income Tax Deducton from Contractors/Suppliers	0.000	43.580	45.759
G12729	Fund for social services	1935.398	832.100	873.705
G12738	National Fund for Control of Drug Abuse	45.885	3.060	3.213
G12741	Income Tax Deduction from contractor/Suppliers	0.000	0.040	0.042
G12745	Central Research Fund	43.111	0.820	0.861
G12774	National Disaster Management Fund	984.533	0.000	0.000
G12777	Sales Tax Deduction at Source Sales tax Special procedure, 2007	0.000	486.800	511.140
G14100	Pakistan Mint	297.500	0.000	0.000
<b>TOTAL:</b>		<b>159360.191</b>	<b>245526.933</b>	<b>257801.130</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 Development 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 Mark up 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 2013-2014 (budget and revised) and 2014-2015 (budget) are tabulated on the following page.

**Table 35**  
**EXTERNAL RESOURCES**

	2013-14 Budget	2013-14 Revised	(Rs. in Million) 2014-15 Budget
<b><u>EXTERNAL RECEIPTS</u></b>			
<b>A PROJECT AID(1 + 2)</b>	<b><u>200,647.830</u></b>	<b><u>191,460.549</u></b>	<b><u>205,695.218</u></b>
<b>1. Federal Government</b>	<b>123,108.103</b>	<b>106,216.664</b>	<b>102,136.712</b>
Divisions/Departments	44,625.742	41,443.934	33,343.712
Autonomous Bodies	78,482.361	64,772.730	68,793.000
<b>2. Provinces</b>	<b>77,539.727</b>	<b>85,243.885</b>	<b>103,558.506</b>
<b>B COMMODITY AID (NON-FOOD)</b>	<b><u>110,272.000</u></b>	<b><u>249,386.193</u></b>	<b><u>201,463.801</u></b>
Loans	110,272.000	249,386.193	201,463.801
<b>C TOKYO PLEDGES</b>	<b><u>1,118.700</u></b>	<b><u>0.000</u></b>	<b><u>0.000</u></b>
Loans			
Grants	1,118.700	0.000	0.000
<b>D KERRY LUGAR</b>	<b><u>1,006.075</u></b>	<b><u>16,220.891</u></b>	<b><u>15,950.880</u></b>
Grants	1,006.075	16,220.891	15,950.880
<b>E OTHER AID</b>	<b><u>277,200.000</u></b>	<b><u>257,044.200</u></b>	<b><u>247,500.000</u></b>
Loans	198,000.000	257,044.200	247,500.000
<b>F PRIVATIZATION</b>	<b>79,200.000</b>	<b>0.000</b>	<b>198,000.000</b>
<b>TOTAL EXTERNAL RESOURCES</b>	<b><u>590,244.605</u></b>	<b><u>714,111.833</u></b>	<b><u>868,609.899</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 36**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>Privatization Proceeds</b>	<b>0.00</b>	<b>0.00</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 2013-2014 (Budget & Revised) and 2014-2015 (Budget).

**Table 37**

	<b>(Rs. in Million)</b>		
	<b>2013-14 Budget</b>	<b>2013-14 Revised</b>	<b>2014-15 Budget</b>
<b>Self-Financing of PSDP by Provinces</b>	<b>537424.389</b>	<b>240772.900</b>	<b>515194.191</b>

## 16. FINANCING TABLES OF PROVINCIAL ADPs

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

**Table 38**  
**FINANCING OF ADP OF PUNJAB**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b><u>Development Programme</u></b>	<b><u>319565.993</u></b>	<b><u>180433.920</u></b>	<b><u>330938.712</u></b>
Less Provincial Contribution	288777.993	103507.220	272036.812
<b>Federal Assistance</b>	<b>30788.000</b>	<b>76926.700</b>	<b>58901.900</b>
<b>I. Cash Assistance</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
Japanese Grant	0.000	0.000	0.000
Programme Loans	0.000	41783.780	19752.480
<b>II. Foreign Project Assistance</b>	<b>30788.000</b>	<b>35142.920</b>	<b>39149.420</b>
Loans	29662.000	33712.310	37712.420
Grants	1126.000	1430.610	1437.000

**Table 39**  
**FINANCING OF ADP OF SINDH**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b><u>Development Programme</u></b>	<b><u>135308.666</u></b>	<b><u>131464.854</u></b>	<b><u>145557.517</u></b>
Less Provincial Contribution	105714.844	104227.932	106608.954
<b>Federal Assistance</b>	<b>29593.822</b>	<b>27236.922</b>	<b>38948.563</b>
<b>I. Cash Assistance</b>	<b>35.884</b>	<b>14.354</b>	<b>45.453</b>
Japanese Grant	35.884	14.354	45.453
Programme Loans	0.000	5166.070	14018.400
<b>II. Foreign Project Assistance</b>	<b>29557.938</b>	<b>22056.498</b>	<b>24884.710</b>
Loans	21108.648	18341.180	17136.000
Grants	8449.290	3715.318	7748.710

**Table 40**  
**FINANCING OF ADP OF KHYBER PAKHTUNKHWA**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>Development Programme</b>	<b>106742.989</b>	<b>57018.150</b>	<b>116446.715</b>
Less Provincial Contribution	93530.444	33094.870	84379.161
<b>Federal Assistance</b>	<b>13212.545</b>	<b>23923.280</b>	<b>32067.554</b>
<b>I. Cash Assistance</b>	<b>0.000</b>	<b>11781.130</b>	<b>14209.930</b>
Japanese Grant	0.000	0.000	0.000
Programme Loan	0.000	11781.130	14209.930
<b>II. Foreign Project Assistance</b>	<b>13212.545</b>	<b>12142.150</b>	<b>17857.624</b>
Loans	3804.720	4250.000	7440.000
Grants	9407.825	7892.150	10417.624

**Table 41**  
**FINANCING OF ADP OF BALOCHISTAN**

	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
<b>Development Programme</b>	<b>53382.352</b>	<b>20803.110</b>	<b>57057.056</b>
Less Provincial Contribution	49401.108	17301.678	52169.264
<b>Federal Assistance</b>	<b>3981.244</b>	<b>3501.432</b>	<b>4887.792</b>
<b>I. Cash Assistance</b>	<b>0.000</b>	<b>411.600</b>	<b>148.500</b>
Japanese Grant	0.000	0.000	0.000
Programme Loan	0.000	411.600	148.500
<b>II. Foreign Project Assistance</b>	<b>3981.244</b>	<b>3089.832</b>	<b>4739.292</b>
Loans	2300.420	1833.110	2791.710
Grants	1680.824	1256.722	1947.582

**Table 42**  
**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT**  
**DURING 2013-14 (BUDGET ESTIMATES)**

	(Rs. in Million)				
	Punjab	Sindh	Khyber Pakhtunkhwa	Balochistan	TOTAL
<b>Development Programme</b>	<b>319565.993</b>	<b>135308.666</b>	<b>106742.989</b>	<b>53382.352</b>	<b>615000.000</b>
Less Provincial Contribution	288777.993	105714.844	93530.444	49401.108	537424.389
<b>Federal Assistance</b>	<b>30788.000</b>	<b>29593.822</b>	<b>13212.545</b>	<b>3981.244</b>	<b>77575.611</b>
<b>Cash Assistance</b>	<b>0.000</b>	<b>35.884</b>	<b>0.000</b>	<b>0.000</b>	<b>35.884</b>
Japanese Grant	0.000	35.884	0.000	0.000	35.884
Programme Loans	0.000	0.000	0.000	0.000	0.000
<b>Foreign Project Assistance</b>	<b>30788.00</b>	<b>29557.94</b>	<b>13212.55</b>	<b>3981.24</b>	<b>77539.727</b>
Loans	29662.000	21108.648	3804.720	2300.420	56875.788
Grants	1126.000	8449.290	9407.825	1680.824	20663.939

**Table 43**  
**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT**  
**DURING 2013-2014 (REVISED ESTIMATES)**

	(Rs. in Million)				
	Punjab	Sindh	KPK	Balochistan	TOTAL
<b>Development Programme</b>	<b>222217.700</b>	<b>131464.85</b>	<b>57018.150</b>	<b>20803.110</b>	<b>431503.814</b>
Less Prov. Contribution	103507.220	104227.93	33094.870	17301.678	240772.900
<b>Federal Assistance</b>	<b>118710.480</b>	<b>27236.922</b>	<b>23923.280</b>	<b>3501.432</b>	<b>190730.914</b>
<b>Cash Assistance</b>	<b>41783.780</b>	<b>5180.424</b>	<b>11781.130</b>	<b>411.600</b>	<b>59156.934</b>
Japanese Grant	0.000	14.354	0.000	0.000	14.354
Programme Loans	41783.780	5166.070	11781.130	411.600	59142.580
<b>Foreign Project Assistance</b>	<b>35142.920</b>	<b>22056.498</b>	<b>12142.150</b>	<b>3089.832</b>	<b>72431.400</b>
Loans	33712.310	18341.180	4250.000	1833.110	58136.600
Grants	1430.610	3715.318	7892.150	1256.722	14294.800

**Table 44**  
**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT**  
**DURING 2014-2015 (BUDGET ESTIMATES)**

	(Rs. in Million)				
	Punjab	Sindh	KPK	Balochistan	TOTAL
<b>Development Programn</b>	<b>330938.712</b>	<b>145557.52</b>	<b>116446.715</b>	<b>57057.056</b>	<b>650000.000</b>
Less Prov. Contribution	272036.812	106608.95	84379.161	52169.264	515194.191
<b>Federal Assistance</b>	<b>58901.900</b>	<b>38948.563</b>	<b>32067.554</b>	<b>4887.792</b>	<b>134805.809</b>
<b>Cash Assistance</b>	<b>19752.480</b>	<b>14063.853</b>	<b>14209.930</b>	<b>148.500</b>	<b>45.453</b>
Japanese Grant	0.000	45.453	0.000	0.000	45.453
Programme Loans	19752.480	14018.400	14209.930	148.500	48129.310
<b>Foreign Project</b>					
<b>Assistance</b>	<b>39149.420</b>	<b>24884.710</b>	<b>17857.624</b>	<b>4739.292</b>	<b>86631.046</b>
Loans	37712.420	17136.000	7440.000	2791.710	65080.130
Grants	1437.000	7748.710	10417.624	1947.582	21550.916



**Table 45**

**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENTS DURING  
2013-2014 (BUDGET & REVISED) AND 2014-2015 (BUDGET)**

Province	(Rs. in Million)		
	2013-14 Budget	2013-14 Revised	2014-15 Budget
Punjab	30788.000	76926.700	58901.900
Sindh	29593.822	27236.922	38948.563
Khyber Pakhtunkhwa	13212.545	23923.280	32067.554
Balochistan	3981.244	3501.432	4887.792
<b>TOTAL</b>	<b>77575.611</b>	<b>131588.334</b>	<b>134805.809</b>