

# FEDERAL BUDGET 2016-17



## 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 2016-17 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 alongwith the Annual Budget Statement, as additional information, in order to help the readers to 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 over view 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 2016-17, 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, 30<sup>th</sup> May, 2016

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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 2015-16 and budget estimates for fiscal year 2016-17 is given on the following pages.

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

		(Rs. In Million)		
		2015-16	2015-16	2016-17
		Budget	Revised	Budget
<b>B</b>	<b><u>TAX REVENUE ( 1 + 2 )</u></b>	<b><u>3,418,221.0</u></b>	<b><u>3,419,795.4</u></b>	<b><u>3,956,123.4</u></b>
	<b>(1) FBR taxes</b>	<b><u>3,103,706.0</u></b>	<b><u>3,103,700.0</u></b>	<b><u>3,621,000.0</u></b>
	<b>B01 Direct taxes</b>	<b><u>1,347,872.0</u></b>	<b><u>1,324,000.0</u></b>	<b><u>1,558,000.0</u></b>
B011	Taxes on Income	1,326,835.0	1,307,647.0	1,538,756.0
B015	Workers Welfare Fund	19,709.0	14,401.0	16,947.0
	Income Support Levy	0.0	0.0	0.0
B017-18	Capital Value Tax (CVT)	1,328.0	1,952.0	2,297.0
	<b>Indirect taxes</b>	<b><u>1,755,834.0</u></b>	<b><u>1,779,700.0</u></b>	<b><u>2,063,000.0</u></b>
B020-22	Customs Duties	299,125.0	348,500.0	413,000.0
B023	Sales Tax	1,250,272.0	1,230,300.0	1,437,000.0
B024-25	Federal Excise	206,437.0	200,900.0	213,000.0
	<b>(2) Other Taxes</b>	<b><u>314,515.0</u></b>	<b><u>316,095.4</u></b>	<b><u>335,123.4</u></b>
B03083	Gas Infrastructure Development Cess	145,000.0	145,000.0	145,000.0
B03084	Natural Gas Development Surcharge	30,000.0	32,000.0	35,000.0
B03085	Petroleum Levy	135,000.0	135,000.0	150,000.0
B026-30	Other Taxes (ICT)	4,365.0	3,995.4	5,003.4
B03064	Airport Tax	150.0	100.0	120.0
<b>C</b>	<b><u>NON TAX REVENUE</u></b>	<b><u>894,524.4</u></b>	<b><u>912,821.0</u></b>	<b><u>959,452.0</u></b>
<b>C01</b>	<b><u>Income from Property and Enterprise</u></b>	<b><u>227,680.7</u></b>	<b><u>228,384.8</u></b>	<b><u>261,217.1</u></b>
C01008	PTA (Surplus)	5,000.0	5,000.0	6,000.0
	PTA (3 G Licenses)	65,000.0	45,000.0	75,000.0
C01008	Regulatory Authorities (Surplus/ Penalties)	386.0	244.5	477.0
C012	Mark up (Provinces)	12,018.5	9,752.5	13,494.5
C013-18	Mark up (PSEs & others)	57,154.4	86,451.1	81,118.4
C019	Dividends	88,121.8	81,936.7	85,127.2

## SUMMARY OF REVENUE RECEIPTS

(Rs. In Million)

		2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>C02</b>	<b><u>Receipts from Civil Admn. and Other Functions</u></b>	<b><u>444,295.2</u></b>	<b><u>456,253.0</u></b>	<b><u>459,811.0</u></b>
C021-24	General Administration	4,419.0	2,090.4	3,359.9
C02211	SBP Profit	280,000.0	280,000.0	280,000.0
C025	Defence	154,022.6	169,571.9	170,753.6
C026	Law and Order	1,229.8	1,522.2	2,122.6
C027	Community Services	2,259.0	1,162.5	1,579.2
C028	Social Services	344.7	406.0	395.7
C029	Social Services (Miscellaneous)	2,020.1	1,500.0	1,600.0
<b>C03</b>	<b><u>Miscellaneous Receipts</u></b>	<b><u>222,548.5</u></b>	<b><u>228,183.2</u></b>	<b><u>238,423.9</u></b>
C031-35	Economic Services	4,034.6	11,234.7	10,862.7
C036	Foreign Grants	40,000.0	70,000.0	75,000.0
C037	Extraordinary Receipts (Others)	27,648.9	30,512.2	31,115.0
C03806	Citizenship, Naturalization & Passport Fee	25,000.0	23,000.0	25,000.0
C038	Others	26,245.9	26,532.0	31,490.0
C03905	Royalty on Oil	18,373.2	17,432.9	10,859.2
C03906	Royalty on Gas	40,245.9	38,211.4	32,097.1
C03910	Discount Retained on Local Crude Price	21,000.0	8,400.0	10,000.0
C03915	Windfall Levy against Crude Oil	18,000.0	2,860.0	10,000.0
C03917	Petroleum Levy on LPG	2,000.0	0.0	2,000.0
	<b>Gross Federal Revenue Receipts</b>	<b>4,312,745.4</b>	<b>4,332,616.4</b>	<b>4,915,575.4</b>
	<b>Less : Provincial Share</b>	<b>1,849,394.1</b>	<b>1,851,945.6</b>	<b>2,135,880.6</b>
	<b><u>Net Federal Revenue Receipts</u></b>	<b><u>2,463,351.3</u></b>	<b><u>2,480,670.8</u></b>	<b><u>2,779,694.7</u></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 2015-16 and 2016-17.

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

Tax Head	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
Direct Tax	1,347,872.0	1,324,000.0	1,558,000.0
Sales Tax	1,250,272.0	1,230,300.0	1,437,000.0
Federal	206,437.0	200,900.0	213,000.0
Customs	299,125.0	348,500.0	413,000.0
<b>TOTAL</b>	<b>3,103,706.0</b>	<b>3,103,700.0</b>	<b>3,621,000.0</b>

2.2. Detailed analysis of individual taxes are highlighted below:

### Direct Taxes:

2.2.2 During the first 10th months of the current financial year i.e. up to 30-04-2016, Direct Tax collection stood at Rs. 888.0 billion with a growth of 14.4%. Income tax contributes around 98% in total direct taxes. The target for FY 2016-17 has been estimated at Rs. 1558.0 billion, requiring a growth of 17.7%.

2.2.3 Within the direct taxes, Workers Welfare Fund (WWF)/Workers Participation Fund (WPF) are also collected by FBR and are part of Direct Tax collection. The budget estimates for receipts of WWF/WPF for 2016-17 are Rs. 16.9 billion.

2.2.4 The budget and revised estimates for financial years 2015-16 and B.E. 2016-17 on account of Direct Taxes are tabulated hereunder.

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

	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
Taxes on Income	1,326,835.0	1,307,647.0	1,538,756.0
Workers Welfare Fund	19,709.0	14,401.0	16,947.0
Capital Value Tax (CVT)	1,328.0	1,952.0	2,297.0
<b>TOTAL</b>	1,347,872.0	1,324,000.0	1,558,000.0

**2.3. INDIRECT TAXES:**

**SALES TAX**

2.31 During the first 10 months of the current financial year net revenue collection from sales tax (import + domestic) remained Rs. 1,013.6 billion as against Rs. 843.2 billion in the corresponding period of the last financial year showing an increase of 20.2%. The revised budget estimates for fiscal year 2015-16 are Rs. 1,230.3 billion. The target for FY 2016-17 is estimated at Rs. 1,437 billion. The required growth would be 16.8%.

## 2.4 FEDERAL EXCISE DUTY

2.4.1 During first 10th months of the current financial year net revenue collection from federal excise duty remained at Rs. 133.4 billion as against Rs. 119.6 billion in the corresponding period of the last financial year showing a growth of 11.5%. The revised budget estimates for fiscal year 2015-16 are Rs. 220.9 billion. Budget estimates for fiscal year 2016-17 is projected at Rs. 213.0 billion. The required growth would be 6%.

**Table 4**  
**FEDERAL EXCISE DUTY**

Tax Head	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
Beverage	548.50	673.00	714.00
Beverage Concentrate	15,582.60	15,432.00	16,361.00
Cement	16,302.00	17,385.00	18,432.00
Cigarettes & Tobacco	97,131.70	88,403.00	93,728.00
Natural Gas	15,849.40	14,765.00	15,654.00
POL Products	125.90	112.00	118.00
Imported Goods	19,495.20	16,377.00	17,363.00
Arrears	1,511.30	1,426.00	1,512.00
Other Services	36,354.70	43,762.00	46,398.00
<b>Sub-Total</b>	<b>202,901.00</b>	<b>198,335.00</b>	<b>210,280.00</b>
Other Items	3,536.00	2,565.00	2,720.00
<b>Gross Total</b>	<b>206,437.00</b>	<b>200,900.00</b>	<b>213,000.00</b>

## **2.5 CUSTOMS DUTIES**

2.5.1 During the first 10 months of FY 2015-16, net customs duty collections is Rs. 311.1 billion (net) which is 32.5% higher than the duty collected during the corresponding period of FY 2014-15. This increase in collection of CD is mainly because of elimination of concessions/exemption, increase of CD rates of certain items and improvement in administrative measures by customs field formations despite a decrease of 0.8 percent in rupee terms and 3.27 percent in US \$ terms value of imported goods in CFY.

2.5.2 Considering the above facts, the customs duty collection for FY 2014-15 is expected to be around Rs. 370.0 billion against the assigned target of Rs. 348.5 billion.

2.5.3 A summary of projection of customs duty target including the projection of collection from major revenue spinners during the current financial year and next FY 2016-17 is given at Table 4.

2.5.4 It may be appreciated that customs revenue is primarily based upon dutiable value of imports which in turn depends upon over all national and international economic and trade variables. The above projections are also subject to these variables which imply that any increase or decrease in dutiable import value will accordingly impact the customs duty collection during FY 2015-16 and FY 2016-17.

2.5.5. The details are given in the following table.

**Table 5**  
**CUSTOMS**

(Rs. In Million)

<b>S. No.</b>	<b>Items</b>	<b>2015-16 Budget</b>	<b>2015-16 Revised</b>	<b>2016-17 Budget</b>
1)	Vehicles (Non-Railway)(Ch.87)	49,708.00	55,817.20	66,147.80
2)	Edible Oil (Ch.15)	21,405.00	24,179.10	28,653.80
3)	POL Products (Ch.27)	18,339.00	32,654.20	38,697.80
4)	Machinery Mechanical Appliances (Ch.84)	20,989.00	22,814.10	27,036.80
5)	Electrical machinery (Ch.85)	24,100.00	19,579.10	23,201.80
6)	Iron & Steel (Ch.72)	9,998.00	26,569.20	31,486.00
7)	Plastic Resins etc. (Ch.39)	13,577.00	14,193.10	16,820.00
8)	Paper and Paperboard(Ch.48)	8,454.00	7,968.00	9,443.00
9)	Organic Chemicals (Ch.29)	6,135.00	5,789.00	6,860.00
10)	Textile Materials (Ch.54)	5,746.00	6,538.00	7,749.00
11)	Tea & Coffee (Ch.09)	4,566.00	6,004.00	7,115.00
12)	Staple Fibers (Ch.55)	6,453.00	5,849.00	6,932.00
13)	Dyes and Paints (Ch.32)	4,235.00	4,285.00	5,079.00
14)	Articles of Iron and Steel (Ch.73)	6,314.00	9,444.00	11,191.00
15)	Misc. Chemicals Products (Ch.38)	3,477.00	3,677.00	4,358.00
16)	Other	99,799.00	108,500.00	128,581.00
17)	Export Development Surcharge (EDS)	6,278.00	4,907.00	5,815.00
	<b>GROSS COLLECTION</b>	<b>309,573.00</b>	<b>358,767.00</b>	<b>425,167.00</b>
	<b>REFUND AND REBATES</b>	<b>10,448.00</b>	<b>10,267.00</b>	<b>12,167.00</b>
	<b>NET COLLECTIONS</b>	<b>299,125.00</b>	<b>348,500.00</b>	<b>413,000.00</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 2015-16 revised and 2016-17 budget is given below.

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

	(Rs. In Million)		
	<b>2015-16 Budget</b>	<b>2015-16 Revised</b>	<b>2016-17 Budget</b>
C01 Income from Property and Enterprise	227,680.72	228,384.80	261,217.07
C02 Receipts from Civil Admn. and Other Functions	444,295.18	456,253.00	459,811.00
C03 Miscellaneous Receipts	222,548.53	228,183.17	238,423.89
<b>TOTAL</b>	<b>894,524.43</b>	<b>912,820.97</b>	<b>959,451.96</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)		
		2015-16	2015-16	2016-17
		Budget	Revised	Budget
C01012	NEPRA	210.00	150.00	225.00
C01012	SECP	120.00	25.00	125.00
C01012	PNRA	1.00	1.00	2.00
C01012	PEMRA	25.00	18.50	50.00
C01012	OGRA	30.00	50.00	75.00
C01008	PTA	5,000.00	5,000.00	6,000.00
	PTA (4 G)	65,000.00	45,000.00	75,000.00
<b>TOTAL</b>		<b>70,386.00</b>	<b>50,244.50</b>	<b>81,477.00</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.

## **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)			
	2015-16	2015-16	2016-17
	Budget	Revised	Budget
<b>C012 PROVINCES</b>			
<b>PUNJAB</b>	<b>6,703.32</b>	<b>4,116.67</b>	<b>7,177.94</b>
Mark up-Cash Loans	2,794.96	2,795.00	2,677.37
Mark up-Foreign Loans	3,908.36	1,321.67	4,500.58
<b>SINDH</b>	<b>3,319.31</b>	<b>4,317.36</b>	<b>4,289.48</b>
Mark up-Cash Loans	1,844.70	2,065.29	1,911.54
Mark up-Foreign Loans	1,474.61	2,252.08	2,377.94
<b>KHYBER PAKHTUNKHWA</b>	<b>1,520.45</b>	<b>792.00</b>	<b>1,545.31</b>
Mark up-Cash Loans	480.96	481.00	473.80
Mark up-Foreign Loans	1,039.48	311.00	1,071.51
<b>BALUCHISTAN</b>	<b>475.45</b>	<b>526.50</b>	<b>481.72</b>
Mark up-Foreign Loans	475.45	526.50	481.72
<b>TOTAL - PROVINCES</b>	<b>12,018.52</b>	<b>9,752.54</b>	<b>13,494.45</b>

**LOAN WISE BREAK UP**

(Rs. In Million)			
	2015-16	2015-16	2016-17
	Budget	Revised	Budget
<b>C012 PROVINCES</b>			
<b>Mark up: Cash Loans</b>			
Punjab	2,794.96	2,795.00	2,677.37
Sindh	1,844.70	2,065.29	1,911.54
Khyber Pakhtunkhwa	480.96	481.00	473.80
<b>TOTAL</b>	<b>5,120.62</b>	<b>5,341.29</b>	<b>5,062.71</b>
<b>Mark up: Foreign Loans</b>			
Punjab	3,908.36	1,321.67	4,500.58
Sindh	1,474.61	2,252.08	2,377.94
Khyber Pakhtunkhwa	1,039.48	311.00	1,071.51
Balochistan	475.45	526.50	481.72
<b>TOTAL</b>	<b>6,897.90</b>	<b>4,411.25</b>	<b>8,431.74</b>
<b>TOTAL - PROVINCES</b>	<b>12,018.52</b>	<b>9,752.54</b>	<b>13,494.45</b>

## MARK UP RECEIPTS

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>C013 LOCAL BODIES</b>			
<b>Mark up-Cash Loans</b>			
P.B.C.	196.11	202.20	193.03
NHA	28,741.74	28,416.33	29,684.44
SNGPL	0.00	0.00	0.00
Wah Brass Mills	137.21	157.24	174.43
PIA	5,781.25	5,781.25	6,318.75
ERRA	719.74	1,346.85	1,502.79
TEVTA	19.28	36.15	35.92
<b>TOTAL</b>	<b>35,595.33</b>	<b>35,940.01</b>	<b>37,909.35</b>
<b>Mark up - Foreign Loans</b>			
GIK Institute	0.66	1.88	1.82
N.L.C.	27.01	27.01	15.01
Karachi Port Trust	533.17	549.59	554.68
PAEC	0.51	0.51	0.35
Chashma Nuclear Power Plant	2,941.42	16,906.74	14,335.37
SKMT	1.11	1.14	1.06
CDA	68.00	76.73	56.28
NHA	6,100.38	6,100.38	5,371.56
PPAF	109.99	111.64	105.80
NEPRA	2.33	2.33	2.27
OGRA	2.65	2.65	2.59
<b>TOTAL</b>	<b>9,787.23</b>	<b>23,780.61</b>	<b>20,446.77</b>
<b>TOTAL - LOCAL BODIES</b>	<b>45,382.57</b>	<b>59,720.62</b>	<b>58,356.12</b>
<b>C014 FINANCIAL INSTITUTIONS</b>			
<b>Mark up - Foreign Loans</b>			
NDFC/LTCF	1,164.59	1,172.88	716.88
IDBP	93.70	134.83	106.45
<b>TOTAL</b>	<b>1,258.28</b>	<b>1,307.71</b>	<b>823.33</b>
<b>TOTAL FINANCIAL INSTITUTIONS</b>	<b>1,258.28</b>	<b>1,307.71</b>	<b>823.33</b>

## MARK UP RECEIPTS

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>C015 NON - FINANCIAL INSTITUTIONS</b>			
<b>A : WAPDA</b>			
<b>Mark up-Cash Loans</b>	<b>11,141.18</b>	<b>2,516.82</b>	<b>3,616.61</b>
WAPDA (Water Wing)	456.40	309.52	296.13
WAPDA (Power Wing)	6,159.73	0.00	0.00
TESCO	29.00	29.00	273.71
QESCO	146.21	229.83	712.17
MEPCO	103.27	103.30	498.15
GENCO-I	28.13	28.13	26.35
GENCO-II	1,531.46	1,531.46	1,532.31
GENCO-III	282.61	282.61	274.99
GENCO-IV	2.98	2.98	2.80
NJHP	2,401.40	0.00	0.00
<b>Mark up-Foreign Loans</b>	<b>9,815.89</b>	<b>16,604.38</b>	<b>13,488.48</b>
WAPDA (Power Wing)	2,756.73	7,184.36	4,447.08
TESCO	0.29	0.29	0.15
GENCO-I	0.02	0.02	0.00
GENCO-II	0.69	0.69	0.00
GENCO-III	0.27	0.27	0.00
LESCO	319.13	319.13	281.97
NTDC	2,800.63	3,307.81	2,933.24
IESCO	531.84	593.71	525.26
HESCO	391.06	411.32	368.52
PESCO	220.77	306.13	276.93
QESCO	229.71	284.30	278.76
GEPCO	236.84	286.44	274.90
FESCO	121.22	140.14	126.00
MEPCO	529.44	712.20	643.17
NJHP	1,677.26	3,057.58	3,332.51
<b>TOTAL - WAPDA</b>	<b>20,957.07</b>	<b>19,121.20</b>	<b>17,105.10</b>
<b>B : AUTONOMOUS BODIES / CORPORATIONS</b>			
<b>Mark up-Foreign Loans</b>			
Pakistan Railways	493.85	2,239.90	808.20
Karachi Fish Harbour Authority	9.84	9.84	8.77
<b>TOTAL</b>	<b>503.68</b>	<b>2,249.73</b>	<b>816.97</b>
<b>TOTAL NON-FINANCIAL INSTITUTIONS</b>	<b>21,460.76</b>	<b>21,370.93</b>	<b>17,922.07</b>

## MARK UP RECEIPTS

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>C016 GOVERNMENT SERVANTS</b>			
Cantt/Garrison Edu. Institutions	2.17	1.99	2.09
Office of the AGPR, Islamabad	122.85	103.19	113.52
AGPR, Sub-Office, Lahore	28.62	16.65	19.98
AGPR, Sub-Office, Karachi	11.04	15.23	16.75
AGPR, Sub-Office, Peshawar	0.70	3.37	3.71
AGPR, Sub-Office, Quetta	2.00	2.41	2.53
AGPR, Sub-Office, Gilgit	1.54	3.79	4.58
Defence	4.26	4.34	4.39
Pakistan Post Office Deptt.	1.68	1.68	1.68
Pakistan PWD	0.67	1.02	1.15
Pakistan Mint	0.41	0.46	0.49
CAO (Ministry of Foreign Affairs)	0.92	0.41	0.45
Central Dte. of National Savings	2.95	3.20	3.29
Geological Survey of Pakistan	0.65	0.52	0.55
Special Communication Organization	0.00	0.00	0.00
<b>TOTAL GOVT. SERVANTS</b>	<b>180.47</b>	<b>158.24</b>	<b>175.13</b>
<b>C017 AJK &amp; Others</b>			
<b>Mark up-Cash Loans</b>			
Government of A J & K	8,401.28	8,461.28	8,421.28
PNRA	0.36	0.64	0.67
<b>Mark up-Foreign Loans</b>			
Government of A J & K	132.86	136.17	131.14
<b>Mark up-Other Loans</b>			
Guarantee Fee on Foreign Loans (EAD)	237.84	245.48	238.69
<b>TOTAL AJK &amp; OTHERS</b>	<b>8,772.32</b>	<b>8,843.56</b>	<b>8,791.77</b>
<b>C018 COMMERCIAL DEPARTMENTS</b>			
Pakistan Post Office Department	100.00	50.00	50.00
<b>TOTAL COMMERCIAL DEPTS..</b>	<b>100.00</b>	<b>50.00</b>	<b>50.00</b>
<b>TOTAL (PSEs &amp; OTHERS)</b>	<b>77,154.40</b>	<b>91,451.07</b>	<b>86,118.42</b>
<b>ESTIMATED SHORTFALL</b>	<b>20,000.00</b>	<b>5,000.00</b>	<b>5,000.00</b>
<b>NET - TOTAL (PSEs &amp; OTHERS)</b>	<b>57,154.40</b>	<b>86,451.07</b>	<b>81,118.42</b>
<b>TOTAL - PROVINCES</b>	<b>12,018.50</b>	<b>9,752.54</b>	<b>13,494.45</b>
<b>GRAND TOTAL - Mark up</b>	<b>69,172.90</b>	<b>96,203.61</b>	<b>94,612.87</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	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>C01901 FINANCIAL INSTITUTIONS</b>	<b>561.00</b>	<b>586.00</b>	<b>1,202.50</b>
1 National Investment trust	70.00	79.00	90.00
2 NBP	43.00	47.00	45.00
3 ABL	75.00	0.00	0.00
4 Pak Oman Investment Co.	123.00	185.00	185.00
5 Pak Brunie Investment	150.00	100.00	150.00
6 Pak China Investment	25.00	25.00	25.00
7 Pak Iran Joint Investment	75.00	150.00	150.00
8 Saudi Pak Investment Co.	0.00	0.00	330.00
9 Pak Kuwait Investment Co.	0.00	0.00	227.50

				(Rs. In Million)		
Name of Organization		2015-16	2015-16	2016-17		
		Budget	Revised	Budget		
<b>C01902</b>	<b><u>NON-FINANCIAL INSTITUTIONS</u></b>	<b>87,560.80</b>	<b>81,350.69</b>	<b>83,924.70</b>		
1.	Pakistan Petroleum Limited	17,000.00	8,780.00	6,743.00		
2.	Mari Gas Company Limited	70.00	138.00	80.00		
3.	Pakistan State Oil	550.00	550.00	600.00		
4.	Pak Arab Refinery	4,500.00	6,000.00	6,500.00		
5.	SNGPL	500.00	500.00	500.00		
6.	SSGCL	1,500.00	1,500.00	1,500.00		
7.	GHPL	9,000.00	9,000.00	9,000.00		
8.	OGDCL	32,000.00	32,000.00	35,000.00		
9.	PMDC	44.00	44.00	44.00		
10.	SLIC	200.00	984.00	1,163.00		
11.	NIC	1,000.00	1,000.00	1,000.00		
12.	Pak Re-Insurance Corporation	450.00	450.00	450.00		
13.	Fauji Fertilizer Co. Ltd	120.00	90.00	120.00		
14.	PEPAC	2.00	2.00	2.00		
15.	PEAL	5.00	5.00	5.00		
16.	Pakistan Services Ltd.	0.40	0.40	0.40		
17.	PTV	5.00	5.00	5.00		
18.	PIDC	75.00	75.00	75.00		
19.	PERAC	4.50	4.50	4.50		
20.	National Shipping Corporation	170.00	170.00	180.00		
21.	Pakistan Security Printing Corporation	600.00	600.00	500.00		
22.	NESPAK	1.50	4.50	4.50		
23.	National Power Construction	12.32	0.00	0.00		
24.	PTCL	7,000.00	6,500.00	7,000.00		
25.	Tourism Promotion Services (Pak) Ltd.	1.08	1.29	1.30		
26.	NFC	2,000.00	2,000.00	2,500.00		
27.	USC	150.00	150.00	150.00		
28.	Trading Corporation of Pakistan	100.00	100.00	100.00		
29.	IDBP	500.00	500.00	500.00		
30.	National Construction Ltd.	0.00	197.00	197.00		
31.	Other	10,000.00	10,000.00	10,000.00		
<b>TOTAL - DIVIDENDS</b>		<b>88,121.80</b>	<b>81,936.69</b>	<b>85,127.20</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)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>C021 ORGANS OF STATE</b>	<b>115.00</b>	<b>160.00</b>	<b>200.00</b>
Federal Public Service Commission	115.00	160.00	200.00

#### 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)		
	2015-16	2015-16	2016-17
	Budget	Revised	Budget
<b>C022 FISCAL ADMINISTRATION</b>	<b>283,304.03</b>	<b>281,099.40</b>	<b>281,919.92</b>
Audit Fee	0.37	3.19	3.77
SBP Profit	280,000.00	280,000.00	280,000.00
Currency Dividend from SBP	10.00	10.00	10.00
Coinage Account	1,400.00	1,000.00	1,800.00
Pakistan Mint	80.00	80.00	100.00
Pension Contribution	0.00	1.21	1.15
Penalty imposed by SBP on Banks	5.00	5.00	5.00
Profit of National Investment Trust	1,808.66	0.00	0.00

## 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)		
	2015-16	2015-16	2016-17
	Budget	Revised	Budget
<b>C023 ECONOMIC REGULATION</b>	<b>1,000.00</b>	<b>800.00</b>	<b>1,200.00</b>
Fees realized under Insurance Act, 1989	1,000.00	800.00	1,200.00

**Table 13**

	(Rs. In Million)		
	2015-16	2015-16	2016-17
	Budget	Revised	Budget
<b>C024 Gen. Admn Receipts- Statistics</b>	<b>0.00</b>	<b>31.00</b>	<b>40.00</b>
Sale of Census Publication	0.00	31.00	40.00
<b>TOTAL- GENERAL ADMINISTRATION (Excluding SBP Profit)</b>	<b>4,419.03</b>	<b>2,090.40</b>	<b>3,359.92</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)

	<b>2015-16 Budget</b>	<b>2015-16 Revised</b>	<b>2016-17 Budget</b>
<b>C025 DEFENCE SERVICES</b>	<b>154,022.61</b>	<b>169,571.87</b>	<b>170,753.56</b>
Effective	12,412.22	12,411.70	13,372.61
Non-effective	100.23	2,140.65	2,279.88
Miscellaneous	140,491.16	154,000.00	154,000.00
Hospital Stoppage	1,019.00	1,019.52	1,101.07

## 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>2015-16 Budget</b>	<b>2015-16 Revised</b>	<b>2016-17 Budget</b>
<b>C026 LAW AND ORDER</b>	<b>1,229.77</b>	<b>1,522.24</b>	<b>2,122.64</b>
Supreme Court of Pakistan	3.50	0.00	0.00
Law and Justice Division	80.00	86.00	120.00
Receipts under Arms Act	350.27	350.00	350.00
Civil Armed Forces	322.00	269.53	307.64
Islamabad Capital Territory	451.00	392.91	518.00
Frontier Regions	22.00	22.80	25.80
Federal Services Tribunals	1.00	1.00	1.20
Others	0.00	400.00	800.00

**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, and other ministries and departments..

**Table 15**

(Rs. In Million)

	<b>2015-16 Budget</b>	<b>2015-16 Revised</b>	<b>2016-17 Budget</b>
<b>C027 COMMUNITY SERVICES</b>	<b>2,259.04</b>	<b>1,162.50</b>	<b>1,579.20</b>
Rent realized by Housing & Works Division.	2,200.00	1,100.00	1,500.00
Rent of buildings realized by Frontier Corps.			
Peshawar (Interior Division)	2.10	2.50	3.00
Scientific Research and Survey (Defence Division)	27.50	28.30	30.00
Building Rent of Meteorological Deptt.	6.00	6.00	9.00
Building Rent of PAEC	20.00	20.00	30.00
CTTI - Hostel Charges	1.00	1.00	1.50
Recovery by Office of the Auditor General of Pakistan	0.94	3.20	3.70
Akhtar Hameed Khan Rural Centre	1.50	1.50	2.00

## 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)		
	2015-16	2015-16	2016-17
	Budget	Revised	Budget
<b>C028 SOCIAL SERVICES</b>	<b>344.67</b>	<b>405.99</b>	<b>395.68</b>
Education Fees from Schools & Colleges (CAI)	92.92	144.35	175.00
National Library of Pakistan	0.10	0.10	1.00
Education Fees from Schools and Colleges under the M/o Defence	84.00	77.00	77.50
Pakistan Computer Bureau	2.00	2.00	2.00
National Archives (Cabinet Division)	0.07	0.02	1.98
Health-Hospital Receipts of Federal Government	135.21	150.53	104.00
Gilgit-Baltistan Division	0.00	0.00	0.00
ICT Sale of Vaccination	0.18	1.00	1.50
M/o National Health Services, Regulations & Coordination (Health Receipts)	30.20	31.00	32.70

## **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)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>C029 SOCIAL SERVICES MISC.</b>	<b>2,020.06</b>	<b>1,500.01</b>	<b>1,600.01</b>
Receipts under West Pakistan Ordinance, 1969 (ICT)	0.06	0.01	0.01
Emigration Fee	2,020.00	1,500.00	1,600.00

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)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
	<b>4,034.60</b>	<b>11,234.68</b>	<b>10,862.66</b>
<b>C031 ECONOMIC SERVICES</b>	<b>215.20</b>	<b>8,182.13</b>	<b>7,380.39</b>
Food Department (ICT)	1.70	0.07	0.07
Receipts from soil conservation & Operation	1.70	0.50	0.70
Agriculture (ICT)	1.40	0.25	0.30
Services Rendered (ICT)	1.10	0.02	0.03
Food Department (National Food Security & Research Division)	209.30	8,181.30	7,379.30

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)		
	2015-16	2015-16	2016-17
	Budget	Revised	Budget
<b>C032 ECONOMIC SERVICES Receipts- FISHERIES &amp; ANIMAL HUSBANDRY</b>	<b>835.55</b>	<b>420.55</b>	<b>635.67</b>
Ordinary Receipts (ICT)	0.45	0.40	0.50
Insemination Fees (ICT)	0.10	0.15	0.17
Livestock & Dairy Development (NFS&R)	800.00	390.00	600.00
Marine Fisheries Department	35.00	30.00	35.00

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)		
	2015-16	2015-16	2016-17
	Budget	Revised	Budget
<b>C035 ECONOMIC SERVICES RECEIPTS- OTHERS</b>	<b>2,983.85</b>	<b>2,632.00</b>	<b>2,846.60</b>
Department of Stationery & Forms	2.50	2.50	2.50
Explosives Department	300.00	230.00	250.00
Islamabad Capital Territory	2.20	1.70	1.80
Ports & Shipping Department	377.15	395.80	489.30
Special Communications Organization	2,300.00	2,000.00	2,100.00
PAEC	2.00	2.00	3.00

## 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)		
	2015-16	2015-16	2016-17
	Budget	Revised	Budget
Citizenship, Naturalization & Passport Fee	25,000.00	23,000.00	25,000.00

**Table 22**

	(Rs. in Million)		(Rs. In Million)
	2015-16	2015-16	2016-17
	Budget	Revised	Budget
	<b>53,894.84</b>	<b>57,044.24</b>	<b>62,604.98</b>
<b>C037 OTHER RECEIPTS</b>	<b>27,648.91</b>	<b>30,512.24</b>	<b>31,114.98</b>
Receipts from UN (Military+Civil)	27,619.25	30,478.44	31,070.78
Working Women Hostel, G-6/3, Islamabad	3.00	3.00	6.00
Staff Welfare Organization	15.00	16.00	20.00
Pakistan National Accreditation Council	10.00	13.00	15.00
PAEC	1.00	1.00	2.00
Office of the Auditor General of Pakistan	0.66	0.80	1.20

### **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.

### **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)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>C038 OTHER RECEIPTS</b>	<b>26,245.93</b>	<b>26,532.00</b>	<b>31,490.00</b>
Emergency Relief Cell	35.00	35.00	40.00
Advance Yearly Rent for Exploration & Prospecting Licensing Fee	800.00	460.00	480.00
Fees for Exploration & Prospecting Licensing	3.00	1.00	1.00
Office of the Auditor General of Pakistan	0.42	0.62	0.81
Toshakhana (Cabinet Division)	3.00	7.00	8.00
National Accountability Bureau	300.00	300.00	400.00
Civil Armed Forces (Unclaimed Deposits)	18.00	21.47	23.30
Sale of Property (M/o Foreign Affairs)	5.00	5.00	10.00
Civil Armed Forces (Sale of Stores)	32.35	33.54	36.70
Rent, Rates & Taxes-Others	0.49	3.57	3.19
Rent, Rates & Taxes (ICT)	0.25	0.28	0.29
Competition Commission of Pakistan	300.00	15.00	450.00
Receipts under Mines & Mineral Act (ICT)	9.59	1.40	11.20
Gains on Exchange (M/o Foreign Affairs)	75.00	60.00	80.00
Export Promotion Bureau	300.00	45.00	60.00
Export Promotion Bulletin	10.00	4.50	8.00
M/o Information & Broadcasting	1.00	0.15	0.15
Fee for Registration of Societies (ICT)	6.00	0.20	0.20
Receipts of Tourist Department	16.00	15.00	17.00
Censorship Fee (Culture Division)	8.70	9.00	10.00
Recovery of Overpayments (M/o Foreign Affairs)	400.00	180.00	250.00

	(Rs. In Million)		
	<b>2015-16</b>	<b>2015-16</b>	<b>2016-17</b>
	<b>Budget</b>	<b>Revised</b>	<b>Budget</b>
Payment for services Rendered (ICT)	12.00	0.36	0.40
Sale of Stores & Material (PAEC)	13.00	13.00	15.00
Fee Fines & Penalties (PAEC)	1.00	1.00	1.00
Arms License Fee (ICT)	10.00	2.80	2.90
Other Receipts-Fines & Fee (ICT)	1.00	0.03	0.03
Citizenship, Copyright (ICT)	5.00	3.10	3.20
Others (PAEC)	23.00	23.00	24.00
Pakistan Public Admn. Research Centre	0.50	0.50	0.50
National Alien Registration Authority	2.00	2.00	2.00
Airport Security Force	60.00	18.00	30.00
Quaid Azam Papers Wing	0.10	0.15	0.20
National Language Authority	2.77	1.50	1.70
Other Receipts of M/o Foreign Affairs	95.00	55.00	50.00
Office of the Controller General of Accounts	0.26	1.05	0.91
NI Rehabilitation of Medicines	6.00	5.50	6.00
States & Frontier Regions Div. (FATA)	190.00	207.00	230.00
Pak. Environmental Protection Agency	0.50	0.50	0.50
Recovery from Provinces against Population and	14,500.00	14,500.00	14,500.00
Other Miscellaneous Receipts of attached dep.	8,000.00	9,499.80	13,731.83
Recovery from Balochistan & Sindh against Local Bodies	1,000.00	1,000.00	1,000.00

## 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)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>C039 ROYALTIES ON OIL &amp; GAS</b>			
Royalty on Oil	18,373.18	17,432.85	10,859.16
Royalty on Gas	40,245.92	38,211.40	32,097.09
Discount Retained on Local Crude Price	21,000.00	8,400.00	10,000.00
Windfall Levy against Crude Oil	18,000.00	2,860.00	10,000.00
Petroleum Levy on LPG.	2,000.00	0.00	2,000.00
<b>Total - Development Surcharges and Royalties other than Petroleum Levy</b>	<b>99,619.10</b>	<b>66,904.25</b>	<b>64,956.25</b>
<b>C03 TOTAL MISC. RECEIPTS</b>	<b>182,548.53</b>	<b>158,183.17</b>	<b>163,423.89</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%</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**  
**"PRESIDENT'S ORDER NO. 6 OF 2015**

**AN**  
**ORDER**

To amend Distribution of Revenues and Grants-in-Aid Order, 2010  
(Presidnet's Order No. 5 of 2010)

WHEREAS, it is expedient to amend the Distribution of Revenues and Grants-in-Aid Order, 2010 (P.O.No.5 of 2010), for the purpose hereinafter appearing.

NOW, THEREFORE, in pursuance of clauses (6) read with Clause (7) of Article 160 of the Constitution of the Islamic Republic of Pakistan, 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 Grnats-in-Aid (Amendment) Order, 2015.

(2) It shall come into force on the firrst day of July, 2015.

(3) It will remain in force till further orders.

2. **Substitution of Article-4(3) P.O. No.5 of 2010.** ---- In the Distribution of Revneues and Grants-in-Aid Order, 2010 (P.O. No.5 of 2010), for Article 4(3) the following shall be substituted, namely:-

(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 and any shortfall in this amount shall be made up by the Federal Government from its own resources. This arrangement for Balochistan shall reamin protected throughout Award period based on annual budgetary projections.

**MAMNOON HUSSAIN**  
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 2015-16

**Table 25**

**PROVINCIAL SHARE IN REVENUE RECEIPTS  
2015-16 (BUDGET)**

(Rs. In Million)

	Balochistan	Khyber Pakhtun- khwa *	Punjab	Sindh	TOTAL
<b>Divisible Taxes (A)</b>	<b>155,992.8</b>	<b>281,039.3</b>	<b>887,906.4</b>	<b>421,300.8</b>	<b>1,746,239.2</b>
Taxes on Income	67,283.7	121,219.5	382,976.8	181,717.8	<b>753,197.8</b>
Capital Value Tax	68.0	122.6	387.2	183.7	<b>761.6</b>
Sales Tax excl. GST Federal Excise (Net of Gas)	63,876.0	115,080.1	363,580.4	172,514.5	<b>715,051.0</b>
Gas)	9,763.3	17,589.8	55,572.5	26,368.5	<b>109,294.1</b>
Customs Duties	15,001.7	27,027.4	85,389.4	40,516.2	<b>167,934.7</b>
<b>Straight Transfers (B)</b>	<b>14,719.4</b>	<b>19,412.9</b>	<b>6,746.6</b>	<b>61,499.9</b>	<b>102,378.8</b>
Gas Development					
Surcharge	6,386.7	3,558.1	2,137.7	17,317.5	<b>29,400.0</b>
Royalty on Natural Gas	6,414.4	4,143.9	1,473.4	27,409.3	<b>39,441.0</b>
Royalty on Crude Oil Excise Duty on Natural Gas	8.3	9,294.1	2,553.4	6,149.9	<b>18,005.7</b>
Gas	1,910.0	2,416.7	582.1	10,623.2	<b>15,532.0</b>
<b>GST on Services ( C) **</b>	<b>776.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>776.2</b>
GST on Services (CE Mode)	776.2	0.0	0.0	0.0	<b>776.2</b>
<b>TOTAL (A+B+C)</b>	<b>171,488.3</b>	<b>300,452.2</b>	<b>894,652.9</b>	<b>482,800.7</b>	<b>1,849,394.1</b>

\* Inclusive 1% War on Terror.

**Table 26****PROVINCIAL SHARE IN REVENUE RECEIPTS  
2015-16 (REVISED)**

	(Rs. In Million)				
	Balochistan	Khyber Pakhtun- khwa	Punjab	Sindh	TOTAL
<b>Divisible Taxes (A)</b>	<b>156,464.3</b>	<b>281,888.7</b>	<b>890,590.0</b>	<b>422,574.1</b>	<b>1,751,517.2</b>
Taxes on Income	66,310.7	119,466.5	377,438.4	179,089.9	<b>742,305.4</b>
Capital Value Tax	100.0	180.2	569.2	270.1	<b>1,119.4</b>
Sales Tax excl. GST Federal Excise (Net of Gas)	62,917.1	113,352.4	358,121.9	169,924.5	<b>704,315.9</b>
Gas	9,535.2	17,178.8	54,274.1	25,752.4	<b>106,740.5</b>
Customs Duties	17,601.4	31,710.9	100,186.4	47,537.2	<b>197,036.0</b>
<b>Straight Transfers (B)</b>	<b>14,671.7</b>	<b>19,373.5</b>	<b>5,934.2</b>	<b>60,381.7</b>	<b>100,361.1</b>
Gas Development Surcharge	6,026.2	4,790.9	1,520.0	19,022.9	<b>31,360.0</b>
Royalty on Natural Gas	6,463.0	4,641.9	1,366.9	24,975.4	<b>37,447.2</b>
Royalty on Crude Oil Excise Duty on Natural Gas	0.0	8,133.6	2,547.5	6,403.1	<b>17,084.2</b>
Gas	2,182.5	1,807.1	499.8	9,980.3	<b>14,469.7</b>
<b>GST on Services ( C) **</b>	<b>67.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>67.3</b>
GST on Services (CE Mo	67.3	0.0	0.0	0.0	<b>67.3</b>
<b>TOTAL (A+B+C)</b>	<b>171,203.3</b>	<b>301,262.2</b>	<b>896,524.2</b>	<b>482,955.9</b>	<b>1,851,945.6</b>

**Table 27**

**PROVINCIAL SHARE IN REVENUE RECEIPTS  
2016-17 (BUDGET)**

	(Rs. In Million)				
	Balochistan	Khyber Pakhtun- khwa	Punjab	Sindh	TOTAL
<b>Divisible Taxes (A)</b>	<b>182,604.8</b>	<b>328,983.8</b>	<b>1,039,380.6</b>	<b>493,173.4</b>	<b>2,044,142.6</b>
Taxes on Income	78,030.2	140,580.5	444,145.5	210,741.6	<b>873,497.9</b>
Capital Value Tax	117.7	212.0	669.8	317.8	<b>1,317.2</b>
Sales Tax excl. GST Federal Excise (Net of Gas)	73,488.3	132,397.8	418,293.3	198,475.1	<b>822,654.6</b>
Gas)	10,109.5	18,213.5	57,543.1	27,303.5	<b>113,169.5</b>
Customs Duties	20,859.0	37,580.0	118,728.9	56,335.4	<b>233,503.3</b>
<b>Straight Transfers (B)</b>	<b>14,238.4</b>	<b>17,200.0</b>	<b>5,631.9</b>	<b>54,667.8</b>	<b>91,738.0</b>
Gas Development					
Surcharge	6,436.6	3,202.8	1,997.0	22,663.6	<b>34,300.0</b>
Royalty on Natural Gas	5,481.6	5,811.2	1,349.9	18,812.5	<b>31,455.1</b>
Royalty on Crude Oil Excise Duty on Natural Gas	6.4	6,270.1	1,754.8	2,610.6	<b>10,642.0</b>
Gas	2,313.8	1,915.9	530.2	10,581.1	<b>15,340.9</b>
<b>GST on Services ( C)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL (A+B+C)</b>	<b>196,843.1</b>	<b>346,183.8</b>	<b>1,045,012.5</b>	<b>547,841.2</b>	<b>2,135,880.6</b>

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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 2015-16 (budget and revised) and 2016-17 (budget).

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

	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>A. CAPITAL RECEIPTS (I+II)</b>	<b>485,067.76</b>	<b>546,993.17</b>	<b>469,667.90</b>
<b>I. Recoveries of Loans and Advances</b>	<b>89,859.94</b>	<b>101,869.07</b>	<b>101,889.90</b>
Provinces	42,193.32	47,761.66	46,725.42
Others	47,666.61	54,107.42	55,164.48
<b>II. Public Debt</b>	<b>395,207.82</b>	<b>445,124.10</b>	<b>367,778.00</b>
Domestic Debt (Permanent)	220,000.00	-62,446.90	150,463.00
Foreign Currency Debt Permanent)	-65.00	-63.00	-63.00
Floating Debt	175,272.82	507,634.00	217,378.00

	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b><u>B. PUBLIC ACCOUNT :</u></b>	<b><u>582,187.77</u></b>	<b><u>419,995.24</u></b>	<b><u>462,113.02</u></b>
Deferred Liabilities (Net)	233,331.50	111,732.50	122,181.00
Deposits & Reserves	348,856.27	308,262.74	339,932.02
<b>    C. TOTAL (A+B)</b>	<b><u>1,067,255.53</u></b>	<b><u>966,988.42</u></b>	<b><u>931,780.92</u></b>
<b><u>D. DISBURSEMENTS</u></b>	<b><u>460,953.07</u></b>	<b><u>378,049.26</u></b>	<b><u>478,142.76</u></b>
Federal Govt. Miscellaneous Investments	18,209.53	11,903.52	18,484.00
Loans and Advances	25,401.00	25,468.66	27,055.00
Short-term Credits	89,424.51	76,685.49	141,370.00
Deposits & Reserves	327,918.03	263,991.60	291,233.76
<b>NET CAPITAL RECEIPTS (C-D)</b>	<b><u>606,302.46</u></b>	<b><u>588,939.16</u></b>	<b><u>453,638.16</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)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>(PROVINCE-WISE BREAK UP)</b>			
<b>E021 PROVINCES</b>			
<b>PUNJAB</b>	<b>23,886.70</b>	<b>28,801.70</b>	<b>26,607.10</b>
Cash Loans	4,780.76	4,780.39	3,079.52
Foreign Loans	19,105.94	24,021.31	23,527.58
<b>SINDH</b>	<b>8,019.02</b>	<b>8,043.66</b>	<b>8,423.42</b>
Cash Loans	1,331.25	1,110.66	1,087.24
Foreign Loans	6,687.77	6,933.00	7,336.18
<b>KHYBER PAKHTUNKHWA</b>	<b>5,772.62</b>	<b>6,127.55</b>	<b>6,575.06</b>
Cash Loans	458.90	458.90	466.06
Foreign Loans	5,313.72	5,668.65	6,109.00
<b>BALUCHISTAN</b>	<b>4,514.98</b>	<b>4,788.76</b>	<b>5,119.85</b>
Cash Loans	0.00	0.00	0.00
Foreign Loans	4,514.98	4,788.76	5,119.85
<b>TOTAL - PROVINCES</b>	<b>42,193.32</b>	<b>47,761.66</b>	<b>46,725.42</b>

Contd.

## RECOVERY OF LOANS AND ADVANCES

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>E021 <u>PROVINCES</u></b>			
<b>Cash Loans</b>			
Punjab	4,780.76	4,780.39	3,079.52
Sindh	1,331.25	1,110.66	1,087.24
Khyber Pakhtunkhwa	458.90	458.90	466.06
<b>TOTAL</b>	<b>6,570.91</b>	<b>6,349.95</b>	<b>4,632.82</b>
<b>Foreign Loans</b>			
Punjab	19,105.94	24,021.31	23,527.58
Sindh	6,687.77	6,933.00	7,336.18
Khyber Pakhtunkhwa	5,313.72	5,668.65	6,109.00
Balochistan	4,514.98	4,788.76	5,119.85
<b>TOTAL</b>	<b>35,622.42</b>	<b>41,411.71</b>	<b>42,092.61</b>
<b>TOTAL - PROVINCES</b>	<b>42,193.32</b>	<b>47,761.66</b>	<b>46,725.42</b>

contd.



## RECOVERY OF LOANS AND ADVANCES

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>LOCAL BODIES</b>			
<b>Cash Loans</b>	<b>14,328.45</b>	<b>14,331.01</b>	<b>17,122.98</b>
PTVC	0.00	0.00	14.04
NHA	8,952.82	9,041.70	10,834.89
PBC	67.32	67.40	69.34
PIA	5,062.50	5,062.50	6,062.50
Wah Brass Mills	245.81	159.41	142.22
<b>Foreign Loans</b>	<b>11,909.35</b>	<b>11,286.74</b>	<b>11,670.40</b>
Karachi Port Trust	165.07	8.06	8.06
PAEC	1.97	1.97	1.97
CDA	725.34	818.48	818.57
NHA	7,213.29	7,213.29	6,869.61
GIK Institute	52.42	126.76	145.95
Shaukat Khanum Memorial Trust	6.48	6.66	6.73
NLC	85.74	85.74	85.74
NEPRA	0.75	0.75	0.75
OGRA	0.62	0.62	0.62
Chashma Nuclear Power Plant	3,657.67	3,024.40	3,732.39
<b>TOTAL - LOCAL BODIES</b>	<b>26,237.80</b>	<b>25,617.75</b>	<b>28,793.38</b>
<b>E023 FINANCIAL INSTITUTIONS</b>			
<b>Foreign Loans</b>			
NDFC/LTCF	3,863.58	3,883.71	3,364.62
IDBP	0.00	97.31	97.31
<b>TOTAL - FINANCIAL INSTITUTIONS</b>	<b>3,863.58</b>	<b>3,981.02</b>	<b>3,461.93</b>

## RECOVERY OF LOANS AND ADVANCES

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>E024 NON-FINANCIAL INSTITUTIONS</b>			
<b><u>A - WAPDA</u></b>			
<b>Cash loans</b>	<b>533.60</b>	<b>857.31</b>	<b>810.60</b>
WAPDA (Power Wing)	276.32	638.95	303.20
TESCO	16.28	16.28	81.49
MEPCO	2.50	2.50	5.92
NJHP	104.79	104.79	210.88
GENCO_I	9.88	9.88	11.66
GENCO-II	39.97	9.96	100.31
GENCI-III	65.12	65.12	72.73
GENCO-IV	1.02	0.00	0.00
QESCO	9.83	9.83	18.16
NTDC	0.00	0.00	0.00
WAPDA (Water Wing)	7.90	0.00	6.24
<b>Foreign loans</b>	<b>11,655.57</b>	<b>12,393.43</b>	<b>11,542.80</b>
WAPDA (Power Wing)	5,340.30	5,361.76	4,349.97
TESCO	1.62	1.62	0.71
NTDC	3,613.87	4,161.16	4,161.16
GENCO-I	0.27	0.27	0.00
GENCO-II	8.58	8.58	0.00
GENCO-III	3.39	3.39	0.00
LESCO	341.72	341.72	341.72
HESCO	399.69	406.63	407.43
PESCO	220.76	230.90	240.61
QESCO	227.70	230.83	230.83
GEPCO	206.22	206.22	206.22
IESCO	539.48	567.40	569.31
FESCO	128.02	138.63	138.63
MEPCO	532.44	572.43	572.43
NJHP	91.51	161.90	323.80
<b>TOTAL - WAPDA</b>	<b>12,189.17</b>	<b>13,250.74</b>	<b>12,353.40</b>

Cont.....

## RECOVERY OF LOANS AND ADVANCES

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b><u>B - AUTONOMOUS BODIES/CORPORATIONS</u></b>			
<b>Foreign Loans</b>			
Pakistan Railways	1,129.38	3,248.87	1,819.20
Karachi Fish Harbour Authority	26.58	26.58	26.58
PPAF	791.00	791.18	791.18
ERRA	624.15	1,288.79	1,445.52
TEVTA	21.42	31.86	31.86
<b>TOTAL</b>	<b>2,592.53</b>	<b>5,387.28</b>	<b>4,114.34</b>
<b>TOTAL-NON-FINANCIAL INSTITUTIONS</b>	<b>14,781.70</b>	<b>18,638.02</b>	<b>16,467.75</b>
<b><u>E025 GOVERNMENT SERVANTS</u></b>			
Cantt./Garrison Edu. Institutions	32.14	33.50	35.10
AGPR, Islamabad	1,643.79	1,633.47	1,985.45
AGPR, Lahore	370.76	407.65	489.18
AGPR, Karachi	246.77	334.36	367.79
AGPR, Peshawar	173.02	188.26	198.32
AGPR, Quetta	105.53	115.47	121.24
AGPR, Gilgit	131.36	225.33	272.65
Defence	523.97	526.59	529.23
Pakistan Post Office	145.35	145.35	162.50
Pak PWD	33.36	35.01	35.34
Pakistan Mint	8.56	9.64	10.18
Chief Accounts Officer (M/o	37.21	68.57	76.87
Central Dte. of National Savings	56.09	68.03	70.16
Geological Survey of Pakistan	15.63	19.28	21.38
Special Communications Organization	14.63	14.21	17.70
<b>TOTAL - GOVERNMENT SERVANTS</b>	<b>3,538.16</b>	<b>3,824.71</b>	<b>4,393.09</b>

## RECOVERY OF LOANS AND ADVANCES

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>E027 OTHERS</b>			
Cash Loans - Govt. of AJK	2,671.98	1,357.13	1,357.13
Foreign Loans - Govt. of AJK	733.89	679.03	680.97
PNRA	5.60	9.75	10.24
<b>TOTAL - OTHERS</b>	<b>3,411.47</b>	<b>2,045.91</b>	<b>2,048.34</b>
<b>TOTAL (PSEs &amp; OTHERS)</b>	<b>51,832.71</b>	<b>54,107.42</b>	<b>55,164.48</b>
<b>ESTIMATED SHORTFALL</b>	<b>4,166.10</b>	<b>0.00</b>	<b>0.00</b>
<b>NET - TOTAL (PSEs &amp; OTHERS)</b>	<b>47,666.61</b>	<b>54,107.42</b>	<b>55,164.48</b>
<b>TOTAL - PROVINCES</b>	<b>42,193.32</b>	<b>47,761.66</b>	<b>46,725.42</b>
<b>GRAND TOTAL</b>	<b>89,859.94</b>	<b>101,869.07</b>	<b>101,889.90</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:

#### **11.2.1 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 budgeted receipt of Rs. 220,000.0 million for the year 2015-16, the revised estimates for the year 2015-16 are estimated at Rs. (-)100,000.0 million whereas the budget estimate for the year 2016-17 are estimated at Rs.150,000.0 million.

#### **11.2.2 Government Ijara Sukuk Bonds**

The Government of Pakistan Ijara Sukuk are issued through Pakistan Domestic Sukuk Company Limited. 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 nil receipt in budget estimates 2015-16, the revised estimates have been projected at Rs. 37,553.1 million. The budget estimates for the year 2016-17 are estimates at Rs. 463.0 million.

**11.3** The net receipts from domestic debt (permanent) during financial year 2015-16 (budget & revised) and 2016-17 (budget) are estimated as under :

**Table 30**

	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>E031 Domestic Debt (Permanent)</b>			
Pakistan Investment Bonds (Non-Bank)	220,000.00	-100,000.00	150,000.00
Government Ijara Sukuk Bonds	0.00	37,553.10	463.00
<b>TOTAL</b>	<b>220,000.00</b>	<b>-62,446.90</b>	<b>150,463.00</b>

**FOREIGN CURRENCY DEBT (PERMANENT)**

11.4 It includes the following securities:

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

Budget estimates in the case of repayment of Foreign Exchange Bearer Certificates for financial year 2015-16 were estimated at Rs.5.0 million. Revised estimates for the year 2015-16 as well as budget estimates for financial year 2016-17 have also been kept at Rs.5.0 million.

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

Repayment on account of Foreign Currency Bearer Certificates in the budget estimates and revised estimates for financial year 2015-16 as well as budget estimates for financial year 2016-17 have been kept at Rs.5.0 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.

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

This security was introduced in 1991 and discontinued on 17th November, 1994. Against the repayment of Rs. 5.0 million in the budget estimate 2015-16, the revised estimates 2015-16 and budget estimates for the year 2016-17 have been kept at Rs. 3.0 million.

#### 11.4.4 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.50.0 million provided in budget estimates 2015-16, the repayment on account of these bonds in revised estimates for financial year 2015-16 as well as budget estimates for 2016-17 is estimated at the same level i.e. Rs.50.0 million.

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

**Table 31**

Name of Security	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>Foreign Currency Debt (Permanent)</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	-3.00	-3.00
Special US Dollar Bonds	-50.00	-50.00	-50.00
<b>TOTAL</b>	<b>-65.00</b>	<b>-63.00</b>	<b>-63.00</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, National Prize Bonds and Bai-Maujjal Ijara Sukuk 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 denomination of Rs.100/-, Rs.200/-, Rs.750/-, Rs.1500/-, Rs.7500/-, Rs.15,000/-, Rs.25,000/- and Rs. 40,000/-. Against the budgeted receipt of Rs.75,272.8 million for the year 2015-2016, the revised estimates for the year 2015-16 as well as budget estimates for the year 2016-17 are estimated at Rs.110,000.0 million.

### 12.6.3 Government Bai-Maujjal Ijara Sukuk:

Government Bai-Maujjal Ijara Sukuk are issued through auction for a maturity period of one year from the date of issue. Bai maujjal Ijara Sukuk shall be repaid only on maturity. The profit earned on Bai-Maujjal Ijara Sukuk Shall be liable to income tax. Withholding tax shall be deducted at source at the applicalbe rate.

**11.7** The estimates of receipts from floating debt during the year 2015-16 (revised) and 2016-17 (budget) are as under:

**Table 32**

	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>E032 FLOATING DEBT</b>			
<b>A. Market Treasury Bills through Auction (Non-Bank)</b>			
Receipts	484,768.4	493,127.6	266,485.8
Repayments	384,768.4	308,127.6	166,485.8
<b>Net (A):</b>	<b>100,000.0</b>	<b>185,000.0</b>	<b>100,000.0</b>
<b>B. Prize Bonds</b>	<b>75,272.8</b>	<b>110,000.0</b>	<b>110,000.0</b>
<b>C. Govt.Bai-Maujjal Ijara Sukuk</b>	<b>0.0</b>	<b>212,634.0</b>	<b>7,378.0</b>
<b>Net Total Floating Debt (A+B+C)</b>	<b>175,272.8</b>	<b>507,634.0</b>	<b>217,378.0</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 7.70% p.a. on maturity. Withholding tax 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.

#### **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 the yield of Pakistan Investment Bonds of three years maturity. The existing rate of profit on this scheme is 6.00% per annum for first to 5th profits and 6.80% for the last sixth profit. Withholding tax 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.

#### **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 Income Certificates has been linked with the yield of Pakistan Investment Bonds of five years maturity. The existing profit on this scheme is 6.552% per annum. The profit on the scheme is subject to withholding tax and the investment is exempted 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<br>from the date of issue | @ of 2% of face value   |
| (ii) Before two years   | @ of 1.5% of face value |
| (iii) Before three years  | @ of 1% of face value   |
| (iv) Before four years  | @ of 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 till the withdrawal of accumulated principal amount. 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-chequing accounts. Zakat is deducted @ 2.50% on credit balance on valuation date each year if declaration in this regard is not filed. The existing profit on savings account is 4.00% p.a. Withholding tax 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 pensioners' 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 five subsequent deposits subject to the maximum limit of four 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 9.60% 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 exempted from compulsory deduction of withholding tax and zakat. 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**

Initially this scheme was introduced exclusively for widows to cater for their needs with monthly profit payment facility. This scheme was further extended to the aged persons 60 years or above. The existing rate of profit on this scheme is 9.60% per annum. The maximum investment limit in this scheme is four million rupees and eight million rupees for joint holders. 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 accrued from this scheme is exempted from compulsory deduction of withholding tax and zakat. 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)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>G03 Deferred Liabilities</b>	<b><u>233,331.50</u></b>	<b><u>111,732.50</u></b>	<b><u>122,181.00</u></b>
<b>Provident Fund</b>	<b>4,000.00</b>	<b>4,000.00</b>	<b>4,000.00</b>
<b>Saving/Deposit Account/Certificates</b>	<b>227,331.50</b>	<b>102,932.50</b>	<b>113,381.00</b>
Savings Bank Accounts	4,416.70	2,450.00	3,695.00
Khas Deposit Accounts	-4.00	0.00	0.00
Mahana Amdani Accounts	-80.00	-172.00	-170.00
Pensioners' Benefit Accounts	20,322.30	20,283.00	18,800.00
Defence Savings Certificates	15,693.20	6,373.00	5,960.00
Bahbood Savings Certificates	54,961.90	62,441.00	50,000.00
National Deposit Certificates	-1.00	-0.50	-1.00
Khas Deposit Certificates	-2.00	-3.00	-3.00
Special Savings Certificates (Registered)	39,760.00	14,602.50	15,930.00
Special Savings Accounts (Term Deposit)	30,240.00	12,897.50	14,070.00
Regular Income Certificates	57,024.40	-15,952.00	3,000.00
Short Term Saving Certificates	2,000.00	13.00	100.00
New Savings Schemes	3,000.00	0.00	2,000.00
<b>Postal Life Insurance Fund</b>	<b>2,000.00</b>	<b>4,800.00</b>	<b>4,800.00</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 2015-16 and budget estimates for 2016-17 are tabulated on the following pages.

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

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>BENEVOLENT FUNDS</b>	<b>2,112.11</b>	<b>2,333.05</b>	<b>2,566.36</b>
G06202 Civil	738.74	901.58	991.74
G06203 Defence	1,252.10	1,292.02	1,421.22
G06204 T&T	0.03	0.01	0.01
G06205 Pakistan Post Office Deptt.	102.97	120.60	132.66
G06206 Pak PWD	4.79	2.15	2.36
G06208 Food Department	0.00	0.00	0.00
G06209 National Saving	7.24	9.44	10.39
G06210 Pakistan Mint	3.00	3.68	4.05
G06211 Forest Department	0.17	0.08	0.09
G06212 Geological Survey of Pakistan	3.08	3.48	3.83
<b>GROUP INSURANCE FUNDS</b>	<b>494.26</b>	<b>523.25</b>	<b>575.57</b>
G06401 PAK PWD	1.55	0.92	1.02
G06402 Foreign Office	0.10	0.01	0.01
G06403 Food Department	0.03	0.00	0.00
G06404 National Saving	2.81	2.99	3.29
G06405 Pakistan Mint	0.14	0.12	0.13
G06406 Forest Department	0.07	0.13	0.15
G06407 Geological Survey of Pakistan	1.74	2.54	2.80
G06409 Civil	317.55	344.56	379.01
G06410 Defence	160.22	163.44	179.78
PPOD Group Insurance	10.05	8.53	9.39
<b>OTHERS</b>	<b>346,249.90</b>	<b>305,406.44</b>	<b>336,790.09</b>
G06304 Workers Welfare Fund	15,697.11	15,668.70	17,235.57
G07101 Post Office Renewal Reserve Fund	0.00	0.77	0.84
G07102 Post Office Welfare Fund	0.60	0.10	0.11
G07106 PPO Miscellaneous	103,983.67	109,970.96	120,968.06
G08117 Railways Reserve Fund	41,000.00	41,000.00	41,000.00
G08121 Railways Dep. Reserve Fund	500.00	0.00	0.00
G10101 Pak PWD Receipts & Collection Account	0.00	121.21	133.33
G10102 Foreign Office Receipts & Collection Account	6,948.48	8,350.40	9,185.44

## DEPOSITS AND RESERVE FUNDS

(Rs. In Million)

		2015-16 Budget	2015-16 Revised	2016-17 Budget
G10106	Deposit Works of Survey of Pakistan	10.81	14.92	16.41
G10113	Pak PWD Deposits	5,940.12	7,033.12	7,736.43
G10301	Lighthouses and Lightships Reserve Fund	0.00	0.00	0.00
G10304	Zakat Collection Account	3,447.72	1,139.00	1,252.90
G11201	Spl. Deposit Fund for Army supplies-friendly contries	0.06	0.00	0.00
G11210	Agriculture Produce Cess Fund	2.21	0.55	0.61
G11215	Reveue Deposits	2,416.67	13,575.29	14,932.82
G11216	Civil & Criminal court Deposits	247.87	0.00	0.00
G11218	Forest Deposits	15.53	0.36	0.40
G11220	Deposit in connection with Election	3.46	26.40	29.04
G11224	Deposits Accounts with Defence	1,738.24	1,762.98	1,939.28
G11225	Deposits Accounts with AGPR	228.66	142.79	157.07
G11230	Special Remitances Deposits	1,366.43	1,027.99	1,130.79
G11237	Deposit local bodies to meet Claims of contractors	1.43	1.36	1.49
G11238	Security deposit of supply cell	2.28	3.48	3.83
G11240	Security Deposits of Cashiers etc.	2.56	183.60	201.96
G11255	Defence Services Security Deposits.	6,216.31	1,925.46	2,118.01
G11256	Defence Serice Misc. Deposits.	153,040.85	99,641.31	113,705.44
G11276	Security deposit of Private Co.	18.21	39.25	43.18
G11281	Deposits on account of fee realized by PNAC	8.67	13.84	15.22
G11290	Security deposit of Firms/Contractors	41.23	162.14	178.36
G12130	President's Relief Fund for Earthquake Victims 2005	0.07	42.36	46.60
G12135	PM's Special Fund for victims of Terrorism	1.82	0.11	0.12
G12140	PM Flood relief Fund 2010	20.97	1.54	1.69
G12145	PM Flood relief Fund 2011	0.04	0.77	0.84

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
G12148 PM Balochistan Relief & Rehabilitation	1.43	9.86	10.85
G12149 PM Relief Fund for Thar 2014	1.41	0.07	0.08
G12150 PM Relief Fund for IDPs 2014	1,270.63	1,018.40	1,120.24
G12152 Balochistan Flood Relief	33.46	0.85	0.94
G12153 PM Relief Fund for Earthquake effetees of Nepal 2015	0.00	1.58	1.74
G12205 Pakistan Minorities Welfare Fund	0.04	0.37	0.41
G12206 Special Fund for Welfare & Uplift of Minorities	36.33	62.92	69.21
G12305 Export Development Fund	0.00	0.00	0.00
G12308 Reserve Fund for Exchange Risk on Foreign Loans	380.97	30.26	33.29
G12412 Pakistan Oil Seed Development Fund	121.53	118.88	130.77
G12504 Workers Children Education Fund	0.43	0.35	0.38
G12510 Education Welfare Fund	0.14	0.22	0.24
G12738 National Fund for Control of Drug Abuse	22.61	49.19	54.11
G12741 Federal Civil Servant's subscription to Services Book Club	8.86	7.73	8.50
G12745 Central Research & Fund	0.00	1,385.00	1,523.50
G14100 Pakistan Mint	1,470.00	870.00	1,800.00
<b>TOTAL:</b>	<b>348,856.27</b>	<b>308,262.74</b>	<b>339,932.02</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**

Project loans and grants are received from friendly countries and specialized international financial institutions and generally used for procurement of project equipments, supplies and services etc.

External resources comprises of (i) Project Loans and Grants ii) Programme Loans; and iii) Other Loans and grants.

#### **13.2 Project Loans**

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

##### **(a) Loans for Public Sector Development Programs (PSDP)**

Loans contracted by the federal government to finance the Public Sector Development Projects of the Federation or Provinces.

##### **b) Loans for Public Sector Development Programs outside PSDP**

Loans contracted by the federal government to finance the development Projects of the Federation or Provinces, outside PSDP.

#### **13.3 Programme Loans**

Programme loans are provided for budgetary support and are linked/ tied with achievement of specific targets and goals. Programme loans not only stabilize foreign exchange reserves but also generate rupee counterpart to meet country's development needs.

#### **13.4 Other Loans**

Other loans comprises of loans from Islamic Development Bank, Sovereign Bonds, Sukuk Bonds etc., received from non traditional sources generally by way of payment as well as for budgetary support.

13.5 The estimates of external resources for the year 2015-16 (budget and revised) and 2016-17 (budget) are tabulated on the following page.

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

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b><u>EXTERNAL RECEIPTS FOR PSDP PROJECTS</u></b>	<b>751,510.633</b>	<b>823,329.975</b>	<b>807,005.011</b>
<b>A PROJECT AID(1 + 2)</b>	<b><u>232,253.43</u></b>	<b><u>307,784.90</u></b>	<b><u>229,369.57</u></b>
<b>1. Federal Government</b>	<b>146,786.90</b>	<b>250,637.90</b>	<b>143,318.08</b>
Divisions/Departments	26,175.51	37,609.76	26,743.85
Autonomous Bodies	120,611.39	213,028.14	116,574.23
<b>2. Provinces</b>	<b>85,466.53</b>	<b>57,147.01</b>	<b>86,051.49</b>
<b>B PROGRAMME LOANS</b>	<b><u>187,359.70</u></b>	<b><u>324,617.33</u></b>	<b><u>133,796.94</u></b>
<b>(NON-FOOD)</b>			
Loans	187,359.70	324,617.33	133,796.94
<b>C KERRY LUGAR</b>	<b><u>0.00</u></b>	<b><u>304.72</u></b>	<b><u>0.00</u></b>
Grants	0.00	304.72	0.00
<b>E OTHER AID</b>	<b><u>331,897.50</u></b>	<b><u>190,318.31</u></b>	<b><u>443,838.50</u></b>
Loans	331,897.50	190,318.31	443,838.50
<b><u>EXTERNAL RECEIPTS FOR PROJECTS</u></b>			
<b><u>OUTSIDE PSDP</u></b>	<b><u>23,750.29</u></b>	<b><u>36,663.51</u></b>	<b><u>12,605.25</u></b>
Project Loans Ouside PSDP	22,610.290	21,641.769	11,205.320
Project Grants Ouside PSDP	1,140.000	15,021.740	1,399.930
<b><u>TOTAL FOREIGN LOANS AND GRANTS</u></b>	<b><u>775,260.923</u></b>	<b><u>859,993.484</u></b>	<b><u>819,610.261</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

14.3 The estimates of privatization proceeds are given below:

**Table 36**

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>Privatization Proceeds</b>	<b>50,000.00</b>	<b>13,600.00</b>	<b>50,000.00</b>

## 15. SELF-FINANCING OF PSDP BY PROVINCES

The following table shows contribution by the Provinces for their Public Sector Development Programme in 2015-16 (Budget & Revised) and 2016-17 (Budget).

**Table 37**

	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>Self-Financing of PSDP by Provinces</b>	<b>709,026.21</b>	<b>642,460.05</b>	<b>780,639.45</b>
<b>Foreign Assistance</b>	<b>104,690.79</b>	<b>89,820.35</b>	<b>94,360.57</b>
<b>Total Provincial PSDP</b>	<b>813,717.00</b>	<b>732,280.40</b>	<b>875,000.02</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 BALOCHISTAN

	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>Development Programme</b>	<b>78,116.83</b>	<b>70,298.88</b>	<b>84,000.00</b>
Less Provincial Contribution	74,725.43	68,909.62	77,818.09
<b>Federal Assistance</b>	<b>3,391.40</b>	<b>1,389.26</b>	<b>6,181.91</b>
<b>I. Cash Assistance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Japanese Grant	0.00	0.00	0.00
Programme Loan	0.00	0.00	0.00
<b>II. Foreign Project Assistance</b>	<b>3,391.40</b>	<b>1,389.26</b>	<b>6,181.91</b>
Loans	1,226.48	538.62	5,305.10
Grants	2,164.92	850.64	876.81

**Table 39**

### FINANCING OF ADP OF KHYBER PAKHTUNKHWA

	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b>Development Programme</b>	<b>141,912.2</b>	<b>127,710.0</b>	<b>152,600.0</b>
Less Provincial Contribution	126,688.5	121,408.6	139,699.8
<b>Federal Assistance</b>	<b>15,223.7</b>	<b>6,301.4</b>	<b>12,900.2</b>
<b>I. Cash Assistance</b>	<b>7.0</b>	<b>0.0</b>	<b>7.0</b>
Japanese Grant	7.0	0.0	7.0
Programme Loan	0.0	0.0	0.0
<b>II. Foreign Project Assistance</b>	<b>15,216.7</b>	<b>6,301.4</b>	<b>12,893.2</b>
Loans	6,337.6	2,920.4	4,053.8
Grants	8,879.1	3,381.0	8,839.3

**Table 40**  
**FINANCING OF ADP OF PUNJAB**

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b><u>Development Programme</u></b>	<b><u>420,040.7</u></b>	<b><u>378,002.9</u></b>	<b><u>451,675.0</u></b>
Less Provincial Contribution	375,058.8	336,458.6	415,972.9
<b>Federal Assistance</b>	<b>44,981.9</b>	<b>41,544.4</b>	<b>35,702.1</b>
<b>I. Cash Assistance</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Japanese Grant	0.0	0.0	0.0
Programme Loans	9,335.3	11,766.5	5,749.3
<b>II. Foreign Project Assistance</b>	<b>35,646.7</b>	<b>29,777.9</b>	<b>29,952.8</b>
Loans	34,417.7	28,690.5	29,952.8
Grants	1,229.0	1,087.4	0.0

**Table 41**  
**FINANCING OF ADP OF SINDH**

(Rs. In Million)

	2015-16 Budget	2015-16 Revised	2016-17 Budget
<b><u>Development Programme</u></b>	<b><u>173,647.2</u></b>	<b><u>156,268.6</u></b>	<b><u>186,725.0</u></b>
Less Provincial Contribution	132,553.4	115,683.3	147,148.6
<b>Federal Assistance</b>	<b>41,093.8</b>	<b>40,585.3</b>	<b>39,576.4</b>
<b>I. Cash Assistance</b>	<b>45.5</b>	<b>0.0</b>	<b>45.5</b>
Japanese Grant	45.5	0.0	45.5
Programme Loans	9,836.6	20,906.9	2,507.3
<b>II. Foreign Project Assistance</b>	<b>31,211.8</b>	<b>19,678.4</b>	<b>37,023.6</b>
Loans	25,165.5	15,548.7	29,399.3
Grants	6,046.2	4,129.7	7,624.3



**Table 42**  
**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT**  
**DURING 2015-16 (BUDGET ESTIMATES)**

(Rs. In Million)

	Phyber				TOTAL
	Balochistan	Pakhtunkhw	Punjab	Sindh	
<b>Development Program</b>	<b>78,116.8</b>	<b>141,912.2</b>	<b>420,040.7</b>	<b>173,647.2</b>	<b>813,717.0</b>
Less Prov. Contributor	74,725.4	126,688.5	375,058.8	132,553.4	709,026.2
<b>Federal Assistance</b>	<b>3,391.4</b>	<b>15,223.7</b>	<b>44,981.9</b>	<b>41,093.8</b>	<b>104,690.8</b>
<b>Cash Assistance</b>	<b>0.0</b>	<b>7.0</b>	<b>9,335.3</b>	<b>9,882.0</b>	<b>19,224.3</b>
Japanese Grant	0.0	7.0	0.0	45.5	52.5
Programme Loan	0.0	0.0	9,335.3	9,836.6	19,171.8
<b>Foreign Project</b>					
<b>Assistance</b>	<b>3,391.4</b>	<b>15,216.7</b>	<b>35,646.7</b>	<b>31,211.8</b>	<b>85,466.5</b>
Loans	1,226.5	6,337.6	34,417.7	25,165.5	67,147.2
Grants	2,164.9	8,879.1	1,229.0	6,046.2	18,319.3

**Table 43**  
**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT**  
**DURING 2015-16 (REVISED ESTIMATES)**

(Rs. In Million)

	Phyber				TOTAL
	Balochistan	Pakhtunkhw	Punjab	Sindh	
<b>Development Program</b>	<b>70,298.9</b>	<b>127,710.0</b>	<b>378,002.9</b>	<b>156,268.6</b>	<b>732,280.4</b>
Less Prov. Contributor	68,909.6	121,408.6	336,458.6	115,683.3	642,460.0
<b>Federal Assistance</b>	<b>1,389.3</b>	<b>6,301.4</b>	<b>41,544.4</b>	<b>40,585.3</b>	<b>89,820.4</b>
<b>Cash Assistance</b>	<b>0.0</b>	<b>0.0</b>	<b>11,766.5</b>	<b>20,906.9</b>	<b>0.0</b>
Japanese Grant	0.0	0.0	0.0	0.0	0.0
Programme Loan	0.0	0.0	11,766.5	20,906.9	32,673.3
<b>Foreign Project</b>					
<b>Assistance</b>	<b>1,389.3</b>	<b>6,301.4</b>	<b>29,777.9</b>	<b>19,678.4</b>	<b>57,147.0</b>
Loans	538.6	2,920.4	28,690.5	15,548.7	47,698.2
Grants	850.6	3,381.0	1,087.4	4,129.7	9,448.8

**Table 44**  
**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENT**  
**DURING 2016-17 (BUDGET ESTIMATES)**

(Rs. In Million)

	Balochistan	Punjab	Sindh	TOTAL
	Phyber			
	Balochistan	Punjab	Sindh	TOTAL
<b>Development Program</b>	<b>84,000.0</b>	<b>451,675.0</b>	<b>186,725.0</b>	<b>875,000.0</b>
Less Prov. Contributor	77,818.1	415,972.9	147,148.6	780,639.4
<b>Federal Assistance</b>	<b>6,181.9</b>	<b>35,702.1</b>	<b>39,576.4</b>	<b>94,360.6</b>
<b>Cash Assistance</b>	<b>0.0</b>	<b>5,749.3</b>	<b>2,552.8</b>	<b>52.5</b>
Japanese Grant Programme Loan	0.0	0.0	45.5	52.5
Foreign Project Assistance	0.0	5,749.3	2,507.3	8,256.6
Loans	6,181.9	29,952.8	37,023.6	86,051.5
Grants	5,305.1	29,952.8	29,399.3	68,711.1
	876.8	0.0	7,624.3	17,340.4

**Table 45**

**DEVELOPMENT ASSISTANCE TO PROVINCIAL GOVERNMENTS DURING  
2014-15 (BUDGET & REVISED) AND 2015-16 (BUDGET)**

Province	(Rs. In Million)		
	2015-16 Budget	2015-16 Revised	2016-17 Budget
Balochistan	3,391.4	1,389.3	6,181.9
Khyber Pakhtunkhwa	15,223.7	6,301.4	12,900.2
Punjab	44,981.9	41,544.4	35,702.1
Sindh	41,093.8	40,585.3	39,576.4
<b>TOTAL</b>	<b>104,690.8</b>	<b>89,820.4</b>	<b>94,360.6</b>